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MILBANK, TWEED WINS SECOND PATENT DAMAGES TRIAL FOR MATTEL INC.'S FISHER-PRICE

*- Jury Finding of Willful Infringement
Could Lead to \$10 million Treble Damage Award -*

WASHINGTON, December 13, 2006 – The international law firm Milbank, Tweed, Hadley & McCloy LLP announced today that it won a second trial for Fisher-Price Inc. in which a jury awarded an additional \$1.3 million in damages against Safety 1st Inc. for sales of portable infant bassinets and bouncers that the company sold after 2003. *Fisher-Price Inc. v. Safety 1st Inc.*, 01CV51, U.S. District Court, Delaware (Wilmington).

In the first patent infringement trial, a jury awarded Mattel Inc.'s Fisher-Price division \$1.9 million in damages for infringing sales made by Safety 1st between 2000 and 2003. A federal district court judge later reduced the award to \$1 million.

An appeal to the United States Court of Appeals for the Federal Circuit (CAFC) paved the way for a second jury trial during which Fisher-Price claimed Safety 1st, a division of Dorel Industries Inc., was also liable for infringing sales that occurred after the 2003 damage award. The jury determined that Safety 1st's post-2003 sales constituted willful infringement, opening the door for the trial judge to triple damages for post-2003 sales.

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OF FISHER-PRICE DIVISION OF MATTEL

Washington-based Milbank partner William E. Wallace III stated, “There was a pervasive scheme of infringement. The outcome sends a clear warning to Mattel’s competitors that the company will vigorously protect its patents.”

Fisher-Price Inc., a subsidiary of El Segundo-based Mattel, Inc., the world’s largest toy manufacturer, filed its original patent suit against Safety 1st Inc. in 2001. In 2003, a jury determined that Safety 1st’s sales of similar products, which began in 2000, willfully infringed Mattel’s patents and awarded Fisher-Price \$1.9 million in damages. The award was subsequently reduced to \$1 million.

That verdict was largely affirmed on appeal by the CAFC in 2004. However, the CAFC remanded the case for a determination of damages for the post-2003 period. After the remand, the district judge granted a new trial on post-2003 willfulness. In this second jury trial, Milbank lawyers proved willful infringement again, setting the stage once more for an award of treble damages and attorneys fees. The total damage award could be increased to as much as \$10 million.

The Milbank trial team was led by Washington, DC-based partner William E. Wallace III, and included Of Counsel Jay Alexander, and associates Donna Mulvihill and Katie Scovin, and legal assistant Naseema Shafi. Milbank is also representing Fisher-Price, Inc. in two other suits, a patent infringement case relating to infant high chairs and infant swings and a second regarding the misappropriation of concept relating to toy action figures.

Safety 1st is a unit of Westmount, Quebec-based Dorel Industries, Inc., which designs, manufactures and markets consumer products.

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ever” corporate transactions and litigation. Our transactional expertise includes capital markets, corporate finance and transactions, project finance, acquisition finance, and other major fields of law practice. Milbank litigation teams resolve disputes involving mergers and acquisitions, proxy battles, financings and securities offerings, intellectual property, white collar crime, and corporate restructurings, among others. Our clients range from prominent multinational financial, industrial and commercial enterprises to governments, institutions and individuals. The Firm is headquartered in New York, with offices in Los Angeles, Washington, DC, London, Frankfurt, Munich, Tokyo, Hong Kong, Singapore and Beijing.

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