
Press Release

Red Bull owners take legal actions to safeguard rights and Red Bull brand in China

Beijing, China: August 18, 2017 - T.C. Pharmaceutical Industries Co., Ltd., a member of TCP Group, and the Yoovidhya family, the inventors and owners of the Red Bull brand and trademarks globally, announced today legal complaints against Mr. Chanchai Ruayrungruang (Mr. Yan Bin) and companies owned or controlled by him with respect to trademark infringement, unfair competition and associated matters in relation to the unlicensed manufacturing and distribution of Red Bull products.

“It is a matter of record that Red Bull was first invented by Mr. Chaleo Yoovidhya in 1975,” said Mr. Yiam Yukhunthorntham, the Legal Department Director of T.C. Pharmaceutical Industries Co., Ltd. and the representative of Yoovidhya family. *“In 1993, following its international success, Mr. Chaleo Yoovidhya established the first Chinese Red Bull factory in Hainan province, the Yoovidhya family’s ancestral home and his father’s birthplace, and later introduced the energy drink – which he named Hong Niu in Chinese.”*

The Yoovidhya family established a joint venture in China, Red Bull Vitamin Drink Co. Ltd. (RBVC) in 1995 with shareholders including Mr. Chanchai. While Mr. Chanchai was entrusted by the Yoovidhya family to manage Hong Niu’s operations in-market in his capacity as Chairman of the Board of Directors, the Yoovidhya family has maintained a majority stake in the company since its inception and consistently contributed to the joint venture. This has included providing financial support, technical expertise, flavoring and licensed trademarks to support the operations and development of the joint venture. These factors, combined with the global brand the Yoovidhya family has built with its international partners, have been the key drivers for the success of Hong Niu in China. It is a matter of fact that the licensing agreement granted by T.C. Pharmaceutical Industries Co., Ltd to the joint venture expired in October 2016 and has not been renewed.

The Yoovidhya family has for some time been aware of concerns around Mr. Chanchai’s behavior with respect to his business and breach of legal obligations. This has included the establishment by Mr. Chanchai of companies under his ownership with the intention to misappropriate the Hong Niu business in China as his own by manufacturing and distributing Hong Niu products without any trademark licenses or the consent of the other shareholders of the joint venture. This also included the failure of the joint venture, under the actual control of Mr. Chanchai, to pay any dividend to the Yoovidhya family as the majority shareholder despite its profitability in the past decades. This is clearly outside of the agreed spirit of the joint venture, in contravention of the Articles of



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Association of the joint venture, Chinese Company Law and with a total lack of respect and consideration for the joint venture and its other shareholders including the Beijing Huairou District Township Enterprise Company, a Chinese entity wholly owned by Huairou District Government of Beijing.

The above activities constitute a clear infringement of the Red Bull trademarks and have also deprived the joint venture and its shareholders of the financial benefits they rightfully should have been receiving. Not wanting to disrupt their longstanding relationship with Mr. Chanchai, the Yoovidhya family spent years engaged in negotiations with him in an attempt to reach a mutually fair and amicable resolution to these longstanding issues. The values of trust, respect and friendship are of paramount importance to the family, and it is therefore a matter of great disappointment that these efforts have repeatedly been disregarded by Mr. Chanchai.

Therefore, the Yoovidhya family has finally decided to pursue legal actions to claim the legal liabilities of Mr. Chanchai and his group of infringing companies, and to prevent new infringements. We have full confidence in the strength of our legal position and merits of our claims and trust that justice will be served under the current Chinese justice system. *“Through this process and beyond, T.C. Pharmaceutical Industries Co., Ltd. and the Yoovidhya family remain fully committed to ensuring Hong Niu’s long-term presence and continued development in China,”* said Mr. Yiam Yukhunthorntham.

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About T.C. Pharmaceutical Industries Co., Ltd.

As a member of TCP Group, T.C. Pharmaceutical Industries Company Limited is one of the leading F&B companies in Thailand, and is the inventor and owner of the Red Bull brand globally. The company, together with the Yoovidhya family which holds 100% of the shares of T.C. Pharmaceutical Industries Co., Ltd., owns the Red Bull trademarks worldwide.

Red Bull, the world-leading energy drink, was invented by the company’s founder Mr. Chaleo Yoovidhya in 1975, and was formally brought to the China market in 1995. The company has over 2,600 employees at its headquarters, production sites and joint-venture locations around the world.

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