c/wr. H. A. Ercwn Mr. G. M. Calhoun Mr. P. H. Burdett,

REMINGTON ARMS COMPANY, INC.

Remineton

Bridgeport, Connecticut,

September 3, 1957

TO: MR. S. M. ALVIS,

Mr. John H. Jawis, Jr., From:

ubject:

PETERS

Reference is made to your letter of August 29, 1957.

While there is no legal liability involved in a failure to apply patent notices, there are PENALTIES of \$500 FOR EACH OFFENSE of false marking FOR THE PURPOSE OF DECEIVING THE PUBLIC.

The penalty is part of an "informer" statute which permits any person to sue for the penalty, which is divided halfand-half between the "informer" and the Government. There is some chance that a disgruntled customer or competitor would raise the question.

In defense to such an action, we would be able to show that our failure to pick up the low production "stragglers" was not for the purpose of deceiving the public. This defense, however, might be somewhat less than convincing where the incorrect marking was allowed to persist for a number of years. In any event, the costs of when defense would many times exceed the cost of the entire set of rolls.

We suggest, therefore, that the low production rolls be brought up to date as scon as possible. On high production items where obsolescence of rolls will occur in a matter of a few months it will be all right to proceed on a "without obsolescence" basis.

John H LEWIS IN