

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

SNACK ALLIANCE, INC,
an Oregon corporation,

&

SHEARER’S FOODS, INC.
an Ohio corporation,

Plaintiffs,

v.

UTZ QUALITY FOODS, INC.,
a Delaware Corporation,

Defendant.

CIVIL ACTION NO. _____

JURY TRIAL DEMANDED

COMPLAINT

Plaintiffs Snack Alliance, Inc. (“SAI”) and Shearer’s Foods, Inc. (“Shearer’s”) hereby brings suit against Utz Quality Foods, Inc. (“Utz”) and alleges as follows:

PRELIMINARY STATEMENT

1. SAI is the assignee and the owner of United States Patent Nos. 7,189,424 and 7,416,755, each entitled “Rice-Based Snack Chip and Method of Making Same” (hereinafter “SAI Patents”) and owns the exclusive right to practice the two SAI Patents. The SAI Patents each relate to rice-based snack chips – specifically the use of an unusual, transient ingredient called “bumped rice.” Bumped rice is an intermediate state of cooked rice, which is used in the creation of puffed rice cereals or crisp rice snacks. The SAI Patents describe the use of bumped

rice as the basis for rice-based snack chips in which the bumped rice is processed so as to produce a product that is structurally different than crisp rice. The United States Patent and Trademark Office (the “USPTO”) issued the SAI Patents, one for the chips themselves and one for the process of manufacturing them.

2. SAI saw a business opportunity as well as the opportunity to create a market for rice chips where none existed previously. SAI paid a substantial sum to acquire the SAI Patents and then spent years developing a market and a brand identity for its rice chips. To date, SAI has paid millions of dollars fostering strong consumer goodwill toward its rice chips. Much of this goodwill is associated with the flavors and trade dress of its products.

3. Utz noticed the growing market for rice-based snack chips that SAI was creating and sought to enter the market. Rather than develop its own recipe, however, Utz directly infringed the claims of the SAI Patents, practicing exactly what was taught by those patents. To that end, Utz uses bumped rice as the basis of its snack chips.

4. Utz also realized that it would be easier to enter the market by confusing users into believing they were consuming chips made by SAI. Accordingly, Utz copied the flavors, the distinctive names of the flavors, and the product packaging design from SAI, completing a wholesale misappropriation of SAI’s substantial intellectual property interests, which SAI has developed with great effort and expense.

5. SAI and Shearer’s informed Utz of what Utz already undoubtedly knew – that it was infringing multiple intellectual property rights of the Plaintiffs. Notwithstanding, Utz continues its wholesale misappropriation and infringement. Accordingly, by means of this complaint, SAI and Shearer’s seek injunctive relief to prevent Utz from continuing to unlawfully capitalize on SAI’s effort and expense, and damages for Utz’s past unlawful acts.

NATURE OF THE CASE

6. Plaintiffs SAI and Shearer's seek legal and equitable remedies for violations of the patent laws of the United States, codified at 35 U.S.C. § 1 *et seq.* (the "Patent Laws"), the Lanham Act, codified at 15 U.S.C. § 101 *et seq.*, the Ohio Deceptive Trade Practices Act, codified at OHIO REV. CODE. ANN. § 4165 *et seq.*; Ohio common law on unfair competition and unjust enrichment. This action flows from Utz's manufacture, marketing, offering for sale, distribution and sale of rice-based snack chips that (i) infringe SAI's rights in United States Patent Nos. 7,189,424 and 7,416,755, and (ii) infringe SAI's rights in the trademarks and trade dress used in the sale of its chips.

JURISDICTION AND VENUE

7. This Court has original subject matter jurisdiction over all causes of action set forth herein pursuant to 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331, 1332, 1338 and 1367, in that this is a civil action involving patent and trademark claims arising under the laws of the United States, and in which the claim under for violations of the Ohio Deceptive Trade Practices Act and Ohio common law are joined with and substantially related to the claims under the trademark laws of the United States.

8. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391 and 1400.

