

FOR IMMEDIATE RELEASE



HEADLINE: Express Diagnostics Files Breach of Contract Complaint Against Premier Biotech

SUMMARY: In a lawsuit filed by Express Diagnostics, the company seeks damages from Premier Biotech for alleged illegal transfer of intellectual property, misrepresentation, and failure to pay for product, among other claimed contract violations.

PULL QUOTE: *“The lawsuit alleges that Premier Biotech continues to infringe on our intellectual property and, in addition, walked away from contractual obligations owing past due invoices for product totaling hundreds of thousands of dollars.” – Paul Johnson, president and CEO*

BLUE EARTH, Minn., August 1, 2017 – Express Diagnostics Int’l, Inc. (EDI), FDA-registered and ISO 13485:2003-certified manufacturer of DrugCheck® and private-label drug testing devices, has filed a breach of contract complaint against [Premier Biotech, Inc.](#), and its owner, Todd Bailey. The lawsuit, filed in Faribault County, Minn. (Fifth Judicial Court, Case # 22-CV-17-322), alleges multiple instances of Premier Biotech breaching EDI contracts. Allegations include illegal transfer of intellectual property, misrepresentation, and failure to pay for product, all causing irreparable financial harm to EDI.

According to court documents, pursuant to a 2012 agreement, EDI granted Premier the limited exclusive right to sell and distribute products that incorporate EDI’s patents, technologies, innovations, designs, and other intellectual property. The contract states that Premier “shall not have or claim to have any intellectual property rights of any kind in the intellectual property” and also prohibits Premier from reverse engineering any of EDI’s intellectual property.

Specific allegations of the lawsuit include:

- “Absent EDI’s prior written consent, Premier has solicited and caused, and/or permitted other persons or entities to solicit and cause, end users of EDI’s Products to terminate their respective purchases of EDI’s Products, and Premier continues to do so.”
- “The Premier kits incorporate EDI’s Intellectual Property and/or Confidential Information, as referenced in the 2012 Agreement and 2011 Agreement.”
- “Premier has proceeded to file applications for design patents and utility patents in the United States Patent and Trademark Office in Premier’s own name, and has asserted intellectual

property rights thereto ... despite Premier's contractual acknowledgment and agreement that all such intellectual property is solely and exclusively the property of EDI"

- "Premier has failed and refused to pay the amounts properly invoiced by, and owing to, EDI respecting various Products sold by EDI to Premier under the 2012 Agreement"
- "Premier's various improper acts and breaches of contract, as set forth above, have been willful, intentional, and with intent to injure EDI."

"Express Diagnostics has a responsibility to its stakeholders, customers, and employees to protect its intellectual property and R&D investments," says Paul Johnson, president and CEO of Express Diagnostics Int'l. "According to court documents, Premier Biotech and Todd Bailey have violated their contractual duties. The lawsuit alleges that Premier Biotech continues to infringe on our intellectual property and, in addition, walked away from contractual obligations owing past due invoices for product totaling hundreds of thousands of dollars."

Attached with the suit are multiple exhibits supporting EDI's complaint, including contracts outlining terms both EDI and Premier agreed to but that the defendant is alleged to have subsequently violated.

About Express Diagnostics Int'l, Inc.

Express Diagnostics Int'l (EDI), FDA-registered and ISO 13485:2003-certified manufacturer of DrugCheck® onsite drugs of abuse screening devices, has grown from five employees to 100 since its founding in Blue Earth, Minn., in 2004. EDI has been named three times to *Inc.* magazine's Inc. 5000 list of fastest-growing companies in the U.S. The company's combination of toxicology, manufacturing, development, and marketing expertise has helped position Express Diagnostics Int'l as a world leader in rapid drug testing. Learn more at drugcheck.com.

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