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E-FILED 02/06/14
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cc: FISCAL

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

WARNER BROS.
ENTERTAINMENT INC., a Delaware
corporation; NEW LINE CINEMA
LLC, a Delaware limited liability
company; NEW LINE
PRODUCTIONS, INC., a California
corporation; METRO-GOLDWYN-
MAYER STUDIOS INC., a Delaware
corporation; and THE SAUL ZAENTZ
COMPANY, a Delaware corporation,

Plaintiffs,

v.

THE GLOBAL ASYLUM INC. (aka
The Asylum), a California corporation,

Defendant.

Case No. 2:12-cv-09547-PSG-CW

~~[PROPOSED]~~ JUDGMENT FOR
PERMANENT INJUNCTION

1 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD, PLEASE
2 TAKE NOTICE THAT, in accordance with the Stipulation for Entry of Judgment
3 of Permanent Injunction entered into and filed herewith by plaintiffs Warner Bros.
4 Entertainment Inc., New Line Cinema LLC, New Line Productions, Inc. (together
5 with New Line Cinema LLC, “New Line”), Metro-Goldwyn-Mayer Studios Inc.,
6 and The Saul Zaentz Company (collectively, “Plaintiffs”), and defendant The
7 Global Asylum Inc. (“Asylum”), through their respective undersigned counsel of
8 record in this action, the Court HEREBY FINDS THAT:
9

10 1. Subject to various agreements among them, Plaintiffs own exclusive
11 rights to produce and distribute motion pictures based on the classic literary works
12 of Professor J.R.R. Tolkien entitled *The Lord of the Rings*, *The Two Towers*, and
13 *The Return of the King* (known as the “*Lord of the Rings* trilogy”), and *The Hobbit*,
14 fantasy stories that follow the adventures of fictional creatures called “hobbits.”

15 2. New Line created, released and distributed three motion pictures
16 based on the *Lord of the Rings* trilogy in 2001, 2002, and 2003, respectively (the
17 “*Lord of the Rings* Films”).

18 3. Plaintiffs have developed, produced, and distributed in the United
19 States and in other territories worldwide the motion picture *The Hobbit: An*
20 *Unexpected Journey*, which is the first of three films to be released by Plaintiffs
21 based on the novel *The Hobbit* by J.R.R. Tolkien (the “*Hobbit* Films”). The other
22 two *Hobbit* Films are entitled *The Hobbit: The Desolation of Smaug* (released
23 theatrically in December 2013) and *The Hobbit: There and Back Again* (scheduled
24 for theatrical release in December 2014).

25 4. Defendant The Global Asylum, Inc. has represented that it has acted
26 as exclusive sales agent for a motion picture starring Christopher Judge and Bai
27 Ling entitled *Age of the Hobbits*, which was developed, produced, and distributed
28 by The Institution LLC (the “*Asylum Motion Picture*”). The *Asylum Motion*

1 Picture was scheduled for release on December 11, 2012, was distributed to
2 retailers under that title, and also has been distributed under the titles *Lord of the*
3 *Elves* and *Clash of the Empires*.

4 5. On November 7, 2012, Plaintiffs filed this Action alleging, among
5 other things, that they own exclusive trademark rights in the terms “Hobbit” and
6 “Hobbits” (the “Hobbit Marks”) and in the titles of the *Hobbit* Films, and that
7 Asylum’s sale, marketing, packaging, and promotion of the Asylum Motion
8 Picture constitute trademark infringement, false designation of origin, unfair
9 competition, and false advertising under the federal Lanham Act, and unfair
10 competition and false advertising under California law.

11 6. On November 28, 2012, Asylum filed a counterclaim against
12 Plaintiffs in the Action for a declaration of trademark non-infringement, and on
13 December 3, 2012, Asylum filed an answer to Plaintiffs’ complaint in the Action.
14 Plaintiffs filed an answer to Asylum’s counterclaim on December 18, 2012.

