



AXXiom Manufacturing

The manufacturer of Schmidt Products Worldwide

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SCHMIDT QUALITY CANNOT BE DUPLICATED.....

Forecast Sales Dismisses Frivolous False Patent Marking Lawsuit Against AXXiom

Tuesday 10/25/11

As you may be aware, Axxiom filed a lawsuit in Houston Federal court against Forecast for copyright infringement and unfair business practices which caused confusion in the marketplace. In response, and for its own publicity purposes, Forecast filed a frivolous lawsuit against Axxiom in Federal Court in Indianapolis. We wish to inform you that Forecast has dismissed its Indianapolis case against Axxiom to avoid court sanctions for maintaining a frivolous lawsuit. Axxiom's lawsuit in Houston was not affected and is still active and being diligently and ethically prosecuted.

Like most major legislation from the Federal government, the recently passed America Invents Act 2011 has its controversial points and genuinely good points. One of the beneficial portions of this law addresses the antiquated "Qui Tam" provision of the false marking statute which clearly promotes bounty hunting by allowing anyone to sue on behalf the Federal government and collect half of the damages. Since 2009, thousands of frivolous Qui Tam false patent marking lawsuits, similar to the one by Forecast, have been filed. This has affected large and small businesses and tied up our Federal courts because a handful of law firms have filed the vast majority of these frivolous cases. The America Invents Act appropriately addressed this by removing the antiquated bounty hunter provision and appropriately requiring that plaintiffs prove damages. Considering that Forecast Sales was fully aware of the expired Schmidt patents and profited from selling counterfeits of these Schmidt designs, the Forecast lawsuit was obviously frivolous and rightfully dismissed.

Following the tradition of Schmidt Manufacturing, Inc., Axxiom has continued to innovate and improve the Schmidt product line in order to provide higher value to you and your customers. Part of this value is protecting the Schmidt brand; accordingly, Axxiom's deceptive trade practice and copyright infringement lawsuit against Forecast is active and progressing. We intend to vigorously pursue this action and sincerely appreciate the support that all of you have provided. Our pledge is to tirelessly and continuously work to provide you with quality innovative products.

AXXiom Manufacturing, Inc.



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