EXHIBIT F

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT

INTERMARK FABRIC CORPORATION,	)	
	)	
vs.	)	C.A. NO. 3:02CV1267(AVC)
	)	
MICROFIBRES, INC.,	)	

DEPOSITION OF WILLIAM FREDERICK LAIRD, produced, sworn and examined on Wednesday, March 26, 2003, scheduled at 9:00 a.m. on behalf of the Plaintiff, at the Law Offices of Hinckley, Allen & Snyder, 1500 Fleet Center, Providence, Rhode Island, before:

DEVIN J. BACCARI, CSR
REPORTING ASSOCIATES

A Notary Public in and for the State of Rhode Island.

APPEARANCES

For the Plaintiff:

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A. I'm not sure I -- if they were being compounded here in Pawtucket for us or if we were buying direct.
Q. But some point in time, Microfibres began to manufacture its own adhesive?
A. They were in -- they were manufacturing -- in 1981, they were manufacturing adhesives here in Pawtucket. We started in Canada in 1983 or '4.
Q. Does Microfibres sell the adhesives that it manufactures?
A. Not to my knowledge, no.
Q. Have they ever?
A. Not to my knowledge.
Q. Back in 1981 when you started using these adhesives, were there shades to the different adhesives?
A. Depending on the products run, yes.
Q. So there were colored adhesives?
A. Yes.
Q. And those colored adhesives were used in flocking fabric?
A. Yes.
Q. In 1981?
A. Yes.
Q. Were -- those dark adhesives had different shades?

A. Of course.
Q. Some were dark?
A. Yes.
Q. So it's known then to use a dark colored adhesive -- strike that.

It's known to pigment a dark colored adhesive in the manufacture of flocked fabric --

MR. GRIMM: Objection, form.

Q. (By Mr. O'Brien) -- in 1981?

MR. GRIMM: Same objection.

Q. (By Mr. O'Brien) You can answer the question. He's objected but it's for the record. You can answer the question.
A. Oh, okay. I'm sorry. Yes, it is known to be used pigmented adhesive with a colored flock.
Q. That's not my question. It was known in 1981 to use a pigmented adhesive in conjunction with the manufacture of flocked fabric?
A. Yes.

MR. GRIMM: Objection, form.

Q. (By Mr. O'Brien) And you personally supervised the production of flocked fabric with the colored adhesive back in 1981?
A. Yes.
Q. And those adhesives would include dark colors and

light colors?
A. Yes.
Q. Okay. I'm going to show you a document that's been produced to --
MR. CASS: Can we just take a five-minute break, please.
(A recess was taken.)
Q. (By Mr. O'Brien) Okay. Mr. Laird, you've testified that Microfibres has manufactured its own adhesives?
A. Yes.
Q. And has done so since at least 1981?
A. Yes.
Q. What type of records were kept back in 1981 in producing and manufacturing adhesives?
A. I don't know what they kept here. When we started in Canada, we would keep our -- each batch record.
Q. Okay. Well, let's stick to Canada. In each batch, you would have a batch record?
A. Yes.
Q. That would describe what?
A. It would describe the amounts of each component that were put into the compound, any adds that would be necessary to bring it onto the proper viscosity and pH.

Q. Would it show pigment that was added to the adhesive?
A. Show what?
Q. Would it show what pigment is added to the adhesive?
A. It there were any, yes.
Q. Okay. Would it describe the chemical composition of the pigment?
A. No.
Q. Would it describe how much pigment is added into each batch?
A. Yes, it would.
Q. Was the pigment purchased from third parties --
A. Yes.
Q. -- back in 1981?
A. Yes.
Q. Do you know who was --
A. Actually, we didn't compound in 1981. We didn't start compounding in Kingston till '83 or so. It wasn't '81.
Q. Okay. In 1983, you were purchasing your pigment for the adhesive from third parties?
A. Yes.
Q. Who were they?
A. The main one, I believe, was Eastern Color &

years and that's it.

Q. In the manufacture of the adhesives, you say that there's a pigment added. Is there a range of colors in adding pigment to an adhesive?

MR. GRIMM: Objection to the form.

A. Yeah, normally -- normally, you match the color of the adhesive to the color of the fibre that you're applying to the face of the fabric.

Q. (By Mr. O'Brien) So if I'm going to make a black flocked fabric with a black flock, then I would have a black pigmented adhesive?

A. Yes.

Q. It would be the same -- the shade of the adhesive would be the same as the flock?

A. You try to match it as close as possible, yes.

Q. And that's what was done in 1981?

A. Yes.

Q. And that's what you did in 1981?

A. Yes.

Q. Now, there's other flocked coating lines that are -- that have been installed in other offices of Microfibres; is that right?

A. Yes. Well, they're installed in plants, not the offices, but the other operations.

Q. In the plants. Can you give me -- strike that.

color. We compound only natural adhesives.
Q. Okay. When was the batch coloring done?
A. Back in '81, '82, or actually when Hartford -- at Hartford, it was done when we started compounding in '83, I believe it was.
Q. Okay. And when you were pigmenting the -- pigmenting the adhesive through this batch method, you were using black pigment?
A. Depending on what color you wanted. If you wanted black, you would use black, yes.
Q. You would use blue pigment?
A. Yes.
Q. And green pigment?
A. Yes.
Q. What other colors would you use?
A. Tans, light blues, reds, burgundies, get into the fuchsia colors and whatever depending on the flock you were running. It was standard operating procedures to match the adhesive as close as possible to the color of the fibre.
Q. And now you inject color into the adhesive. How does that work?
A. We inject it at the foamer.
Q. What's the foamer?
A. Foamer is where you actually whip air into the

advantage. You can go higher, but there's no advantage to doing so and you just destroy your very expensive Nomex blankets.

