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## **THANE INTERNATIONAL INC. WINS SHAREHOLDER CLASS ACTION SUIT**

Top Global Direct Marketer Defends Itself In Court And Wins Rare Securities Class-Action Verdict

LA QUINTA, CALIF. – June 6, 2005 – Bucking the current trend in class action securities lawsuits, leading direct marketing company Thane International, Inc., has won the verdict in a shareholder suit when U.S. District Judge James Selna of Santa Ana, California ruled in its favor last week.

Thane is the company behind household name products such as Klear Action® Whitening Light™ tooth whitening system, OrbiTrek™ elliptical glider, Thane's Q™ Grill and the Flavorwave Oven® which are sold by direct-market television.

In 2002, Thane acquired Reliant Interactive Media Corp. in a stock swap. The lawsuit was filed by Reliant shareholders who alleged Thane had promised it would list the combined company on the Nasdaq National Market System ("NMS"), but instead it traded on the less prestigious and perceived riskier over-the-counter market. In his decision, Judge Selna ruled that Thane never stated it would list on Nasdaq NMS, and that it was not proven that where the company listed actually had a material impact on the company's stock price, despite the fact that the price collapsed from a high of \$8.50 to \$0.35 over time.

In recent years, few firms have been willing to challenge class action suits brought by shareholders in court, in part because of fears of anti-business hostility in the post-Enron era. Since Congress amended the securities laws at the end of 1995, only six cases nationwide have actually made it all the way to a verdict. The vast majority of such cases settle for millions of dollars. Part of what also makes the Thane case so unusual is that the statute under which the class was suing holds the company strictly liable for even innocent misrepresentations, eliminating the principal defense used in most securities cases.

"In an era with such a heightened focus on shareholder rights and corporate scandals, there is tremendous pressure on companies to settle securities class action suits rather than go to trial and defend themselves," said Dan Tyukody, a Los Angeles-based securities litigation partner with Orrick, Herrington & Sutcliffe LLP, who tried the case along with fellow partner Michael Tu and associate Jason Krajcer.

"What this case shows is that when a company is innocent of securities charges, as Thane clearly was, it should take a closer look at fighting the charges in court," Tyukody continued. "There are good reasons why many of these cases settle, but others settle far too easily and expensively because lawyers or their clients get cold feet. Thane's case demonstrates that some of these cases should be tried, and can be won even in today's tougher environment for defendants."

Jacqueline E. Bailey, General Counsel of Thane, stated, "From the beginning we have always vigorously denied the plaintiffs' charges. The court's verdict last week is the right result and completely vindicates Thane and its directors and officers."

#### About Thane

Thane International, Inc. is a global leader in the multi-channel direct marketing of consumer products in the fitness, health & beauty and house wares product categories. Thane's distribution network spans the globe in 90 countries through its group of subsidiaries, strategic partners and distributors. All marketing channels are maximized which include direct response TV, home shopping networks, catalogs, retail, print advertising, credit card inserts, and the Internet. Thane develops and acquires products and distribution rights, arranges low-cost manufacturing, and then markets its products through its various distribution channels.

#### About Orrick

Orrick, Herrington & Sutcliffe LLP is an international law firm with more than 700 lawyers in North America, Europe and Asia. The firm focuses on innovative corporate transactions, complex and novel finance transactions and high-stakes litigation. Orrick clients

include Fortune 100 companies, major industrial and financial corporations, commercial and investment banks, high-growth companies, governmental entities, start-ups and individuals. The firm's 14 offices are located in New York, Washington, D.C., San Francisco, Silicon Valley, Sacramento, Los Angeles, Orange County, Pacific Northwest, London, Paris, Milan, Rome, Taipei and Tokyo.