



**FLYTAG s.r.o**

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As it became known to us from our customers' inquiries, Mr. Manov from Tagit S.A, in fear of fair competition, instead of directly addressing the issue to our company FlyTag, sends out letters containing allegations of infringing intellectual property rights. Mr. Manov claims he opened a legal case.

Therefore, we would like to clarify the situation and explain the difference between legally protected and unprotected Intellectual Property.

We apologize in advance for stating well-known things.

The Intellectual Property protection worldwide is provided with the use of Patent Laws. Patent Offices register patents, trademarks, etc. A patent gives to assignee exclusive rights for exploiting the patent regarding the rights for manufacturing and commercialization of the patented invention.

The five primary requirements for patentability are: 1) patentable subject matter; 2) utility; 3) novelty; 4) non obviousness, and 5) enablement.

We are talking about the electromagnetic tags which are known and traded on the market for a long time.

All five criteria must be met to register a patent and none of Tagit's tags corresponds to these criteria. Tagit does not have registered a patent for any of its electromagnetic security tags for EAS systems. It is confirmed by a patent search on the main patent database.

Neither FlyTag nor we personally could infringe the Tagit's Intellectual Property rights, as the tags that Tagit manufactures are not covered by a patent. In fact, such tags are common on the market and thus belong to public domain.

We have not received any official documents regarding the legal case therefore we consider Mr. Manov's actions as an attempt to discredit our company and damage our relationship with our clients.

We use the standard equipment in our production lines and co-operate with the leading foreign companies in this field. We manufacture our tags according to all requirements of international law. We offer our clients high quality tags and attractive prices.

We welcome all interested parties to visit our production facilities.

Company Owners

Ilya Geller



Ilya Krasikov