Q. In 1991, were the conventional pressures between 10 and 60 pounds?

A. Yeah.

Q. And they still remain between 10 and 60 pounds?

A. I would imagine so, yes.

Q. Okay. And the transfer printing that -- strike that.

The pressure that Microfibre uses, I think you testified, was in and around ten pounds?

A. We try to keep it at the low, at the minimum.

Q. Okay. So it's within the range of the conventional pressures?

A. Offhand, I'm not exactly sure.

Q. Well, you've testified that Microfibres uses in and around ten pounds.

MR. GRIMM: Objection. That's not what he testified to. He said 10 to 20 pounds.

Q. (By Mr. O'Brien) Okay. You've testified that Microfibres uses between 10 and 20 pounds of pressure?

A. Yeah.

Q. You've also testified that conventional pressures

in 1991 and up until today is between 10 and 60 pounds?

A. Or higher I said, but the -- the upper limits of the pressure do nothing for you other than to put too much stress on your blanket. The Nomex blanket is about a $5,000 item.

Q. Okay.

A. So the more you -- pressure you run it under, the more chance you have of tearing it apart. You reduce the life of it.

Q. Was the pressure different that was used between 1983 and 1991?

A. We started -- we started at Hartford in 1985 for transfer printing.

Q. Okay. So between 1985 and 1991, what pressures were used at the Hartford?

A. Normally, in the beginning, we used -- we ran it up near the upper limits.

Q. Okay.

A. Our fabrics came out like a piece of pressed felt.

Q. In the '80's was the conventional pressure still between 10 and 60 pounds?

A. Yes. Normally, it was normal to run at the upper limits.

Q. When did the Hartford office start -- switch to the

lower pressure?
A. When we started heat setting the fibre and coming up with an erect pile on the finished product.
Q. And you testified -- strike that.
What was the year that you installed the heat setting unit?
A. Well, they -- we started out -- like I told you before, we started out heat setting in the main oven on the final pass. The -- I'm not sure exactly when we installed the heat set oven. That was, I told you, early '90's sometime.
Q. I think you testified in 1988 you began using the oven to heat set.
A. The main oven.
Q. The main oven?
A. Yes.
Q. That heat setting process that you were using in 1988, were you using, then, a reduced pressure to transfer print?
A. We started to, yes. That's what brought us to reduce the pressure.
Q. Okay. So in 1988, you reduced the pressure --
A. Yes.
Q. -- in transfer printing?
A. Yes.

and it normally takes on a different cast than what it does on the nylon.

Q. After the fabric and paper come through the transfer printing machine, then it goes -- the paper is separated?

A. Uh-huh.

Q. How is that done?

A. Just they come apart, you wind up the paper by itself and the fabric goes on down to the -- through the rest of the machine to the winder.

Q. And after it leaves the transfer printing machine, it could go through a couple of different processes?

A. It can, yes.

Q. Were those processes, maybe, air brushing?

A. Brushing, thermal brushing, steaming.

Q. What's "steaming"?

A. Just as it says, it goes through a steam chamber and receives steam. The steam helps soften the pile and raise it a little bit and then you can thermal brush it.

Q. And during your time up at the Hartford Ontario plant, you were in charge of transfer printing flocked fabric?

A. I was in charge of the overall plant, yes, so that

included transfer printing.

Q. Okay. And at any time -- strike that.

When did Microfibres begin manufacturing transfer printing -- transfer printed flocked fabric with a colored adhesive?

A. That was first tried in the first half of 1992. Trials were performed. That was the year that we applied for the -- at that time a file for the patent. The actual filing date is the 31st of July and it was shown in the market in our German -- to our German partners in August of 1992.

Q. Now, you say there were trials performed --

A. Uh-huh.

Q. -- with that product?

Were there documents showing those trials?

A. Today, no.

Q. When did you first learn of this product, of transfer printed flocked fabric with colored adhesive?

A. When the owner of our company suggested that I try it.

Q. Mr. McCulloch?

A. Yes.

Q. Mr. McCulloch suggested to you that you try a -- try creating a transfer printed flocked fabric with

a colored adhesive?
A. Yes.
Q. And when was that?
A. Spring of 1992.
Q. And in the Spring of 1992, you then began -- what did Mr. McCulloch say to you specifically?
A. I don't remember.
Q. Was it verbal or in a written document?
A. I don't know. I don't remember. That's a lot of years ago.
Q. Why do you remember it to be the Spring of 1992 then?
A. Because I know when we filed for the patent, and the work was done just prior to filing.
Q. Filed for the patent in July.
A. Pardon.
Q. You filed for the patent in July of 1992.
A. Right. Yes.
Q. So he could have told you this in June of 1992?
A. Could have been. It could have been June, yes. I'm not sure of the exact date. I know we tried it. It looked good. We made some samples. He wanted to show the samples. We filed for the patent before we showed the samples.
Q. Where are those samples that you made in 1992?

A. Where are they?
Q. Yes.
A. They're long gone.
Q. Are there any documents showing or talking about the testing of those, creation of those products in 1992?
A. Nothing other than what we've been able to produce so far and it's not much.
Q. Have you produced anything up to this point showing any record of creating that flocked fabric with the dark pigmented adhesive that's transfer printed in 1992?
A. I believe we have one or two pages on that that show the -- some of the patterns that were done on a tinted base that were shown to the German associates in August.
Q. Are those documents copies of actual samples or what are they?
A. They're pieces of paper. Do we have any fabric samples you're asking?
Q. Yes. Yes.
A. No.
Q. Where are those documents that you're talking about that were sent over in August of '92? Are you in possession of them?