Dancesport Videos, LLC et al v. Ediza Online, Inc. et al

Doc. 12

Having considered Plaintiffs' Emergency *Ex Parte* Application and Motion for an Order (1) for seizure of goods bearing counterfeit trademarks and containing infringing copyrighted material and records relating thereto; (2) for inspection and inventory of goods bearing infringing trademarks and containing infringing material and records relating thereto; (3) temporarily restraining Defendants; (4) to show cause re preliminary injunction; and (5) for expedited discovery, and the papers in support thereof, the Court hereby grants said Application and Motion. The Court finds that:

- A. Plaintiffs DanceSport Videos LLC and Digital Video Creations, Inc. (collectively, DanceSport) have shown that they are likely to succeed on the merits of their infringement and counterfeiting claims based on Defendants' wrongful use of DanceSport's federally registered "CORE RHYTHMS" marks and federally registered copyrighted material in connection with counterfeit exercise DVDs;
- B. Plaintiffs are being irreparably harmed by Defendants' advertising, marketing, distributing, offering for sale, and sale of certain infringing products. Defendants' acts will confuse and deceive the public and the trade as to the origin of the Defendants' counterfeit goods and will cause immediate and irreparable injury, loss and damage to DanceSport, its trademarks, copyrights and trade dress, and the valuable goodwill and reputation associated therewith and that such injury, loss and damage is more likely to be sustained by DanceSport if the Defendants are given notice of this litigation prior to the issuance of the Order of Seizure and the Temporary Restraining Order hereinafter specified and thereby given time to dispose of or move the counterfeit goods and other possible relevant evidence; and
- C. The balance of hardships tips in favor of Plaintiffs and that the public interest weighs in favor of granting a temporary restraining order and issuing an OSC re: preliminary injunction; and
- D. Plaintiffs have made a showing that *ex parte* relief is warranted given, *inter alia*, that Defendants are using counterfeits of marks registered on the Principal Register of the United States Patent and Trademark Office in connection with the distribution, offering for sale and selling of goods (*i.e.*, exercise DVDs); that Defendants are representing their

products as being genuine and from the manufacturer when they are neither; that Defendants have infringed and are infringing Plaintiff's copyrights, trade dress and trademarks; that the counterfeit goods are virtually indistinguishable from the genuine goods authorized by DanceSport; and that Defendants threaten to continue such acts unless immediately restrained by Order of this Court; and

E. An order other than an *ex parte* seizure order is not adequate to enjoin the counterfeiting and infringing of Plaintiffs' trade dress and trademarks, and to otherwise achieve the purposes of the Lanham Act, 15 U.S.C. § 1114. Plaintiffs have not publicized the requested seizure, and the counterfeit goods are located at the places at which the seizures are to take place. One of the attorneys for DanceSport has given reasonable notice to the United States Attorney for the Southern District of California that DanceSport would be seeking herein an order for seizure of counterfeit goods and documents relating thereto. The only effective method of preventing the counterfeit goods from being removed, hidden, moved, destroyed or made otherwise inaccessible and of preserving other possible relevant evidence is to issue an order requiring the seizure of such evidence without notice to Defendants; therefore the interests of justice require a waiver of notice pursuant to Federal Rule of Civil Procedure 65(B)(1)(B) and the Lanham Act, 15 U.S.C. § 1116.

#### NOW, THEREFORE, IT IS ORDERED AS FOLLOWS:

### I. <u>SEIZURE ORDER</u>

(a) IT IS HEREBY ORDERED that the United States Marshal for the Southern District of California, Deputy United States Marshal(s) ("United States Marshals"), other law enforcement officers, or sworn-in peace officers shall, prior to Monday, August 31, 2009, conduct a reasonable search for and with the use of any reasonably necessary force, seize and impound any and all goods, including packaged and unpackaged DVDs, bearing any imitations of the federally registered CORE RHYTHMS trademarks of DanceSport, or its federally registered copyrights in its CORE RHYTHMS products, or the trade dress of CORE RHYTHMS products (exemplars of which are attached hereto as Exhibit 1) including any cartons or containers in which the said counterfeit goods may be packaged, specifically

including any goods identified as counterfeit by attorneys for DanceSport at any and all of the following locations:

- 10373 Roselle Street, San Diego, CA, 92121, including but not limited to Units 130 and 140.
- 2. 3030 Plaza Bonita Rd #1184, National City, CA 91950.
- 3. Any other place within the State of California that the United States Marshals, other law enforcement officers, other sworn-in peace officers or representatives of DanceSport reasonably believe, based on information obtained or provided by the Defendants or from records seized from Defendants, is the location of counterfeit goods, cartons or containers therefor, or records relating thereto, and
- (b) IT IS FURTHER ORDERED, that the United States Marshals, persons acting under their supervision, other law enforcement officers or other sworn-in peace officers shall prior to Monday, August 31, 2009 reasonably search for, seize and impound all books, records, and other documents and molds and other things relating in any manner to the importation, manufacture, distribution, sale, purchase, payment, movement, storage or transfer of said counterfeit or infringing goods described above, which shall be identified by attorneys for or other representatives of DanceSport at the locations authorized above, including but not limited to any document that references DanceSport or CORE RHYTHMS. A forensic specialist in computer hardware retained by DanceSport shall be permitted for this purpose and may copy files, programs, hard drives and anything else therein onto disk(s) or other transportable media which will then be delivered to the custodian specified in Paragraph (e) below. The computer specialist may conduct an audit of these computers to detect evidence of counterfeit or infringing goods, and the results of this audit may be saved on a disk(s) or other transportable media; and
- (c) IT IS FURTHER ORDERED, that the Defendants and their agents and employees, shall affirmatively aid the U.S. Marshals, law enforcement officers, and Plaintiffs'

agents and attorneys in carrying out this Order including the opening of locked cases, file cabinets, boxes and the like, such as a safe; and

