

Patent Litigation between Innogenetics and Abbott - September 18, 2006

Innogenetics N.V., Ghent, Belgium, brought a patent infringement suit against Abbott in September 2005 covering the U.S. sale of hepatitis C virus (HCV) genotyping products. A jury in Madison, Wisconsin found that the sale of these products willfully infringes a U.S. patent owned by Innogenetics. These products are manufactured by Celera Genomics Group and are sold through its alliance with Abbott. The U.S. District Court for the Western District of Wisconsin awarded Innogenetics \$7 million in damages. The Court has set a schedule starting in late September 2006 to address Innogenetics' request for an injunction. Abbott has informed Celera that it intends to bring post-trial motions, and if necessary, to appeal this judgment as both Abbott and Celera believe that Innogenetics' patent is invalid and that the alliance's HCV genotyping ASRs do not infringe Innogenetics' patent. Innogenetics did not name Celera as a party in this lawsuit, but Celera has an interest in these products and in the outcome of the litigation because of its alliance with Abbott.