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11  
 12 UNITED STATES DISTRICT COURT  
 13 NORTHERN DISTRICT OF CALIFORNIA  
 14 SAN FRANCISCO DIVISION

16 RAND INTERNATIONAL, INC.,  
 17 Plaintiff,  
 18 v.  
 19 LUCASFILM LTD.,  
 20 Defendant.

Case No. CV-08 -3897-JSW

~~PROPOSED~~ STIPULATED  
 PERMANENT INJUNCTION,  
 DISMISSAL OF CLAIMS, AND  
 ORDER

Hon. Jeffrey S. White

22 LUCASFILM LTD.,  
 23 Cross-Complainant,  
 24 v.  
 25 RAND INTERNATIONAL, INC.,  
 26 Cross-Defendant.

**BACKGROUND**

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2 On August 14, 2008, Plaintiff and Cross-Defendant Rand International, Inc. (“Rand”)  
3 filed an action against Defendant and Cross-Complainant Lucasfilm Ltd. (“Lucasfilm”)  
4 (collectively, the “Parties”), alleging breach of contract, tortious interference with contract, and  
5 violation of California Business & Professions Code section 17200, in connection with  
6 Lucasfilm’s termination of a non-exclusive Merchandise License Agreement entered into by and  
7 between the Parties as of October 1, 2007 (the “License Agreement”) and attached herein as  
8 Exhibit A. On August 14, 2008, Rand also filed an application for a temporary restraining order  
9 and preliminary injunction seeking reinstatement of the License Agreement (the “Application”).  
10 On August 22, 2008, the Court heard Rand’s Application. On October 9, 2008, Lucasfilm filed a  
11 Cross-Complaint against Rand, alleging trademark infringement, violation of unfair competition  
12 laws, and deceptive, false, and misleading advertising.

13 Without admitting wrongdoing, the Parties have entered into a settlement agreement  
14 which includes entry of this Stipulated Permanent Injunction and Dismissal (the “Stipulated  
15 Injunction”), in order to avoid the need for further costly litigation between them.

**STIPULATED INJUNCTION**

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17  
18 In consideration of, and in reliance on the foregoing, Lucasfilm and Rand stipulate to the  
19 entry of an order as follows:

20 1. All terms not defined herein shall have the meaning ascribed to them as set forth in  
21 License Agreement, a true and correct copy of which is attached hereto as Exhibit A.

22 2. Until January 14, 2009, Rand shall be permitted to dispose of the following  
23 already manufactured units of Licensed Products:

24 (a) SW-2000 Star Wars Skateboard (16,944 units);

25 (b) SW-5045 Star War Disc W/Launch (186,612 units);

26 (c) SW-5031 Star Wars Bubble Set (44,916 units);  
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- 1 (d) SW-977 Helmets w/pad sets (9,800 units);
- 2 (e) SW-99110 Mints (32,256 units); and
- 3 (f) SW-4010 Star Wars Toy Skate Combo (15,588 units).

4 (The “Limited Right to Sell-Off.”) Rand shall also be permitted to dispose of up to (a) 145,000  
5 units of the SW-6600 Star Wars Children’s Quad (the “Quads”), until December 31, 2008  
6 pursuant to firm orders for shipment; and (b) 35,000 units of the SW-5 Star Wars Three-Wheel  
7 Scooter until January 14, 2009 pursuant to firm orders for shipment.

8  
9 3. Notwithstanding the terms of Clause I(2)(a) of the License Agreement, Rand shall  
10 pay Lucasfilm a royalty on Quads products sold under the Limited Right to Sell-Off as provided  
11 under the terms of the Settlement Agreement and Release entered into by and between the Parties.  
12 With respect to all other License Products sold under the Limited Right to Sell-Off, Rand shall  
13 pay to Lucasfilm the Royalties owed under the License Agreement.

14 4. Rand’s Limited Right to Sell-Off is expressly conditioned upon Rand complying  
15 with all terms of the Settlement Agreement and Release entered into by and between the Parties,  
16 and all terms of the License Agreement, including Rand’s obligation to pay royalties under the  
17 License Agreement.

18 5. Except as otherwise provided under the Limited Right to Sell-Off, Rand shall not  
19 have any right to sell or otherwise distribute any Licensed Products, including bicycles and  
20 folding scooters, remaining in Rand’s possession, custody or control.

21  
22 6. Pursuant to 15 U.S.C. § 1116, and except as otherwise provided under the Limited  
23 Right to Sell-Off, Rand, its successors, officers, parents, subsidiaries, affiliates, agents, assigns  
24 and employees, and anyone acting in concert with or at the behest or direction of Rand, jointly  
25 and severally, are hereby PERMANENTLY ENJOINED AND RESTRAINED from the  
26 following:

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1 (a) Distributing, displaying, marketing, promoting, offering for sale, and/or selling  
2 any goods or services using Lucasfilm's Licensed Property;

3 (b) Disseminating any products, promotional materials, advertisements, point of sale  
4 materials, signage or other materials containing or incorporating Lucasfilm's Licensed Property;  
5 and

6 (c) Representing directly or indirectly in any form or manner whatsoever, that Rand's  
7 products or services are in fact the same as or related to any services or products of Lucasfilm, or  
8 are in any manner associated with, sponsored, or approved by Lucasfilm, or taking any action  
9 likely to cause confusion, mistake or deception on the part of purchasers as to the source, origin,  
10 sponsorship, approval or affiliation of Rand's products or service or Rand's services and  
11 products.

12 7. This Stipulated Injunction applies to all manufacturing, marketing, distribution,  
13 sale, or promotion of any Rand product in the United States, Canada, and all territories in which  
14 the trademarks, tradenames, servicemarks, servicenames, and copyrights owned by Lucasfilm are  
15 recognized as property of Lucasfilm under such territory's applicable trademark and intellectual  
16 property laws.

17 8. The injunction contained herein shall take effect upon the Court's entry of this  
18 Stipulated Injunction.

19 9. There shall be no bond in connection with this Stipulated Injunction.  
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21 **DISMISSAL**

22 Pursuant to Federal Rule of Civil Procedure 41(a)(2) and 41(c), the Parties, by and  
23 through their respective counsel, stipulate and request that the Court dismiss, with prejudice, all  
24 of the claims asserted by Rand in its complaint, and all claims asserted by Lucasfilm in its cross-  
25 complaint.  
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