



NEWS RELEASE:
For Immediate Release

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June 14, 2005

2 pages

NATIONAL TREASURE OF SOUTH AFRICA IS NOW PUBLIC DOMAIN

*Rooibos Ltd. Wins Long Legal Battle against Opportunists
Who Registered the 'Rooibos' Name*

(Clanwilliam, South Africa) After ten years and nearly \$1million in legal fees, Rooibos Ltd. has reached a settlement agreement with Burke–Watkins and Forever Young (Pty) Limited over the rights to the use of the generic term 'rooibos'. Under the terms of the settlement agreement, the latter two parties have voluntarily and unconditionally agreed to cancellation of their registration of the word 'rooibos' in the USA and various other countries in the world.

Rooibos Ltd, the largest producer and marketer of rooibos in the world and its Managing Director, Martin Bergh, should get full credit for pursuing and winning this case on behalf of the rooibos industry as a whole. "The livelihood of all rooibos farmers was being threatened by this destructive name registration issue and we had to do something about it," said Mr. Bergh, whose family has farmed rooibos for generations. "We needed to provide the farmers predictable, unhampered markets, such as the United States, for the distribution of their quality rooibos teas. We are thrilled after all these years and thousands of dollars to help these growers, as well as all US tea manufacturers, retailers and food service venues to openly and honestly share our national treasure, rooibos."

In 1994, Forever Young (Pty) Limited, registered the name 'rooibos' in the USA and numerous other countries, in an attempt to restrict the use of 'rooibos' to those willing to do business with Forever Young. In 2001, Forever Young assigned the registration of 'rooibos' to Virginia Burke-Watkins of Dallas, Texas. By restricting the use of the name 'rooibos' to only those companies prepared to enter into a business relationship with Burke-Watkins, great hardship was caused not only to many independent US tea manufacturers and US retailers, but all the way down the supply chain to the growers in the small villages of South Africa who depend on the sales of their harvests to support their families. Many companies, who used rooibos individually or in formulations, had to

create alternative names such as Red Tea and Red Bush, leading to great confusion in the minds of tea drinkers.

For those to whom the name 'rooibos' (pronounced 'roy-boss') is a mouthful and not a cupful, this internationally known, caffeine-free, herbal tea, is grown exclusively in the Cedarberg area of South Africa and provides great taste as well as numerous scientifically tested health benefits. It has been consumed as a tea in South Africa for well over 100 years and marketed internationally for much of that that period.

Overall sales of tea in the United States have climbed from just more than \$1 billion in 1993 to about \$5.1 billion in 2003, according to the New York-based Tea Council of the USA. Some experts expect that number to double to more than \$10 billion in the next few years. In the natural foods channel during the 12 months ending March 22, sales of loose tea have grown from \$6.1 million to \$6.5 million, according to San Francisco-based market researcher SPINS. "Rooibos sales in the USA, in spite of the registered name obstacle, have quadrupled every year since 1999", says Hugh Lamond, President of California based, Herbal Teas International. "The settlement of this issue will be welcomed by all parties associated with Rooibos in the USA and should lead to even more availability of this healthy tea for the American consumer" said Mr. Lamond, who is the largest importer of Rooibos into North America. Consumers prefer caffeine-free rooibos for its delicate flavor as well as the documented health benefits of its polyphenols and antioxidants, which may delay the aging process as well as help protect against heart attack, stroke and certain types of cancers. For instance, in skin cancer model studies, researchers found that rooibos tea extracts may inhibit promotion of cancerous tumors.

Rooibos is currently a very popular tea in Europe and Japan as well. Today, a great variety of rooibos teas can be found in grocery stores, specialty food stores, natural food stores and Tea/Coffee Houses throughout the USA and Canada.

Rooibos is exported to manufacturers and wholesalers in the USA and Canada by a cooperative of rooibos growers, Rooibos Ltd., located in Clanwilliam, South Africa, with USA offices in Anaheim, California. For trade inquiries call Herbal Teas International at toll free 800-559-1147. For media inquiries call Christie Communications at 805-565-4122. For more information, visit these web sites at www.rooibosdirect.com or www.rooibosltd.co.za.

INTERVIEW OPPORTUNITIES:

Mr. Martin Bergh is available for interview from South Africa. Mr. Bergh is a rooibos tea expert and also knowledgeable about this case.

Mr. Hugh Lamond, Herbal Teas International, is the US representative for Rooibos Ltd. and is based in Anaheim, CA.

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