



**SACHER, ZELMAN, HARTMAN,
PAUL, BEILEY & SACHER**
PROFESSIONAL ASSOCIATION
Attorneys and Counsellors at Law

FOR IMMEDIATE RELEASE

**Federal Jury Awards Sacher, Zelman, Hartman, Paul, Beiley & Sacher
Client \$3.3M in Protein Powder Recall Case**

MIAMI – October 25, 2013 – A federal court jury sitting in Fort Lauderdale has awarded approximately \$3.3 million to Natrol, Inc., a nutraceutical company whose former-subcontractor, Nature’s Products, Inc. (NPI), made protein powder products for Natrol that were not gluten-free and wheat-free, as labeled and advertised, which the U.S. Food and Drug Administration (FDA) required to be recalled.

Natrol’s lead attorney and trial counsel is Joseph A. Sacher, a name partner at Miami-based Sacher, Zelman, Hartman, Paul, Beiley & Sacher, P.A.

“This is a matter that should have been amicably resolved two years ago, but NPI refused to accept its responsibility for manufacturing the defective, recalled products,” said Sacher. “We are very happy with the jury’s award of \$3,272,705 to Natrol, and look forward to pursuing Natrol’s entitlement to attorneys’ fees under its operative contract,” added Sacher, who was assisted throughout the litigation and the 8-day jury trial by Associate Michael Reese and Paralegal Adam Ruff.

California-based Natrol owned and marketed the ProLab protein powders. NPI was the Florida-based company that manufactured the whey-based protein for Natrol. In breach of its contract, agreements, and warranties, NPI manufactured and sold Natrol protein products that contained wheat and gluten, contrary to the product labels, both of which are allergens to some people and can make them sick.

The case arose as a result of an FDA investigation of NPI in 2011. The FDA ordered the recall of 12 different varieties of protein powder supplements because of the non-conforming, defective content, which did not conform to their labels. The recalled products were manufactured by NPI and sold to Natrol from June 2010 through September 2011. This was the first recall in Natrol’s thirty-plus-year history.

“The jury got it right,” said Mesrop Khoudagoulian, Natrol’s in-house counsel. “NPI refused to honor its pre-manufacturing Indemnification Agreement with Natrol, and then sued Natrol for invoices, requiring Natrol’s Counterclaim for the full amount of the damages NPI caused Natrol to incur. Joe Sacher and the Sacher Zelman law firm did an outstanding job for Natrol during the entire litigation and trial of this matter, while demonstrating the highest level of professionalism and ethics.”

The \$3.3 million counterclaim was awarded against a setoff of approximately \$750,000 for NPI, which had sued Natrol over unpaid invoices. Natrol also intends to pursue its entitlement to attorneys' fees, expert fees, and other fees and costs, pursuant to the operative contract.

"We are very pleased with the jury's verdict, and the recognition by the federal court and the jury, that NPI misrepresented the allergen content to Natrol in these protein products prior to selling them, resulting in the FDA recall," said Jenia Khudagulyan, Natrol's chief operating officer. "Joe Sacher, Sacher Zelman, and Natrol's legal team did a great job for us on this matter, by vindicating our good name and continuing to uphold Natrol's 'quality uncompromised' reputation."

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Miami-based Sacher, Zelman, Hartman, Paul, Beiley & Sacher, P.A. (www.sacherzelman.com) was founded in 1990. The firm's attorneys are highly proficient, experienced, respected and established in their principal areas of practice. Its practice areas include complex securities, commercial litigation, corporate securities, banking and other business transactions, and accounting and professional liability. The firm also practices in the areas of state and federal regulations, corporations, real estate, bankruptcy, creditor's rights, and white-collar crime. Members of the firm are recognized as preeminent lawyers by Martindale-Hubbell, and have been recognized by "The Best Lawyers in America" & "Best Law Firms," Super Lawyers and Super Lawyers-Business Edition, South Florida Legal Guide, and Florida Trend, among others, particularly in the areas of financial services, banking, securities, accountants' and professional liability and complex litigation. The firm can be reached at (305) 371-8797 and is located at 1401 Brickell Avenue, 7th Floor, Miami, Florida, 33131, and on the Internet at www.sacherzelman.com.