PARTIES

9. Plaintiff SAI is an Oregon corporation, having a principal place of business at 692 Wabash Ave. North, Brewster, Ohio 44613. SAI is a manufacturer and distributor of several brands of snack foods including **riceworks®** brand snack products.

10. Plaintiff Shearer's is one of the nation's leading manufacturers of snack foods. Shearer's is the owner of one hundred (100%) percent of SAI's stock.

11. Upon information and belief, Defendant Utz is a Delaware corporation with its principal place of business located at 900 High Street, Hanover, Pennsylvania 17331.

12. Upon information and belief, Utz conducts business in interstate commerce in the United States, and in this judicial District.

FACTUAL BACKGROUND

BACKGROUND OF THE DEVELOPMENT OF RICE CHIPS

13. The world of snack chips includes a wide variety of base materials, including, for example, potatoes, corn, taro, sweet potatoes and cheese, to name a few. Historically, despite its health benefits, rice has eluded the snack chip industry as a primary base material, largely because of certain characteristics of rice.

14. In order for a snack chip to be commercially successful, it must taste good, look good, feel good when eaten and be capable of large-scale production. The look good and feel good features usually translate into a chip having a structure that keeps the chip from crumbling during processing, packaging, transport or use. Further, the structure of the chip needs to have a fresh “crunchability” when eaten. The look good feature translates into the chip having a toasted appearance that is usually associated with crunchiness.

15. Some of the difficulties in using rice as a base material for a snack chip are that it does not naturally acquire a toasted appearance, and it tends to crumble easily and is sticky when cooked and made into a dough, making it unusable with existing machinery commonly used to make chips from other base materials.

16. After an extended period of time and multiple attempts using numerous formulations and reformulations, food scientist and inventor Richard Gorski discovered a way of using rice as the base ingredient of a snack chip. Gorski’s invention involved the use of an

ingredient known as “bumped rice.” Bumped rice is typically a transient state of rice between a parcooked rice grain and what is known in the industry as “crisp rice,” a common ingredient in candy bars, cookies, granola bars, other snack foods, and as a form of breakfast cereal.

17. Crisp rice is typically manufactured through an oven-puffing process that begins with whole kernels of rice. For instance, the rice kernels are first cooked in a retort for several hours, together with sugar, salt and malt. The cooked kernels are then dried to a moisture content of 25% to 30%, tempered for about 15 hours to equilibrate moisture, and dried again to a moisture content of 18-20%. The dried kernels are then radiantly heated to plasticize the outside layers of the kernel, “bumped” on widely spaced flaking rolls, and tempered for 24 hours. At this point, the rice is in the form of hard, generally disk-shaped kernels not suitable as a constituent in a food product without further processing. Rice at this stage is referred to as “bumped rice kernels.” Once the bumped rice kernels are puffed and toasted they are known as “crisp rice.”

18. Gorski realized that the various obstacles that stymied the snack chip industry for decades could be overcome by using this unusual, transient ingredient as a primary ingredient in snack chips. By combining the bumped rice kernels with other rice-based and non-rice based ingredients, a snack chip could be manufactured that would have the characteristics demanded by consumers. Specifically, Gorski discovered that moistening the bumped rice kernels, processing them with a roller, and reheating them caused their texture to change in such a way as to make them a crunchy, textured base ingredient, but that is different from crisp rice.

19. Gorski also invented the process by which these snack chips could be made, which overcomes the various manufacturing problems that plagued snack-chip manufacturers. Gorski’s invention allows the rice chips to be manufactured on conventional snack-chip

manufacturing equipment, such as the equipment used for triangular-shaped tortilla chips, using the conventional steps used for the manufacture of other types of snack chips, including dry-mixing, wet-mixing, die-cutting, sheeting, baking and frying. The resulting product is an appetizing snack chip that uses rice as a predominant ingredient and that is shaped like a traditional, triangular tortilla chip.

20. On March 13, 2007, the USPTO granted Gorski United States Patent No. 7,189,424, entitled “Rice-Based Snack Chip and Method of Making Same” (the “‘424 Patent”). The ‘424 Patent contains seven claims for snack chips containing bumped rice. The ‘424 patent was filed on March 29, 2002 and published on October 2, 2003 as United States Patent Application Publication No. 2003/0185957.

