

1 JOHN F. DOMINGUE, CA STATE BAR NO. 193570
 THOMAS P. MURPHY, CA STATE BAR NO. 121251
 2 BERLINER COHEN
 TEN ALMADEN BOULEVARD
 3 ELEVENTH FLOOR
 SAN JOSE, CALIFORNIA 95113-2233
 4 TELEPHONE: (408) 286-5800
 FACSIMILE: (408) 998-5388
 5 john.domingue@berliner.com

6 ATTORNEYS FOR DEFENDANTS AND
 COUNTERCLAIMANTS PLAYER DEVELOPMENT
 7 PRODUCTS, LLC, AND SNAG, INC. AND DEFENDANT
 8 TERRENCE ANTON

9 UNITED STATES DISTRICT COURT
 10 NORTHERN DISTRICT OF CALIFORNIA
 11 OAKLAND DIVISION

12 ASSURANCE INDUSTRIES COMPANY,
 INC., a California corporation,
 13
 Plaintiff,
 14
 v.
 15 SNAG, INC., a Florida corporation;
 16 TERRENCE P. ANTON, an individual and
 resident of Oklahoma; WALTER E.
 17 ARMSTRONG III, an individual and resident
 of Florida; PLAYER DEVELOPMENT
 18 PRODUCTS, LLC, a Florida limited liability
 company: and DOES 1 through 100,
 19
 Defendants.

CASE NO. CV 10 1718 SBA
 JUDGMENT

20
 21 SNAG, INC., a Florida corporation; PLAYER
 DEVELOPMENT PRODUCTS, LLC, a
 Florida limited liability company,
 22
 Counter-Claimants,
 23
 v.
 24
 25 ASSURANCE INDUSTRIES COMPANY,
 INC., a California corporation, AND SHENG
 26 HSIUNG CHEN a/k/a STEVE CHEN,
 27
 Counter-Defendants.

1 Plaintiff and Cross-Defendant ASSURANCE INDUSTRIES COMPANY, INC. and
2 Cross-Defendant SHENG HSIUNG CHEN a/k/a STEVE CHEN (collectively “AIC”), on the one
3 hand, and Defendants and Cross-Complainants Player Development Products, LLC, SNAG, Inc.
4 and TERRENCE P. ANTON (collectively “SNAG”), on the other, stipulate to judgment as set
5 forth below.

6 Judgment is hereby entered in favor of SNAG and against AIC as follows:

7 **FINDINGS OF FACT**

8 “SNAG” is an acronym for “starting new at golf.” SNAG is in the business of
9 researching, developing, and marketing products that, among other things, make it easy and fun
10 for people of all ages to learn and enjoy the game of golf—primarily through the golf-like game
11 patented by SNAG, Inc. In addition to its patents, SNAG, Inc. is the owner of registered
12 trademarks covering products used in the SNAG, golf-like game and golf teaching program.
13 SNAG has licensed its patent and trademark rights on an exclusive basis to Player Development
14 Products, LLC, which in turn arranges for the manufacture of SNAG products and sells such
15 products.

16 Player Development Products, LLC and AIC had an ongoing commercial relationship
17 under which SNAG used AIC to manufacture SNAG products. The relationship between SNAG
18 and AIC terminated in March 2010 (the “Termination”). Since that time, SNAG has exclusively
19 used Gopher Golf Co., LTD to manufacture SNAG products, and Gopher Golf Co., LTD is the
20 only company authorized to manufacture or otherwise produce SNAG products.

21 In the course of its work to manufacture SNAG products before Termination, AIC used
22 prototypes and production molds containing the SNAG mark and its intellectual property. AIC
23 states that it used third-parties, including contract employees, factories and manufacturing
24 companies (collectively “Contractors”) to make SNAG products, and that AIC gave (or caused to
25 be given) possession of certain SNAG prototypes and/or production molds to Contractors. One
26 of these Contractors goes by the English name “Mark Liu,” whose last-known phone number is
27 86-133-6888-6866, address unknown at this time. Without consent, Mark Liu has unlawfully
28 marketed SNAG products for sale.

