



Lambretta

CLAG international

PRESS RELEASE

Wednesday 3 August 2011

Lambretta: this is not an imitation!

We are witnesses of a piratical action of a well known "predator" of famous brands!

With reference to the statement sent on 2nd August 2011 by Lambretta SA (company in liquidation) to the press agencies worldwide, the companies Motom Electronics Group S.p.a. (MEG) and Clag International Ltd (CLAG) jointly specify as follows:

- 1) the trademark Lambretta was sold in 1972 by the Innocenti family, founder of the brand, to a company owned by the Government of India called "Scooters India Ltd" (SIL).
- 2) in 2006 SIL granted a license for the use of the trademark Lambretta to an English company called Fine White Line Ltd. (FWL).
- 3) In 2010 FWL, through two affiliated companies, Lambretta Scooters Ltd and Scooter Asia (TBS) Ltd, granted sub licenses for the use of the trademark Lambretta to MEG and CLAG for Class 12 products (land, sea and air engine power vehicles).

MEG and CLAG therefore use the trademark Lambretta by virtue of license agreements which allow them to sell in most countries of the world scooters with the trademark Lambretta.

Despite the clear legitimacy of the use of the mark Lambretta by MEG and CLAG, the companies of the so-called "Lambretta Consortium", which is not a recognized juridical entity, for several years have been trying to revoke the rights of the original Lambretta trademark, owned by SIL, alleging that the trademark had not been put to genuine use, with the purpose of prevailing with subsequent registrations of the trademark Lambretta made illegally by the Consortium starting from 2006.

The Court in Milan (Italy) with three decisions (decision n. 8912/2010 of the 7.7.2010; injunction of 26.11.2008; injunction of 30.5.2011) has already established that the trade mark Lambretta owned by the Company SIL is valid and cannot be revoked and has decided that there are no reasons to consider terminated the sub license contract for the use of the trademark Lambretta.

Defeated in the judicial courts, Mr. Walter Scheffrahn, control shareholder of Brandconcern BV (Dutch company) and, we suppose, main partner of the Lambretta Consortium, against any decision taken by the Judges of Milan, is seeking to stop the industrial and commercial activities of MEG and CLAG, by taking actions in various countries around the world aimed at terrorizing suppliers as well as distributors of the legitimate licensees with the purpose of dissuading them to continue the legitimate industrial and commercial collaboration with MEG and CLAG.



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By doing so Mr. Scheffrahn, who has never produced any scooter and who has illegitimately registered, in bad faith, the trademark Lambretta without commercially using it, has not hesitated to commit criminal actions (such as the defamation of the managing director of MEG). For this reason he has been reported to the Public prosecutor's office of Monza (Italy).

At present Mr. Scheffrahn, through the intense network of companies that are controlled and managed by him, is issuing press releases to the whole world with news contrary to the truth, is vilifying the companies MEG and CLAG, threatening their clients and suppliers and even sending his own emissaries to visit possible prospective clients with the purpose of intimidating them and dissuading them from purchasing the scooters with the trademark Lambretta produced by MEG and CLAG.

Not only, but Mr. Scheffrahn, in a fraudulent way, has also filed an application to the OAMI, the European trademark and patent office, in order to register under the name of his holding company, Lambretta Srl, the intellectual property of the industrial models of a scooter designed and previously registered by CLAG, trying to illegitimately appropriate for himself the rights of industrial property owned by third parties.

For all these reasons Mr Scheffrahn will once again be reported to the Public prosecutor's offices, with the hope that the Judges will be able to issue effective measures to stop the action of what we believe is a "predator" of famous brands.

Certainly MEG and CLAG, confident of their rightful actions, as confirmed by courts' decisions, will not let the unlawful and unprejudiced actions of this person intimidate them and they will continue, with the entire industrial and commercial network set up in these years, the re-launch in the world of the mythical brand Lambretta, of which they confirm to be the only legitimate licensees.

Milan, August 3rd 2011

Motom Electronics Group S.p.a.

Clag International Ltd

PS both companies MOTOM Electronic Group and CLAG International Ltd are available to release every information to the press and the insiders aiming to show with tangible and incontestable evidence the truthfulness of what above declared.

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