
BRIEFING FOR REPRESENTATIVE JIM JORDAN (4TH OHIO)

HOUSE OVERSIGHT COMMITTEE ON GOVERNMENT REFORM

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U.S. GOVERNMENT AGENTS COLLUDED WITH BATTELLE MEMORIAL INSTITUTE TO STEAL THE SOCIAL NETWORKING INVENTION OF LEADER TECHNOLOGIES

Executive Summary

“What do Livermore Labs, Battelle, Facebook, Leader Technologies, and OSU’s fired band director have in common. OSU TRUSTEE PRESIDENT JEFFREY WADSWORTH.”

This summary is supported by substantial documented facts to prove this collusion.

Innovators Leader Technologies, Columbus, Ohio, invented social networking in the late 1990’s. They showed the invention under confidentiality to senior executives at Battelle Labs (OH) and Livermore Labs (CA). Within weeks, Leader’s intellectual property was stolen by a cartel of providers to the U.S. government’s energy and intelligence sectors.

Leader proved in federal court on July 27, 2010 that Facebook infringes their patent on 11 of 11 counts.

The cartel had big plans for Leader’s communications platform. They fanned out in all directions, feeding Leader’s invention to a consortium of industry and government entities through a specially constructed organization they named **The Eclipse Foundation**, secretly aided by Leader’s former patent counsel and adviser to IBM in a wanton abuse of attorney-client privilege. Intelligence wanted it to snoop on Americans. Banks to control transactions. Healthcare for medical analytics. Politicians to micro-target voters. Silicon Valley for IPOs. Lawyers for billable hours. These were too many agendas for a Columbus innovator who was not an insider to satisfy, so they stole it.

Education wanted it to control the progressive education agenda.

Enter Ohio State University, 3rd largest in the country. Clearly, OSU’s participation is critical to the success of Eclipse’s **MOOC agenda (Massive Open Online Course)**. However, Ohio State’s provost had a problem implementing MOOC—he was bogged down by an ongoing Title IX investigation that discouraged other universities from signing on to MOOC. He needed a scapegoat.

Under Provost Steinmetz’s control were Jon Waters, Director, and The Ohio State Marching Band. Steinmetz decided to fire Waters, even though Waters had just earned \$30 million for the university in an Apple iPad commercial and had glowing performance reviews.

Water’s firing drew attention to the OSU Trustees. **It smoked out OSU Trustee Jeffrey Wadsworth**, Battelle Labs and the global “progressive” MOOC agenda he had directed Steinmetz to implement.

A SURPRISING NEXUS

On July 24, 2014, a surprising nexus occurred between Michael McKibben, founder of Leader Technologies, Inc., Columbus, Ohio, inventor of social networking, and Jon Waters, director of The Ohio State University Marching Band. Waters was fired on July 24, 2014, and that firing uncovered Wadsworth, Livermore Labs and Battelle.

FACEBOOK ENJOYS THE INVENTION OF COLUMBUS, OHIO INVENTORS WITHOUT COMPENSATION

On July 27, 2010, McKibben proved in Delaware federal court (Wilmington, DE) that Facebook infringed his patent, and that the engine running Facebook is his invention. Despite proving the theft of his invention by Facebook, the federal courts (all the way to the U.S. Supreme Court) have *protected* Facebook using unfounded legal pretext.

The judicial misconduct is evident in the judges' own public disclosures. Every one of them holds stock in Facebook, Facebook's underwriters JPMorgan, Morgan Stanley, and Goldman Sachs, and Facebook's key shareholders including Vanguard, T. Rowe Price and Fidelity. They also have numerous undisclosed relationships with Facebook's attorneys.

MUTUAL FUNDS ARE NOT EXEMPT FROM CONFLICTS DISCLOSURE

A common reaction among attorneys to the revelation that judges hold stock in litigants through mutual funds is that mutual funds are exempt from disclosure. This is not true according to the Judicial Conference Guide to Judiciary Policy, Vol. 2, Pt. B, Sec. 106.¹ In fact, this policy includes many pages of expectation to the notion that mutual funds are exempt.

For example, litigants have an affirmative right to expect judges to follow Judiciary Policy on disclosure of their litigant stock holdings in mutual funds. If mere disclosure of the name of the mutual fund were sufficient, as so many lawyers repeat mindlessly, then this judiciary policy on mutual fund holdings would not be necessary. *Porter v. Singletary*, 49 F.3d 1483, 11th Cir '95 ("a judge should disclose on the record information which the judge believe the parties or their lawyers might consider relevant"). A judge's recusal is required when he has an "interest that could be affected substantially by the outcome of the proceedings."

