EXHIBIT E

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

INTERMARK FABRIC CORPORATION
vs. C.A. NO. 3:02-CV-1267 (AVC)
MICROFIBRES, INC.

Deposition of JAMES R. FULKS, taken on behalf of the Plaintiff, pursuant to the Federal Rules of Civil Procedure, on Thursday, March 27, 2003, at the offices of Hinckley, Allen & Snyder LLP, 1500 Fleet Center, Providence, Rhode Island, taken before Lori R. Colwell, Notary Public, commencing at 9:10 a.m.

APPEARANCES:

CANTOR COLBURN LLP
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Counsel for Plaintiff

HINCKLEY, ALLEN & SNYDER, LLP
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A. Well, they used at that time the same type of flock equipment that I was familiar with at Multifabrics. It was all made by Microfibres or a company called Endef (phonetic), so it basically was you purchased or you brought in a substrate of some sort, you coated that substrate, you sifted flock onto the adhesive that you coated on there and you dried and cured the product.

Q. Was Prevel Industries in 1978 purchasing colored adhesive?

A. I believe they were. My best recollection I have, we used colored adhesive.

Q. Also in 1978 Prevel Industries was manufacturing flocked fabric with a colored adhesive?

A. As well as clear adhesive, yes.

Q. Do you know who Prevel Industries was purchasing the pigmented adhesive from?

A. I believe I do. The majority of it was from American Finish. I believe some of it could have come from C. L. Hathaway.

Q. And did Prevel Industries keep records of its manufacturing process?

A. I assume they did.

Q. Did they gravure print on flocked fabric?
A. I believe that they did gravure print products that were designed for gravure printing.
Q. Did they gravure print on flocked fabric?
A. They gravure printed to the best of my knowledge on flocked fabric that was prepared for gravure print.
Q. How was the flocked fabric prepared for gravure printing?
A. To the best of my knowledge, it would have been with clear adhesive and fiber.
Q. After a flocked fabric with a colored adhesive was manufactured as Prevel Industries, were there any other processes performed on that product internally at Prevel?
A. I have no recollection of that.
Q. Where would that product then go after it was manufactured by Prevel?
A. My recollection would be that that would be a finished product at that point and it would be provided to customers for their end use as it was.
Q. When you were manufacturing the flocked

I already told you, we've already done that. I told you I was in the middle of a question when you stood up and interrupted.

MR. GRIMM: We are taking a break.

MR. O'BRIEN: There's a question on the table.

MR. GRIMM: There is not. The record will reflect that.

MR. O'BRIEN: I want to know what was discussed about this document.

(Thereupon, a brief recess was taken.)

MR. O'BRIEN: For the record, I want to make it clear that in my opinion there was a question pending having to do with this July 24, 2002 document as to the factual basis that that document is used to support a claim for direct infringement. While my question was pending, there was a conference, the brake was called by counsel for Microfibres, and I think the law is pretty clear that I'm entitled to know what that conversation was, the substance of that conversation during the break because there

was a pending question and because there is a pending question.

MR. GRIMM: There was no question pending at the time we took the break and you're not entitled to information that is protected by the attorney/client privilege.

Q. Well, I'm going to ask the question, Mr. Fulks. I'd like to know what the discussion was that took place between you and counsel for Microfibres, Mr. Grimm during our break.

MR. GRIMM: I object and instruct the witness not to answer based on the attorney/client privilege.

MR. O'BRIEN: I'm going to have to actually file a motion then, motion to compel that that information be disclosed verbatim so that we know exactly what was discussed, the entire conversation. I'd like to mark this July 24 document.

(Thereupon, Plaintiff's Exhibit 15 was marked for identification.)

MR. GRIMM: Let me just say for the record, when I left the room at the brake, I specifically instructed Mr. Fulks

that I did not want to discuss the question at all.

MR. O'BRIEN: Are you saying then that the document, this July 24, 2002 document, the whole line of questioning was not discussed.

MR. GRIMM: That's correct.

