

Spin Master Sues Chinese Manufacturer for Alleged Patent Infringement of Hatchimals®

TORONTO, March 27, 2017 /CNW/ - Spin Master Ltd., a leading global children's entertainment company and the fourth largest toy manufacturer in the U.S. according to the NPD Group*, announced today that it has filed a civil proceeding against Dongguan Moral Region Co Ltd, the manufacturer of "Fuzzy Wonderz" and "Hibou Egg," with Guangzhou IP court in China for its alleged patent infringement against Spin Master's utility model (No. 201620518129.6), one of the patents covering technology behind the popular Hatchimals toy. This is the first civil action of Spin Master in China for Hatchimals, which has become a global hit, recently receiving the prestigious Innovative Toy of the Year award from the Toy Industry Association of America and Toy of the Year award at the UK Toy Industry Awards.



The Hatchimals toy is comprised of a plush robotic creature inside an egg shell. Children nurture the shell and through touch, help the Hatchimal hatch by activating the patented technology. To date, there have been more than a million hatches around the world. Spin Master already has a utility patent issued in the United States covering the technology as well as patent applications pending in the European Patent Office, Canada and other major territories, including additional applications in the U.S.

"Following the launch on October 7, 2016, Hatchimals became a global success and continue to resonate with children worldwide," said Ben Gadbois, COO and Global President, Spin Master Ltd. "We are proud of Hatchimals' global achievements and will continue to protect our interests and investments to ensure our ongoing success. It is also important that we raise awareness of these infringing products, not just for our company, but to protect our importers, distributors and the public who value the investments we make in research and development to create revolutionary new play patterns that put us at the leading edge of fun."

"Infringers can damage our business by flooding the market with inferior products, but more importantly, they also hurt consumers who have come to rely on the quality of our products," said Chris Harrs, General Counsel for Spin Master Ltd. "Spin Master will continue to enforce its rights in the courts and work diligently with Customs and Border protection organizations throughout the world to enforce our intellectual property rights."

** Source: The NPD Group Inc. / Retail Tracking Service, January-December 2016*

About Spin Master Corp.

Spin Master (TSX:TOY; www.spinmaster.com) is a leading global children's entertainment company that creates, designs, manufactures, licenses and markets a diversified portfolio of innovative toys, games, products and entertainment properties. Spin Master is best known for award-winning brands including *Zoomer™*, *Bakugan™*, *Meccano™*, and 2017 Toys of the Year, *Hatchimals™*, *Air Hogs™* and *PAW Patrol™*. Since 2005, Spin Master has received 82 TIA Toy of The Year (TOTY) nominations with 21 wins across a variety of product categories, including 13 TOTY nominations for Innovative Toy of the Year, more than any of its competitors. To date, Spin Master has produced six television series, including 2007 success *Bakugan Battle Brawlers* and current hit *PAW Patrol*, which is broadcast in over 160 countries and territories globally. Spin Master employs over 1,000 people globally with offices in Canada, United States, Mexico, France, Italy, United Kingdom, Slovakia, Poland, Germany, Sweden, the Netherlands, China, Hong Kong, Japan, and Australia.

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