

FILED

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

MANATT, PHELPS & PHILLIPS, LLP  
RONALD S. KATZ (Bar No. CA 085713)  
email: rkatz@manatt.com  
ROBERT D. BECKER (Bar No. CA 160648)  
email: rbecker@manatt.com  
SHAWN G. HANSEN (Bar No. CA 197033)  
email: shansen@manatt.com  
1841 Page Mill Road, Suite 200  
Palo Alto, CA 94304  
Telephone: (650) 812-1300  
Facsimile: (650) 213-0260

KIRBY NOONAN LANCE & HOGE LLP  
CHARLES S. HOGE (Bar No. CA 110696)  
email: choge@knlh.com  
ETHAN T. BOYER (Bar No. CA 173959)  
email: eboyer@knlh.com  
350 10th Ave., Suite 1300  
San Diego, CA 92101  
Telephone: (619) 231-8666  
Facsimile: (619) 231-9593

*Attorneys for Plaintiffs*  
FUHU, INC. & FUHU HOLDINGS, INC.

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

12CV2308 WQH WVG

FUHU, INC. & FUHU HOLDINGS, INC.  
  
Plaintiffs,  
  
vs.  
  
TOYS "R" US, INC. & TOYS "R" US -  
DELAWARE, INC.,  
  
Defendants.

**CIVIL COMPLAINT FOR BREACH OF CONTRACT; BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING; FRAUD; TRADE SECRET MISAPPROPRIATION; CONVERSION; FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION UNDER 15 U.S.C. § 1125(A); TRADE DRESS INFRINGEMENT UNDER 15 U.S.C. § 1125(A); STATE TRADEMARK INFRINGEMENT UNDER CAL. BUS. & PROF. CODE § 14335; COMMON LAW TRADEMARK INFRINGEMENT; COMMON LAW TRADE DRESS INFRINGEMENT; TRADEMARK INFRINGEMENT; FALSE ADVERTISING UNDER THE LANHAM ACT; COMMON LAW UNFAIR COMPETITION; UNFAIR COMPETITION UNDER CAL. BUS & PROF. CODE § 17200; UNJUST ENRICHMENT; REPLEVIN**

**DEMAND FOR INJUNCTIVE RELIEF AND JURY TRIAL**

**[APPLICATION FOR INJUNCTIVE RELIEF TO BE FILED FORTHWITH]**

Plaintiffs Fuhu, Inc. and Fuhu Holdings, Inc. (collectively, "Fuhu") allege as follows for their complaint against Defendants Toys "R" Us, Inc. and Toys "R" Us - Delaware, Inc. (collectively, "TRU").

**PARTIES**

1  
2 1. Plaintiff Fuhu, Inc., is a California corporation with a place of business at 909 N.  
3 Sepulveda Boulevard, Suite 540, El Segundo, California 90245.

4 2. As alleged further below, Fuhu, Inc., is the creator of NABI, the world's first  
5 full-featured Android tablet made especially for kids. Fuhu's investors include, among others,  
6 Acer, the global PC and notebook giant, and Foxconn, one of the largest and fastest growing  
7 manufacturing services providers in the world.

8 3. Plaintiff Fuhu Holdings, Inc., is a California corporation with a place of business  
9 at 909 N. Sepulveda Boulevard, Suite 540, El Segundo, California 90245.

10 4. Fuhu Holdings, Inc., is a wholly-owned subsidiary of Fuhu, Inc., that owns  
11 intellectual property rights at issue in this action.

12 5. Defendant Toys "R" Us, Inc., is a Delaware corporation with a principal place of  
13 business at One Geoffrey Way, Wayne, New Jersey 07470.

14 6. On information and belief, Toys "R" Us, Inc. owns and licenses Toys "R" Us and  
15 Babies "R" Us stores in the United States and foreign countries and jurisdictions.

16 7. Defendant Toys "R" Us – Delaware, Inc., is a Delaware corporation with a  
17 principal place of business at One Geoffrey Way, Wayne, New Jersey 07470.

18 8. On information and belief, Defendant Toys "R" Us – Delaware, Inc., is a  
19 wholly-owned subsidiary of Defendant Toys "R" Us, Inc., and operates Toys "R" Us stores in the  
20 United States, Canada and Puerto Rico; Babies "R" Us stores in the United States; and Internet  
21 businesses in the United States and Canada.

