

For Immediate Release



Cereality® Cereal Bar & Cafe Settles Ohio Lawsuit Against Copycat

Company Settles Action Related to Intellectual Property and Brand Assets; Sends Signal to Others Who Engage in Unfair Competitive Activities

CHICAGO, Aug. 2 — Cereality® Cereal Bar & Cafe today announced that it had settled a federal lawsuit it had originally filed in United States District Court, Southern District of Ohio-Eastern Division, against Cereals LLC, doing business as "Cerealicious." The lawsuit contended that Cerealicious had infringed on trademarks of Cereality and engaged in unfair competitive activities in the start-up, promotion and franchising of its own business.

In announcing the settlement of the lawsuit, Cereality's chief executive officer, David Roth, issued the following statement:

"We are very pleased with the outcome in this case, which proves that the trademark protection system in this country works. As the category leader and originator, we have made significant investments in building our brand -- Cereality -- and it deserves to be protected.

This lawsuit should also send a signal to any company that bends the rules or takes short-cuts, especially when it comes to the franchise process where the law -- both Federal and at the state level -- is very clear and designed to protect all parties involved.

We are prepared to take this kind of legal action again should the need arise. We hope we will not have to."

For more information about Cereality Cereal Bar & Cafe, go to <http://www.cereality.com>.

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