

FEDERAL JUDGE THROWS OUT THE LAW SUIT BY ZURU (the leading knock off artists in the toy industry)

Chatsworth, Calif. (November 6, 2019) – MGA Entertainment, Inc. (MGA) declares a victory against Creative Impact Inc. and ZURU, LLC, who filed a complaint against MGA in the Central District of California in August 2019. According to the order issued by the federal court on November 4, 2019, each of Zuru's claims are dismissed with prejudice.

"I have been in the business of toys for 40 years and am always looking for creative, original toys on retail shelves – that's what will continue to grow our industry. I don't want to see other companies replicating MGA's trade dress in an attempt to mislead customers," said Isaac Larian, CEO and Founder of MGA Entertainment. "We feel confident that our action for trade dress infringement by Zuru of its 5 Surprise knock-off products will prevail in state court, and that Zuru's false accusations, attempts to censor free speech, and misguided legal tactics to outmaneuver the laws and jurisdiction of the courts will quickly come to an end."

L.O.L. Surprise! launched December 2016 with incredible fan-fare, selling out in just over one month. Since then, the brand has achieved worldwide success and accolades, including the Toy of the Year Award from the Toy Industry Association two years in a row, which is an esteemed award and considered by the Association as "the Oscars of the Toy Industry". In addition, at the 2019 Toy Fair, MGA Entertainment (MGAE) kicked off the first day with a record-setting number of industry awards for L.O.L Surprise! as The NPD Group presented an astounding and history-making number of 10 AWARDS, including being named the first recipient of 2 out of 3 global awards – this is more awards than any one company has been awarded prior! L.O.L. Surprise! is a worldwide phenomenon that continues to break records and achieve product sellout.

Added Larian: "We look forward to seeing Zuru in state court where we will prevail on our complaint for infringement of our L.O.L. Surprise! trade dress registration."

ZURU also knocked off LEGO's intellectual property and ZURU lost in court to LEGO, including an injunction against ZURU.

#