22 **THE NATURE OF THE ACTION**

23 9. To reverse its downward business trajectory, on September 10, 2012, TRU  
24 announced with great fanfare its "proprietary" tablet for children, TABEO. Attached as Exhibit  
25 A is a typical news report on that announcement from the Wall Street Journal. A TRU  
26 vice-president was quoted in the article as follows: "It is our strategic position to offer products  
27 that you can't find anywhere [else] ... ."

28 10. Exhibit A notes that this was TRU's "...first move into house brand electronics..."

1           11. This lawsuit is about how TRU was able to make this complex and difficult move:  
2 by breaching a strict non-disclosure agreement (“NDA”) (a true and correct copy of which is  
3 attached as Exhibit B)<sup>1</sup>, by misappropriating the trade secrets of Fuhu, and by infringing the  
4 intellectual property rights of Fuhu, the first-mover in this area and TRU’s previous partner. TRU  
5 entered into direct competition with Fuhu, shamelessly using Fuhu’s confidential information  
6 obtained after fraudulently becoming Fuhu’s exclusive distributor in an agreement signed in  
7 October, 2011 (“Exclusivity Agreement”) (a true and correct copy of which is attached as Exhibit  
8 C)<sup>2</sup>, promising millions of dollars worth of marketing, merchandising, and sales.

9           12. Fuhu’s product, NABI, showed every indication of becoming a blockbuster for  
10 TRU. For example, after NABI was introduced, TRU’s website sold out within a few weeks of  
11 starting to accept pre-orders. One press report stated,

12                       It’s not too soon to predict what the top-selling tech toy is likely to be this  
13 holiday season, and that would seem to be the Nabi Kids Tablet, on Android.

14                       It won’t even arrive in the stores at Toys “R” Us until next week, but the  
15 Nabi is already reportedly the chain’s top-selling product in the electronics,  
gaming and learning categories, based on pre-orders.<sup>3</sup>

16 TRU reported that pre-orders were coming in at the rate of 1,000 every three hours at the time it  
17 stopped accepting pre-orders and that the demand would support sales of 20,000 NABI units per  
18 day on the TRU website.

19           13. Instead of promoting NABI per its agreement with Fuhu, TRU did virtually no  
20 promotion. TRU ordered the NABI in quantities that were commercially unreasonable given the  
21 reported demand. In the end, TRU’s total orders for the 2011 holiday season were hardly more  
22 than what TRU said it could sell on its website in a single day.

23           14. TRU’s failure to perform its obligations led Fuhu to terminate the exclusivity of  
24 TRU’s distribution rights in January, 2012. But the reason for TRU’s unreasonable behavior only  
25 became clear with the September 10, 2012 announcement of the TABEO.

26 \_\_\_\_\_  
27 <sup>1</sup> A motion seeking leave to file Exhibit B under seal is filed concurrently herewith.

28 <sup>2</sup> A motion seeking leave to file Exhibit C under seal is filed concurrently herewith.

<sup>3</sup> “Kids Get Their Own Tablet on Android,” 7x7.com, December 2, 2011, available at : <http://www.7x7.com/tech-gadgets/kids-get-their-own-tablet-android> (accessed on September 22, 2012).

1           15.     TRU has used and continues to use Fuhu's confidential information, trade secrets,  
2 and other intellectual property to prepare, market, and sell TABEO. TRU leveraged its  
3 exclusivity on NABI to simultaneously frustrate Fuhu's business by failing to market,  
4 merchandise, promote, and order in a commercially reasonable manner while preparing TABEO.

5           16.     While developing TABEO, and after Fuhu terminated the Exclusivity Agreement,  
6 TRU began to sell third party NABI competitors such as the KURIO tablet. Such sales gave TRU  
7 a stop gap between NABI and TABEO, but the poor quality of these competitors generated, on  
8 information and belief, return rates of at least 15%-25%. Such return rates hurt the entire market  
9 category, including NABI. Further, on information and belief, TRU communicated Fuhu's trade  
10 secrets to one or more of these competitors.

11           17.     NABI's return rate is a comparatively miniscule 3%-5%. Lower return rates are  
12 better for the retailer and are generally indicative of a product that better meets customers needs.

