

LOLLICUP[®] USA, INC.

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FOR IMMEDIATE RELEASE

LOLLICUP[®] USA, INC. FILES SUIT AGAINST VIGOUR PACK CO. LTD FOR ALLEGED COPYRIGHT INFRINGEMENT

City of Industry, CA, February 18, 2013 – Lolicup USA, Inc., a California corporation has taken action against Vigour Pack, a Taiwanese business entity formerly known as Vigour Plastic Co., Ltd. The action against Vigour Pack includes trademark infringement, trade name infringement, false designation of origin, false advertising, unfair competition under the Lanham Act, breach of contract, and conversion of equipments.

As a manufacturer, importer, and supplier of restaurant products including, but not limited to, napkins, paper towels, straws, plastic utensils, as well as paper and plastic drinking cups and lids, Lolicup USA, has spent substantial resources in building its reputation as a leader in the paper and plastic restaurant supplies industry. Over the past decade, the company has invested effort and money in the development and marketing of its trade name and trademark Karat[®] line of paper and plastic restaurant supplies through its website located at the domain name <http://www.karatcup.com>. Lolicup USA owns exclusive right to use the trade name and trademark of Karat[®] through registration issued by the United States Patent and Trademark Office, No. 3,367,099 on January 8, 2008 pursuant to Sections 7, 22, and 33 of the Lanham Act, 15 U.S.C. Sections 1057, 1072 and 1115.

In 2006, Lolicup USA entered into an Oral Contract with the Taiwanese company Vigour Pack through which Vigour Pack has agreed to manufacture paper and plastic products exclusively for Lolicup USA, bearing the unique Karat[®] mark imprinted on the product and unique source identifying product code. Additionally, Lolicup USA has agreed to pay for the creation of a mold and for the requisite equipment that Vigour Pack would use to manufacture Lolicup USA's goods for the Karat[®] line in which is only designated to manufacture goods for sale to Lolicup USA. In turn, Lolicup USA has also agreed to serve as Vigour Pack's exclusive distributor for paper and plastic restaurant supply products in the U.S. such that Vigour Pack would not distribute such products to any other customers in the U.S. without Lolicup USA's consent.

In August 2012, Lolicup USA learned that one of its competitors, Frozen Dessert Supplies, was advertising and selling plastic cup lids that were identical to those sold by Karat[®]. The infringing goods reflected the mark Karat[®], as well as its exclusive letter and numerical source identifying information within this judicial district and in interstate commerce. Vigour Pack's use of the name and mark identical that owned by Lolicup USA, for similar goods, is likely to cause and has caused confusion among prospective purchasers and is without consent, authorization, or license by Lolicup USA.

Upon the discovery of the wrongful usage of Lollicup USA's molds and equipment to manufacture plastic products for sale to Lollicup USA's competitors in violation of the Oral Contract, Vigour Pack initially apologized to Lollicup USA and agreed to abide by the terms of contract. However, Vigour Pack's Chief Executive Officer repudiated the Oral Contract later on September 28, 2012 and informed Lollicup USA that they will continue to use the equipment and molds to manufacture paper and plastic Karat[®] goods for sale to other customers in the U.S. and would compete directly against Lollicup USA using the equipment and know-how that Lollicup USA had provided previously.

Lollicup USA, Inc. will be filing seven claims for relief including, trademark and trade name infringement, false designation of origin, false advertising, unfair competition, trademark counterfeiting and infringement, trademark and trade name infringement, breach of bailment contract, breach of oral contract, and conversion against Vigour Pack. With its lawsuit, Lollicup USA is seeking injunctive relief to prevent Vigour Pack Co. Ltd from copying, manufacturing, and distributing Lollicup USA's Karat[®] trademark. Case Details: RFC Case Number: T-L12-8575V, Court Case Number 2:12-cv-08575-CBM-JEM.

About Karat[®]

Specializing in food and drink packaging products such as paper coffee cups, plastic cups, food containers, dessert cups, cup lids, and more, Karat[®] is manufactured by Lollicup[®] USA, Inc. In an effort to be more environmentally friendly, Lollicup[®] USA, Inc. developed Karat[®] Earth, a plant-based line of compostable products, including cups, straws, and utensils. Based in Industry, CA, Karat[®] and Karat[®] Earth also offer custom printed containers, cups, and napkins for a personalized touch. Please visit www.karatcup.com for more information.

About Lollicup[®] USA, Inc.

Based in City of Industry, CA, Lollicup USA, Inc. is widely known for retailing bubble tea drink products under the Lollicup[®] Coffee and Tea and Lollicup Tea Zone[®] brands. Since 2005, Lollicup USA has been the proud manufacturer of Karat[®] paper and plastic products. Karat[®] offers high-quality plastic and paper cups, utensils, and food packaging at competitive prices and is a registered trademark of Lollicup USA (registration number 3367099). Lollicup USA is granted the Karat[®] trademark in 2007 as the original applicant and creator of the brand.

If you'd like more information about this topic, or to schedule an interview, please call Michelle Lam at (800) 857-1988 or e-mail Michelle at marketing@lollicup.com.