The judge holdings in *Leader v. Facebook* do not "avoid the appearance of impropriety" in any way, shape or form. The \$100's of billions made off of Facebook's interests destroy any notion that the judges did not benefit substantially from decisions favorable to Facebook.

Judges are required to disclose mutual fund stocks when that fund only holds a few select stocks in each sector. Also, if the judge receives regular reports from the fund, which they all do

¹ Guide to Judiciary Policy, Vol. 2, Pt. B, Sec. 106. Mutual and Common Investment Funds.
<http://www.uscourts.gov/uscourts/RulesAndPolicies/conduct/Vol02B-Ch02.pdf>

semi-annually, then they are presumed to know the stocks that fund holds and must disclose when that stockholding involves a litigant that comes before them.

No reasonable person can possibly argue that these judges did not see their financial portfolios lifted substantially by the Facebook IPO, which they helped protect in *Leader v. Facebook*.

**FEDERAL CIRCUIT COURT RULED AGAINST LEADER
WITHOUT REVEALING FINANCIAL AND RELATIONSHIP CONFLICTS**

These conflicts of interest are so intense and inbred that they boiled up recently on their own when Federal Circuit Chief Judge Randall R. Rader and Clerk Jan Horbaly both resigned in disgrace over these relationships in an unrelated case.²

Every Federal Circuit judge in *Leader v. Facebook* held stocks in mutual fund families like T. Rowe Price, Fidelity, Vanguard, with notorious holdings in Facebook, Facebook's underwriters (JPMorgan, Morgan Stanley, Goldman Sachs) and numerous Facebook crony firms like LinkedIn, Baidu (China), Instagram and Twitter.

Even if the argument were true that stocks held by mutual funds were all exempt from disclosure, which it is not, the judges are still liable because T. Rowe Price, Fidelity and Vanguard trumpeted their pre-IPO holdings in Facebook, and Fidelity Contrafund remains the largest mutual fund holder of Facebook stock. So, the judges have no excuse.

OBAMA ADMINISTRATION MAKES WIDESPREAD USE OF LEADER'S INVENTION

The Department of Commerce and the Securities & Exchange Commission (S.E.C.) joined in on this Facebook stockholding bonanza too. The two largest holders of Facebook pre-IPO interests in the Obama Administration were Commerce Secretary Rebecca M. Blank and S.E.C. Chair Mary L. Schapiro. Blank's replacement at Commerce, Penny S. Pritzker, also holds substantial Facebook interests as well, and therefore has a personal interest in protecting Facebook.

Schapiro's S.E.C. approved Facebook's unprecedented pre-IPO offering of billions of dollars of "dark pool" stock. Her chief counsel, Thomas J. Kim, failed to disclose that he worked at Latham & Watkins LLP, a lawyer for Facebook's largest shareholder, James W. Breyer, Accel Partners LLP, when he was chairman of the National Venture Capital Association ("NCVA"). It should be noted that T. Rowe Price, Fidelity and Vanguard principals were also directors of the NVCA with Breyer in 2004.

² "After a scandal at America's patent court, it's time for reform" by Timothy B. Lee, *VOX*, May 27, 2014. ("the court as an institution does seem to have an unduly cozy relationship with the patent bar" and "Federal Circuit judges are fixtures at the frequent get-togethers of the patent bar, where they are treated as rock stars")
<http://www.vox.com/2014/5/27/5753866/the-real-problem-with-the-federal-circuit>.

It should also be noted that President Barack Obama started relying on Leader's invention from the inception of his first run for the presidency in Jan. 2007, which he announced on Facebook. In addition, the Patent Office (which reported to Rebecca Blank at the Commerce Department) started a Facebook page even before the *Leader v. Facebook* case had gone to trial, and while an active Facebook-inspired "reexamination" of Leader's patent was occurring at the Patent Office. HealthCare.gov also uses Leader's invention. The list goes on.

Despite this mountain of conflicts, the Facebook IPO train rolled, while Leader's private property rights were tied down on the tracks.

Leader knew Facebook and friends were infringing their patent, but what was unclear was *how* they obtained Leader's source code in the first place. Zuckerberg's claim to have built the whole thing in "one to two weeks" while studying for finals has never been credible, yet the mainstream media has never investigated this obvious lie.