13           18.     The TABEO product and related marketing bear a striking and not coincidental  
14 similarity to Fuhu's NABI product and the collateral proprietary information that Fuhu disclosed  
15 to TRU under strict confidentiality. TRU used Fuhu's trade secrets and confidential information  
16 to start selling TABEO, which systematically attempts to replicate the NABI experience, far  
17 earlier than TRU could have done otherwise, if at all.

18           19.     TRU frustrated the success of NABI in the 2011 holiday season by failing to order  
19 sufficient quantities to meet demand and failing to perform agreed-upon marketing and  
20 merchandising. Now, TRU is poised to launch TABEO for the all-important 2012 holiday  
21 shopping season, with the product featured on the TRU websites, with pre-sales already under  
22 way, and with the product announced to be available on October 21, 2012. TABEO not only is  
23 confusingly similar to NABI's iconic butterfly shape reflected in the Nabi trademarks and trade  
24 dress, but also TRU's advertising and promotional materials are derived from the business plan  
25 Fuhu shared with TRU on a basis of strict confidentiality. Furthermore, TRU infringes Fuhu's  
26 trademarks and engages in false advertising in its marketing and merchandising of TABEO.

27  
28

**JURISDICTION AND VENUE**

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

23: This is an action with federal claims for trademark infringement, trade dress infringement, false advertising, and unfair competition under the Lanham Act, and with state law claims for, inter alia, state and common law unfair competition, misappropriation of trade secrets, breach of contract, breach of the covenant of good faith and fair dealing, fraud, conversion, and replevin.

24. This Court has jurisdiction over the federal claims pursuant to 28 U.S.C. § 1331 and 15 U.S.C. § 1121.

25. This Court has jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367 and 28 U.S.C. § 1332. There is diversity of citizenship between Fuhu and TRU, as the citizenship of Fuhu is California, and the citizenship of TRU is Delaware and New Jersey. The value of the matter in controversy is in excess of \$75,000.

26. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(a) because a substantial part of the events or omissions giving rise to the claims occurred in this District and because of the exclusive jurisdiction provision of the parties' Exclusivity Agreement (attached as Exhibit C).

**SUBSTANTIVE ALLEGATIONS**

**Fuhu’s Mission and Vision**

27. Fuhu is the creator of products sold under the trademarks NABI, FOOZ KIDS, URDRIVE, URSPIN, URFOOZ, SPINLETS, SPINLETS+, and FUGOO. Fuhu is a leading provider of cloud-served software, applications, and services that are dedicated to creating deep and engaging user experiences on a range of consumer devices. Fuhu was the first-mover in the market for full-featured Android tablets made especially for kids.

28. Fuhu’s mission is to be the world’s leading designer, seller and innovator of “thoughtful” consumer products and services for children, sold through the world’s biggest and best retailers. Fuhu’s vision for accomplishing this mission is to bring innovation and inspiration to children around the world through “thoughtful” experiences in education and entertainment. Fuhu defines “thoughtful” as: 1) socially responsible, 2) doing good things, 3) making things right, and 4) making a difference in people’s lives.

**Fuhu’s Development of NABI**

29. In about May, 2010, Fuhu began development of its FOOZ KIDS software. Fuhu’s FOOZ KIDS team comprises approximately 35 individuals, who have worked continuously on the product from inception through the present. FOOZ KIDS is among the core experiences included in the NABI product and ecosystem. Fuhu’s FOOZ KIDS team consists of internal and external resources in areas including, without limitation, business development, marketing & public relations, engineering, content management, creative, and product.

30. Fuhu’s work on FOOZ KIDS progressed into development of the NABI tablet device and ecosystem. Fuhu’s NABI team comprised 62 individuals at inception and has grown to 114 individuals as of the date hereof. While NABI leverages the investment in FOOZ KIDS, it builds upon it significantly. Fuhu’s NABI team consists of internal and external resources in areas including, without limitation, business development, marketing & public relations, engineering, content management, creative, and product.

31. By early 2011, Fuhu was refining a strategy for NABI that would create and give Fuhu a first-mover advantage in a new market segment for kid-oriented full-featured Android

1 tablet computers. The original NABI was introduced in the fall of 2011, and the next generation  
2 NABI 2 was introduced in the summer of 2012.

