Case 1:06-cv-13424-GBD Document 9

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

LOUIS VUITTON MALLETIER, BURBERRY LIMITED UK, BURBERRY LIMITED U.S., MARC JACOBS TRADEMARKS, L.L.C., GIVENCHY S.A., LOEWE S.A., CELINE S.A., and KENZO S.A.,

Plaintiffs.

-against-

Trust under the Will of Vincent Terranova, as owner of record of the real property, buildings and improvements known as 224 CANAL STREET, 226 CANAL STREET, 226A CANAL STREET, 230 CANAL STREET, 232 CANAL STREET, 234-238 CANAL STREET, 120 WALKER STREET, AND 120A WALKER STREET, and TERRANOVA REAL PROPERTY MANAGEMENT CORP.,

Defendants.

USDC SDNY
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DATE FILED: FEB 0 1 2007

Case No.: 06 CV 13424 (GBD)

ORDER FOR PERMANENT INJUNCTION ON CONSENT

Plaintiffs Louis Vuitton Malletier (Louis Vuitton), Burberry Limited UK and Burberry Limited U.S. (Burberry), Marc Jacobs Trademarks, L.L.C. (Marc Jacobs), Givenchy S.A. (Givenchy), Loewe S.A. (Loewe), Celine S.A. (Celine), and Kenzo S.A. (Kenzo) (collectively, the Plaintiffs) and Defendants the Trust under the Will of Vincent Terranova, deceased, and Terranova Property Management (hereinafter collectively referred to as the Defendants), hereby submit for entry this Permanent Injunction on Consent.

CONSENTED TO BY PLAINTIFFS LOUIS VUITTON, BURBERRY, MARC JACOBS, GIVENCHY, LOEWE, CELINE, AND KENZO

Dated: November , 2006

CONSENTED TO BY DEFENDANTS
TRUST UNDER THE WILL OF
VINCENT TERRANOVA, DECEASED,
AS OWNER OF THE REAL
PROPERTY, BUILDINGS AND
IMPROVEMENTS AT 224, 226, 226A,
230, 232, 234-238 CANAL STREET
AND 120 AND 120A WALKER
STREET, AND TERRANOVA REAL
PROPERTY MANAGEMENT, CORP.

Dated: November __, 2006

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Plaintiffs Louis Vuitton Malletier (Louis Vuitton), Burberry Limited UK and Burberry Limited U.S. (Burberry), Marc Jacobs Trademarks, L.L.C. (Marc Jacobs), Givenchy S.A. (Givenchy), Loewe S.A. (Loewe), Celine S.A. (Celine), and Kenzo S.A. (Kenzo) (collectively, the Plaintiffs) having commenced this action (the Lawsuit), against the Trust under the Will of Vincent Terranova, deceased, and Terranova Real Property Management, Corp. (Terranova Property Management) (collectively, the Defendants) for relief pursuant to the Trademark Act of 1946, 15 U.S.C. § 1051, et seq., specifically under 15 U.S.C. §§ 1114(1) and 1125(a), the Copyright Act of 1976, 17 U.S.C. § 101, et seq., New York Real Property Law § 231(2), and under the laws of the State of New York, for the reason that tenants, subtenants, undertenants, and/or other occupants of the real property and improvements located at 224 Canal Street, New York, New York (224 Canal), 226 Canal Street, New York, New York (226 Canal), 226A Canal Street, New York, New York (226A Canal), 230 Canal Street, New York, New York (230 Canal), 232 Canal Street, New York, New York (232 Canal), 234-238 Canal Street, New York, New York (234-238 Canal), 120 Walker Street, New York, New York (120 Walker), and 120A Walker Street, New York, New York (120A Walker) (collectively, the Properties) appeared to be engaged in distributing, selling and offering for sale, among other things, products which bear counterfeits and/or imitations of Plaintiffs' trademarks and Plaintiff Louis Vuitton's copyrights as described and defined herein and in the Complaint in this action, and that the Defendants having entered into a Settlement Agreement with Plaintiffs, without admitting any liability or wrongdoing in connection with the Lawsuit, and having stipulated to the entry of a Permanent Injunction and the filing of this action,

IT IS HEREBY ORDERED that:

The Trust under the Will of Vincent Terranova, deceased, and Terranova Property Management collectively, and each of their respective parents, subsidiaries, divisions, predecessors, partners, owners, co-trustees, co-fiduciaries, representatives, stockholders, agents, officers, directors, servants, employees, affiliates, successors and assigns (the **Defendants**), are permanently enjoined and restrained from:

- 1. Selling, using, duplicating, assembling, producing, disseminating, distributing, offering for sale or distribution, circulating, importing, exporting, advertising, marketing, promoting, displaying, transferring and/or moving any product or thing bearing any simulation, reproduction, counterfeit, copy or colorable imitation of any of the trademarks or copyrights of Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo in any manner whatsoever, including but not limited to the designs, copyrights and trademarks identified herein as **Exhibit A** (hereir after referred to as the **Intellectual Properties**);
- 2. Modifying, disseminating, marketing, selling, or offering to sell any product or packaging bearing the words or logo "Louis Vuitton," "LV," "Marc Jacobs," "MJ," "Celine," "Givenchy," "Kenzo," or "Loewe";
- 3. Using, modifying, disseminating, marketing, selling or offering to sell any Louis Vuitton, Marc Jacobs, Celine, Givenchy, Kenzo or Loewe counterfeit product in any manner whatsoever;
- 4. Misusing, imitating, copying, making or infringing of any of the Intellectual Properties in any manner whatsoever;

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- Using any simulation, counterfeit, reproduction, copy or colorable 5. imitation of the Intellectual Properties in connection with the manufacture, duplication, assembly, production, distribution, offer for distribution, sale, offer for sale, circulation, advertisement, import, export, marketing, promotion, printing, display, transfer and/or movement of any merchandile, product or toing not authorized or licensed by Plaintiffs;
- 6. Selling, duplicating, assembling, producing, distributing, offering for sale or distribution, circulating, importing, exporting, advertising or marketing, promoting, displaying, transferring and/or moving any product or thing bearing any simulation, reproduction, counterfeit, copy or colorable imitation of any "look alike" items resembling the Intellectual Properties in any manner whatsoever, including but not limited to items bearing the patterns identified in the attached Exhibit B;
- 7. Engaging in any other activity constituting an infringement of the Intellectual Properties, or of Plaintiffs' respective rights in, or right to use or to exploit, the Intellectual Properties, or constituting any dilution of the Plaintiffs' respective names, reputations or goodwill;
- 8. Permitting any tenant, sub-tenant, or other occupant to engage in any of the foregoing activities described in ¶ 1-7, above, at any of the Properties following written notice of same occurring at any of the Properties;

ORDERED, that the Defendants are hereby compelled to do the following:

9. For as long as Defendants own/control the Property, or for a period of two (2) years from the date of this Permanent Injunction, whichever is shorter,

Defendants shall install and affix in a highly visible and public location on both the inside and (to the extent physically possible and in accordance with the law) on the outside of each of the Properties a sign notifying potential patrons that the sale and purchase of counterfeit Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo items at that premises is prohibited and punishable by law, which sign shall be provided by the Plaintiffs, in a form substantially similar to that attached as Exhibit C; which signs will be installed at each of the Properties within five (5) business days from the date that Plaintiffs and the Defendants mutually agree in good faith on the exact placement and location of each sign based on a simultaneous walkthrough of each Property by a representatives of the Plaintiffs and a representative of the Defendants (which shall take place no later than five (5) business days from the date of this Order) but in no event more than fourteen (14) days from the date of this Order; and Defendants further agree that they will take all steps necessary to maintain and preserve the signs, and to ensure that the tenants, sub-tenants, or other occupants of the Properties do not remove, interfere with, obstruct, mutilate, or otherwise conceal the signs, and Defendants further agree to pay Plaintiffs Fifty Dollars (\$50.00) as replacement cost in each instance where a sign is removed, interfered with, permanently obstructed, mutilated, or otherwise permanently concealed, unless such payment is paid directly to Plaintiffs by the tenants;