21. On August 26, 2008, the USPTO granted Gorski United States Patent No. 7,416,755, entitled “Rice-Based Snack Chip and Method of Making Same” (the “‘755 Patent”). The ‘755 Patent contains thirteen claims for the process of manufacturing snack chips containing bumped rice. The ‘755 patent was filed on May 24, 2005 as a division of the ‘424 Patent, and published on October 6, 2005 as United States Patent Application Publication No. 2005/0220963.

22. The USPTO granted Gorski the ‘424 Patent and the ‘755 Patent after a diligent search of the prior art and after concluding that Gorski’s invention satisfied the Patent Laws and was eligible to be granted as a patent, including the requirements of 35 U.S.C. §§ 102, 103 & 112. Experts in the rice industry have also noted that, prior to the ‘424 and ‘755 Patents, the use of bumped rice had not been previously seen as the basis for any food product in its transient state. Rather, bumped rice was only previously seen in use as an intermediary ingredient to its traditional final state – puffed rice or crisp rice, neither of which is appropriate for a rice based

snack chip.

23. The '424 Patent and the '755 Patent are valid and enforceable patents.

**SAI ACQUIRED THE RIGHTS IN THE PATENTS AND DEVELOPED A UNIQUE
BRAND OF RICE CHIPS**

24. Established in 1996 as Snakcorp, Inc., SAI has become a leading manufacturer of snack products in the United States and Canada.

25. In 2005, SAI was approached by the owner of the SAI Patents about the possibility of SAI taking a license for those two patents. SAI representatives saw potential in the idea of rice-based snack chips in the snack chip market and were unaware of an alternative means for making rice chips.

26. On May 17, 2006, SAI took a license to practice the inventions claimed in the SAI Patents. On May 15, 2007, SAI (i) took an exclusive license to “make, use, manufacture, formulate, reformulate, copy, modify and practice” the '424 Patent and the invention that would become the '755 Patent, and (ii) purchased an option to acquire all right, title and interest in the '424 Patent and the then-pending '755 Patent. On June 20, 2009, SAI was assigned all right, title and interest in both of the SAI Patents.

27. By operation of U.S. law, SAI owns the exclusive right to make, use, offer to sell, sell or import any product that reads on the claims of the '424 Patent or the '755 Patent.

28. SAI invested substantial sums in research and development of its rice-based snack chips during 2005 and 2006. An initial product was released to market in 2006.

29. By early 2007, SAI had developed a unique brand identity for its rice chip products, and began to sell those products under the name **riceworks®**.

30. Additionally, SAI coined the new, distinctive term “Rice Crisps” to identify its rice-based snack chips and to distinguish those chips from other products that are known in the

snack food industry by the generic name, “chips,” including potato chips, tortilla chips, corn chips, pita chips, bagel chips, pork chips, sunflower chips, veggie chips, banana chips, plantain chips, POP CHIPS®, and SUN CHIPS®. Accordingly, all SAI **riceworks**® brand rice chips are labeled “Gourmet Brown Rice Crisps.”

31. Over a several-year period, SAI spent substantial sums in the development of three principle flavors for its rice chips, along with the packaging and marketing for each of those three flavors.

32. The first flavor, “Sea Salt,” is sold in a blue and white bag and contains a depiction of a bowl of salt and a spoon in the lower portion of the bag. The top of the bag contains an emblem stating “Whole Grain” along with an image of a rice stalk.

33. The second variety is flavored with sugar, salt, dried vegetables, paprika and other spices, and bears the descriptive name, “Sweet Chili.” The Sweet Chili flavor is sold in a red and white bag and depicts two red chili peppers in the lower portion of the bag. The top of the bag contains the same “Whole Grain” emblem found on the Sea Salt bag.

34. The third variety, which is also flavored with salt, dried vegetables and spices, bears the distinctive name “Salsa Fresca.” The Salsa Fresca flavor is sold in a green and white bag and depicts a bowl of tomato salsa in the lower portion of the bag. The top of the bag contains the same “Whole Grain” emblem found on the other bags.