THE FIRING OF OSU'S MARCHING BAND DIRECTOR SHINED THE LIGHT ON BATTELLE

Ohio State inexplicably fired Jon Waters as director of the OSU Marching Band on July 24, 2014. *The stated Title IX reasons do not ring true.* The "Glaros Report" that the Trustees point to in lockstep has already been debunked. Water's most recent performance evaluation was glowing, and he had just made \$30 million for the university in an Apple i-Pad commercial.

McKibben, along with 4,000 other OSUMB alums, was asked to look into the people involved in Waters' firing. Leader discovered that the *same cast of characters* who perpetrated the frauds against Leader's invention are involved in Waters' inexplicable firing.

WHAT POSSIBLE CONNECTION COULD THERE BE BETWEEN THE WATERS MISTREATMENT AND MCKIBBEN'S PATENT FOR SOCIAL NETWORKING?

It appears that Ohio State had an urgent need to clear the tables of their Title IX problems. Provost Joseph A. Steinmetz was eager to get his Massive Open Online Course (MOOC) agenda moving, and the Title IX investigations were stalling that.

Presumably, other universities were reluctant to engage with OSU until they were out from under the Title IX cloud. MOOC's goal is to create a massive digital community to share university coursework around the planet. However, Steinmetz's agenda reeks of a political agenda to gain influence over the hearts of minds of Ohio State students. Ohio is also a major presidential swing state.

JON WATERS WAS STEINMETZ’S TITLE IX PRETEXT

Steinmetz needed a Title IX *scapegoat*. The Title IX people at the U.S. Department of Education needed a *pretext* to close their investigations. At least two involve athletic director Gene Smith.

Steinmetz chose Jon Waters and the OSU Band as his pretext. Waters was employed under him. He also designated the highly partisan attorney, Christopher Glaros, to do his dirty work, even though Glaros’ prior relationship to Trustee judge, Algernon L. Marbley, should have conflicted him out. Glaros was a former judicial clerk to both Marbley and Attorney General Eric H. Holder, and is therefore profoundly biased.

STEINMETZ’S TITLE IX ATTA BOY

Steinmetz used the Glaros Report as his pretext to summarily fire Waters without following either Title IX or OSU Bylaw due process procedures. Within a few months, the Title IX administrators in Washington, D.C. magically closed their entire investigation, citing Steinmetz’s actions against the band as an ostensible self-policing “Atta boy.”

The circumstances reek of corruption.

Quickly, on Sep. 22, 2014, with his Title IX absolution in hand, Steinmetz announced his MOOC initiative titled the “University Innovation Alliance.”³

JEFFREY WADSWORTH, CEO, BATTELLE, IS AT THE CENTER OF MULTIPLE STORMS

Lurking in the background of this mistreatment of Jon Waters and the band is OSU Trustee president, Jeffrey Wadsworth, CEO, Battelle Memorial Institute. MOOC (Massive Open Online Course) relies on the social networking invention of OSU engineering grad Michael McKibben and Leader Technologies. Wadsworth knows that. MOOC is a Common Core-like educational initiative intended to exert federal control over all higher education! It’s one of the best kept secrets of the Facebook Cartel.

Leader can prove, without a shadow of doubt, that Wadsworth and Battelle Memorial Institute know that MOOC uses Leader’s invention. On Mar. 19, 2002, Wadsworth and McKibben co-signed a research project at Lawrence Livermore National Laboratory (LLNL) for LLNL to use Leader’s invention. See excerpts from Figures 1 below.

³ “Ohio State Joins Alliance To Help More Post-Secondary Students Make It To Graduation” by Bill Rice, *STATEIMPACT*, Sep. 21, 2014 <http://stateimpact.npr.org/ohio/2014/09/21/ohio-state-joins-alliance-to-help-more-post-secondary-students-make-it-to-graduation/>

Rapidly Deployable Security System

Excerpts from 73 page Agr'mt.

3) Reason for Cooperation: LEADER and LLNL realized the mutual benefits of a strategic partnership to integrate their respective complimentary and synergistic technologies to develop and commercialize a security-based system for the benefit of the U.S. Government and U.S. economy.

