

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Purchase Agreement
CONVEYING PARTY DATA	
Name	Execution Date
Burlington Basket Company	01/25/2007
RECEIVING PARTY DATA	
Name:	Graco Children's Products Inc.
Street Address:	150 Oaklands Blvd.
City:	Exton
State/Country:	PENNSYLVANIA
Postal Code:	19341
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	11439045
Patent Number:	7053779
Patent Number:	7009520
CORRESPONDENCE DATA	
Fax Number:	(312)291-0864
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	3122910860
Email:	mail@lempialaw.com
Correspondent Name:	Lempia Forman LLC
Address Line 1:	223 West Jackson Blvd.
Address Line 2:	Suite 620
Address Line 4:	Chicago, ILLINOIS 60601
ATTORNEY DOCKET NUMBER:	01 GRA-19
NAME OF SUBMITTER:	Bryan J. Lempia
Total Attachments: 7	

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**PURCHASE AGREEMENT FOR UTILITY PATENTS  
AND PATENT APPLICATIONS**

This Purchase Agreement ("Agreement") is made and is effective as of 1-25-07 ("Effective Date"), by and between Burlington Basket Company ("Seller"), an Iowa corporation having a principal office at 922 Bluff Road, Burlington, Iowa, (Facsimile No. 319-754-5991), and Graco Children's Products Inc. ("Buyer"), a Delaware corporation having an office at 150 Oaklands Boulevard, Exton, PA 19341 (Facsimile No. 610-884-8720).

**RECITALS**

A. Seller is the owner of all right, title and interest in the patents identified in *Exhibit A*, which is attached hereto; and

B. Buyer wishes to acquire these patents on the terms and conditions set forth herein.

**NOW, THEREFORE**, in view of the following mutual covenants, and for other good and sufficient consideration, the adequacy of which is hereby acknowledged, the parties agree as follows:

**1. Definitions**

1.1 "Acquired Patents" means the patents and patent applications identified in Exhibit A together with any and all corresponding patents or industrial design registrations, utility models, Gebrauchsmusters, Geschmachsmusters, issued or pending anywhere in the world, and all extensions, continuations, continuations-in-part, divisions and reissues issued thereof.

1.2 "Acquired Technology" means the Acquired Patents, as well as any know-how, trade secrets, or technology developed or provided by Seller relating to the Acquired Patents, in each case in existence on or before the Effective Date.

**2. Assignment**

2.1 Subject to Buyer's fulfillment of its obligations under Section 3 of this Agreement, and conditioned thereon, Seller hereby irrevocably assigns to Buyer all right, title and interest in and to the Acquired Patents and Acquired Technology and any and all inventions embodied therein, including any right to enforce prior settlement agreements (e.g., agreements with Dorel and Fisher Price) related to the Acquired Patents.

**3. Consideration**

3.1 In consideration of the Assignment in Section 2.1 and all other representations and warranties set forth in this Agreement, Buyer will pay to Seller the sum of Two Hundred Fifty Thousand United States Dollars (\$250,000 USD).

#### **4. Documentation**

4.1 Seller will provide Buyer with copies of any papers filed in, or received from, the U.S. Patent and Trademark Office (or in the case of a foreign patent application, the applicable governmental office) pertaining to the Acquired Patents, including, without limitation, Office Actions and responses thereto. Seller also will provide Buyer with copies of all Acquired Technology in its possession as of the Effective Date..

#### **5. Representations and Warranties**

5.1 Seller represents and warrants that:

- (a) Seller is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the full right and power to enter into this Agreement and to perform the obligations and grant the assignment set forth in this Agreement;
- (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action of Seller and are therefore binding on Seller;
- (c) there are no agreements, assignments or encumbrances in existence that are inconsistent with the provisions of this Agreement;
- (d) the Acquired Patents have not been, and will not be, knowingly obtained through any activity, omission or representation that would limit or destroy the validity of the Acquired Patents, and the Seller has no knowledge or information that would have a material adverse effect upon the validity and/or enforceability of the Acquired Patents;
- (e) Seller owns all right, title and interest in and to the Acquired Patents;
- (f) to Seller's knowledge, the use of the Acquired Patents by Buyer pursuant to this Agreement will not infringe the rights of any third party;
- (g) to Seller's knowledge, there are no actions threatened, or pending before any court, relating to the Acquired Patents;
- (h) except as described in Exhibit B attached hereto, Seller has no knowledge of the Acquired Patents being infringed by others; and
- (i) except as described in Exhibit B attached hereto, Seller has granted no license or covenant not to sue relating to any of the Acquired Patents to any third party.

5.2 Buyer represents and warrants that:

- (a) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the full right and power to enter into this Agreement and to perform the obligations set forth in this Agreement;
- (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action of Buyer and are therefore binding on Buyer; and
- (c) there are no agreements, assignments or encumbrances in existence that are inconsistent with the provisions of this Agreement.

5.3 With respect to the representations by Seller set forth in Section 5.1(i) and Exhibit B, if the license granted to Fisher Price is not null and void per the terms of the settlement agreement between Fisher Price and Seller, as represented by Buyer in Exhibit B, then (a) Seller will reimburse Buyer the sum of One Hundred Fifty Thousand Dollars (\$150,000) and (b) Seller will assign all right, title and interest under the license to Buyer.

