

24<sup>th</sup> January 2011

To whom it may concern,



**Subject: Patent Dispute between Frese A/S and Flowcon International A/S**

On 13 December 2010 the Danish Board of Appeal for Patents and Trademarks has upheld the decision of the Danish Patent and Trademark Office concerning the validity of Danish patent No. PR 176350 regarding the Frese Optima Pressure Independent Control Valve. The decision has been made in a case where FlowCon International A/S has filed an opposition against the Frese Patent.

In its decision the Danish Board of Appeal for Patents and Trademarks has found that the Frese patented invention, is new and the patent of Frese has consequently been upheld in the form as amended by the Danish Patent and Trademark Office meaning that the technology used in Frese Optima is protected by Danish Patent no. PR 176350.

In the opinion of Frese, the FlowCon SME pressure independent control valve produced and marketed by FlowCon International A/S is an infringement to patent no. PR 176350 and a prohibitory injunction was granted by a Danish court in may 2008 against FlowCon International A/S preventing the production sale and marketing of FlowCon SME in Denmark.

A court case is pending regarding the validity of the injunction. Under this court case FlowCon International A/S has claimed that patent no. PR 176350 should be invalid and has made a reference to their opposition filed. As mentioned above the patent of Frese has now been upheld by the Danish Board of Appeal for Patents and Trademarks. The Patent has been approved by PCT under WO 2006/136158 A1.

Frese has been granted a patent or has filed for a patent of the Frese Optima Pressure Independent Control valve in various countries and patent has been granted in among other countries UK, Germany, France, Spain, Portugal, Italy, Holland, Switzerland and Turkey.

A Patent has been filed for, in among other countries, United Arab Emirates, Brazil, Canada, USA and China.

Frese considers production, marketing, sale, import, export and the service and supply of spare parts of or for the FlowCon SME in any of the countries where patent has been granted or filed for to be an infringement of the patent rights of Frese and Frese reserves its rights to pursue such infringements.

In case of further questions or in case you will receive a copy of the decision made by the Danish Board of Appeal for Patents and Trademarks please feel free to contact myself at SBO@frese.dk. The decisions is also available in Danish on [www.pvanke.dk](http://www.pvanke.dk)

Yours Faithfully,

A handwritten signature in black ink, appearing to read "Søren Olsen".

Søren Olsen  
Managing Director