



FOR INFORMATION CONTACT:

Susan Sperling, Aero Products International
847-487-7158 x4552, ssperling@thinkaero.com
Lisa Mleczko, Laughlin/Constable
414-270-7172, lmleczko@laughlin.com

FOR IMMEDIATE RELEASE

JUDGE DOUBLES PATENT DAMAGES AWARD TO AERO

– Jury Finds Intex Recreation Corp. Intentionally and Willfully Copied Air Mattress Design –

WAUCONDA, Ill. (August 2, 2004) – A judge in the U.S. District Court for the Northern District of Illinois ruled July 15 that Aero Products International, Inc. was entitled to \$6.9 million in compensatory and punitive damages, plus attorney’s fees, due to the infringement of a patented AeroBed® air mattress design and infringement of an Aero trademark by Intex Recreation Corp. This ruling doubled a jury’s previous damages award for patent infringement.

In February, Aero Products was awarded \$2.95 million for patent infringement, plus \$1 million for trademark infringement, when a jury found that Intex willfully infringed an Aero patent relating to air mattresses having valves that open and close automatically to allow for the quick inflation, deflation and adjustability of the mattresses. The Court’s ruling doubled the patent infringement award in light of factors such as, Intex’s copying of AeroBed® products, its failure to take steps to correct its infringing activities and Intex’s attempted concealment of its misconduct. The Court also found that these factors and others mandated an award of attorney’s fees. Aero Products is presently seeking an injunction to prevent Intex from supplying the infringing product to retailers.

“We feel this is a validation for Aero Products,” said Jack Hall, president and CEO of Aero Products International, Inc. “We stand behind the products we have developed over the years and, with the help of our retailers, we continue to build the category by addressing consumers’ needs and developing unique products with a variety of features and price points. Consequently, we are committed to preventing other manufacturers from marketing our proprietary technology and discounting the quality of our product, thereby defending our retailers and our position in the marketplace that we have built. Retailers can be assured that they will continue to receive Aero Product’s full support during this time.”

The law firm of Brinks Hofer Gilson & Lione in Chicago represented Aero Products, which is owned by Investcorp, a global investment group with offices in London, New York and Bahrain.

Aero Products International is a leading producer of premium, air-filled products under the aero® brand name. Aero Products provides quality-conscious consumers with unique, innovative, air-filled products and accessories that have superior levels of convenience, comfort, durability and style. Aero Products is backed by the Good Housekeeping Seal. The original AeroBed® was developed in 1992 and Aero Products has since adapted its inflation technology and superior quality to a wide array of products, ranging from indoor and outdoor bedding. For additional information, visit the Aero Products Web site at www.ThinkAero.com.

###