

Innovation First Sues Clinton Cards & Only 4 U Limited for Intellectual Property Infringement of the HEXBUG[®] Nano[™]

Toy Company Makes Good on Promise to Vigorously Defend Products Against Knock-Offs Across Entire Supply Chain

Warrington, United Kingdom – August 3, 2011 –Innovation First International (UK) Limited and Innovation First, Inc. filed a lawsuit last week against the greeting cards and gifts retail chain with over 800 stores in the UK, Clinton Cards plc, as well as one of its suppliers, Only 4 U Limited, and the supplier's managing director, Mr. Kishorilal Devchand Gosar Shah, asserting claims of intellectual property infringement in respect of the popular "Mum's Choice" award-winning HEXBUG[®] Nano[™] micro robotic toy.

The lawsuit, issued in the UK High Court of Justice (Patents Court), contends that the Defendants committed infringement of registered and unregistered European design rights in the HEXBUG Nano design, as well as passing-off through deceptive packaging, by the sale, offer for sale, and stocking for sale of the imitation products sold and marketed under the names "Micro-Insect" and "Jitterbugz".

"We are delivering on the international promise we made to the toy industry to aggressively protect the intellectual property of our brands and products from those who, at any point in the supply chain, profit from infringing our rights," said Tony Norman, chief executive officer of Innovation First International. "We encourage suppliers, retailers and customers to beware of these imitators that take advantage of our product design, packaging and marketing, while we work to get them off retail shelves and remove them permanently from the market."

Innovation First brings this action to stop the Defendants from further infringing the company's intellectual property, to discontinue the distribution and sale of the "Micro-Insect" and "Jitterbugz" products, and to recover compensation for the Defendants' actions, which may include any profits the Defendants have made, or may make, from the sale of "Micro-Insect" or "Jitterbugz" products. As retailers finalise their Christmas preparations, Innovation First plans to increase production and ship additional HEXBUG stock to the UK for what is set to be a strong holiday season for the brand.

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About HEXBUG and Innovation First:

HEXBUG[®] is a product line developed by Innovation First Inc., and distributed and marketed by Innovation First Labs, Inc. and Innovation First International (UK) Limited, wholly owned subsidiaries of privately held Innovation First International, Inc. The company was founded on the belief that innovation very early in the design process is necessary to produce simple and elegant product designs. Innovation First began developing electronics for unmanned mobile ground robots and is now an industry leader in research and development for the hobby, competition, education and toy markets.