

<b>PATENT ASSIGNMENT COVER SHEET</b>
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Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT3069739

<b>SUBMISSION TYPE:</b>	RESUBMISSION
<b>NATURE OF CONVEYANCE:</b>	ASSIGNMENT OF ALL RIGHT, TITLE AND INTEREST IN PATENT BY COURT ORDER
<b>RESUBMIT DOCUMENT ID:</b>	502986144

**CONVEYING PARTY DATA**

Name	Execution Date
CHARLES DWAYNE GLOWNER	09/05/2013

**RECEIVING PARTY DATA**

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<b>City:</b>	FT. PAYNE
<b>State/Country:</b>	ALABAMA
<b>Postal Code:</b>	35967
<b>Name:</b>	MARTHA "NIKKI" SCOTT
<b>Street Address:</b>	411 AL AVE, SW
<b>City:</b>	FT. PAYNE
<b>State/Country:</b>	ALABAMA
<b>Postal Code:</b>	35967

**PROPERTY NUMBERS Total: 1**

Property Type	Number
<b>Patent Number:</b>	6755412

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<b>NAME OF SUBMITTER:</b>	INDIA E. VINCENT (REG. NO. 45181)
<b>SIGNATURE:</b>	/India E. Vincent/

<b>DATE SIGNED:</b>	10/17/2014
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**Total Attachments: 8**

- source=Glowner, Cert of Judgment#page1.tif
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### CERTIFICATE OF JUDGMENT

Case Number  
CV 2012-900093

IN THE         Circuit         COURT OF         DeKalb        , ALABAMA

(Circuit or District)

(Name of County)

Wilson & Scott, LLC

v.

Dwayne Glowner

**Plaintiff**

**Defendant**

DeKalb County, Alabama  
Ronnie Osborn, Judge of Probate  
Filed/cert. 4/18/2014 11:31 AM  
TOTAL \$ 13.50  
1 Pages

3063074

1840 Charleston Lane

Defendant's Address

Bartow, FL 33830

City

State

Zip Code

Defendant's Telephone Number

TYPE: MISC BOOK: 413 PAGE: 215

**Names and Addresses of Additional Parties to the Judgment:** (attach separate sheets if necessary)

Additional Plaintiffs -- Robert Wilson and Martha "Nikki" Scott, 411 AL Ave., SW, Fort Payne, AL 35967

I, Clerk of the above-named Court, hereby certify that on (date) 9-6-13 plaintiff(s) recovered of defendant(s) in the Court a judgment  with  without waiver of exemptions for the sum of \$ 3,000,000 plus \$ \_\_\_\_\_ in court costs.

E. Allen Dodd, P.O.Box 681109, Fort Payne, AL 35967 is plaintiff's attorney of record.

**FILED**

APR 15 2014

CIRCUIT CLERK  
DeKALB COUNTY

Given under my hand this date 4/15/14

*Pam Simpson*

Clerk

I certify that this instrument was filed for record in my office on (date) \_\_\_\_\_ at (time) \_\_\_\_\_ and duly recorded in book \_\_\_\_\_ page \_\_\_\_\_.

\_\_\_\_\_  
Judge of Probate

IN THE CIRCUIT COURT OF DEKALB COUNTY, ALABAMA

WILSON & SCOTT LLC;  
ROBERT WILSON, and  
MARTHA "NIKKI" SCOTT;

Plaintiffs,

vs.

DWAYNE GLOWNER, et. al.,

Defendants

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DeKalb County, Alabama  
Ronnie Osborn, Judge of Probate  
Filed/cert. 4/18/2014 11:32 AM  
TOTAL \$ 46.50  
7 Pages

3063075

TYPE: MISC BOOK: 413 PAGE: 216

Case No.: CV-12-900093

DEFAULT JUDGMENT

This matter came on for hearing on the Motion for Default Judgment filed by the Plaintiffs Wilson & Scott, LLC, Robert Wilson, and Martha "Nikki" Scott (collectively, "the Plaintiffs") against the Defendant Dwayne Glowner on June 14<sup>th</sup>, 2013. Prior to this hearing, the Plaintiffs filed an application for default against Defendant Dwayne Glowner for Glowner's failure to answer Plaintiffs' First Amended Complaint. That application was supported by an affidavit from Plaintiffs' counsel, E. Allen Dodd, Jr. Glowner had been served with a copy of the Plaintiffs' First Amended Complaint on August 28<sup>th</sup>, 2012. More than ten days elapsed after the Defendant was served with Plaintiffs' First Amended Complaint, but the Defendant failed to answer the First Amended Complaint as required by Ala. R. Civ. P. 15(a). The Plaintiffs filed a Motion for Entry of Default Judgment on September 28<sup>th</sup>, 2012. On January 22<sup>nd</sup>, 2013, this Court entered an order for entry of default against the Defendant Glowner. On that same day, this Court set for evidentiary hearing the Plaintiffs' Motion for Default Judgment against Glowner. That hearing was scheduled for February 15<sup>th</sup>, 2013. The February 15<sup>th</sup>, 2013 was continued until June 14<sup>th</sup>, 2013. The Defendant Glowner was served with notice of all hearings, including the June 14<sup>th</sup>, 2013 Hearing by first class mail, postage prepaid, at the following addresses: Dwayne Glowner, 1840 Charleston Lane, Bartow, Florida 33830; and Dwayne Glowner, 3375 U.W. Highway 98 SE One, Lakeland, Florida 33815.

