Fidessa announces settlement of the Lava patent infringement case

Fidessa is pleased to announce that the patent infringement claim brought by Lava has been settled and each party has dismissed all claims and counter claims.

Background

In June 2003 Fidessa noted an announcement released by Lava Trading Inc. (now part of Citigroup) that it had filed a patent infringement claim in the US against Fidessa. The patent relates to the concept of displaying prices from more than one source (ECN) on a single screen in the US. In December 2003 Lava filed an amendment to its lawsuit alleging unfair trade practices on the part of Fidessa, in particular in relation to the pricing of products and associated services.

In December 2004 Fidessa announced that a Stipulated Judgment had been entered into the record in the United States District Court for the Southern District of New York which formally recorded that the patent had not been infringed. Lava lodged an appeal and in April 2006 the United States Court of Appeals for the Federal Circuit determined that the lower court did not correctly interpret all the technical terms in the patent and referred the case back to the lower court. This meant that the patent proceedings, started in June 2003, were for the most part restarted from the beginning and all previous judgments no longer stood. Both parties were therefore expecting further significant expenditure on litigation in order to progress the case.

Settlement

As part of the settlement, Fidessa and Lava have agreed to work together to make their systems function smoothly together. Fidessa will be providing products and services to Lava valued at $1.95 million over the next three years. Fidessa will be licensed to use the inventions covered by the patent.

The settlement is an adjusting event after the balance sheet date and the $1.95 million will therefore be taken as a one-off charge in Fidessa's results for the first half of 2008.

Enquiries:

Chris Aspinwall, Chief Executive

Andy Malpass, Finance Director

Tel: 01483 206300