The following chart shows the manufacturer, chain of custody and current possessor of selected SNAG molds initially created or controlled by AIC:

Mold Type and Maker (w/date of manufacture)	Transferred To (w/date and reason for transfer)	Transferred To (w/date and reason for transfer)	Currently Held By (include all known contact info)
Launcher, RH, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Launcher, LH, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Roller, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Flagsticky, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Flagsticky cap/flagholder, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Launch Pad/ AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Blue Tee, AIC/Dan Goods/On Lee, Sept. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Roller Brush, AIC/Dan Goods/On Lee, Oct. 2000	Chic Sports / expert in sporting goods, May 2004	Tak Shun Ind. / better factory in plastic molding prod. Jan 2005	Mr. Liu Zheng Qiang, 86-133-6888-6866
Grips, AIC/Dan Goods/Chaucer, Sept. 2000	Shanghai Xiangfu Electrical Elements Co. Aug. 2009		Shanghai Xiangfu Electrical Elements Co. 86-21-5913-7565
Ball, AIC/Dan Goods/Chic Sports, Oct. 2000	Yangzhou Flight Sporting Goods Co. 2005. Better supplier.		Yangzhou Flight Sporting Goods Co. 86-514-8827-9160
SNAG-O-Matic, AIC/Dan Goods/Yangzhou Flight Sporting Goods Co. May, 2008			Yangzhou Flight Sporting Goods Co. 86-514-8827-9160
Super Launcher head hand-made model, RH, AIC/Dan Goods/Liu Zheng Qiang, Jan. 2010, left behind in factory office.			Left in office at 2 nd Fl., Bldg. 2E, Nanshan 2 nd Ind. Dist, Yientien, Fenggang, Dongguang. I suspect it is in Mr. Liu Zheng Qiang's hand.

ORDERS

1. AIC's Complaint. AIC shall take nothing by the Complaint and its action shall be dismissed with prejudice.

2. SNAG's Countersuit. On SNAG's Counterclaims, the Court orders, adjudges and decrees the following:

- a. All SNAG products, prototypes and molds embody and contain SNAG, Inc.'s intellectual property, including without limitation trademark and trade dress rights (all of the aforementioned rights, products, prototypes and molds are collectively referred to as the "SNAG Intellectual

1 Property”). AIC has no right, title or interest in or to any SNAG
2 Intellectual Property. AIC is enjoined from possessing, marketing, or
3 selling, or contributing to any such activities by a Contractor with respect
4 to any SNAG product, prototype, mold, or anything else that bears,
5 contains or embodies any SNAG Intellectual Property.

6 b. As of the Termination in March 2010, SNAG did not owe any money or
7 other obligation to AIC.

8 c. Any and all SNAG molds or prototypes (or any other material containing
9 SNAG Intellectual Property) in the possession of any Contractor are the
10 property of SNAG and shall be destroyed under the supervision of SNAG
11 (or its designee), including without limitation any molds or prototypes
12 held by Mark Liu.

13 d. Except for SNAG products either made by Gopher Golf or purchased by
14 and delivered to SNAG or its designees by AIC before the Termination,
15 any and all existing SNAG products are deemed unauthorized and
16 counterfeit, including in particular any products being held by any of
17 AIC’s Contractors (collectively the “Unauthorized Product”).
18 Unauthorized Product includes without limitation the container of
19 \$55,527.00 in SNAG product being held by AIC in Fremont, the
20 \$53,619.35 worth of SNAG product that AIC had on hand as of the
21 Termination (which included the attached list of products), all SNAG
22 products displayed at the 2010 and 2011 Beijing Golf Shows, and all
23 products held or marketed by a Mark Liu or Mr. Liu.

24 e. All Unauthorized Product shall be destroyed under the supervision of
25 SNAG (or its designee).