35. Images of the Sea Salt, Sweet Chili, and Salsa Fresca **riceworks**® brand bags are shown below:



36. By 2010, SAI had built substantial goodwill among consumers for its **riceworks®** brand products. Consumers commented on the taste, the texture, and the health benefits associated with **riceworks®** brand rice chips. In the four years that **riceworks®** brand rice chips have been available on the market, the consuming public has come to associate the term “Rice Crisps” with SAI’s **riceworks®** brand products. SAI and Shearer’s have also become the market leaders in the rapidly-growing rice-based snack chip market.

37. SAI and Shearer’s have expended, and continue to expend, substantial sums of money in developing and protecting their intellectual property assets. Since 2007, SAI and/or Shearer’s have spent millions of dollars annually in the brand identity and marketing of the **riceworks®** brand. As a result, the **riceworks®** brand products have become famous, as have the unique names of their flavors and the trade dress of their packaging.

38. All **riceworks®** brand products contain a label that states:

U.S. Patent 7,189,424
Other patents pending in
U.S. and foreign countries

UTZ’S UNLAWFUL CONDUCT

39. On or about October 8, 2010, Utz announced the release of its own brand of rice chip products. Utz calls this line of product “Rice Crisps.” Utz’s “Rice Crisps” product is a

wholesale copy of SAI's **riceworks**® brand products, intended to unlawfully capitalize upon the Plaintiffs' substantial investments in the development of rice-based snack chips.

40. To that end, Utz's rice-based snack chips infringe both the '424 Patent and the '755 Patent. For example, upon information and belief, Utz's new rice chip products are primarily composed of bumped rice and other dry ingredients, including rice flour. Also on information and belief, Utz's manufacturing process uses the manufacturing steps that are the subject of the '424 Patent, namely: dry-mixing, wet mixing, die-cutting, sheeting, baking and frying.

41. In Utz's attempt to capitalize on SAI's substantial goodwill developed around its **riceworks**® brand products, Utz also copied SAI's trademarks and the trade dress associated with the **riceworks**® products. For example, Utz calls its products, in bold letters across the front of each bag "Rice Crisps," a term coined by SAI for purposes of uniquely identifying its **riceworks**® brand rice chips.

42. Utz is marketing three flavors of rice chips, which, copying SAI, it calls "Sea Salt," "Sweet Chili," and "Salsa Fresca." Like SAI's product, Utz's "Sea Salt" flavored rice chips are sold in a blue and white bag depicting a bowl of salt and a spoon in the lower portion of the bag. The top of the bag contains an emblem stating "Made with **Whole Grain** Rice" along with an image of a rice stalk. Like SAI's product, Utz's "Sweet Chili" flavored chips are sold in a red and white bag depicting two red chili peppers in the lower portion of the bag. The top of the bag contains the same "Whole Grain" emblem found on Utz's Sea Salt bag. Also, like SAI's product, Utz's "Salsa Fresca" flavored chips are sold in a green and white bag depicting a bowl of tomato salsa in the lower portion of the bag. The top of the bag contains the same "Whole Grain" emblem found on the other bags.

43. An image of the packaging accompanying Utz's three flavors of rice chips is shown below:



44. Utz's use of the term "Rice Crisps" and its packaging design are likely to cause confusion among consumers of snack chips.

45. On January 24, 2011, counsel for SAI and Shearer's sent a letter to Utz informing it of SAI's and Shearer's patent rights and trademark rights. Counsel to Utz responded by letter on March 10, 2011 stating that Utz's products did not infringe. However, Utz's letter failed to provide adequate details to support its assertion that it did not infringe, and also failed to mention Plaintiffs' serious trademark claims or several of the claims of the '424 Patent and the '755 Patent of which Utz is infringing. Utz continues to manufacture, advertise and sell its infringing products.

FIRST CAUSE OF ACTION
(Patent Infringement of U.S. Patent No. 7,189,424)

46. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

47. Utz has infringed, and continues to infringe, one or more claims of the '424 Patent in this District and elsewhere in the United States by making, using, marketing, offering for sale, distributing, selling, and/or importing infringing rice-based snack chips using the patented

process of the '424 Patent without authority or license of SAI.