3 32. Fuhu's NABI tablet strategy combines a first-mover advantage resulting from a  
4 unique branded ecosystem encompassing hardware, software, bundled content and services, and  
5 other confidential and proprietary differentiators and advances.

6 33. NABI's web-accessible parental dashboard is an easy-to-use way for parents to  
7 ensure their children's safety and security. With a password protected log-in, parents are able to  
8 view a pre-screened and kid-safe collection of over 100,000 websites, videos, games and crafts  
9 for various age range and gender combinations.

10 34. The NABI products include a line of quality, kid-focused accessories that can be  
11 personalized and fully integrated with the NABI tablet.

26 **Disclosures by Fuhu to TRU**

27           47.       On about September 7, 2011, Fuhu and TRU met at TRU's Time Square store in  
28 New York City. Fuhu provided TRU with the NABI tablet brochure and explained Fuhu's



1 business case and rollout plans. Fuhu also shared its NABI strategy with TRU, including why  
2 and how Fuhu sourced a general product and made it a unique, branded experience with the  
3 iconic butterfly design, including as reflected in its butterfly trademarks and trade dress, as well  
4 as the importance of preloaded content and an instant on experience for reducing return rates.  
5 Fuhu also provided details on the accessories Fuhu was planning to roll out with NABI. TRU  
6 expressed an interest in having exclusive rights to retail NABI.

7 48. On information and belief, prior to the September 7, 2011 meeting, TRU had  
8 begun exploring the possibility of developing its own kid-oriented tablet computer, but TRU  
9 never disclosed this fact to Fuhu.

10 49. On about September 19, 2011, Fuhu and TRU met again, this time at Fuhu's  
11 offices in El Segundo, California. At this meeting, Fuhu shared with TRU trade secrets regarding  
12 NABI and demonstrated an actual NABI tablet in detail. Fuhu reviewed again its business  
13 strategy and all the features, functions, and benefits associated with this business model and its  
14 execution in connection with NABI. Fuhu again provided TRU with Fuhu's NABI brochure and  
15 showed examples of accessories Fuhu planned to take to market. Fuhu shared the NABI product  
16 and ecosystem and the unique focus targeted at a core audience, making the case that Fuhu's  
17 strategy was superior to that of any other tablet company in the market at the time. TRU again  
18 expressed an interest in being the exclusive retailer for NABI and asked if Fuhu could bring the  
19 NABI tablet to TRU's headquarters offices in Wayne, New Jersey, to show their electronics  
20 department leads.

21 50. On about September 30, 2011, Fuhu and TRU met again at TRU's headquarters in  
22 Wayne, New Jersey. Fuhu brought a NABI tablet to the meeting and demonstrated the tablet and  
23 the Fuhu business model to TRU representatives. Fuhu provided a list of NABI features and  
24 functions along with a list of accessories to be rolled out in conjunction with NABI, and again  
25 reviewed the business model and importance of accessories in driving profits for the NABI  
26 ecosystem.

27

28

1 **Exclusive Distribution Agreement Between Fuhu and TRU**

2 51. On about October 5, 2011 Fuhu and TRU met again in Fuhu's offices in El  
3 Segundo, California. At the meeting, TRU offered to provide marketing and merchandising  
4 support and a volume commitment to gain exclusive distribution rights. Fuhu displayed to TRU a  
5 model End-Cap display for NABI and all the associated accessories for TRU stores and disclosed  
6 confidential and proprietary information regarding Fuhu's strategy relating to the display. TRU  
7 agreed to the requested commitments and to draft a contract for an exclusive retail relationship.  
8 TRU told Fuhu it believed this would be one of TRU's top products of the year, and, as press  
9 reports noted elsewhere herein (*see* Paragraph 12), TRU's prediction came true.

10 52. During the meeting on October 5, 2011, Fuhu and TRU agreed orally that in  
11 exchange for exclusive distribution rights for NABI, TRU would provide substantial  
12 merchandising, marketing, and volume commitments.

13 53. On about October 7, 2011 TRU provided Fuhu with a presentation regarding what  
14 TRU would do to gain exclusivity and highlighting the benefits to which TRU would commit.

15 54. On about October 10, 2011, Fuhu provided TRU with a pre-release sample NABI  
16 with iconic butterfly shaped bumper and packaging for brief review on the understanding that  
17 TRU would return it promptly. TRU kept the sample longer than agreed – purportedly to show  
18 NABI at a TRU Board Meeting – and only returned it after Fuhu repeatedly demanded its return.

