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Fort Worth company battling corporate giants over inventor's patents

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FORT WORTH — Daniel Henderson became a great inventor's apprentice five years ago by leaving a message on his answering machine.

Now, Henderson is the inventor's advocate, fighting several of the world's biggest telephone and technology companies for royalties on the great inventor's creations.

Henderson, 37, is a calm, soft-spoken man at the eye of a legal storm that blew into Fort Worth in January over patents filed by Kazuo Hashimoto.

"I don't want to be involved with these lawsuits," Henderson says. "I want to pick up where Hashimoto left off. I want to file a new patent every day."

Henderson's company, PhoneTel Communications, sued AT&T Corp. and Lucent Technologies Corp., claiming that the phone giants are using caller-ID technology that belongs to him.

About two weeks later, Henderson added 10 more companies to the list, including Tandy Corp., Uniden USA Inc. and Southwestern Bell.

The companies declined to comment on pending litigation.

Henderson says he's just teaching people about a great, unknown inventor: Kazuo Hashimoto.

"Part of my mission is to let people know who he was and what he contributed to society," Henderson says. "I made that promise to him before he died."

Hashimoto died of liver disease in 1995, and Henderson's company, PhoneTel, inherited a stake in Hashimoto's patents. Hashimoto's widow, Takako, is a majority owner of PhoneTel and supports the legal effort, Henderson says.

Hashimoto was granted 1,000 patents worldwide, Henderson says. Records filed with the U.S. Patent and Trademark Office show that Hashimoto is listed as the inventor on 119 documents filed between 1976 and 1998.

The patents are primarily on telephone devices.

PhoneTel's lawsuit charges that several companies are using four Hashimoto patents without paying royalties.

Those patents cover caller-ID devices, a telephone answering machine that can store messages in digital form, a method for connecting a fax machine from a remote site and a connection between a fax machine and a telephone line.

PhoneTel alleges that the companies are making, selling or leasing the devices without paying for them. In the case of AT&T and Lucent, those companies aren't paying royalties that were part of a previous legal settlement, the company says.

In the settlement, AT&T said it would pay \$1.50 per device, but PhoneTel says the phone giant only paid \$103,000. The total bill is closer to \$2 million, PhoneTel claims.

PhoneTel is trying to collect "tens of millions" from the companies in the lawsuit.

Jeff Kagan, a telecommunications analyst in Atlanta, says it's difficult to determine whether PhoneTel has a legitimate case or if it has filed a nuisance lawsuit.

"It's one of three things: He's either got a case and he'll make a fortune, he's got a case and they'll settle and he'll make a smaller fortune, or he doesn't have a case and they'll settle to make him go away and he won't make much at all," Kagan says.

"He's either sitting on a pile of gold, or a pile of pyrite — fool's gold."

Kagan says he has never heard of similar cases except for patent fights between the titans of the industry.

Henderson says he became Hashimoto's advocate by working at his side for nearly two years.

In 1993, Henderson was tinkering with a device that would record a caller's name on a pager, but he needed to talk to Hashimoto.

Hashimoto's name kept popping up in patent searches, so Henderson knew he was an inventor. Henderson just didn't know how busy Hashimoto was.

Henderson called and left a message asking to license one of Hashimoto's patents.

He didn't know that he called the inventor of one of the earliest commercial answering machines, the Ansaphone that Hashimoto created in the mid-



Photo: Glen E. Ellman

PhoneTel Communication's lawsuit alleges that several companies are using four of Kazuo Hashimoto's patents without paying royalties.

1950s.

That big, heavy, metal box held the handset of a telephone and was activated by the phone ringing. A microphone on the box would record the message. The device didn't hook up to the phone line because that wasn't allowed at the time by the nation's monopoly phone company, AT&T.

Hashimoto was impressed by Henderson's call, so he invited Henderson to his San Francisco home, where they talked about Henderson's idea.

Henderson was an inventor himself, getting his first U.S. patent in November 1989 on a programmable dialing system.

"He saw problems, and he created inventions to solve them, and that's what it's all about," Henderson says. "He wasn't a fellow inventor. Rather, he was the pioneer of an industry."

The pair began to work together, Henderson says. Other people, like Hashimoto's son, weren't interested in inventing, or "they couldn't stand the whupping."

Hashimoto was an intense man.

"He could do more work sitting still than I could in an 18-hour day," Henderson says. "He would have made a good Texan: We do things in a big

way, and we work hard."

Henderson moved to Texas after graduating with a business degree in 1984 from Southern Oregon University in Ashland, Ore. He was working for computer giant IBM, or "I've Been Moved," he jokes.

And that's when Henderson started tinkering with phone products. PhoneTel is still based in Fort Worth, but Henderson lives with his wife and their child in San Francisco.

Henderson says he keeps his business here because there are so many telecommunications companies in the area.

He says he makes his living by selling licenses on his patents. He now has five of his own in various stages of approval, in addition to the Hashimoto patents he inherited.

"I'm in the business of sharing technology, and we offer licenses to companies if they want to use it," Henderson says.

He says he wants to at least make a living by making inventions. Fame can't pay the bills.

"They say, 'Technology moves forward one funeral at a time,'" Henderson says. "It means that it takes a lifetime to understand an area and move it forward."