

# INDA's e-Filter Newsletter

The Filtration Industry's Information Hub

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Welcome to e-FILTER, sponsored by INDA, Association of the Nonwoven Fabrics Industry ( [www.inda.org](http://www.inda.org) ). It is sent quarterly to executives within the global filtration business and focuses on the latest news, new products, patents, legislative issues and commentary in the filtration industry. Check out the information at the end of this newsletter on how to subscribe or submit your company's information for inclusion.

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## **MEETING NEWS**

### **A LOOK BACK AT FILTRATION 2004 IN PHILADELPHIA**

The world's largest gathering of the filtration industry – the Filtration 2004 International Conference and Exposition, held in early December in Philadelphia, Pa, – was deemed a success by the more than 100 exhibitors and close to 2000 attendees from around the world.

Filtration 2004 got off to an inspirational start with a keynote presentation from Ellen Kullman, group vice president for DuPont Safety & Protection, who urged the industry to make safety an integral part of any corporate culture. In her keynote address, Kullman pointed out that safety has traditionally been defined as practices and products that reduce injuries at home and in the workplace. Yet, as individuals feel less secure in an increasingly threatening world, safety now has expanded into a broader value proposition based on the needs of people to be supported with products that keep them out of harm's way.

“Safety can be a part of the value equation a company can bring to the marketplace,” Kullman said. “Our core desire as individuals is to live a safe life and to protect ourselves and our children. DuPont research has found that people will do business with companies that care about safety.”

In opening Filtration 2004, co-chairperson Stephen Quinn, of R.P. Fedder, spoke of the important role Filtration 2004 plays in the global filter business. “The show has grown, there are new people attending and exhibiting and it is an exciting few days for the filtration industry,” he said.

Filtration 2005 is scheduled for November 15-17, 2005 at Navy Pier, Chicago, Illinois. For more information: [www.inda.org](http://www.inda.org)

### **BEST BOOTHS HONORED AT FILTRATION 2004**

All exhibitors at Filtration 2004 competed for the coveted Best Booth Awards, presented in two categories of Large (more than 200 square feet) and Small Booths. The winners were:

#### **Large Booth**

First Place: DelStar  
Second Place: American & Efird

#### **Small Booth**

First Place: Porous Materials  
Second Place: Liquid Control

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## **INDUSTRY NEWS**

### **KAYDON COMPLETES ACQUISITION OF PURAFIL**

Kaydon Corporation has acquired all of the outstanding capital stock of Purafil, Inc. in a cash transaction valued at approximately \$43 million.

Established in 1973, Purafil manufactures and distributes gas-phase air filtration systems and media for industrial and commercial applications throughout the world. Purafil will continue to operate from its headquarters and manufacturing location in Doraville, Ga., and continue to market its brand name products through its broad international network of representatives and distributors.

Kaydon is a designer and manufacturer of custom-engineered products, supplying a broad and diverse group of industrial, aerospace, medical and electronic equipment, and aftermarket customers.

### **WATTS ACQUIRES HF SCIENTIFIC**

Watts Water Technologies has acquired HF Scientific, Inc. Fort Myers, Fla., in a stock purchase transaction. HF Scientific manufactures and distributes a line of instrumentation equipment, test kits and chemical reagents used for monitoring water quality in a variety of applications. HF Scientific has approximately \$5 million in annual revenue.

Watts Water Technologies' Chief Executive Officer, Patrick S. O'Keefe, commented, "The acquisition of HF Scientific represents our entry into the water monitoring market. The products of HF Scientific are consistent with our theme of water quality and provide many synergistic opportunities when utilized in conjunction with our filtration and other water quality businesses."

Watts Water Technologies manufactures products to control the efficiency, safety, and quality of water within residential, commercial, and institutional applications. Its expertise in a wide variety of water technologies enables it to be a comprehensive supplier to the water industry.

### **UK FILTER FACTORY TO CLOSE**

Sogefi Filtration UK has announced plans to close its automotive filter factory in the UK this year. The company, which makes 11 million filters a year for vehicle engines, is now Italian-owned. Production will be transferred to plants in South Wales, France and Italy.

Crosland Filters, founded in Nottingham in 1955 by Jack Crosland and Tommy Shields, became one of the country's leading filter manufacturers. In 1988, it was taken over by French-owned Precision Mecanique Labinal and was subsequently acquired by Sogefi.

### **DONALDSON LOOKING FOR MARKET SHARE IN MALAYSIA**

Donaldson hopes to increase its current 25% market share of the engine aftermarket parts in Malaysia and plans to actively penetrate the on-road and off-road mobile sector through investments in specialized training and making its products more accessible for its customers.

It recently launched its first Mobile Training Center (MTC), which is aimed at demonstrating basic filtration concept and showing trainees how to dramatically improve filtration performance of their vehicles which in turn results in lower operating cost and better air quality management. "Our focus in Malaysia is the replacement filter market. The Donaldson MTC would result in more effective reach of customers for engine aftermarket thus improving market penetration," Donaldson director (engine aftermarket) Arthur Falconer said. The MTC is focused on training purchasing officers and maintenance personnel of companies that have commercial and industrial vehicles such as buses and trucks for on-road to bulldozers, cranes and tractors for off-road.

Falconer said that by simply increasing the awareness of the importance of the filter system and introducing correct maintenance processes, it hopes to show immediate benefits to the customers such as reduced engine wear, reduced running costs and definitely reduced pollution.

