

## FEDERAL COURT ISSUES MARKMAN ORDER IN FAVOR OF SAWGRASS TECHNOLOGIES

**MOUNT PLEASANT, SC, July 30, 2004** - Sawgrass Technologies, Inc. announces that the United States District Court has ruled in its favor on the critical Markman determination in the ongoing patent infringement litigation against Tropical Graphics. The federal judge handling the case found that the terms of the patent in suit must be interpreted in a manner they were intended by Sawgrass and understood by the Patent Office. In so ruling, the judge rejected the interpretation of the patent urged by Tropical Graphics which she found was not supported by the evidence.

Tropical Graphics has repeatedly asserted in the marketplace that the Markman determination, a critical stage at which definitions of terms and the scope of the patents are decided, would be the deciding factor in this lawsuit and would radically change Sawgrass' ability to defend their patent claims. This decision by the federal judge undermines Tropical Graphics' defense of non-infringement that is based entirely on its incorrect interpretation of the patent.

"Sawgrass has an enormous amount of experience with patents and has been issued more than 30 in the United States alone over the last 15 years", said Nathan Hale, the founder and CEO of Sawgrass. "This particular patent involved with the current litigation was further upheld during a reexamination by the US Patent Office" he explained. "It is very gratifying for a U.S. Federal Court to further support the Patent Office decision".

Given the judge's ruling in this hearing, Sawgrass has every confidence that this lawsuit will soon be satisfactorily concluded. Sawgrass looks forward to the trial proceedings for further validation of their patents and bringing closure to this matter.

Sawgrass filed the original lawsuit in the United States District Court for the District of South Carolina, Columbia Division. The current action against Tropical Graphics alleges that the defendants have also assisted and encouraged others to infringe upon Sawgrass' patented methods and engage in unfair business practices such as false and deceptive statements regarding Sawgrass' products. The lawsuit seeks actual and punitive damages in addition to injunctive relief.

Sawgrass has licensed this technology for use by several major international chemical companies including BASF, Sensient, and Lechler. Explained Hale, "Sawgrass was founded primarily to be an R&D company focused on digital color ink solutions. We work very hard to make this technology available to those companies that are in the best position to expand its potential to grow the market. The positive Markman ruling allows us to continue to invest in this technology and provide innovative solutions to a rapidly expanding digital customer base".

About Sawgrass:

Sawgrass Technologies, Inc., based in Mount Pleasant, SC, is a specialty chemical company that develops innovative vertical market solutions with patented digital printing technology. By combining leading-edge digital ink products with advanced color management software, Sawgrass has developed state-of-the-art systems for high-quality color printing of personalized and customized images onto a wide variety of surfaces. To learn more about Sawgrass, please visit [www.sawgrassink.com](http://www.sawgrassink.com).