I, Pam Simpson, Clerk hereby certify that the foregoing is a true and correct copy of the original on file in this cause. Given under my hand and seal this the 18<sup>th</sup> day of April 2014.

Pam Simpson  
DeKalb County Circuit Court  
REEL: 034027 FRAME: 0557

**Glowner failed to appear at the June 14<sup>th</sup>, 2013 Hearing. Upon submissions of the Plaintiffs, including but not limited to the undisputed Affidavit of Robert Guest Wilson, the Court makes the following Findings of Fact and Conclusions of Law and enter its Conditional Default Judgment in favor of the Plaintiffs Wilson & Scott, LLC, Robert Wilson and Martha (“Nikki”) Scott as follows:**

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

- 1. Plaintiffs are Wilson & Scott, LLC, Robert Wilson and Martha “Nikki” Scott. Wilson and Scott are partners in the law firm of Wilson & Scott, LLC. The predecessor firm to Wilson & Scott, LLC is Wear and Wilson, P.A.**
- 2. On April 5<sup>th</sup>, 2002 Glowner hired the law firm of Wear & Wilson, P.A. to represent him in a dispute with Glowner’s former employer, Joe Scott & Associates.**
- 3. One issue between Glowner and his former employer was a mechanical invention of Glowner’s. As part of an employment contract with Scott, Glowner had assigned his interest in the invention to Scott. Glowner contended, among other things, that Scott had breached the contract and that Glowner should have ownership of the invention restored to him. Scott adamantly disputed Glowner’s claims.**
- 4. The mechanical invention was a “feeder” that Glowner had invented. This feeder is a high-speed insert feeding assembly that facilitates the feeding of “inserts” into newspapers. Essentially, the invention provides an insert feeding assembly that can feed crumpled inserts without jamming, feed inserts having different thicknesses, and operate at printing press speed. The invention is also designed to be easier to operate, comprise fewer parts, require less greasing during operation, and be less sensitive to timing errors than those insert feeding assemblies pre-existing it.**
- 5. The invention consists of an insert supporting assembly for supporting a stack of inserts, a converting assembly for converting the stack of inserts into an overlapping stream of inserts, a conveying assembly for moving the overlapping stream of inserts through the feeding assembly, and an overlapping stream separating and ejecting assembly for separating inserts from the overlapping stream and ejecting them out of the feeding assembly and into the pockets of the newspapers.**

6. Glowner's invention was at least three times faster than anything else on the market, and would significantly reduce labor costs for the intended users.
7. Glowner's feeder could be added to existing equipment at a cost of about \$30,000 per unit. Glowner estimated that the production cost of the feeder would be approximately \$8,000 to \$10,000 per unit.
8. To represent him in his lawsuit with his former employer, Glowner retained the Plaintiffs on a contingency basis.
9. The relevant terms of the Fee Agreement between Glowner and the Plaintiffs include the following provision:

The attorneys fee (payable by Glowner) shall be CONTINGENT ON WHAT IS RECOVERED in this matter by way of settlement, judgment or otherwise, to be computed as follows:

- a. 33 1/3% of all sums recovered if the case is settles before suit if filed.
- b. 33 1/3% of all sums recovered if the case is settled after the suit is filed.
- c. \_\_\_\_\_% of all sums recovered if the case is brought to a close after an appeal bond is posted or appeal is otherwise perfected.

SAID CONTINGENCY FEE SHALL ALSO INCLUDE 1/3 OF CLIENTS FUTURE EARNINGS FROM FEEDER AS A RESULT OF LAWSUIT MAXIMUM OF \$3,000,000 @ \$1,000 PER FEEDER ON FUTURE EARNINGS.