10. Defendants shall hire and fully pay for a monitor to inspect, investigate, and conduct searches of all areas (including but not limited to basements, bathrooms, attics, storage cabinets, and closets) of each of the Properties on a weekly basis for a period of two (2) years from the date the Monitor begins performance of its responsibilities under a Monitor Agreement (the Monitor Agreement), which shall be entered into among the Defendants, Plaintiffs, and an investigator licensed in the State of New York (the **Monitor**) in accordance with the terms set forth in the Confidential Settlement Agreement between the parties entered into simultaneously with this Consent Injunction, the terms of which are incorporated by reference herein,

- 11. For a period of two (2) years from the date of this Permanent Injunction, within ten (10) business days of presentation of proof in the form of the Monitor's report by Plaintiffs or the Monitor that tenants or other occupants at any of the Properties are engaging in the sale and/or possession of counterfeit Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo merchandise, Defendants shall issue all necessary written notices (including but not limited to notices of default and notices of termination) to all tenants (with a specific direction to each tenant to instruct each of their respective sub-tenants, sub-lessees, sub-sub-lessees, concessionaires, assignees, undertenants, and any other occupant, whether legal or illegal, and whether with or without the consent of the Defendants) (the Tenants) notifying the tenant, inter alia, that the sale or offer for sale of counterfeit Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo merchandise is illegal and prohibited; and the sending of such notice letters shall in no way alter or modify the Defendants' obligations to take all steps necessary to commence and pursue holdover or other proceedings against the Tenants pursuant to paragraph 12, herein;
- 12. For a period of two (2) years from the date of this Permanent Injunction, Defendants shall take all steps necessary to commence and pursue holdover and/or eviction proceedings against the Tenants at the Properties within thirty (30) business days (or within the time limitation set forth in that lease, whichever is longer)

after Defendants have been provided with proof by Plaintiffs or the Monitor of purchases, sales, possession or seizures of counterfeit Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo merchandise at the location, which steps shall include but are not limited to the issuance of notices of default, notices of termination, commencement of hard by the proceedings and filing of a Petition for a holdover proceeding (the Eviden Proceedings) (except that the Defendants do not have to file appeals of any unfavorable decisions rendered in the Eviction Proceedings unless, during the pendency of the appeal (i) the tenants remain in possession of the premises; and (ii) counterfeit Louis Vuitton, Burberry, Marc Jacobs, Givenchy, Loewe, Celine, and/or Kenzo merchandise continues to be sold at the premises, with the Plaintiffs or Monitor to provide the Defendants with reasonable proof, evidence and testimony as is necessary for the prosecution of the Eviction Proceedings, but Defendants do not have to file an appeal in such case if they commence and pursue in good faith new Eviction Proceedings against the tenant) provided Defendants receive proof of further violations to permit the Defendants to pursue existing or new eviction proceedings, and the sending of letters pursuant to paragraph 11 herein shall in no way modify or alter the Defendants' obligations to commence and pursue the Eviction Proceedings pursuant to this paragraph;

Permanent Injunction, or as long as the Defendants own the Properties, whichever is shorter, Defendants shall require in all leases for all future tenants at the Properties (including any subtenants, sublessees, sub-sub-lessees, concessionaires, assignees, undertenants and all other occupants, whether legal or illegal, that are consented to by the Defendants with whom there is a lease) (hereinafter referred to as **Future Tenants**) rider

notice of such sale prior to closing in writing and by hand delivery or certified mail to Arent Fox (including the name, address, and phone number of the prospective buyer) within five (5) business days after the signing of the contract of sale;

16. Within ten (10) business days of execution of this Permanent Injunction and the Settlement Agreement, the Defendants shall provide to Arent Fox (i) a list identifying all subtenants, sublessees, sub-sub-lessees, concessionaires, assignees, undertenants and all other occupants at each of the Properties that are known to the Defendants; and (ii) redacted (omitting rents and security deposits) copies of existing leases at the Properties; and it is further

ORDERED, that this Court has jurisdiction over each of the Defendants and the subject matter of the action. This Court shall retain jurisdiction to the extent necessary to enforce, and to determine any issues that may arise under, this Permanent Injunction and the Settlement Agreement, which is hereby incorporated by reference; and it is further

ORDERED, that contingent on full compliance with this Consent Decree, this Lawsuit shall be discontinued, with prejudice, as against Defendants as to the Properties; and it is further

ORDERED, that the Defendants hereby acknowledge receipt of this Permanent Injunction, and no further service shall be necessary.

SO ORDERED.

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