Q. Mr. Fulks, we've been talking about this July 24, 2002 document which has now been marked an as exhibit which is Exhibit 15. You've indicated earlier that this Exhibit 15 was part of the factual basis for your claim of direct infringement against Intermark; is that true?

A. Yes.

Q. Can you point to the language in this Exhibit 15 upon which you factually support your claim for direct infringement?

A. It's more of the total content of the letter. I mean, the letter basically acknowledges that Intermark is producing products that infringe the patent, so if that's the case, then they would -- then they are infringing. It's the substance of the letter.

Q. You've also talked about as an additional

Q. When you say you forwarded it to your patent attorney, is that Mr. Grimm?
A. No.
Q. Is that Mr. MacCord?
A. Yes, Mr. MacCord. I may also have sent it to another intellectual property attorney who used to work at MacCord's firm and now works at another firm.
Q. Was there a legal opinion that was generated as a result of the van Heel document?
A. I'm not aware that there was anything in writing. I did have some conversations with attorneys and with Bill about it and with Jim McCulloch about it.
Q. When you say Bill, Bill Grimm?
A. No, Bill Laird. I mean I may have also discussed it with Bill, too, but I discussed it with Jim McCulloch, Bill Laird and at least with two intellectual property attorneys, maybe more.
Q. What was the substance of your conversation with Mr. Laird having to do with the van Heel document?
MR. GRIMM: I'm going to caution you, Jim, to the extent you discussed with

Mr. Laird advice you got from either me or Mr. MacCord or the other patent attorney, you consulted, that's privileged information and you should not disclose the substance of it.

A. I don't understand the question then. What do you want me to answer.

Q. I want to know what the conversation was between you and Mr. Laird.

A. I've been advised I don't have to answer that.

Q. You were advised -- you were not advised that you couldn't answer the question.

A. Then I don't understand.

MR. GRIMM: Let me -- In answering his question, do not disclose to him any conversations that you may have had with Mr. MacCord, me or the other attorney.

THE WITNESS: Okay.

MR. GRIMM: If there is a conversation you had with Mr. Laird which was not based on discussions with the attorneys, you can advise Mr. O'Brien of that portion of the conversation.

THE WITNESS: Okay.

A. Bill reviewed it, and came into my office and

basically we sat down for a few minutes. He said he didn't see anything in it at all that would give us a problem with regard to our patent.

Q. Did you and Mr. Laird actually review the document together?

A. We went over those sections that we thought were pertinent to the patent.

MR. O'BRIEN: Could we just mark this document.

(Thereupon, Plaintiff's Exhibit 17 was marked for identification.)

Q. The van Heel document that we've been referring to has been marked as Exhibit 17. You say that you and Mr. Laird reviewed what you considered to be the pertinent portions of Exhibit 17. Can you direct me to those portions that you reviewed?

A. I'm having some trouble finding it. For some reason I cannot find the specific sections, no.

Q. Do you remember what sections were discussed?

A. When I find them. I think under 2.6, Finishing of Flocked Fabrics, we discussed. It's on page -- I think it's 18.

STATE OF RHODE ISLAND
ss. Providence, Rhode Island
COUNTY OF PROVIDENCE

BE IT KNOWN THAT I, Lori R. Colwell, Shorthand Reporter and Notary Public, reported stenographically the foregoing deposition pursuant to notice at the time and place stated in the caption hereof; that I was then and there a Notary Public in and for the State of Rhode Island; that by virtue thereof I was authorized to administer an oath; that the witness before testifying was duly sworn to tell the truth, the whole truth and nothing but the truth; that the testimony of said witness was reduced to typewriting under my direction; that the foregoing pages contain a full, true and correct transcription of the notes of said deposition; that the deponent has not made the request to read and sign his deposition.

I, FURTHER CERTIFY that I am not of counsel nor attorney for either or any of the parties to said action or otherwise interested in the event thereof, and that I am not related to either or any of the parties to said cause.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my seal of office this 1st day of April, 2003.

Lori R Colwell
LORI R. COLWELL
Notary Public

My Commission Expires:
June 20, 2005