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'Counterfeit' Cupcakes - Cremalita Did 'Fake' & Bake: Suit

Owners of a Manhattan bakery say that when it comes to rip-offs, Cremalita takes the cake - literally.

The owners of Crumbs Bake Shop plan to file suit today against the ice-cream chain for its "illegal and morally reprehensible attempt to steal [their] successful novelty cupcake business."

The complaint contends Cremalita, which was selling Crumbs concoctions until two weeks ago, is now offering "exact replicas of all 28 signature cupcakes," including Reese's Peanut Butter Cup, Snickers, white-frosted M&M, and raspberry varieties.

"While imitation is the sincerest form of flattery," Cremalita's conduct is "not flattering. It's outright crooked," said Crumbs' lawyer, Steven Mintz.

Crumbs co-owner and cupcake creator, Mia Bauer, called it a "soup-to-nuts rip-off."

Elizabeth Rosenthal, a spokeswoman for Cremalita, said the chain carries only 15 kinds of cupcakes, and any similarities between theirs and Crumbs' is coincidence.

"Some of the cupcakes are similar, but how many different kinds of cupcakes can there be? Snickers, M&M's and Reese's - those are all household names," she said. "They don't have a case here."

Jason Bauer, Mia's husband and business partner, says he feels "betrayed" by Cremalita CEO Jeffrey Britz, who contacted him in August about going into business together.

"He said their sales were down by 60 percent because of the calorie-counting scandal," Bauer said, referring to a city probe that found Cremalita's ice cream failed to meet the legal definition of "low-calorie."

The Bauers agreed to a deal. Cremalita started calling itself "Cremalita/ Crumbs" and began offering the cupcakes in September. The cupcakes were a smash - so the Bauers were shocked when Britz called two weeks ago to say he was dropping them. Two days later, Cremalita debuted its copycakes, Mintz said.