FOR THE REGENTS: THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

BY: Jeffrey Wadsworth
NAME: Jeffrey Wadsworth
TITLE: Deputy Director for Science and Technology
DATE: 3/19/02

Each Party agrees to not disclose Proprietary Information

The LEADER2LEADER program comprises approximately 823, 150 lines of code,

FOR PARTICIPANT: LEADER TECHNOLOGIES, LLC

BY: Michael T. McKibben
NAME: Michael T. McKibben
TITLE: Chairman & CEO
DATE: 2/8/2002

823, 150 lines of code

60701.PM1219 CRADA

20/20

TC-2030-01 LEADER

are subject to the statutory provisions against disclosure of confidential information set forth in the Trade Secrets Act (18 USC 1905) and (18 USC 1831 *et seq.*(1996)).

James P. Chandler
(authored these U.S. laws in 1996)

Pursuant to our meeting on May 31, 2002, please find enclosed herewith a copy of the final executed CRADA between Leader Technologies and the Lawrence Livermore National Laboratory. I am by copy of this letter forwarding a copy of the same to General Freeze and Kevin Kelso for their files.

THE CHANDLER LAW FIRM CHARTERED

By: James P. Chandler
Professor James P. Chandler
Managing Principal

In order to avoid future confusion as to the exact nature of these programs, at the time this CRADA is executed, LEADER agrees to place in trust hard copies of both of these programs in a sealed package with a law firm of LEADER's choosing. Legal Contact: Professor James P. Chandler
Tel: (202) 296-8484

Fenwick & West LLP
(now Facebook's corporate & patent attorney)
Former #3 in command at NSA

Figure 1: Excerpts from the CRADA ([Cooperative Research and Development Agreement](http://www.fbcovr.com/docs/ohiostate/2002-06-05-from-2002-03-19-Leader-LLNL-CRADA-Agreement-provided-to-Fenwick-and-West-C-Kevin-Kelso-Gen-James-E-Freeze-05-Jun-2002.pdf)) between Lawrence Livermore National Laboratory, Livermore, CA, and Leader Technologies, Columbus, OH. This agreement was facilitated by Leader's patent attorney, James P. Chandler <http://www.fbcovr.com/docs/ohiostate/2002-06-05-from-2002-03-19-Leader-LLNL-CRADA-Agreement-provided-to-Fenwick-and-West-C-Kevin-Kelso-Gen-James-E-Freeze-05-Jun-2002.pdf>. Source: U.S. Dept. of Energy.

WHAT IS A LINE OF COMPUTER SOURCE CODE?

A line of computer source code is akin to a line of typed text on a page. Some lines are short; others are long, just like a typed manuscript. The difference is the language used. Source code is computer-speak and not a spoken language. It consists of mathematical symbols and equations that instruct the computer what to do and in what order. It's the computer's cookbook.

823,150 lines of computer code, at 42 lines per page (avg. business book)= **19,600 pages**

The average business book is 300 pages. 823,150 lines = **65 books** (Facebook's ostensible founder, Harvard sophomore, 19-year old Mark Zuckerberg, claims to have written 65 books in less than two weeks in Jan. 2004 while studying for his term finals. Hollywood said so in *The Social Network* movie. This illustrates how easily the Cartel can manipulate public opinion.)

On Mar. 21, 2002, Leader and Battelle met to discuss their collaboration using the following PowerPoint as their agenda. See Figure 2 below.

