

The original diamond pad
by HTC



PRESS RELEASE - Söderköping, November 2010

Information regarding the Twister patent family

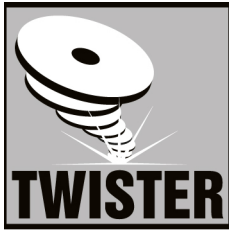
The invention of the diamond impregnated floor pads was made by the founder of HTC, Håkan Thysell in 2005 and the invention was followed by an immediate patent application. The product, under the trade name Twister, was launched locally in Sweden the same year and internationally at ISSA in Amsterdam in spring 2006.

HTC has a whole family of patents supporting the innovation behind the Twister product. In Europe we have 7 applications covering both stone/stone like floors but also polymer based floors like vinyl. The first patent based upon these applications was a broad patent covering stone and stone like floors. This patent has now been up in the final level of European Patent Office, (EPO) Board of Appeal.

The Board found the patent to fulfill all formal requirements and is novel, but did not think it fulfilled the requirements for inventive step. This means that the EPO has recognized that this is a new invention made by HTC, but that the first broadest application is not inventive enough to hold a patent.

The lack of inventive step is a patent legality decision based upon the EPO interpretation of the prior art. The innovation in a business perspective is something else. This is illustrated by the following: 3M, the market leader in conventional pads, in their celebration of 50 years since the launch of the Scotch Brite floor pads called: "50 years and still shining" presented the 10 most important innovations in this field. There they present their copy of the HTC innovation like this: "2007 NEW Scotch Brite TM Diamond Floor Pad Plus for polishing marble floors, The latest innovation!"

This means that the European patent is not valid anymore and HTC has to rely upon the other applications, to get the recognition as inventor and have a legal support for the Twister invention. The other applications in process cover both stone and stone like floors, upgrading of floors and polymeric based floors, but in the case of stone floors the claims are somewhat more narrow or specific compared to the patent, that no longer is in force.



The original diamond pad
by HTC



Patents in force and applications outside Europe are not affected by the EPO decision. For HTC this decision means no change in business model or ambition towards our customers. We are dedicated to supply the best product, the best total solution and the best support for our customers and also the best understanding of what is important for our customers to be successful in their own business.

Our impression is that it is this ambition and business model and not the patent that has made HTC the indisputable market leader in the field of diamond floor pads and we are determined to defend this position together with our Twister customers and partners.

Best regards
HTC Group

Contact

HTC Sweden AB, Tel: +46 121 294 00

www.htc-floorsystems.com

www.htc-twister.com

About HTC Sweden AB

HTC Sweden is a fast growing company that was founded in 1987 by Håkan and Gunn Thysell. In 1992 HTC Sweden launched a patent pending system for grinding concrete. Today HTC is the market leader within diamond-based floor grinding and cleaning. HTC has developed unique floor solutions within polished concrete, e.g HTC Superfloor™ and also the diamond cleaning system Twister™. The head office along with production and product development is located in Söderköping. Subsidiaries operate in USA, Germany, England and France. 3i group are minority owners in HTC since August 2006. 3i is a world leader in private equity and venture capital and focuses on investing minority stakes in high growth companies expanding organically or through acquisition