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Fort Worth company sues AT&T, Lucent over caller-ID

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FORT WORTH — A Fort Worth business is suing phone giants AT&T Corp. and Lucent Technologies for more than \$1 million over uncollected royalties on caller-ID equipment.

PhoneTel Communications claims that AT&T and Lucent haven't paid royalties since reaching an agreement in 1993 with Kazuo Hashimoto, the patent holder on caller-ID technology.

Daniel Henderson, president of PhoneTel, sued AT&T and Lucent after he could not reach an agreement with the companies. The case was filed late Thursday in federal court in Fort Worth.

"We tried to negotiate in good faith, and they stonewalled us and figured we would go away," Henderson said. "Where I come from, a deal is a deal and I'm going to make sure they pay".

AT&T spokesman Chris

Schein declined to discuss the lawsuit because the company's lawyers haven't had a chance to review the document, he said.

Schein said any AT&T agreements on equipment-making would have been transferred to Lucent Technologies when that company was spun off from AT&T in September 1996.

Lucent, based in Murray Hill, N.J., also declined to comment.

"We haven't seen the lawsuit, so we aren't able to comment," Lucent spokesman Dan Coulter said.

The companies have 20 days to file a response in court.

PhoneTel says it owns a 50 percent interest in the caller-ID technology that was developed by Hashimoto. He assigned that stake in his patents and their related agreements when he died in 1995.

Henderson said he worked from 1993 to 1995 as

an apprentice to Hashimoto, a prolific inventor who holds more than 100 patents in the United States.

Hashimoto previously sued AT&T over the patent rights to equipment that displays the telephone number of a caller.

The new lawsuit claims that Hashimoto's companies and AT&T settled the case in August 1993 with AT&T promising to pay \$1.50 for each "call-display telephone" it sold or leased.

PhoneTel claims that AT&T and Lucent have sold or leased more than 1.5 million caller-ID display units and PhoneTel is entitled to its share of royalties. At \$1.50 each, AT&T and Lucent would owe nearly \$2.3 million in total royalties.

In the previously confidential settlement, AT&T also agreed to a re-examination of the patent rights with the U.S. Patent and Trademark Office, which awarded the patent again to

Hashimoto in March 1995.

According to the lawsuit, AT&T paid Hashimoto \$103,294.50 in April 1995 to cover the cost of equipment sales through February 1995.

Henderson claims that wasn't enough money for equipment sales through that date.

The patent expired in December 1997, but AT&T and Lucent still owe PhoneTel money for the past-due royalties, Henderson said.

"The world is happy to use your technology, but not always eager to pay," Henderson said.

Paul Vickrey, a Chicago lawyer representing PhoneTel in the case, said other patent-infringement claims could be filed against other manufacturers of caller-ID equipment. The AT&T-Lucent case was filed because the companies had already signed a payment agreement with Hashimoto, Vickrey said.