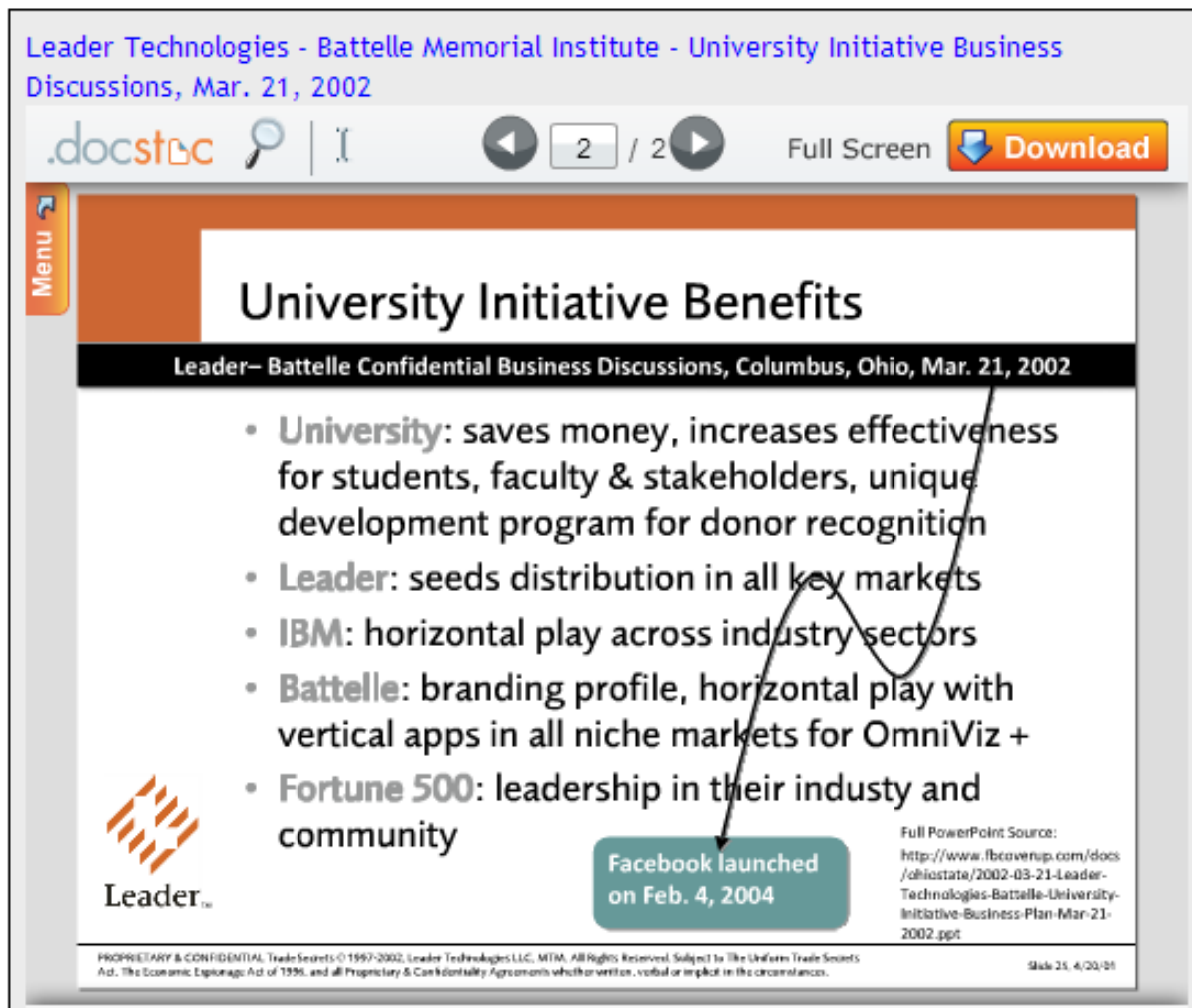


Figure 2: LEADER TECHNOLOGIES' UNIVERSITY INITIATIVE SLIDES PREPARE MAR. 21, 2002 FOR MEETINGS WITH BATTELLE. These ideas were proposed to senior executives of Battelle under the protection of a [nondisclosure confidentiality agreement](#). Leader proposed that Battelle team with them to deploy its new invention in cooperation with IBM and Harvard. That is exactly what happened, but Battelle executives ignored the pesky little fact that it was not their invention. *Source: US Courts.*

[Click here for a full copy of this PowerPoint.](#)

Facebook launched on Feb. 4, 2004, just three months after Leader completed the debugging of a key component that was a cornerstone of the innovation. That was the very same night, Oct. 28, 2003, that Zuckerberg wrote in his online diary "[Let the hacking begin.](#)" See also [The Social Network Hacking Scene](#) Lie to Fool the Masses, YouTube.

Mark Zuckerberg Deposition ("one to two weeks" to build Facebook; vaguely admits "other" sources for his ideas), Apr. 25, 2006, [ConnectU LLC v. Zuckerberg et al](#), 04-cv-11923-DPW (D. Mass. 2004).*Source: U.S. Courts.*

This document may contain opinion. As with all opinion, it should not be relied upon without independent verification.

Two days later, on Mar. 21, 2002, in Columbus, Ohio, Battelle Labs engaged with Leader Technologies to implement Leader's invention at Harvard University and with a Battelle company, OmniViz.

**WADSWORTH FUNNELED LEADER'S INVENTION
TO BATTELLE FROM LIVERMORE LABS**

Magically, Wadsworth became CEO at Battelle shortly thereafter. There he engaged a Washington, D.C. lobbyist, McBee Strategic LLC. McBee's clients include big winners in the social networking game, including Oracle, Google, and Facebook. McBee also brought Battelle hundreds of millions if not billions of dollars in "green energy stimulus" funds which are now well known to have gone to Obama political cronies.

