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GLOBE ELECTRIC SUPPLY COMPANY HELD IN CONTEMPT FOR VIOLATING THE COURT'S ORDER BARRING IT FROM SELLING SQUARE D® PRODUCT

PALATINE, III. – December 10, 2007 – U.S. District Court Judge Nora Barry Fischer on Nov. 14, 2007, held Globe Electric Supply Company in contempt of the court's Aug. 21, 2006, Agreed Consent Order, which barred Globe from selling and distributing Square D® products, best known in the United States as the flagship brand for the Schneider Electric North American Operating Division. The order was entered so Globe would be barred from selling Square D product, including counterfeits, during the pendency of Square D's trademark infringement action against Globe. Globe had previously been sued by Square D for selling counterfeit Square D circuit breakers to Scott Electric of Greensburg, Pa.

The court also granted Square D's motion for sanctions and ordered Globe to: produce documents regarding its purchase and sale of Square D circuit breakers from Jan. 1, 2003, to the present; submit to an inspection, by Square D and its attorneys, at Globe's expense, of its inventory of Square D products; and submit, at Globe's expense, to a forensic examination and inspection of its computer systems which record the purchase and sale of Square D products. Globe also was sanctioned and ordered to pay Square D's attorneys fees in the amount of \$34,597.25.

Howard Japlon, vice president and general counsel, Square D, said "Square D will not permit unauthorized distributors such as Globe to ignore binding court orders barring the sale of Square D's products in cases where we have brought suit to prevent the potential sale of counterfeit products. Judge Fischer has sent a clear message that court orders must be obeyed." Japlon also stated that he is "concerned that Globe's failure to abide by a lawful court order may hamper Square D's efforts to prove the extent of counterfeits purchased or sold by the defendants in the litigation." If that is the case, "Square D will not hesitate to bring a claim for spoliation of evidence," Japlon said.

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Page 2 of 2

“Counterfeit circuit breakers pose serious health and safety risks,” said Bill Snyder, vice president of channel development at Square D. “Schneider Electric intends to vigorously pursue this and other cases to prevent the importation, purchase and sale of counterfeit products in North America. Our campaign against counterfeits is showing results; and we are committed to put a stop to the counterfeiting of our products on a global basis.”

About Schneider Electric

Headquartered in Palatine, Ill., the North American Operating Division of Schneider Electric had sales of \$3.7 billion (U.S.) in 2006. The North American Operating Division is one of four operating divisions of Schneider Electric, headquartered in Paris, France, and markets the Square D[®], Telemecanique[®] and Merlin Gerin[®] brand products to customers in the United States, Canada and Mexico. In the United States, Schneider Electric is best known by its flagship Square D brand, with Telemecanique becoming increasingly known in the industrial control and automation markets and supported by many Square D distributors. For more than 100 years, Square D has been a market-leading brand of electrical distribution and industrial control products, systems and services. Schneider Electric is a global electrical industry leader with 2006 sales of approximately \$17.2 billion (U.S.). Visit Schneider Electric on the Internet at:

- Corporate – <http://www.us.schneider-electric.com>
- Telemecanique Products – <http://www.us.telemecanique.com>
- Square D Products – <http://www.us.squared.com>
- Merlin Gerin Products – <http://www.us.merlengerin.com>

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