48. Upon information and belief, Utz's infringement of one or more claims of the '424 Patent has been, and continues to be, willful.

49. Utz's acts of infringement as set forth above have caused, and will continue to cause, SAI to suffer irreparable harm. Utz's infringement will continue unless enjoined by this Court. SAI has no adequate remedy at law and is entitled to preliminary and permanent injunction prohibiting Utz, its respective directors, officers, agents, servants, and employees, and those people in active concert or participation with it from infringing one or more claims of the '424 Patent.

SECOND CAUSE OF ACTION
(Patent Infringement of U.S. Patent No. 7,416,755)

50. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

51. Utz has infringed, and continues to infringe, one or more claims of the '755 Patent in this District and elsewhere in the United States by making, using, marketing, offering for sale, distributing, selling, and/or importing infringing rice-based snack chips without authority or license of SAI.

52. Upon information and belief, Utz's infringement of one or more claims of the '755 Patent has been, and continues to be, willful.

53. Utz's acts of infringement as set forth above have caused, and will continue to cause, SAI to suffer irreparable harm. Utz's infringement will continue unless enjoined by this Court. SAI has no adequate remedy at law and is entitled to preliminary and permanent injunction prohibiting Utz, its respective directors, officers, agents, servants, and employees, and those people in active concert or participation with it from infringing one or more claims of the

'755 Patent.

THIRD CAUSE OF ACTION
(False Designation of Origin and Unfair Competition Under 15 U.S.C. § 1125(a))

54. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

55. The terms “Rice Crisps” and “Salsa Fresca” are famous marks as used in connection with snack products.

56. Utz is using the term “Rice Crisps” and the term “Salsa Fresca” in connection with the advertising, promoting, offering for sale, selling, and distributing products that are not manufactured or authorized by SAI or Shearer’s.

57. Utz’s packaging design, including its use of blue/white, red/white, and green/white packaging for flavors it has named “Sea Salt,” “Sweet Chili,” and “Salsa Fresca,” respectively, in combination with the use of a bowl of salt and a spoon, two red chili peppers, and a bowl of salsa on the lower portion of the respective packages, constitutes use in commerce of a word, term, name, symbol, or device, or combination thereof, and a false designation of origin that is likely to cause confusion or mistake in the public mind or to deceive the public, as to the affiliation, connection or association of Utz with SAI and/or Shearer’s, or as to the origin, sponsorship, or approval of Utz’s goods, services, or commercial activities by SAI and/or Shearer’s.

58. The design of SAI’s **riceworks®** brand product packaging is inherently distinctive or has acquired distinctiveness through secondary meaning. The claimed features of the trade dress are non-functional.

59. Upon information and belief, Utz had actual knowledge of SAI’s ownership of the famous and distinctive trade name “Rice Crisps” and the “Salsa Fresca” mark and is committing

the foregoing acts with full knowledge that it is infringing upon SAI's and Shearer's rights.

60. The aforementioned uses by Utz constitute willful and intentional unfair competition in violation of 15 U.S.C. § 1125(a).

61. Utz has profited from its acts of false designation or origin and unfair competition. SAI and Shearer's are entitled to recover Utz's profits arising from its conduct, any damages sustained by SAI or Shearer's arising from said conduct, as well as the costs of this action. SAI and Shearer's are also entitled to an enhanced award of profits and/or damages to fully and adequately compensate it for Utz's conduct.

62. In addition, Utz's violations of 15 U.S.C. § 1125(a) have caused and, unless enjoined by this Court, will continue to cause irreparable injury to SAI's and Shearer's goodwill, business identity and reputation. SAI and Shearer's are therefore entitled to a preliminary and permanent injunction enjoining and restraining Utz from using SAI's and Shearer's "Rice Works" trademark and the above-referenced elements of the packaging design from SAI's **riceworks®** brand products, and from engaging in unfair competition with SAI and/or Shearer's.

