



## *News Release*

### **FOR IMMEDIATE RELEASE**

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### **Epson Files Patent Infringement Lawsuits Against Four Off-Brand Cartridge Resellers**

LONG BEACH, Calif. – June 20, 2007 – Epson filed a patent infringement lawsuit on Tuesday in the U.S. District Court in Portland, Ore., against a large wholesale distributor and three internet retailers of ink cartridges. The complaint, filed by Epson Portland Inc., Epson America Inc., and Seiko Epson Corp. alleges that these four companies infringe a total of 18 patents that cover cartridges for Epson’s desktop and large format inkjet printers. Epson seeks both permanent injunctions against continuing infringements and compensatory damages.

The wholesale distributor of printer supplies named in the suit is Cartridges Are Us Inc. dba cartridgesareus.com of Ithaca, Mich. The internet retailers are: E-Babylon Corp. dba 123inkjets.com, a subsidiary of Valueclick Inc. of Westlake Village, Calif.; Linkyo Corp. dba supermediastore.com of City of Industry, Calif.; and PrintPal Inc. dba printpal.com of Medford, Ore.

Epson has invested extensively in R&D and manufacturing to produce high quality, innovative cartridges. These lawsuits are part of Epson’s worldwide efforts to protect the company from unfair competition of all types. Epson has a 10-year history of successful patent and trademark enforcement in the United States to protect its intellectual property rights relating to ink cartridges, including numerous lawsuits against resellers of counterfeit ink cartridges that infringe Epson trademarks and lawsuits against various large resellers of cartridges under third-party brands that infringe Epson’s patents. Most recently, Epson prevailed in a trial against 24 respondents accused of infringement in an ITC action. The judge made an Initial Determination that all cartridges accused in the case infringe Epson’s patents and recommended the entry of a General Exclusion Order that would bar all imports of such infringing cartridges upon ITC approval of the Initial Determination. The Initial Determination can be reviewed online at <http://search@USITC.gov/edis/app>. The respondents in the ITC case are believed to supply most

of the cartridges sold by the defendants in the new lawsuit.

“Epson will continue taking enforcement action at whatever level of distribution may be required to prevent unfair competition,” said Liz Leung, Epson America’s Director of Supplies Marketing. “We have observed that some resellers are still trying to grow sales without apparent concern about liability for patent infringement. Resellers should be mindful that patent infringements can result in very substantial compensatory damages. We also urge resellers to be especially cautious regarding claims that cartridges offered to them are “patent free.” It is easy to make claims that cartridges do not infringe, but those claims do not provide a defense against damage claims for the resale of infringing cartridges.”

**About Epson Portland Inc.**

Epson Portland Inc. is the U.S.-based manufacturing subsidiary of Japan-based Seiko Epson Corporation. Historically a printer manufacturer (from its opening day in July of 1986 until August of 2001 Epson Portland built over 15 million printers for business, government and personal use), the company currently manufactures ink cartridges for ink jet printers, refurbishes optical engines for LCD projectors, performs precision injection molding of proprietary plastic parts, and also provides specialized engineering services for the Seiko Epson Group. Epson Portland manufactures over 40 million cartridges annually for sale in the US and elsewhere.

**About Epson America Inc.**

Epson America is the U.S.-based marketing and service subsidiary of Seiko Epson Corp. Epson America offers an extensive array of award-winning image capture and image output products for the consumer, business, photography and graphic arts market throughout North, Central and South America. The company is also a leading supplier of value-added point-of-sale (POS) printers and transaction terminals for the retail market. Epson America Inc. is headquartered in Long Beach, Calif.

**About Seiko Epson Corp.**

Seiko Epson Corp. is a global leader in imaging products including printers, projectors and LCDs. With an innovative and creative culture, Epson is dedicated to exceeding the vision and expectations of customers worldwide with products known for their superior quality, functionality, compactness and energy efficiency. Led by the Japan-based Seiko Epson Corp., Epson is a network of 107 companies around the world, and is proud of its ongoing contributions to the global environment and to the communities in which it is located.

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