### **COURT RULES AGAINST MYKROLIS' INJUNCTION ON PALL**

In mid-January, U.S. District Court Judge George O'Toole dissolved the injunction granted to Mykrolis against Pall relating to Pall's PhotoKleen EZD-2 filter assemblies for the semiconductor market. In reviewing the prior art presented to the Court, Judge O'Toole found that there are serious questions about the validity of the Mykrolis patents. Thus the injunction granted on April 30, 2004 is no longer in effect. The Judge also held Pall in contempt of the injunction, which the Court has now dissolved. Pall intends to seek reversal of that ruling as incorrect.

In accordance with the Federal Rules, Pall can now seek to recover payment of costs and damages from Mykrolis that it incurred from having been wrongfully enjoined.

Pall's General Counsel, Gilbert Weiner says, "We are pleased that the Court has now held that the injunction should not have been granted, and that there are serious doubts as to the validity of the Mykrolis patents. Pall is exploring the most expeditious manner of obtaining reversal of the finding of contempt, which may include reactivation of its appeal that has been on hold pending the rulings now issued by the Court."

There were insubstantial revenues from the earlier-generation product subject to the injunction, so there is little, if any, profit to disgorge to Mykrolis. Pall's current model of the slotless PhotoKleen EZD-3 is not a part of this litigation and has not been accused of infringement.

### **DONALDSON NAMED JOHN DEERE SUPPLIER OF THE YEAR**

Donaldson Company has been named John Deere Construction and Forestry Division's Supplier of the Year. Out of several hundred direct material suppliers, Donaldson Company was the recipient of one of only six such awards given by John Deere corporate-wide.

With the award, John Deere, a manufacturer of construction, forestry and agricultural equipment, recognizes a supplier that excels in the five areas rated in their Achieving Excellence program: Quality, Delivery, Technical Support, Wavelength (relationship), and Cost Management.

### **EFP DEMANDS DELISTING FROM BERLIN-BREMEN STOCK EXCHANGE**

Emergency Filtration Products last month demanded delisting of the company's common stock from the Berlin-Bremen Stock Exchange. The company's common stock is currently listed on the Berlin-Bremen Stock Exchange without the company's prior request, approval or consent. EFP is one of numerous U.S. companies that have been added to the Berlin-Bremen Stock Exchange without permission. These listings may be part of an effort by stock traders to avoid recently enacted SEC restrictions prohibiting "naked short selling." Such practices may allow for market manipulation by selling non-existent shares of a stock in an effort to force the price down.

Douglas K. Beplate, president, EFP, said, "We believe that this unauthorized listing on the Berlin-Bremen Stock Exchange may have contributed to the unusually high volume and volatility in our share price. We have no interest in having our stock trade on any exchange that may subject EFP's common stock to price manipulation. EFP has authorized only the OTC Bulletin Board to trade our shares, which is required by federal securities laws to have rules and regulations in place to prevent fraudulent and manipulative practices, to promote just and equitable principles of trade, and to protect investors. We want our stock price to reflect only the intrinsic value of our business."

Separately, EFP is advising its shareholders to request delivery of their stock certificates from their brokers in an effort to thwart the naked short selling of stock that the company believes is negatively affecting the price of the stock. The company expects this process will begin to force naked short sellers to "cover" their positions in order to deliver the actual stock certificates to shareholders. A form letter requesting physical delivery of share certificates has been posted to our Web site: (<http://www.emergencyfiltration.com/formletter.htm>) for convenience.

### **EFP RECEIVES U.S. DEPT. OF DEFENSE APPROVAL FOR FILTER PLATFORM**

Meanwhile, Emergency Filtration Products has received confidential and official notification from the United States Department of Defense approving the use of its filter technology for the U.S. military. This notification included specific reference to the company's protective masks as well as an interest to develop filtration systems for use in tanks, vehicles and shelter (buildings).

The company intends to work closely with the U.S. military and designated manufacturers to further the development of its filter technology, with the objective of including it into a number of products that would be used to protect U.S. military personnel worldwide.

### **NEW PRODUCT: DONALDSON LAUNCHES NONWOVEN PTFE FILTER MEDIA**

New filter media, Lightweight 7008 Textratex High Efficiency Woven PTFE fabric, and Heavyweight 7012 Tetratex Ultra High Efficiency Woven PTFE fabric are new additions to Donaldson Membrane's portfolio of expanded PTFE membranes, films and laminates. They are suited to extreme chemical environments, and can make significant contributions to emission control in industries where atmospheric emissions are subject to strict security and control by legislators and environmental groups. 7008 is particularly ideal for the fine chemical, pharmaceutical and food manufacturing industries. 7012 is ideal for hot gas filtration applications.

**AUSTRALIAN RESEARCHERS INVENT SIMPLE WAY TO MAKE WATER FILTERS**

[From *Comtex Global News*] Finally this month, this report comes from Canberra, Australia. It seems that some Australian researchers have invented a new water filtration system that just uses simple materials like tea leaves, an invention expected to benefit millions of people in developing countries.

The system uses a filter made of clay and other organic materials such as rice husks, tea leaves and coffee grounds, Australian Broadcasting Corporation quoted Australian National University's materials scientist Tony Flynn as saying. The filter, which takes the shape of a cylinder, needs to be sun-dried. Then it is surrounded with straw and put in a mound of cow manure before the straw is set alight and the filter fired for an hour, said Flynn.

Tests show the filter can remove 96.4 to 99.8% of the deadly E-coli bacterium.

Flynn said making of the filter will cost nothing. He expressed the hope that aid and relief groups will pick up the technology and teach communities in developing nations how to make the filters.

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**THAT'S ALL, FOR THIS MONTH ...**

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