10. After Glowner entered into the contingency fee agreement with the Plaintiffs, litigation ensued.
11. That litigation was styled *Dwayne Glowner, et al. v. Joe Scott, et al.*, Circuit Court, DeKalb County, Alabama CV-02-130 ("the Prior Action").
12. As a direct result of the professional efforts of Plaintiffs, the litigation was settled in Glowner's favor.
13. As part of the settlement, the Defendants in the *Glowner v. Scott* Litigation "bargain(ed), (sold), transfer(red) and assign(ed) all Right, title and interest in the (subject) feeder... to (Defendant) Dwayne Glowner."
14. The Defendants in the *Glowner v. Scott* litigation also assigned to Glowner the patent application that had been filed on the subject Feeder invention, and "authorize(ed) and request(ed) the Director Of the U.S. Patent and Trademark Office to issue said United States

patent to said assignee, of the entire rights, title and interest in and to the same, for his sole use and behoof; and for the use and behoof of his legal representatives, to the full end of the term for which said patent may be granted... .”

15. Following settlement of the Glowner v. Scott litigation, the Plaintiffs paid legal fees and other costs and expenses necessary to prosecute the patent for the feeder invention.
16. As a result of the Plaintiffs' efforts, Glowner was awarded a patent On the feeder, which was United States Patent No. 6,755,412B1 (the “412 Patent”), awarded on June 29<sup>th</sup>, 2004.
17. Plaintiffs have now learned the following material facts: (1) Glowner has manufactured and sold feeders that incorporate the “412 Patent”; (2) Glowner has not accounted for the sales of the subject feeders to the Plaintiffs; and (3) Glowner has not paid any sums due and owing to the Plaintiffs from the sales of the subject feeders.
18. In fact, Glowner has never paid the Plaintiffs any monies whatsoever.
19. Further, the Plaintiffs have learned that Glowner filed a lawsuit styled *Dwayne Glowner, Plaintiff v. Muller-Martini Mailroom Systems, Inc.*, In The United States District Court For The Middle District of Florida, Tampa Division, Case No. 8:09-CV-01768-EAK-TGW (“the Muller-Martini litigation”).
20. In that lawsuit, Glowner contended that the Defendant Muller-Martini Mailroom Systems, Inc. (“Muller-Martini”) had infringed upon his “412 Patent”.
21. Specifically, Glowner filed suit on August 28<sup>th</sup>, 2009 and accused Muller-Martini of infringing Claims 1, 9 and 17 of the ‘412 Patent by Making, using, selling and offering to sell Muller-Martini’s SLS 3000 XL inserter machine. Muller-Martini’s machine includes a High-speed insert feeding assembly, the Universal Feeder (“XL Feeder”).
22. On January 31<sup>st</sup>, 2012, the Federal District Judge in the Muller-Martini litigation entered an Order On Plaintiff’s (Dwayne Glowner) Motion to Strike, Plaintiff’s Motion for Partial Summary Judgment, And Defendant’s Motions for Summary Judgment.
23. In that Order, the Judge Elizabeth Kovachevich denied the Defendant’s motions for Summary Judgment, and set the matter for trial. Importantly, the Court found, *inter alia*, that “Glowner began selling feeder machines in 2004, and approached MMMS (Muller-Martini) about licensing or purchasing the technology; MMMS declined.” The Court further found that “MMMS

subsequently developed and brought to market its own inserter machine, the SLS 3000 XL, and it is this machine that forms the basis for Glowner's infringement allegations... .”

24. The Federal Court set the matter for trial on July 2<sup>nd</sup>, 2012.
25. Glowner never disclosed to Plaintiffs that he had sold feeder machines since 2004, and Glowner never disclosed to Plaintiffs that he was in patent litigation concerning the '412 Patent.
26. Following the Court's ruling denying the Defendant's Motions for Summary Judgment, Glowner and MMMS continued to attempt to resolve Glowner's claims against MMMS.
27. The Plaintiffs in this lawsuit, Wilson and Scott, through their Counsel, advised Glowner's patent infringement lawyer, Timothy C. Davis (Heninger Garrison Davis, LLC), in pertinent part as Follows:

Please find enclosed a copy of the complaint against Dwayne Glowner... He has not paid our clients money that he clearly owes. We understand that Mr. Glowner is in litigation with Muller-Martini Mailroom Systems, Inc. in Florida. Please be advised that if Mr. Glowner does not use the proceeds of any settlement or judgment in his Florida lawsuit to pay our client, and instead pays those proceeds to someone else, we will consider that to be a fraudulent transfer under applicable law and will pursue all remedies allowed by law against Mr. Glowner and all recipients of those transferred proceeds.

