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JS-6

**UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

PATAGONIA, INC.,

Plaintiff,

v.

CHELSEA INTERNATIONAL INC.,
CAC INTERNATIONAL GROUP,
OTB BRAND WORLDWIDE LTD.,
and MK INT’L GROUP,

Defendants.

CASE NO. 2:16-cv-08030-JFW (KSx)

**STIPULATED FINAL JUDGMENT
AND PERMANENT INJUNCTION**

The Court enters the following Stipulated Final Judgment and Permanent Injunction.

JURISDICTION AND VENUE

1. This Court has jurisdiction over this action and over the parties.
2. This action arises under the federal Trademark Act, 15 U.S.C. §§ 1051, *et seq.* and the federal Copyright Act, 17 U.S.C. §§ 101, *et seq.*

1 3. This Court has jurisdiction over the subject matter of this action pursuant
2 to 15 U.S.C. § 1121 and 28 U.S.C. §§ 1331, 1338(a) and (b).

3 **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

4 4. The Court incorporates the findings of fact and conclusions of law from
5 its December 27, 2016 order granting Patagonia’s motion for a temporary restraining
6 order, asset restraining order, and seizure order (Dkt. 37), finding that Patagonia was
7 likely to succeed on the merits of its claims of trademark counterfeiting, trademark
8 infringement, trademark dilution, unfair competition, and copyright infringement
9 against Defendants.

10 5. Defendants’ activities have irreparably harmed Patagonia and its famous
11 Fitz Roy Skyline Logo because they strip Patagonia of control of the mark, its
12 goodwill, and its reputation, and link Patagonia’s brand with poor-quality goods.

13 6. The balance of hardships tip in Patagonia’s favor. A permanent
14 injunction will not stop Defendants from operating their businesses. Rather, it will
15 merely require that Defendants stop using any counterfeit versions of the Fitz Roy
16 Skyline Logo to market, sell, promote, and distribute their goods. In contrast,
17 Patagonia will continue to suffer permanent, lasting irreparable injury absent
18 injunctive relief.

19 7. The public interest favors an injunction because it protects the right of the
20 public to be free of further deception and confusion.

21 **IT IS THEREFORE ORDERED THAT:**

22 Defendants, their officers, directors, agents, employees, representatives,
23 successors or assigns, and all persons acting in concert or in participation with any of
24 them are permanently enjoined from:

- 25 a. using Patagonia’s trademarks as set forth in Patagonia’s Second
26 Amended Complaint (collectively, the “Patagonia Trademarks”); any
27 reproduction, counterfeit, copy, or colorable imitation of the
28 Patagonia Trademarks; or any mark confusingly similar thereto or

1 likely to dilute the Patagonia Trademarks in connection with the
2 manufacturing, distributing, delivering, shipping, importing,
3 exporting, advertising, marketing, promoting, selling, or offering for
4 sale products including vests and other apparel, that are not
5 manufactured by or for Patagonia, nor authorized by Patagonia to be
6 sold or offered for sale (the “Counterfeit Products”);

- 7 b. engaging in unauthorized copying, display, use, and public
8 distribution of Patagonia’s copyrighted content, or creating
9 unauthorized derivative works from Patagonia’s copyrighted content;
- 10 c. doing any other acts or other things likely to cause purchasers,
11 consumers, or others to believe that Defendants’ products come from
12 Patagonia or its licensees, or are somehow licensed sponsored,
13 endorsed, or authorized by, or otherwise affiliated or connected with,
14 Patagonia;
- 15 d. moving, returning, destroying, or otherwise disposing of any alleged
16 Counterfeit Products or any products that otherwise bear, contain,
17 display, or utilize any of the Patagonia Trademarks, any derivation or
18 colorable imitation thereof, or any mark confusingly similar thereto or
19 likely to dilute the Patagonia Trademarks;
- 20 e. otherwise competing unfairly with Patagonia or any of its authorized
21 licensees in any manner, which does not include using the OTB mark
22 separate and apart from any of Patagonia’s Trademarks or other
23 intellectual property; and
- 24 f. assisting, aiding, or abetting any other person or business entity in
25 engaging or performing any of the activities referred to in the above
26 subparagraphs (a) through (e), or effecting any assignments or
27 transfers, forming new entities or associations, or utilizing any other

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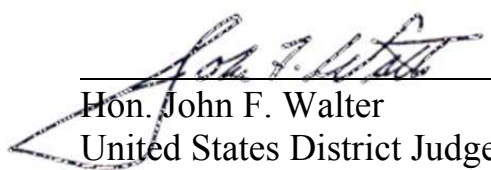
device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in subparagraphs (a) through (e).

In view of the foregoing, judgment is hereby entered against Defendants on all counts of the Second Amended Complaint.

The Court retains jurisdiction to ensure compliance with the terms of this Order and the separate settlement agreement reached between the parties, and to enable the parties to apply to this Court for further orders.

IT IS SO ORDERED.

Dated: June 30, 2017



Hon. John F. Walter
United States District Judge