



PRESS RELEASE

Press Contact: Joseph Hageman at jhageman@castercomm.com

KRELL INDUSTRIES CONTRACTS NET ENFORCERS TO TRACK DOWN UNAUTHORIZED TRANSSHIPPERS AND RESELLERS OF KRELL MERCHANDISE

ORANGE, CT – June 1, 2004 – In an effort to protect their network of licensed dealers and preserve intellectual property rights, Krell Industries, Inc. has contracted Net Enforcers, Inc to police all unauthorized distribution of Krell-branded products on the Internet. Based on the reputation that Net Enforcers has established with other distinguished companies, and their ability to implement strategic alliances to further expand its resources and effectiveness, Krell selected the team to employ a more efficient method of prohibiting resellers and transshippers from illegitimately selling Krell products.

Krell Industries has established a highly respected network of dealers and, with the help of Net Enforcers, Krell is taking the initiative to protect the rights of these valued “brick and mortar” shops. *“With transshipping becoming such a widespread market on the Internet, Krell is determined to ensure that our dealers are protected in their category, with our brand,”* comments Bill McKiegan, vice president, sales & marketing. *“Net Enforcers will help implement our initiative to protect our brand and track down any unlawful use of the Krell name.”*

Dealers and manufacturers invest time and money into building and protecting brand names and with the influx of auction and low-cost websites, they are fighting a battle that is hurting both the integrity of their business as well as the brand name. Because of transshipping, dealers are competing with a number of unofficial online outlets that offer the same products at a much lower price, making it extremely appealing to the consumer, yet taking business away from the licensed network. Net Enforcers benefits the Krell consumer by eliminating illegitimate vendors that will not offer product service after the sale.

Net Enforcer’s abuse surveillance service identifies web sites that infringe on a company’s name, content, logos, trademarks or images. Their service also tracks down websites that: misuse a brand name or image; manipulate search engines to divert rightful traffic to their own addresses; falsely claim relationships with a brand to build their credibility; belittle the brand; or

subject a brand to negative, anti-social or offensive associations. With this knowledge, Krell can regain control over online brand integrity and use, before damage is done to the value of the Krell name or to the authorized network of Krell dealers.

Since recently partnering with Net Enforcers, Krell has already seen the results driven approach that is applied in Net Enforcer's policing tactics. In the event that transshippers and resellers are revealed, Krell plans to prosecute any and all violators to the fullest extent of the law.

For more information on Net Enforcers please visit www.netenforcers.com.

###

Established in 1980, Krell Industries, Inc. is the premier manufacturer of high-end audio equipment. Guided by the innovative designs and guidance of CEO Dan D'Agostino, Krell's extensive line of amplifiers, preamplifiers, DVD players, surround sound processors, and loudspeakers are renowned for their exceptional quality, and the Krell brand has become synonymous with outstanding high-end performance among music and home theater enthusiasts everywhere.

ATTN EDITORS:

This press release and digital images are available at www.castercomm.com/press.cfm or contact Joseph Hageman (jhageman@castercomm.com) at Caster Communications, Inc., 401.792.7080.