28. Glowner settled his lawsuit against MMMS, and received a money settlement from MMMS.
29. Glowner may also have received a license or royalty or other like Arrangement with MMMS.
30. Glowner has not disclosed the terms of his settlement to the Plaintiffs Wilson and Scott.
31. Because of the efforts of Plaintiffs, Glowner has received the '412 Patent, proceeds from sales of the feeder, and proceeds from a lawsuit concerning infringement of the '412 Patent.
32. While the plaintiffs have not demonstrated to the exact penny the amounts owed to them by Glowner under the subject Contingency Fee Contract, Alabama law is well-settled that mere uncertainty as to the amount of damages does not preclude recovery where the damages are shown to proximately flow from the injury if the Defendant's wrongful act has made it difficult for the Plaintiffs to



- show, with reasonable certainty, the amount of their loss. Alabama Law of Damages, 5<sup>th</sup> Ed., Marsh and Gamble, §2.7.
33. Here, the Defendant Glowner has failed to appear before this Court to answer Plaintiffs. Amended Complaint and or to otherwise defend or explain his breach of the subject Contingent Fee Contract.
  34. The Plaintiffs can demonstrate and have demonstrated that the feeder, in 2002, was anticipated to sell for approximately \$30,000.00, and that the Defendant Glowner estimated that the Production cost of the feeder would have been approximately \$8,000.00 to \$10,000.00 per unit.
  35. Defendant Glowner further estimated in 2002 that a minimum of 1,000 feeders would have been sold in the first year of production, and 3,000 feeders the following year.
  36. Using the finding of fact from the Federal District Court's Order - that Glowner began selling the machines in 2004 - it is reasonable to find that Glowner may have sold anywhere from 10,000 to 30,000 machines over the last decade.
  37. That is, Glowner may have generated anywhere from \$30 million To \$100 million in gross sales, with a commensurate production Cost of \$8 million to \$10 million.
  38. Those sales numbers – in both volumes of machines and revenue – support entry of a judgment in favor of the Plaintiffs in the amount of \$3 million, the maximum allowed under the contingent fee contract.
  39. Under the subject Contingency Fee Agreement, the Plaintiffs Wilson and Scott were to be paid by Defendant Glowner the amount of \$1,000 per machine up to a maximum of \$3 million. That maximum amount would have been reached by the sale of only 3,000 machines, and Glowner himself projected the sale of 4,000 machines in the first two years of production alone.
  40. Further, in Plaintiffs' First Amended complaint, the Plaintiffs allege that it is "undisputed that without Plaintiffs' efforts, Glowner would not have obtained a patent (on) the subject feeder." Pltfs' Amend. Compl., paragraph 3.
  41. Because Glowner procured the subject patent with the Plaintiffs' efforts, but Glowner breached his duties to the Plaintiffs, failed to pay Plaintiffs monies owed them, and failed to disclose monies Glowner had earned as a result of the patent, the Plaintiffs claim that Glowner had earned as a result of the patent, the Plaintiffs claim that Glowner has forfeited his ownership of the '412 Patent, and that the Plaintiffs should be granted ownership of the

- '412 Patent.**
- 42. The Plaintiffs claim, because of the terms of the Contingent Fee Agreement with Glowner, Glowner owed them fiduciary duties to account for, correctly report, collect and hold, and pay over to Plaintiffs proceeds derived from the '412 Patent. The Plaintiffs further claim that Glowner breached these duties, and injured them as a proximate result.**
  - 43. As noted above, Glowner also received settlement proceeds from the Muller-Martini litigation. Although asked to do so, Glowner never disclosed how much he received in settlement of his claims in that litigation.**
  - 44. Glowner did not answer any of these claims and contentions asserted by Plaintiffs in their First Amended Complaint. Default having been entered against Glowner, and Glowner having failed to appear to contest the entry of a Default Judgment against him, the Court finds that Default Judgment is due to be and hereby entered Against Glowner as follows:**
    - a. The Court enters Judgment in favor of the Plaintiffs Robert Wilson, Martha "Nikki" Scott, and Wilson and Scott, LLC in the amount of \$3 million against the Defendant Dwayne Glowner, for which judgment let execution issue immediately.**
    - b. All right, title and interest in the '412 Patent is hereby conveyed, assigned and otherwise transferred to Plaintiffs Robert Wilson and Martha "Nikki" Scott, and any and all interest Glowner may have had in the '412 Patent is declared FORFEITED in favor of Plaintiffs;**
    - c. A constructive trust is hereby established and imposed upon all proceeds received by Glowner in settlement of the Muller-Martini litigation, whether received directly or indirectly, and the Plaintiffs shall cause post-judgment discovery to issue to Glowner immediately to determine the amounts received by Glowner in such settlement.**
    - d. This Court retains jurisdiction over this matter to enforce the terms of this judgment.**
    - e. All costs and expenses are taxed to the Defendant Dwayne Glowner.**

**DONE this the 5<sup>th</sup> day of September, 2013.**

**/S/WILLIAM W.CARDWELL  
SPECIAL JUDGE**