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For immediate release.

Ashlar-Vellum™ Announces Victory in Japan

July 1, 2011, Austin, TX. Ashlar-Vellum announced today that their law suit with Concepts Technology in Japan is finally over. For many years, Concepts Technology, and prior to that Famotik, have attempted to usurp Ashlar's source code and trademarks.

In the spring of 2006 Concepts Technology sued Comnet, Ashlar Incorporated's OEM partner and Ashlar-Vellum's Japanese distributor, claiming that they owned all the original source code to Vellum® and Graphite™.

In the spring of 2010 we received the full judgment from the Japanese court with the following results:

- The court upheld Ashlar Incorporated's ownership of the *Vellum* registered trademark in Japan, just as the Patent & Trademark office did.
- The software of both Ashlar Incorporated and Concepts Technologies has been found to contain source code from the other company.
- Concepts Technology is ordered to stop selling their software and pay Ashlar Incorporated ¥58,206,284, or approximately US $748,000, in damages for the unauthorized use of our source code and trademarks.
- Comnet, is ordered to stop selling Box Vellum Graphite and Ashlar-Vellum Graphite, and pay Concepts Technology ¥4,540,000, or about $50,000, primarily for infringing activities engaged in prior to entering into a relationship with Ashlar Incorporated.
- There was no judgment against Ashlar Incorporated of any kind.

At that time Comnet appealed the decision and posted the appellate bond of ¥4,540,000. Concepts Technology also filed for appeal but never paid the appellate bond.

Several hearings were heard by Japan's special High Technology Court of Appeals, during which time Ashlar's right to sue, and their ownership of source code and trademarks were upheld and all parties encouraged to settle the dispute out of court. When efforts to settle failed, the courts rendered judgment in late June of this year, upholding the lower court's ruling in all matters brought before them.

The results of that judgment upheld the original development contract signed in the mid ‘90s by Ashlar Incorporated and Famotik. The judgement delineated Ashlar Incorporated as the owner of the Vellum 2.7 base code plus “extensions” found in future versions. It specified that Concepts Technology owns the “additions” to this source code, limited to the modules for surfacing, rendering, hidden line removal and interface, including the IGES and BMI translators. These features were part of Vellum 3.0, 4.0, 98, 99, then removed after Ashlar split with Famotik and created Graphite. Unfortunately, some non-functional modules and source code fragments from the deleted features remained in early versions of Graphite. In order to make a clean break, the judgment disallows Ashlar-Vellum’s distributor, Comnet, from selling any product called Graphite in Japan and Concepts Technology from selling anything called Draftboard.

Comnet, Ashlar-Vellum and Ashlar Incorporated will be introducing new software into the Japanese market with all fragments of the Famotik additions removed. Moreover, the software will be converted to Unicode supporting over 100,000 characters from multiple language sets. The new software is anticipated to be called Vellum-Nitrogen™. Concepts Technology still owes Ashlar Incorporated the original judgment plus interest.

About Ashlar-Vellum

Founded in 1988, Ashlar-Vellum is the leading provider of precision CAD and 3D modeling software that automates and simplifies the design process for drafting, design, and engineering professionals on both Macintosh and Windows platforms. Ashlar-Vellum's unique Organic Workflow™ featuring their renowned Vellum® user interface and powerful toolsets have earned the loyalty of innovators around the world. Ashlar-Vellum operates from its headquarters in Austin, Texas. To learn more call +1 800-877-2745 or visit www.ashlar.com.

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