15 7. On December 10, 2012, the Court entered an order that temporarily
16 restrained the advertising, sale, and distribution by Asylum of any motion picture
17 under the title *Age of the Hobbits* or any other title confusingly similar to the
18 Hobbit Marks, pending a hearing on an order to show cause why a preliminary
19 injunction should not issue. On January 29, 2013, the district court issued a
20 preliminary injunction prohibiting Asylum’s use of the Hobbit Marks in
21 conjunction with the Asylum Motion Picture. The Ninth Circuit affirmed the grant
22 of a preliminary injunction on October 20, 2013.

23 8. Plaintiffs and Asylum have entered into a confidential settlement
24 agreement and have stipulated to the entry by the Court of this Judgment for
25 Permanent Injunction on the terms set forth below (the “Permanent Injunction”).
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1 NOW, THEREFORE, THE COURT HEREBY ORDERS, ADJUDGES
2 AND DECREES THAT:

3 A. Pursuant to Rule 65 of the Federal Rules of Civil Procedure, Asylum,
4 its respective parent, subsidiary and affiliated companies, together with its
5 respective officers, directors, principals, owners, partners, managers, shareholders,
6 agents, attorneys, employees, representatives, successors, assigns, transferees, and
7 all persons acting in concert or participation with them, or at their direction, or
8 within their control, shall be permanently enjoined and restrained from engaging in
9 any of the following:

10 1. Manufacturing, producing, labeling, selling, distributing,
11 licensing, sub-licensing, assigning, marketing, promoting, or advertising the
12 Asylum Motion Picture in any manner that:

13 a. uses the titles *Age of the Hobbits*, *Lord of the Elves*, or
14 any other title that includes the words “Hobbit,” “Hobbits,” “Tolkien” or any
15 variation of those words or the titles of any of the *Lord of the Rings* Films or
16 *Hobbit* Films (or any similar variations thereof), or the proper name of any of the
17 characters, places, items, or events in the *Lord of the Rings* novels or films or in the
18 *Hobbit* novel or *Hobbit* Films (in each case, whether or not capitalized); or

19 b. uses in or on any front or back DVD cover, front or back
20 Blu-ray cover, or other packaging the words “Hobbit,” “Hobbits,” “Tolkien” or any
21 variation of those words or the titles of any of the *Lord of the Rings* Films or
22 *Hobbit* Films (or any similar variations thereof), or the proper name of any of the
23 characters, places, items, or events in the *Lord of the Rings* novels or films or in the
24 *Hobbit* novel or *Hobbit* Films (in each case, whether or not capitalized).

25 2. Manufacturing, producing, labeling, selling, distributing,
26 licensing, sub-licensing, assigning, marketing, promoting, or advertising any other
27 motion picture that:
28

1 a. uses the titles *Age of the Hobbits*, *Lord of the Elves*, or
2 any other title that includes the words “Hobbit,” “Hobbits,” “Tolkien” or any
3 variation of those words or the titles of any of the *Lord of the Rings* Films or
4 *Hobbit* Films (or any similar variations thereof), or the proper name of any of the
5 characters, places, items, or events in the *Lord of the Rings* novels or films or in the
6 *Hobbit* novel or *Hobbit* Films (in each case, whether or not capitalized); or

7 b. uses in or on any front or back DVD cover, front or back
8 Blu-ray cover, or other packaging the words “Hobbit,” “Hobbits,” “Tolkien” or any
9 variation of those words or the titles of any of the *Lord of the Rings* Films or
10 *Hobbit* Films (or any similar variations thereof), or the proper name of any of the
11 characters, places, items, or events in the *Lord of the Rings* novels or films or in the
12 *Hobbit* novel or *Hobbit* Films (in each case, whether or not capitalized).

