

# PRESS RELEASE

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**UPMARKET FURNITURE PRODUCER OUSTS MCDONALD'S FOR PIRACY**

COPENHAGEN, DENMARK, OCTOBER 8, 2007: Denmark's leading furniture producer Fritz Hansen announced Monday it has abrogated a multi-million dollar co-operation with U.S. fast food chain McDonald's, following the discovery of pirated versions of iconic Danish architect Arne Jacobsen's chairs in McDonald's UK outlets.

"At a time when the US government, the European Union, the World Trade Organisation and even China are trying to safeguard international property rights, we simply cannot countenance co-operating with a group we see as accepting piracy," said Fritz Hansen CEO Jacob Holm.

As one of only a few developed countries, UK law does not outlaw the use of pirated material, although the British government is currently reviewing its policies in the light of a worldwide move to protect intellectual property rights.

Fritz Hansen is the sole right-holder and producer of furniture designed by the renowned Danish architect Arne Jacobsen, including The Egg, The Swan and The Seven. Since 2006, the company has been an integral part of the new McDonald's 'Less Is More' strategy. Developed by French designer Philippe Avanzi, the strategy, coupled with other initiatives, is designed to give McDonald's outlets a face, eye-catcher and content lift.

"McDonald's approached us with a concept which we found interesting – to furnish outlets with specially-designed Arne Jacobsen chairs, some 2,500 of which have been installed in several restaurants. In the event we have now had to stop this co-operation as parallel with our deliveries, McDonald's outlets have been supplied with pirated versions of our chairs," Holm said.

Holm added that McDonald's had been approached with a request to stop taking delivery of pirated chairs, and to remove the chairs from existing restaurants.

"McDonalds has refused to do so, and has not removed the pirated chairs from restaurants where they in some cases are to be found alongside the real versions," Holm said adding "the decision to stop co-operation will cost our company millions in lost sales, but decent corporate governance and ethics will not allow us to accept infringements on our intellectual property rights."

"We simply will not co-operate or trade with companies who accept piracy, cost what it may. The fact that McDonald's has chosen to use pirated copies is even more surprising since the company itself is legendary across the world in pursuing trademark and copyright suits to safeguard its product and name," Holm concluded.

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### ABOUT FRITZ HANSEN

Fritz Hansen which was founded in 1872 is an international company manufacturing and marketing designer furniture for the private and contract market under the brand: Republic of Fritz Hansen. Our collection is developed in close co-operation with leading architects and furniture designers. The company mission is to enhance the customers' image and lifestyle by making strong interior statements through exclusive design furniture.

Fritz Hansen's headquarters are based in Alleroed, just north of Copenhagen, supported by showrooms in London, Düsseldorf, Stockholm, Oslo, Amsterdam, Tokyo, New York and Milan.