

ONEIDA

ONEIDA TO CLOSE NORTH AMERICAN RETAIL OUTLET STORE BUSINESS. Sherrill, NY and Niagara Falls, Canada stores to reopen as Clearance Centers.

ONEIDA, NY – January 7, 2009 – Oneida Ltd., a global leader in designing the dining experience, and a leading source of flatware, dinnerware, drink ware, cookware, kitchen tools and cutlery for both the consumer and food service industries worldwide, today announced it will close its remaining 20 retail outlet stores located in North America. Later this year, the Company plans to reopen 2 stores (in Sherrill, NY and Niagara Falls, Canada) as clearance centers. Oneida continues to operate its Foodservice division, International division, Consumer Wholesale division, and the other units of its Consumer Direct business, including its website, call center, and mail order catalog businesses, as well as its European outlet store network.

Oneida has entered into an agreement with Gordon Brothers Group, a global advisory, restructuring and investment firm specializing in the retail, consumer products, industrial and real estate sectors, to manage and operate inventory clearance sales at the closing stores. The inventory clearance sales are expected to begin on or about January 9, 2009 and should be completed by April 2009. Oneida has also entered into an agreement with DJM Realty, the real estate affiliate of Gordon Brothers Group with respect to disposing of the store leases.

"Despite the numerous steps we've taken to streamline and improve the operations of the outlet stores, today's difficult retail environment leaves us no choice but to exit this business as it continues to be dilutive to our Company's free cash flow and earnings," commented James Joseph, Oneida's President and Chief Executive Officer. "We intend to redeploy the financial resources currently allocated to the retail store network to lower risk/higher return business opportunities, such as our global Foodservice initiative, Internet fulfillment business, and the pursuit of worldwide licensing opportunities".

About Oneida

Incorporated in 1880, Oneida Ltd. is one of the world's largest design, sourcing and distribution companies for stainless steel and silver plated flatware for both the consumer and foodservice industries. In North America, it is the largest supplier of dinnerware to the foodservice industry. Oneida sells under a number of well recognized brands and trademarks; (R)ONEIDA, (R)SANT'ANDREA, (R)WATERFORD, (R)WEDGWOOD, (R)SCHONWALD, (R)NORITAKE, (R)JUILLIARD, (R)MICHELANGELO, (R)EASTON, (R)WM. A. ROGERS, (R)COMMUNITY, (R)DELCO, and (R)REGO. Additional information about Oneida can be found at www.oneida.com.

Contact:

Andrew G. Church
Chief Operating & Financial Officer
Oneida Ltd.
315-361-3718