

September 7, 2010



ProPhase Labs Engages WMI to Launch Robust Cold-EEZE(R) and Kids-EEZE(R) Campaigns

The Multi-Million Dollar Media Buy Will Roll-Out in Late September

DOYLESTOWN, PA -- (MARKET WIRE) -- 09/07/10 -- ProPhase Labs, Inc. (NASDAQ: PRPH), makers of the Cold-EEZE® brand of cold remedies, today announced it has retained Westport, CT based full-service media solutions company Women's Marketing, Inc. (WMI) as its agency of record. The agency will work closely with ProPhase Labs to develop and implement high-impact media campaigns for Cold-EEZE and Kids-EEZE® across a variety of networks. WMI will lend its expertise to multimedia projects, branded content placements, print and digital advertising.

The ad campaigns coincide with some major improvements to Cold-EEZE and Kids-EEZE product and packaging. ProPhase has listened to its consumers and responded by improving the taste of all Cold-EEZE flavors. It is also introducing a Kids-EEZE line of symptom relievers in a unique, great-tasting "chew" form. Kids-EEZE is available in "Allergy," "Chest Congestion" and "Cough/Cold" formulas. Both brands are introducing bold new packaging as well.

"ProPhase Labs has been working hard to further improve our current product lines and bring new, effective products to market. We are excited to join with WMI to create a dynamic media campaign that will introduce our new and improved products to new consumers and reinvigorate our loyal customers," said Ted Karkus, CEO of ProPhase Labs. "WMI has proven itself as an industry-leader and we look forward to launching our new campaign with them later this month."

ProPhase Labs chose WMI because of the agency's results-driven planning and highly customized and vast reaching ad networks. For nearly 30 years, WMI has helped numerous companies reach their sales and marketing goals, such as Skechers, Henkel, Idelle Labs and Strivectin.

"We are thrilled to have the opportunity to work with ProPhase Labs as the company prepares to announce several exciting changes. Our consumer research has helped us understand the company's brands and marketplace and we are ready to create a memorable program," said Andrea Van Dam, President, WMI. "ProPhase Labs and WMI are both focused on premium quality and results, making the partnership a great fit."

About ProPhase Labs

ProPhase Labs is a diversified natural health medical science company. It is a leading marketer and manufacturer of the Cold-EEZE® family of lozenges and sugar free tablets

clinically proven to significantly reduce the severity and duration of the common cold. Cold-EEZE customers include leading national wholesalers and distributors, as well as independent and chain food, drug and mass merchandise stores and pharmacies. ProPhase Labs has several wholly owned subsidiaries including a manufacturing unit, which consists of an FDA approved facility to manufacture Cold-EEZE lozenges and fulfill other contract manufacturing opportunities, and a Pharma division, which conducts research in order to develop and commercialize a pipeline of patented botanical and naturally derived potential prescription drugs. ProPhase also owns 50% of Phusion Laboratories LLC ("Phusion"). Phusion licenses a revolutionary proprietary technology that has the potential to improve the delivery and/or efficacy of many active ingredients or compounds. The joint venture will formulate and test products to exploit market opportunities within ProPhase's robust OTC distribution channels.

For more information, visit www.ProPhaseLabs.com.

Forward-Looking Statements

Certain statements in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and involve known and unknown risk, uncertainties and other factors that may cause the Company's actual performance or achievements to be materially different from the results, performance or achievements expressed or implied by the forward-looking statement. Factors that impact such forward-looking statements include, among others, changes in worldwide general economic conditions; government regulations; the ability of our new management to successfully implement our business plan and strategy; our ability to fund our operations including the cost and availability of capital and credit; our ability to compete effectively including our ability to maintain and increase our market share in the markets in which we do business; and our dependence on sales from our main product, Cold-EEZE, and our ability to successfully develop and commercialize new products.

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