FOURTH CAUSE OF ACTION
(Violation of Ohio Deceptive Trade Practices Act – OHIO REV. CODE. ANN. § 4165, et seq.)

63. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

64. Utz is using the term "Rice Crisps" and the term "Salsa Fresca" in connection with the advertising, promoting, offering for sale, selling, and distributing products that are not manufactured or authorized by SAI or Shearer's, which causes a likelihood of confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services and a likelihood of confusion or misunderstanding as to affiliation, connection, or association with, or certification by, SAI and/or Shearer's.

65. Utz's packaging design, including its use of blue/white, red/white, and green/white packaging for flavors it has named "Sea Salt," "Sweet Chili," and "Salsa Fresca," respectively, in combination with the use of a bowl of salt and a spoon, two red chili peppers, and a bowl of salsa on the lower portion of the respective packages, causes a likelihood of confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services and a likelihood of confusion or misunderstanding as to affiliation, connection, or association with, or certification by, SAI and/or Shearer's.

66. Upon information and belief, Utz has committed the foregoing acts with full knowledge that it is infringing upon SAI's and Shearer's rights.

67. The aforementioned uses by Utz constitutes willful and intentional deceptive trade practices in violation of OHIO REV. CODE. ANN. § 4165.03(B).

FIFTH CAUSE OF ACTION
(Unfair Competition Under Ohio Common Law)

68. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

69. Utz is using the term "Rice Crisps" and the term "Salsa Fresca" in connection with the advertising, promoting, offering for sale, selling, and distributing products that are not manufactured or authorized by SAI or Shearer's.

70. Utz's packaging design, including its use of blue/white, red/white, and green/white packaging for flavors it has named "Sea Salt," "Sweet Chili," and "Salsa Fresca," respectively, in combination with the use of a bowl of salt and a spoon, two red chili peppers, and a bowl of salsa on the lower portion of the respective packages, constitutes use in commerce of a word, term, name, symbol, or device, or combination thereof, and a false designation of origin that is likely to cause confusion or mistake in the public mind or to deceive the public, as

to the affiliation, connection or association of Utz with SAI and/or Shearer's, or as to the origin, sponsorship, or approval of Utz's goods, services, or commercial activities by SAI and/or Shearer's.

71. The aforementioned uses by Utz constitutes willful and intentional unfair competition in violation of Ohio common law.

72. Utz's violations of 15 U.S.C. § 1125(a) have caused and, unless enjoined by this Court, will continue to cause irreparable injury to SAI's and Shearer's goodwill, business identity and reputation. SAI and Shearer's are therefore entitled to a preliminary and permanent injunction enjoining and restraining Utz from using SAI's and Shearer's "Rice Works" trademark and the above-referenced elements of the packaging design from SAI's **riceworks®** brand products, and from engaging in unfair competition with SAI and/or Shearer's.

SIXTH CAUSE OF ACTION
(Unjust Enrichment)

73. Plaintiffs repeat and reallege each of the foregoing paragraphs as if fully set out herein.

74. Utz has been and continues to be unjustly enriched, and has obtained and continues to obtain sales, profits, monetary and other unjust rewards due to its wrongful acts complained of herein.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, SAI and Shearer's, respectfully pray this Court to enter judgment against Defendants as follows:

A. Entry of judgment that Utz has directly infringed one or more claims of the '424 Patent;

B. Entry of judgment that Utz has directly infringed one or more claims of the ‘755 Patent;

C. Entry of judgment that Utz’s infringement of one or more claims of the ‘424 Patent and/or the ‘755 Patent has been, and continues to be, willful and deliberate;

D. Entry of judgment awarding SAI damages in an amount adequate to compensate SAI for Utz’s direct, contributory and/or active inducement of infringement of one or more claims of the ‘424 Patent and/or the ‘755 Patent, and in any event no less than the amount of a reasonable royalty, together with interest as fixed by the Court. SAI also prays that such damages be trebled, in accordance with 35 U.S.C. §284, as a consequence of Utz’s willful infringement;

