

February, 15<sup>th</sup> 2007  
Gandia, Valencia

## **Faus Prevails Against Unilin in Germany**

**Faus is pleased to announce that Faus has achieved a victory in the interlocutory proceedings brought by Unilin in Germany and the High Court in Hamburg has lifted the preliminary injunction against Faus. In January 2007, the High Court in Hamburg granted to Unilin through an ex parte proceeding an order allowing Unilin to remove laminate product samples from the Faus booth at the DOMOTEX 2007 trade show in Hannover. The same court has now lifted that order and also ordered Unilin to bear Faus' costs of the proceedings.**

Unilin, which was acquired by Mohawk, obtained the preliminary injunction from the High Court in Hamburg without any prior notice to Faus and without any opportunity by Faus to be heard in advance thereof. This preliminary injunction was issued with respect to a Unilin patent that is currently being re-evaluated by the European Patent Office because questions regarding its validity have been raised in opposition proceedings. While initially the High Court had granted a preliminary court order during Domotex 2007 based on the submissions made by Unilin, the High Court now reversed its decision in light of all the facts and legal arguments available regarding this matter.

On January 31, 2007, Faus and Unilin appeared before the High Court in Hamburg to determine whether Unilin should have been granted the preliminary injunction order. Today, after reviewing ALL the facts submitted by the parties, the High Court decided that the preliminary injunction should not have been granted. The High Court also decided that Unilin must bear Faus' costs of the proceedings. It remains to be seen if Unilin will file an appeal. Faus firmly believes that such appeal proceedings, if initiated will be decided in favour of Faus.

Faus and Unilin originally had a cross-license on each other's patents but this cross-license agreement was automatically terminated when Mohawk acquired Unilin. After failed attempts at negotiation with Unilin, Faus was forced to file a lawsuit against Unilin on Faus' EIR/bevel edge patents in the US. In the same lawsuit, Mohawk and Columbia Flooring are co-defendants.