

February 3, 2010

Düsseldorf District Court issued preliminary injunction on alleged infringement of Brother's IP right

Brother Industries, Ltd. (President: KOIKE Toshikazu, hereinafter "Brother") announces that the Düsseldorf District Court (hereinafter "the Court") yesterday issued a preliminary injunction (hereinafter "the Injunction") against Pelikan Vertriebsgesellschaft mbH & Co. KG (hereinafter "Pelikan") and German Hardcopy AG (hereinafter "Geha"). The Injunction prohibits the sale in Germany of specific compatible ink cartridges which were found to infringe Brother's intellectual property right (hereinafter "IP right").

Since July 2008, Brother has been selling ink cartridges model references LC 980 and LC 1100 in Germany. Brother has found that Pelikan and Geha were marketing ink cartridges which were compatible to LC 980 and LC 1100, which Brother believes were infringing its two IP rights which were registered in Germany in November 12, 2009.

Brother informed them about its IP rights. However, Pelikan and Geha argued that the compatible cartridges do not infringe and that the IP rights are considered being invalid, and continued their sales activities. Thus, Brother filed a preliminary injunction against both Pelikan and Geha in December 2009. Consequently, concerning the alleged infringement of one of the two IP rights, the Court issued the Injunction against both Pelikan and Geha on February 2, 2010.^(*)

The Injunction is separate from the Court's judgment of December 22, 2009 against Pelikan and Geha, which relates to infringement of IP rights concerning cartridge model references LC 970 and LC 1000.^(**)

The Brother Group of companies is committed to creating circumstances where our customers can use Brother products with a sense of security. We will continue to vigorously publicize and promote the use of Brother genuine consumables, in order to ensure the optimum performance of all Brother products.

Brother fully respects the IP rights of other parties, but at the same time will legitimately assert its own rights in this regard, and remain prepared to take necessary action against any unlawful use of its intellectual property.

(*) All the parties (Pelikan, Geha and Brother) are entitled to appeal against the Injunction. Alternatively or subsequently this matter could be brought to main proceedings.

(**) A preliminary injunction was issued by the Düsseldorf Court of Appeal on May 28, 2009 and the Court subsequently gave judgment in favour of Brother in the main proceedings on December 22, 2009. Both Pelikan and Geha may file an appeal against the final judgment of the Court in this matter.