19 55. On about October 24, 2011 Fuhu provided TRU with a detailed list of products  
20 and accessories that are part of NABI's business plan, the reasons for each accessory, and how to  
21 instill them with the iconic NABI butterfly brand.

22 56. Thereafter, the parties worked on reducing their oral agreement to writing,  
23 resulting in the document of which a true and correct copy is attached as Exhibit C ("Exclusivity  
24 Agreement").

25 **Retail Launch and Subsequent Events**

26 57. On or about November 17, 2011, the NABI tablet was available for pre-ordering  
27 online on the TRU website, and the majority of those tablets were sold out online within a few  
28 weeks.

1           58.     TRU placed a purchase order on November 29, 2011, for 10,000 NABI tablets,  
2 and Fuhu started delivering the tablets on December 2, 2011.

3           59.     Because of such high demand for the NABI tablet, on about December 1, 2011,  
4 TRU made multiple requests to order more product with an estimated volume of 100,000 units.  
5 TRU followed up later in the week with a much smaller volume commitment, closer to 10,000  
6 units on December 12, 2011.

7           60.     On about December 14, 2011, Fuhu met with TRU at TRU headquarters in  
8 Wayne, New Jersey. Fuhu met with the sales team as well as the Accessory team for TRU. Fuhu  
9 provided all the detailed information about the accessories Fuhu was building and launching  
10 along with trade secrets as to why they had picked these specific accessories.

11           61.     On about December 18, 2011 TRU started selling the NABI tablet in stores, and  
12 the majority of those tablets were sold out within a few days.

13     **Termination of Exclusivity**

14           62.     In January of 2012, Fuhu and TRU executives met at the Computer Electronics  
15 Show (CES) in Las Vegas. Fuhu had set up an entire suite dedicated to the NABI tablet and its  
16 ecosystem. Fuhu walked the TRU executives through the entire suite, showed them all the  
17 products, and educated them on why they fit into the overall business plan. Fuhu showed TRU  
18 new features and functions that were not publicly available, including their music solution and  
19 related sourcing information. At the meeting in Fuhu's demonstration suite, Fuhu requested that  
20 TRU start to fulfill their responsibilities under the exclusivity contract and explained that very  
21 little of TRU's responsibilities were met in the areas of marketing and merchandising.

22           63.     Fuhu and TRU continued to correspond through email regarding TRU's  
23 responsibilities in the area of marketing and merchandising for the year 2012 as well as volume  
24 commitments. TRU confirmed by email dated January 30, 2012, from Troy Peterson of TRU to  
25 Robb Fujioka of Fuhu, that TRU agreed "it's best to move forward with our partnership as non-  
26 exclusive" but also that TRU did "not expect to achieve the purchase amounts and marketing  
27 support under the agreement going forward".

28

1           85.     Fuhu performed its obligations under the Exclusivity Agreement or was legally  
2 excused from doing so.

3           86.     All conditions required for TRU's performance of its obligations under the  
4 Exclusivity Agreement occurred.

5           87.     TRU unfairly interfered with Fuhu's right to receive the benefits of the Exclusivity  
6 Agreement, including without limitation by TRU failing to provide any of the marketing and  
7 merchandising support specified in Exhibits A, B, and C to the Exclusivity Agreement.

8           88.     TRU acted with bad motives or intentions and/or engaged in deception or evasion  
9 in the non-performance of its obligations under the Exclusivity Agreement.

10          89.     TRU's conduct denied Fuhu the bargain initially intended by the parties in the  
11 Exclusivity Agreement. Fuhu would not have entered into the Exclusivity Agreement but for the  
12 marketing and merchandising support specified in Exhibits A, B, and C to the Exclusivity  
13 Agreement.

14          90.     Fuhu was harmed in an amount to be proven at trial by TRU's failure to provide  
15 any of the marketing and merchandising support specified in Exhibits A, B, and C to the  
16 Exclusivity Agreement.

**FOURTH CLAIM FOR RELIEF – TRADE SECRET MISAPPROPRIATION**

21  
22  
23  
24  
25  
26  
27  
28

100. Fuhu repeats and realleges each and every allegation of the foregoing paragraphs 1 through 99 as though fully set forth herein.

