Kraft Suing Cracker Barrel Restaurants over Name

CANDICE CHOI,AP Food Industry Writer

NEW YORK (AP) — Kraft Foods is suing Cracker Barrel Old Country Store over the restaurant chain's plans to use the "Cracker Barrel" name on packaged ham, bacon and other foods.

Kraft notes that it started using the "Cracker Barrel" name on cheese in 1954. Cracker Barrel Old Country Store Inc., which is based in Lebanon, Tenn. and operates 620 locations around the country, was established in 1969.

Kraft says it never took any formal legal action until now because the chain had kept its distance and sold only a very limited number of mixes, candies and sauces through its shops and website. But Kraft says Cracker Barrel Old Country Store's recent licensing agreement to sell foods including "assorted lunch meats, glazes, jerky and summer sausage" could give the products a much broader audience at supermarket and big-box retailers such as Wal-Mart Stores Inc. and cause confusion among consumers.

Kraft said that could harm the reputation of its "award-winning" Cracker Barrel cheese, which has generated sales of more than $100 million a year since 2000. In the lawsuit, Kraft notes the hundreds of awards its cheese has won through the decades, including "17 gold medals in the New York State Fair from 1959 to 1987."

"Due to the public acceptance, fame and great recognition of the Cracker Barrel mark, the mark has come to represent an enormous amount of goodwill for Kraft," the company said in the filing.

A representative for Cracker Barrel Old Country Store wasn't immediately available for comment. On its website, the company says its restaurants and shops are intended to evoke "America's country heritage" with home-style country food and unique gifts.

Its agreement to license products with John Morrell Food Group, a unit of Smithfield Foods, was announced in November.

Cracker Barrel cheese came in four varieties when it was first introduced and was named for the fixtures found in most country stores at the time. There are now more than 20 Cracker Barrel products in a variety of forms, including blocks, bars and slices.

Kraft, based in Northfield, Ill. also makes brands including Jell-O, Miracle Whip, Oscar Mayer and Velveeta.

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