13 3. Distributing, advertising, marketing, promoting, selling,
14 renting, licensing, sublicensing, assigning, or participating in any other exploitation
15 of the Asylum Motion Picture using the titles *Age of the Hobbits* or *Lord of the*
16 *Elves* (or any similar similar variations thereof) in connection with any television
17 broadcast, streaming, Internet download, or video-on-demand services.

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19 B. Asylum shall make good faith requests in writing to all of its domestic
20 distributors, wholesalers, brokers, licensees, sublicensees, assignees, and retailers
21 that it knows or has reason to believe received the Asylum Motion Picture under
22 the title *Age of the Hobbits* or *Lord of the Elves* (or any similar variations thereof)
23 (1) to cease all distribution, sale, rental, licensing, sublicensing, assigning,
24 advertising, marketing, promotion, or other exploitation of the Asylum Motion
25 Picture under the titles *Age of the Hobbits* or *Lord of the Elves* (or any similar
26 variations thereof), including in connection with any DVD or Blu-ray discs and/or
27 any television broadcast, streaming, Internet download, or video-on-demand
28 services, (2) to remove all copies of the Asylum Motion Picture that use the titles

1 *Age of the Hobbits* or *Lord of the Elves* (or any similar variations thereof) from any
2 method or manner of distribution and return such copies to Asylum, which shall
3 then deliver them to Plaintiffs for destruction, and (3) to request in writing that
4 their respective sublicensees, assignees, retailers, and other downstream recipients
5 of the Asylum Motion Picture comply with the requirements of parts (1) and (2) of
6 this Section B.

7
8 C. Asylum shall provide written notice of this Permanent Injunction
9 Judgment (1) to each of its respective officers, directors, principals, owners,
10 partners, shareholders, agents, attorneys, representatives, successors, assigns,
11 affiliated entities, and all entities under their control, and (2) to all distributors,
12 brokers, wholesalers, licensees, sublicensees, assignees, retailers, and all other
13 persons or entities in privity with Asylum that it knows or has reason to believe
14 received the Asylum Motion Picture under the title *Age of the Hobbits* or *Lord of*
15 *the Elves* (or any similar variations thereof), as well as to all domestic retailers and
16 other distributors that Plaintiffs request in writing that Asylum so notify. Asylum
17 shall provide a copy of the Permanent Injunction Judgment as part of any such
18 notice, which may be transmitted by email.

19
20 D. Within thirty (30) days of the date of entry of this Permanent
21 Injunction Judgment, Asylum shall serve Plaintiffs with a report in writing and
22 under oath setting forth the manner in which it has complied with Sections B and C
23 this Permanent Injunction Judgment, by providing (1) a copy of any notice or
24 communication sent to anyone by Asylum regarding the Permanent Injunction
25 Judgment, and (2) a list of all persons and entities to whom such notice or
26 communication was sent.

1 E. All claims, counterclaims, and defenses in this action are hereby
2 resolved by this Permanent Injunction Judgment. Plaintiffs and Asylum shall each
3 bear their own attorneys' fees and costs of suit in the Action.

4
5 F. Plaintiffs and Asylum have consented to, and the Court shall retain,
6 continuing jurisdiction for purposes of enforcement of the Permanent Injunction
7 Judgment. Violation of the Permanent Injunction Judgment shall expose Asylum
8 and all other persons bound by the Judgment to all applicable penalties, including
9 contempt of Court.

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11 Dated: 02/5 _____, 2014

PHILIP S. GUTIERREZ
The Honorable Philip S. Gutierrez
United States District Court Judge

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Submitted by:

JENNER & BLOCK LLP

s/Andrew J. Thomas
Andrew J. Thomas

Attorneys for Plaintiffs Warner Bros.
Entertainment Inc., New Line Cinema
LLC, New Line Productions, Inc.,
Metro-Goldwyn-Mayer Studios Inc.,
and The Saul Zaentz Company

LAW OFFICES OF
SCOTT A. MEEHAN

s/Scott A. Meehan
Scott A. Meehan

Attorney for The Global Asylum Inc.