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Fight heats up over patents on caller ID

Caller ID has been around for some time, but because of regulatory hurdles and privacy issues, it has not been widely embraced by consumer electronic manufacturers until now. The recent FCC ruling is expected to press local intrastate Caller ID to be adopted in every state eventually, many advocates and opponents widely agree.

At the Winter CES Show in Las Vegas this year, several major manufacturers exhibited new and expanded product offerings that feature Caller ID display devices, including Panasonic, Sony, Northwestern Bell, Southwestern Bell, General Electric and AT&T, among others.

Many people believe that AT&T was one of the early developers of the technology that allows display of the number of a calling party, with their patent No. 4,582,956 issued in April 1986. What they don't know is that one of the most important features of Caller ID devices was actually developed 10 years before in Japan by a man named Kazuo Hashimoto.

Hashimoto is known as the father of the modem telephone answering machine with his first patent filed for the device in 1958. The first prototype on display at a trade show at that time attracted much attention, including that of Emperor Hirohito, to whom its operation was explained. For the last 37 years, Hashimoto has devoted his career to inventing phone-related devices.

Hashimoto's first Caller ID patent was filed in Japan in 1976, with two U.S. patents issued in December 1980 and January 1985. Hashimoto recently charged AT&T with patent infringement of his caller ID patents. AT&T countered by challenging the validity of Hashimoto's patents by asking the U.S. Patent & Trademark Office to reexamine one of the patents and disallow the claims. The patent was recently upheld, however, and AT&T agreed to a confidential out-of-court settlement to pay royalties under the patent. Daniel Henderson, who helps manage the portfolio for Hashimoto Corp., says, "Hashimoto is known as the inventor who never sued anyone for royalties under his patents. We have an aggressive negotiation and litigation team in place and we intend to change that perception."

Many industry followers expect that other manufacturers of Caller ID devices will follow AT&T and agree to pay royalties under the patent.

An interesting comparison can be made between Hashimoto and Thomas Alva Edison. Edison, who holds the record for the most patents issued to one human being, had 1,097 patents and an invention factory that at one time numbered more than 2,000 employees. Hashimoto has had more than 1,000 patents issued to him with a staff of fewer than 20 people in his invention factory from which came over 800 patents related to telephone answering devices.

Hashimoto is also credited with several other pioneering patents, including fax switching, a recently issued patent for a telephone answering machine with a video telephone, and a Caller ID blocking patent for the telephone answering machine. Hashimoto is now 74 years old and lives in Tokyo and in San Francisco.

When asked his advice to aspiring inventors, Hashimoto says, "Work hard and build a broad base."