101. Fuhu owns trade secret information relating to NABI that has actual or potential independent economic value because it was secret and is the subject of reasonable efforts by Fuhu to maintain its secrecy, including without limitation through the NDA. Fuhu took appropriate precautions to maintain the secrecy of its trade secrets and confidential information by ensuring physical security of its records, marking confidential materials with confidentiality legends,

1 including confidentiality legends in employees' email signatures, requiring employees to sign an  
2 Employee Handbook containing a Confidentiality Clause and, in certain cases, a restrictive  
3 covenant, and by entering into the NDA with TRU.

4 102. Fuhu's trade secrets and/or confidential information were communicated in  
5 confidence by Fuhu to TRU subject to and in reliance on the NDA.

6 103. On information and belief, TRU improperly acquired and/or used and/or disclosed  
7 Fuhu's trade secrets relating to NABI and solicited at least one customer and/or manufacturer  
8 based on the misappropriated trade secrets.

9 104. Fuhu has been harmed in an amount to be proven at trial by, and/or TRU has been  
10 unjustly enriched in an amount to be proven at trial by, TRU's improper acquisition and/or use  
11 and/or disclosure of Fuhu's trade secrets.

12 105. Because TRU's misappropriation was willful and malicious, Fuhu is entitled to  
13 punitive damages of twice the amount awarded for actual damages and unjust enrichment.

14 106. Because TRU's misappropriation was willful and malicious, Fuhu is entitled to its  
15 attorney's fees and the costs of this action.

16 107. TRU's improper acquisition and/or use and/or disclosure of Fuhu's trade secrets  
17 was a substantial factor in causing and continuing to cause harm to Fuhu and/or unjust enrichment  
18 to TRU.

19 108. TRU's improper acquisition and/or use and/or disclosure of Fuhu's trade secrets  
20 has caused irreparable and incalculable harm to Fuhu and Fuhu is thus entitled to injunctive relief  
21 prohibiting ongoing and future use by TRU of Fuhu trade secrets.

22 109. Fuhu is entitled to injunctive relief that eliminate any commercial advantage that  
23 TRU otherwise would derive from the ongoing and future use of misappropriated trade secrets  
24 that have since been publicly disclosed.

25 110. Fuhu is entitled to any and all additional remedies that may be available at  
26 common law for the above-described misappropriation.

27

28

23

**PRAYER FOR RELIEF**

24

WHEREFORE, Fuhu prays that this Court enter judgment against TRU as follows:

25

1. That Fuhu shall be awarded at least the following relief:

26

(i) damages according to proof at trial, including compensatory, punitive  
and/or treble damages,

27

28

(ii) injunctive relief,

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

- (iii) equitable relief (including but not limited to a constructive trust),
- (iv) restitution as provided by law,
- (v) a Writ of Replevin ordering TRU to immediately surrender possession or control of the TABEOs to Fuhu;
- (vi) a Temporary Restraining Order (“TRO”) and preliminary and permanent injunctive relief maintaining the status quo and restraining TRU and its officers, agents, employees, and attorneys, and any persons acting in concert with them and/or who receive actual notice of the order by personal service or otherwise, from using Fuhu’s trade secrets and from selling, pre-selling, advertising, transporting, damaging, destroying, moving, tampering with, or otherwise injuring the TABEOs until Fuhu is able to take physical possession of the TABEOs; and
- (vii) a judgment in favor of Fuhu against TRU on all causes of action herein.

2. That an accounting by accountants of Fuhu’s choice be ordered by the Court at the expense of TRU.

3. That Fuhu recover its costs of this suit, including reasonable attorneys’ fees, as provided by law.

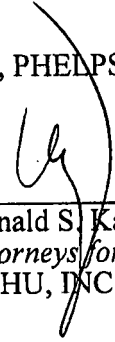
4. That Fuhu be granted such other, further and different relief as the nature of the case may require or as may seem just and proper to this Court.

**JURY DEMAND**

Fuhu hereby demands a trial by jury of all issues triable by jury.

Dated: September 24, 2012

MANATT, PHELPS & PHILLIPS, LLP

By: 

---

Ronald S. Katz  
Attorneys for Plaintiff  
FUHU, INC.