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## **SPHERIX PROTESTS NATIONAL RECREATION RESERVATION SYSTEM AWARD**

### **FOR IMMEDIATE RELEASE:**

BELTSVILLE, MD. Spherix Incorporated (NASDAQ/SPEX) today announced that it has filed an official protest of the U.S. Department of Agriculture's award of the National Recreation Reservation System (NRRS) contract to ReserveAmerica, a Ticketmaster subsidiary. The NRRS will provide reservation services for all Federal recreation facilities, including the National Park sites currently serviced by Spherix under its ongoing National Park Reservation Service contract with the Department of Interior.

This marks the second time the USDA has rejected a significantly lower bid by Spherix in favor of its competitor, and the second time that Spherix has protested the award. In December 2004, Spherix's protest of the agency's award of the NRRS to ReserveAmerica, despite a \$32.6 million price difference favoring Spherix, was sustained by the Government Accountability Office (GAO).

On June 17, 2005, after another round of proposal submissions and system demonstrations, the USDA again awarded the contract to ReserveAmerica even though Spherix's proposal was, again, considerably less costly. In its debriefing, the USDA admitted that Spherix received ratings of Excellent for its Technical and Management Approaches and was substantially lower-priced than ReserveAmerica, but the Agency failed to provide any convincing reason as to why Spherix was not selected. Spherix subsequently filed its protest claiming a variety of flaws in the procurement, which included failure to conduct adequate discussions, improper evaluations of the offerors, and failure to justify the substantial cost premium reflected in ReserveAmerica's proposal.

Spherix President and CEO Richard C. Levin said, "I just don't understand why, from the time the Government first considered creating a consolidated reservation system, it seemed to so strongly favor one side in this competition. This second debriefing didn't shed any more light than the first one did, which couldn't stand up to a well-reasoned protest. I hope for the same result this time."

"This protest is important in several ways," he said. "From a business perspective, it makes sense for us to continue to fight for the market share we've worked so hard and successfully to win over the past years. It's also important that the public gets the best deal available from government contracts, which is what our proposal gives them. This contract also means a lot economically to the people of western Maryland and nearby communities of West Virginia and Pennsylvania that have provided the best customer service staff that the camping public could ask for. These people have worked hard for seven years to provide something really special – something that works great at a great price – and it's as if the Government just doesn't care about any of that. We all deserve better."

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Certain statements contained herein are "forward looking" statements as defined in the Private Securities Litigation Reform Act of 1995. Because such statements include risks and uncertainties, actual results may differ materially from those expressed or implied. Factors that could cause actual results to differ materially from those expressed or implied include, but are not limited to, those discussed in filings by the Company with the Securities and Exchange Commission, including the filing on Form 8-K made on March 3, 1999.

Under its motto, "A World of Solutions," Spherix's mission is to create value and increase shareholder wealth through innovations that benefit our clients and the human condition. Spherix offers innovations in information technology, knowledge management, and biotechnology.

Our Internet address is <http://www.spherix.com>.

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