## 6. Confidentiality

6.1 Except as set forth in Section 6.2 of this Agreement, each party (the "receiving party") will keep in confidence any and all information related to the subject matter of this Agreement. The receiving party shall not disclose such information to any third parties without the express written authorization of the disclosing party and shall use such information solely for purposes authorized under this Agreement.

6.2 In no event, however, will the receiving party be restrained under Section 6.1 from disclosing information that:

- (a) is shown to be information that is published or otherwise in the public domain, rather than that acquired through the relationship of the parties, or that becomes published or otherwise a part of the public domain through no fault of the receiving party;
- (b) was lawfully in the possession of the receiving party prior to its disclosure by the disclosing party;
- (c) is hereafter acquired by the receiving party from a third party that is lawfully in the possession of such information and under no obligation of confidence to the disclosing party;
- (d) required by law to be disclosed; *provided* that the receiving party must notify the disclosing party in writing prior to disclosing any such confidential information.

**7. Notices**

7.1 All notices and statements will be in writing and, together with all payments provided for herein, will be given at the respective addresses of the parties set forth above, or at such changed address as the recipient will have provided in writing. In addition, an additional copy of all notices to Buyer shall be sent to:

General Counsel.  
Newell Rubbermaid Inc.  
Legal Department  
10b Glenlake Parkway  
Atlanta, GA 30328

With a copy to:

Legal Department  
Graco Children's Products Inc  
150 Oaklands Boulevard  
Exton, PA 19341

All notices (other than statements and payments) will be sent by overnight delivery service (with written receipt of delivery). Such notice will be deemed given upon the date of such receipt of delivery.

**8. Entire Agreement**

8.1 This Agreement constitutes the entire agreement between Seller and Buyer and supersedes any previous agreement between the parties relating to the subject matter hereof. No writings or prior letters, contracts or verbal agreements between the parties are part of, or may modify, this Agreement. The terms of this Agreement may not hereafter be modified unless such modification is in writing and duly executed by both parties.

**9. Force Majeure**

9.1 Neither Seller nor Buyer will incur liability to the other for delay or default in performing any obligations under this Agreement if such delay or default results from force majeure, including but not limited to, wars or insurrections, acts of government and acts of God. The parties will use commercially reasonable efforts to minimize the adverse impact of such events.

**10. Waiver**

10.1 If either party waives a breach of any provision of this Agreement, or forbears from enforcing any rights hereunder, such waiver or forbearance will not affect any rights with respect to any future breach of the same or any other provision.

**11. Severability**

11.1 In the event that any of the provisions contained in this Agreement will, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision of this Agreement and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained herein; *provided, however*, that nothing in this Section shall prohibit or be deemed to prohibit Buyer from enjoying the full and entire value of the Acquired Patents assigned hereunder.

**12. Governing Law; Jurisdiction and Venue**

12.1 This Agreement will be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania, without giving effect to the principles of conflict of laws thereof. The parties agree that any litigation will be subject to the exclusive jurisdiction and venue of the Pennsylvania state courts located in Philadelphia, PA (or, if there is exclusive federal jurisdiction, the United States District Court for the applicable district of Pennsylvania), and the parties hereby submit to the personal and exclusive jurisdiction and venue of these courts.

**13. No Agency Created**

13.1 This Agreement does not make either party the legal representative, agent or partner of the other. Neither party will have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name of the other party, except as specifically set forth in the Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first above written.

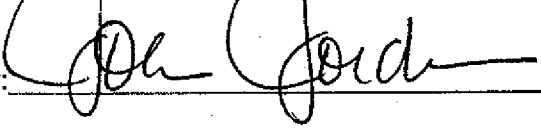
[Burlington Basket Company]

By: 

Name: Rick L. Thompson

Title: CEO

[Graco Children's Products Inc.]

By: 

Name: John Jordan

Title: VP CFO

**EXHIBIT A**

U.S. Publication No. 2006/0220884

US Patent No. 7053779

US Patent No. 7009520

US Provisional Application No. 60/234577.



## **EXHIBIT B**

Burlington Basket Company v. Fisher-Price, Inc., et al., No. 3:06-cv-00025-CRW-TJS (S.D. Iowa): Burlington Basket Company (the "Company") initiated this patent infringement action on March 9, 2006, alleging infringement of its U.S. Patent No. 7,009,520 (the "Patent") regarding a vibrating baby monitor device by Fisher-Price, Inc. ("Fisher-Price") and Dorel Juvenile Group, Inc. ("Dorel"). Both claims have settled and the case has been dismissed. Although the terms of both settlement agreements are confidential, both defendants received releases for past infringement of the Patent and represented that they had discontinued the sale of the accused products. Dorel was granted the right to sell its remaining inventory within a limited period of time. Fisher-Price was granted a prospective, non-exclusive license under the Patent, which would become effective on May 1, 2007, but per the terms of the settlement agreement between the Company and Fisher-Price, said license will be rendered null and void by virtue of the assignment of the Patent to Graco.