Irish Whiskey Suit Against Beam to Proceed

NEW ROCHELLE, N.Y. (PRNewswire) — In March of 2013 Sidney Frank Importing Company, Inc. (SFIC) filed a lawsuit against Beam, Inc. [1] alleging that Beam improperly sought to destroy SFIC's Michael Collins Irish Whiskey brand and seeking $100 million in damages. SFIC released the following statement of its Chief Executive Officer, Lee Einsidler, regarding last week's decision of a New York Federal Judge to sustain SFIC 's complaint against Beam and allow the lawsuit to continue.

"We are pleased by the Court's ruling although not surprised, as the facts are known and they will speak loudly for themselves. The fact that the Court ruled completely and entirely in our favor on all three causes of action clearly shows that, given our day in Court, we will establish that our long-term contract with Cooley Distillery was in full force and effect, and that Beam wrongfully terminated the contract by unilaterally cutting off the whiskey supply at the source," says Lee Einsidler.

U.S. District Court Judge Nelson S. Roman denied Beam's motion to dismiss SFIC's complaint, rejecting Beam's argument that no long-term contract existed between the parties as a matter of law. The Judge further rejected Beam's bid to dismiss claims for unfair competition and tortious interference, stating that SFIC sufficiently alleged quantifiable economic injury caused by Beam's actions. The Court ruled that the complaint alleges valid claims that Beam [2] "unilaterally and wholly without justification abandoned its supply contract with SFIC," and that Beam monopolized its distillery production capacity for the benefit of its newly acquired portfolio of Irish Whiskey brands. Finally, SFIC sufficiently alleged that Beam launched a campaign to undermine SFIC's wholesale and retail distribution networks by telling key wholesalers and retailers that "[t]here is no doubt Michael Collins is going away."

Einsidler states, "For almost a half century, our company has built fabulous relationships, goodwill and friendships with its distributors and retailers, which is crucial to the success of our brands. We intend to show that Beam intentionally damaged the Michael Collins brand in the eyes of our customers. Finally, the Court recognized the validity of our claim that Beam engaged in unfair competition by misappropriating our Michael Collins whiskey for its own brands. This was all part of Beam's scheme to accomplish what it could not do through fair competition -- to eliminate Michael Collins as a competitor to Beam's newly acquired portfolio of Irish Whiskey brands, including Killbeggan and 2 Gingers."

"Our company has a proven track record as a brand builder in an atmosphere of healthy and vigorous competition. We have invested many millions of dollars in Michael Collins with the expectation that the brand would become a major player in the fast growing Irish Whiskey category, and all indications were pointing to achieving success," Einsidler continues. "Beam knew that it could not beat our expertise in sales, marketing and promotion, so it turned to other methods. We are pleased that the Court recognized our right to bring the facts of Beam's behavior to

light."

Einsidler concludes, "We will continue to actively pursue our claims in Court no matter how long it takes, with the ultimate goal of telling our compelling story to a jury. We are eager to present all of the facts as we are convinced that the jury will send a message to Beam that its refusal to play by the rules of a free market has severe consequences."

About Sidney Frank Importing Company, Inc. Founded in 1972, Sidney Frank Importing Company, Inc. of New Rochelle, NY, currently owns or imports: Jagermeister Herbal Liqueur - the number one selling imported Liqueur and shot brand in the United States; Gekkeikan Sake - the world's finest sake with nearly 400 years and 14 generations of sake brewing experience, American Harvest – an organic vodka that boasts a distinctly smooth and crisp, clean taste; Barenjager Honey Liqueur - the German imported original honey liqueur made with generous amounts of premium natural honey; Barenjager Honey & Bourbon - a delicious blend of premium honey liqueur and Kentucky bourbon whiskey; Barenjager Honey & Tea - premium honey artfully blended with tea liqueur; Barenjager Honey & Pear - a delightful combination of premium honey liqueur and Williams pear brandy; Sortilege – this remarkably fine liqueur is a unique blend of Canadian rye whisky and pure maple syrup. VnC Cocktails - the naturally spirited premium, all natural, low calorie ready-to-serve line of cocktails from New Zealand; Hudson's Bay Scotch - a smooth blend of 100% Scotch Whiskies distilled and blended in Scotland and St. Vivant Armagnac - the premium French brandy steeped in tradition dating back to 1559. www.sidneyfrank.com *[3]*

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