



Press Release

Phoenix Technology Holding Inc. Engages a Leading Patent Law Firm to Protect The Schimatic Cash...

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LAS VEGAS, July 21 /PRNewswire-FirstCall/ -- Phoenix Technology Holding Inc. and Schimatic Cash Transactions Network Inc. (Pink Sheets: SCTN), dba Smart Chip Technologies, Inc., announced today that the companies have engaged Mr. Ed Radlo as their legal counsel in California and worldwide to design its patent strategy.

Phoenix said that with guidance from Radlo & Su, LLP, a world class patent law firm, it is ensuring the protection of its patent rights. The company said it is also creating improved revenue opportunities for existing clients and identifying potential patent licensing opportunities. "We will do this in relation to the patents granted to SCTN in the United States (#5,806,045) as well as opportunities relating to our existing patents in Canada, Mexico, Japan and Australia," reported Bernard F. McHale, CEO of Phoenix and SCTN.

Mr. McHale noted that, "Licensing inquiries have increased following several public implementations of the Phoenix cashless stadium model. Many of the companies with whom we are now working welcome the opportunity to understand how the SCTN patent-protected technology is also a revenue generating business model.

"Also, with our recent national publicity we have received many more international licensing inquiries than we could comfortably manage in-house. To license our technology, both within and outside the US, we required a seasoned patent professional law firm. Radlo & Su, LLP understands the balance we require between identifying and licensing partners while respecting our desire to strengthen existing players throughout the industry," the technology executive added.

Mr. Radlo co-founded his firm in January 2010 after many successful years working across the spectrum of intellectual property litigation, licensing and patent prosecution www.radlosu.com. He is a Harvard Law graduate with a mathematics major from MIT. Mr. Radlo worked as a law partner at Sonnenschein Nath & Rosenthal LLP, based in San Francisco, CA where he engaged in all aspects of patent law, including prosecution, litigation, and licensing. He is a member of the American Bar Association, Intellectual Property Law Section, and former chairman of its Patent Harmonization Subcommittee. His full biography is available at *Who's Who of American Law*.

Mr. Radlo explained his firm's philosophy: "We have a deep appreciation for the role that entrepreneurship and intelligent risk-taking play in promoting better economic conditions, and we are dedicated to doing our part to help make the economy better for all of us. One of the goals of our firm is to foster stronger ties among the business and inventive communities of the United States and other countries. We have an unparalleled set of strong relationships with patent attorneys, patent agents, and sources of capital in all the major countries of the world."

Mr. McHale noted that when Mr. Radlo worked in the patent group of Fenwick & West LLP, he was foremost among the creative legal minds which recognized the potential of the SCTN loyalty solution. This was described in the original patent filings by Fenwick & West in 1994 as: "...a method and system for allocating and redeeming incentive credits on an integrated circuit chip platform."

McHale also stated, "Licensing of the Phoenix Operating and Deployment System with the SCTN Smart Chip Patented Loyalty Technology inside is required in order for any party to operate a loyalty program on a smart chip, mobile device, laptop or PDA in countries where our software is patented. We have invested several millions of dollars in developing our suite of software and developing a Best of Breed Operating System to deploy this Patented Loyalty Technology and protecting it is a very high priority for us, our shareholders and our existing customers."

McHale concluded that, "The many businesses that use this kind of technology, some quite large, are quickly moving to the much more sophisticated credit and pin format. As debit cards migrate globally to chip and pin from magnetic strip, this includes credit card issuers, banks and financial institutions around the world. The added security enhancements of a smart chip are what Visa and MasterCard championed by mandating EMV (Europay, MasterCard, VISA) migration. Chip and pin technology has many more security capabilities than that of the traditional magnetic strip."

About Phoenix US: It provides sales, client implementation, hosting, development and systems support for customer retention products allowing clients to deploy sophisticated solutions easily and quickly. Phoenix US is the exclusive licensor of Loyalty Central Patented Technology from SCTN. See www.phoenix-tec.com to learn more about the company.

About Smart Chip Technologies: It provides turnkey customer retention solutions, including loyalty, pre-paid stored value, punch cards and gift cards, that enable card issuers, acquirers and merchants to take advantage of real time programs. The SCTN program is a scalable, high performance, end-to-end solution that uses an ASP model to customize the system's look and feel to reinforce customer branding. See www.sctn.com to learn more about this company.

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SOURCE Schimatic Cash Transactions Network Inc.

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