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Date: February 10, 2007

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SILVERLIT TOYS AND SPIN MASTER WIN PRELIMINARY INJUNCTION AGAINST HOBBYTRON.COM FOR COPYRIGHT AND TRADEMARK INFRINGEMENT OF SILVERLIT'S PICOOZ™ TOY HELICOPTER

SAN FRANCISCO -- Hong Kong-based Silverlit Toys Manufactory Ltd., an acknowledged leader in the development and manufacturing of safe, high-quality electronic toys, and Spin Master Ltd, Silverlit's North American distribution partner and owner of the well known Air Hogs™ brand of flying toys, jointly sued Absolute Toy Marketing, Inc., a Utah corporation *d.b.a.* Hobbytron.com for importing and distributing knock-off PicooZ™ remote control (RC) helicopters. On Friday, the US District Court, Northern District of California, issued a preliminary injunction against Hobbytron.com for copyright and trademark infringement. The court shut down all further manufacturing and distribution of the infringing product, instruction manuals and packaging, confusingly named PiccoZ and/or PicoZ, and ordered that all existing infringing products be impounded.

Silverlit and its exclusive PicooZ™ licensee, Spin Master Ltd., are represented by Greenberg Traurig, which filed a complaint and request for a jury trial in the same District Court. That trial is now set for September 10, 2007. The claims against Hobbytron.com include copyright infringement, trademark infringement, unfair competition and false designation of origin charges. To avoid confusion caused by the presence of these inferior knock-off helicopters in the marketplace, Spin Master is selling Silverlit's authentic "PicooZ™" helicopter, which was a runaway best seller last Christmas and continues to be a hot item, under the brand name "Havoc Heli."

“We are dedicated to creating an exciting array of electronic toys and go to tremendous lengths testing and retesting every aspect of the hardware and software to make sure our products deliver the highest quality, value and performance as well as being safe and durable,” notes Eddie Wong, director of marketing and sales at Silverlit.

“Spin Master has always developed and associated itself with innovative product and as a result, we are constantly battling with unscrupulous people trying to sell knock-off products,” adds Anton Rabie, Spin Master’s CEO. “We have a strong history of vigorously protecting intellectual property which we own and license. We will continue to ask the court to ensure that retailers only buy the authentic legal version of this product, the “Havoc Heli,” and that any other distributors trying to sell PicooZ/Havoc Heli knock-offs are immediately stopped.”

Breakthrough concepts in aerodynamics, hardware and programming, including elements such as the density of the foam fuselage material, advanced Li-Po batteries and protective hardware to avert any possibility of overheating, all had to be finely tuned to ensure the quality, safety and performance of the PicooZ™. Every battery and motor undergoes a rigorous testing procedure before they are installed in the toys.

“It is highly unlikely that counterfeiters are concerned about these protective measures, so consumers may unwittingly have bought unauthorized knock-offs that pose fire and safety hazards for children,” Wong continues. “We feel it is important, not just for our company, but also for our legitimate importers, distributors and the public that we raise awareness of this problem.”

Hobbytron.com previously purchased and sold authentic Silverlit toy helicopters, so it was well aware of the company’s copyright and trademark rights. Nevertheless, it knowingly carried the knock-off products – confusingly identified as PiccoZ -- that also infringed on Silverlit’s packaging and instruction manual. This product is marked as safe for children 3 and older, while Silverlit PicooZ™ is recommended only for children 8 and older.

“Companies like ours invest millions of dollars every year in research and development to come up with original concepts and manufacture exciting, challenging toys,” says Wong. “While we register our copyrights and trademarks, it is becoming increasingly difficult to keep track of intellectual property violations. Infringers not only hurt our business by flooding the market with inferior products, they also hurt consumers who have come to rely on the quality of our products and our good name.”

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