E. Entry of judgment awarding SAI and Shearer’s damages in an amount adequate to compensate SAI for Utz’s willful infringement of the Plaintiffs’ trademark rights pursuant to OHIO REV. CODE. ANN.§ 4165.03(B), as a consequence of Utz’s willful infringement;

F. Preliminarily and permanently enjoining and restraining Utz and its respective partners, agents, servants, employees and attorneys, and all those persons in active concert or participation with Utz from:

1. further directly infringing, contributorily infringing and/or actively inducing infringement of one or more claims of the ‘424 Patent and/or the ‘755 Patent;

2. Using, selling, promoting, importing or otherwise trafficking in simulated, infringing or confusingly similar packaging or products bearing the designation “Rice Crisps,” “Salsa Fresca,” any other mark, term, or title confusingly similar to the trade names used in connection with, or the trade dress of, **riceworks®** brand

products , in connection with the marketing, sale, offering for sale, advertisement or promotion (including on the Internet) of any products and/or services; and

3. Representing by any means whatsoever, directly or indirectly, or doing any other acts or things calculated or likely to cause confusion, mistake or to deceive purchasers into believing that Utz's products originate with or are the products of SAI or Shearer's or that there is any affiliation or connection between SAI or Shearer's and its products and Utz or its products, and from otherwise competing unfairly with SAI or Shearer's.

G. Directing that Utz, at its own expense, recall all products and marketing, promotional and advertising materials and deactivate any Web sites that bear or incorporate the "Rice Crisps" or "Salsa Fresca" trademarks or any mark confusingly similar to marks owned by SAI or Shearer's, or trade dress that is confusingly similar to **riceworks®** brand packaging, which have been manufactured, distributed, sold or shipped by them, and to reimburse all customers from which said materials are recalled.

H. Directing that Utz deliver to SAI's and Shearer's attorneys or representative for destruction all products, labels, signs, prints, packages, molds, plates, dies, wrappers, receptacles and advertisements in the their possession or under their control, bearing the "Rice Crisps" or "Salsa Fresca" trademarks or trade dress that is confusingly similar to **riceworks®** brand packaging, and/or any simulation, reproduction, copy or colorable imitation thereof, and all plates, molds, matrices and any other means of making the same.

I. Requiring Utz to publish notice to all customers or members of the trade who may have seen or heard of Utz's use of the "Rice Crisps" or "Salsa Fresca" trademarks or its use of trade dress that is confusingly similar to **riceworks®** brand packaging, which notice shall

disclaim any connection with SAI and Shearer's and shall advise them of the Court's injunction order and of Utz's discontinuance from all use of SAI's and Shearer's marks, and that Utz be ordered to pay the costs of all such corrective advertising.

J. Directing such other relief as the Court may deem appropriate to prevent the trade of the infringing products and the public from forming any erroneous impression that any product manufactured, sold or otherwise distributed or promoted by Utz is authorized by SAI or Shearer's or related in any way to SAI's or Shearer's products.

K. Directing Utz to file with this Court and to serve upon SAI and Shearer's within thirty (30) days after service upon Utz of an injunction in this action, a written report by Utz, under oath, setting forth in detail the manner in which Utz has complied with the injunction.

L. Directing Utz to account for and pay over to SAI and Shearer's all gains, profits, and advantages derived by it as a result of its infringement of SAI and Shearer's marks to the full extent provided for by 15 U.S.C. § 1117.

M. Awarding SAI and Shearer's all damages permitted by 15 U.S.C. § 1117(a), trebled and/or enhanced pursuant to 15 U.S.C. § 1117(b).

N. Awarding SAI and Shearer's all damages permitted by 15 U.S.C. § 1117(c).

O. Entry of judgment awarding attorney's fees and costs in light of the nature of Utz's infringing conduct pursuant to 35 U.S.C. §285 and OHIO REV. CODE. ANN.§ 4165.03(B).

P. Awarding SAI and Shearer's such further relief as this Court deems just and proper.

JURY DEMAND

Plaintiffs request a trial by jury of any and all issues triable by a jury.

Dated: March 30, 2011

Respectfully submitted,

HAHN LOESER & PARKS LLP

By: /s/ R. Eric Gaum

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