Also magically, a new OSU Trustee, Alex R. Fischer, became chairman of Battelle's OmniViz shortly after the Leader discussions. OmniViz was also shown Leader's invention on March 21, 2002.

Wadsworth's crony in this affair is Leader's former patent counsel, Professor James P. Chandler. Chandler has a long and storied history of legal consulting to the U.S. national laboratories, intelligence community and Congress. He is the author of the Economic Espionage Act of 1996 and was heavily involved in NSA policy.

The document that McKibben and Wadsworth signed in 2002, facilitated by Chandler, called for the escrow of Leader's invention with Chandler. Specifically, it was Chandler who worked with Wadsworth to finalize the Livermore Lab agreement. As a senior adviser to the Department of Energy and Livermore Labs, Chandler is the one who knew Wadsworth. Leader did not.

Magically, 18 months later, Facebook launched at Harvard on Feb. 4, 2004 with a product that was uncannily similar to the Mar. 21, 2002 Leader-Battelle PowerPoint.

**IBM AND THE ECLIPSE FOUNDATION—THE "MASSIVE" HIDDEN AGENDA
EMBEDDED SYSTEMS—"THE INTERNET OF THINGS"— NSA PLATFORM**

Several months before the Battelle meetings, Chandler and IBM had secretly launched The Eclipse Foundation, on Nov. 28, 2001 dedicated to "open source" software. The open source software movement has a long and checkered history. On the one hand, license-free software allows everyone to use it. But on the other hand, without compensation, software developers have no incentive to take the time, money and effort to invent, especially large and complex engineering problems. More specifically, large software companies like IBM were looking for an Internet platform they could control.

Leader's innovations proved to be the invention of IBM's and Chandler's dreams as a large-scale platform for the Internet which they could control and monitor for their cronies at the

NSA, Wall Street and Silicon Valley. Obviously, they have achieved enormous financial and personal gain.

Leader's software was very evidently funneled to Eclipse and Battelle by Chandler.⁴

Another Chandler crony is the Silicon Valley attorney firm, Fenwick & West, LLP. Chandler recommended Fenwick to Leader and then also became Leader's legal counsel in 2002, soon after the formation of The Eclipse Foundation. A number of Fenwick's clients joined Eclipse at formation. Fenwick did not disclose those conflicts to Leader. Fenwick later became Facebook securities and patent counsel, and failed to seek a conflicts waiver from Leader before doing so, as required by law.

Not disclosed to Leader, one of Fenwick's clients was Harvard uber-alum, James W. Breyer, Accel Partners LLP. Breyer and his cronies, including former PayPal executives Reid Hoffman and Peter Thiel, selected 19-year old Mark Zuckerberg, so-called Founder of Facebook, and they launched the wholly fabricated publicly known Facebook saga.

All roads in this intellectual property theft lead back to Wadsworth, Chandler, Battelle and Lawrence Livermore National Laboratory.

These latest discoveries about Wadsworth and Battelle just spilled out of the Jon Waters investigation and the Cartel's plan to implement MOOC globally, before Barack Obama is out of office, and before they lose control of the regulatory agencies that are currently doing their bidding.

For example, the F.C.C. is currently working to bypass Congress and implement a tiered haves-and-have-nots Internet infrastructure that gives transmission priority to: (1) large Internet providers like Comcast, AT&T, Time Warner and CenturyLink; (2) media companies like MSNBC, CNN, CBS, Netflix and ABC; (3) social media companies like Facebook, Baidu (China), LinkedIn, Groupon, Dropbox, Instagram, Mail.ru (Russia), Google, Yahoo, Zynga, Xbox, IBM, Microsoft, Xerox and Twitter; (4) healthcare vendors like Athenahealth and Castlight Health; and (5) major retailers like Wal-Mart, Amazon, Expedia and E-Bay. One has only to analyze the *common investors* supporting these companies to discover this agenda.

These companies will be touchstones to the end users long term, with a focus on *controlling* messages to the LOFO (low information voter) voting marketplace. With control of the messages to these people who are easily manipulated and brainwashed, this Cartel takes control of the vote forever. North Korea's dictator for life, Kim Jong-un, would be proud.

This is the plan for implementing what Dick Morris calls "the one-party state" in his new book, *Power Grab*.

* * *

⁴ "Eclipse.org Consortium Forms to Deliver New Era Application Development Tools" PRESS RELEASE by The Eclipse Foundation, IBM, Nov. 29, 2001 <http://www.eclipse.org/org/pr.html>.