26 3. Compliance With the Above Orders. To the extent the above orders can be
27 carried out by AIC, performance is due within 60 days. Otherwise, AIC shall use diligent and
28 best efforts to carry out the above, including without limitation contacting Contractors, arranging

1 and/or participating in telephone or face-to-face meetings (with face-to-face meetings being
2 limited to one such meeting if required by any legal proceeding initiated to recover SNAG molds
3 and/or SNAG products in the possession of Mark Liu), writing letters or other correspondence,
4 signing or producing documents, and conducting other like activities that may be necessary or
5 helpful to fulfill the requirements of this judgment. Furthermore, AIC shall cooperate (by doing
6 the aforementioned activities) with SNAG, its Chinese distributor, Gopher Golf, and any Chinese
7 government officials to:

- 8 a. Fulfill the requirements of this judgment;
- 9 b. Stop the production, marketing, sale or perpetuation of Unauthorized
10 Product;
- 11 c. Hold any persons accountable for the unlawful production, marketing, sale
12 or perpetuation of Unauthorized Product;
- 13 d. Revive prior orders in China for SNAG product that were lost as a result
14 of the unlawful production, marketing, sale or perpetuation of
15 Unauthorized Product, including without limitation the orders that
16 SNAG's Chinese distributor lost from the Chinese government when
17 Mark Liu contacted them and undercut the distributor's pricing with
18 counterfeit product.

19 4. Reasonable costs incurred by AIC in the physical destruction of SNAG molds,
20 products, and/or prototypes of SNAG products, and extraordinary costs in cooperating with
21 SNAG to recover SNAG molds and prototypes in the possession of Mark Liu, should be
22 reimbursed by Player Development Products, LLC.

23 IT IS SO ORDERED.

24 DATED: JANUARY 28, 2013

25 

26 HON. SAUNDRA B. ARMSTRONG
27 UNITED STATES DISTRICT JUDGE

1 AGREED AND ACCEPTED BY:

2 Dated: JANUARY ____, 2013

3 By: /s/ _____
4 SHENG HSIUNG CHEN a/k/a STEVE CHEN

5 Dated: JANUARY ____, 2013

ASSURANCE INDUSTRIES, INC.

6
7 By: /s/ _____
8 By: SHENG HSIUNG CHEN aka STEVE CHEN
9 Its: PRESIDENT

10 Dated: JANUARY ____, 2013

PLAYER DEVELOPMENT PRODUCTS, LLC

11 By: /s/ _____
12 By: TERRENCE ANTON
13 Its: Member

14 Dated: JANUARY ____, 2013

SNAG, INC.

15 By: /s/ _____
16 By: TERRENCE ANTON
17 Its: President

18 APPROVED AS TO FORM BY:

19 DATED: JANUARY ____, 2013

BERLINER COHEN

20
21 BY: /s/ _____
22 THOMAS P. MURPHY
23 ATTORNEYS FOR PLAYER DEVELOPMENT
24 PRODUCTS, LLC, SNAG, INC., AND TERRENCE
25 ANTON

26 DATED: JANUARY ____, 2013

LAW OFFICES OF ADAM WANG

27 BY: /s/ _____
28 ADAM WANG
ATTORNEYS FOR ASSURANCE INDUSTRIES
COMPANY, INC. AND STEVE CHEN

1 AGREED AND ACCEPTED BY:

2 Dated: JANUARY 17, 2013

3

4

5 Dated: JANUARY 17, 2013

6

7

8

9 Dated: JANUARY 17, 2013

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

APPROVED AS TO FORM BY:

DATED: JANUARY 17, 2013

DATED: JANUARY 17, 2013

Case No. CV 10 1718 SBA

By: /s/ Sheng Hsiung Chen
SHENG HSIUNG CHEN a/k/a STEVE CHEN

ASSURANCE INDUSTRIES, INC.

By: /s/ Sheng Hsiung Chen
By: SHENG HSIUNG CHEN aka STEVE CHEN
Its: PRESIDENT

PLAYER DEVELOPMENT PRODUCTS, LLC

By: /s/ Terrence Anton
By: TERRENCE ANTON
Its: Member

SNAG, INC.

By: /s/ Terrence Anton
By: TERRENCE ANTON
Its: President

BERLINER COHEN

By: /s/ Thomas P. Murphy
THOMAS P. MURPHY
ATTORNEYS FOR PLAYER DEVELOPMENT
PRODUCTS, LLC, SNAG, INC., AND TERRENCE
ANTON

LAW OFFICES OF ADAM WANG

By: /s/ Adam Wang
ADAM WANG
ATTORNEYS FOR ASSURANCE INDUSTRIES
COMPANY, INC. AND STEVE CHEN