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COMPETITIVE TECHNOLOGIES INC

Form 8-K

November 10, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 30, 2003

COMPETITIVE TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

| | | |
|--|---------------------------------------|--|
| Delaware (State or other jurisdiction of incorporation) | 1-8696 (Commission File Number) | 36-2664428 (IRS Employer Identification No.) |
|--|---------------------------------------|--|

| | |
|---|---------------------|
| 1960 Bronson Road, Fairfield, Connecticut (Address of principal executive offices) | 06824 (Zip Code) |
|---|---------------------|

Registrant's telephone number, including area code (203) 255-6044

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Item 2 and Item 5. Acquisition or Disposition of Assets and Other Events and Regulation FD Disclosure.

Effective October 30, 2003, Competitive Technologies, Inc. (CTT) sold to LawFinance Group, Inc. (LFG) a second portion of its expected \$6,000,000 patent infringement judgment against American Cyanamid Company (Defendant) in the Materna™ lawsuit. On October 31, 2003, CTT received \$900,000 cash in exchange for the Assigned Portion (plus court awarded interest from October 31, 2003) of CTT's share of the potential award.

CTT will include this \$900,000 in revenue in its first quarter of fiscal 2004.

In management's opinion, it is most likely that the Assigned Portion will be \$1,125,000, in which case the remaining anticipated

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proceeds from this expected award would be \$3,585,000 in addition to the \$1,500,000 already received.

According to the Side Letter Addendum (see Exhibit 10.1), the Assigned Portion will be:

- a) \$1,125,000 if, in the current Appeal, Defendant does not file a petition for certiorari with the United States Supreme Court (Supreme Court) or the Supreme Court denies Defendant's petition for certiorari during the current 2003-2004 Term and LFG receives full payment within 7 days of CTT's receiving payment from Defendant, or
- b) \$2,160,000 if, in the current Appeal, Defendant files a petition for certiorari with the Supreme Court and the Supreme Court grants Defendant's petition and LFG receives full payment within 7 days of CTT's receiving payment from Defendant, or
- c) \$1,400,000 in any circumstance that does not meet the conditions of a) or b).

CTT retains the remaining anticipated a) \$3,585,000, b) \$2,550,000, or c) \$3,310,000 proceeds from this expected award in addition to the \$1,500,000 already received. (On May 19, 2003, CTT received \$600,000 cash in exchange for \$1,290,000 (plus court awarded interest from May 19, 2003) of CTT's share of the potential award.)

CTT has no financial obligation to repay LawFinance or to return any portion of the total \$1,500,000 received from LawFinance. If CTT's share of the potential award is less than the total amount sold to LawFinance, the entire amount would be paid to LawFinance and LawFinance would be deemed paid in full. CTT granted LawFinance a security interest in CTT's share of the potential award.

Item 7. Financial Statements and Exhibits.

| (c) Exhibits. | Page |
|---|-------|
| 10.1 Side Letter Addendum to Agreement closed on October 31, 2003 between registrant and LawFinance Group, Inc. | 4-6 |
| 10.2 Agreement closed on October 31, 2003 between registrant and LawFinance Group, Inc. | 7-25 |
| 99.1 Registrant's press release dated November 3, 2003 | 26-27 |

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COMPETITIVE TECHNOLOGIES, INC.
Registrant

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Date: November 10, 2003

/s/John B. Nano

By: John B. Nano

President and
Chief Executive Officer