- (d) IT IS FURTHER ORDERED, that in the event that infringing and counterfeit products and/or related documents are found to be in any locked or otherwise secured cartons or containers or any locked or otherwise secured pouches, bags, suitcases, safes, boxes, automobiles, vans, trucks, file cabinets and/or backpacks and the Defendants fail to cooperate in causing same to be opened, that the U.S. Marshal and/or other persons authorized to seize counterfeit products and/or documents relating thereto, as defined above may use reasonable force to break any locks or other barriers blocking access to such products and/or documents; and
- (e) IT IS FURTHER ORDERED, that all counterfeit/infringing goods, cartons, containers, means of making counterfeit/infringing goods, documents, records and other things seized pursuant to this Order shall be taken into the care and custody of counsel for DanceSport: Nancy C. Morgan, Gregory J. Sater and the law firm of Rutter Hobbs & Davidoff Incorporated, or persons designated by them, who are hereby designated the substitute custodians, or an appropriate warehouse, and that a complete and accurate inventory of all goods seized shall be made and shall be provided to Defendants with a copy of the inventory and with a receipt for the materials seized; and
- enforcement officers or other custodian as authorized hereunder, shall provide copies of all books, records and other documents seized, to counsel for DanceSport and counsel for all parties (at each such counsel's expense); and shall be given access to and reasonable opportunity to inspect, copy and photograph any other things seized (at each such counsel's expense); provided, however, that counsel may not disclose any confidential, private, proprietary, or privileged commercial information contained therein not relating to the importation, manufacture, distribution, sale, purchase, movement, storage or transfer of counterfeit/infringing goods to anyone (other than counsel for the parties and employees of such attorneys) until the date set herein (without regard to later granted continuances; and

- representatives of DanceSport, including, but not limited to, experts and photographers, may be present at the seizure; that DanceSport may have such photographs and/or videotapes made in conjunction with the seizure as DanceSport's counsel deems appropriate to preserve evidence of the seizure; and that the United States Marshals, other law enforcement officers, or other sworn-in peace officers may request appropriate identification from any persons present. The United States Marshals, other law enforcement officers, or sworn-in peace officers, may make simultaneous or repeated seizures as may be necessary and appropriate; and
- (h) IT IS FURTHER ORDERED, that the United States Marshals, persons acting under their supervision, other law enforcement officers or other sworn-in peace officers shall, at any time within three days from the date of this Order is issued, reasonably search for, seize and copy (either on-site or off-site) all books, records, and other documents and other things relating in any manner to the importation, manufacture, distribution, purchase, payment, movement, storage or transfer of said counterfeit/infringing good, which shall be identified by attorneys for or other representatives of DanceSport at the locations authorized above; and
- (i) IT IS FURTHER ORDERED, that if the Defendants fail or refuse to identify all goods bearing the counterfeit/infringing trademarks, copyrights and trade dress, and records relating thereto or if the goods and records cannot otherwise be located, or if DanceSport's attorneys and representatives have a good faith belief that such is the case, United States Marshals, persons acting under their supervision or other law enforcement officers, or other sworn-in peace officers in conjunction with DanceSport's attorneys and representatives shall search through all goods and records of the Defendants existing at the locations described above to locate those records relating to the counterfeit/infringing goods. Such records may be removed from the premises for a reasonable time to accomplish the search and copying of records relating to the Orders above. United States Marshals, persons acting under their supervision, other law enforcement officers, or sworn-in peace officers are

further directed to use all reasonably necessary force to accomplish the foregoing; and

- (j) IT IS FURTHER ORDERED, that if, after the above-mentioned seizures are made, Defendants obtain or retain the possession, custody or control of any goods bearing counterfeit or infringing trademarks, copyrights or trade dress, means of making same or records relating thereto, whether by purchase, importation or otherwise, Defendants will immediately deliver the same into the custody of the United States Marshals, other law enforcement officers or to counsel of record for DanceSport; and
- (k) IT IS FURTHER ORDERED, that the United States Marshals, persons acting under their supervision, other law enforcement officers, or any person authorized under the Federal Rules of Civil Procedure, shall serve a copy of this Order, the Summons, the Complaint, the Application for Ex Parte Order of Seizure of Counterfeit Goods and supporting papers upon the Defendant or by hand delivery at the time of the seizure, inspection and inventory; and
- (I) IT IS FURTHER ORDERED, that DanceSport its servants, agents, employees, officers and attorneys, or any of them, shall not publicize or attempt to publicize the Order herein or the seizure thereunder prior to the time said seizure occurs and until after the date originally set for the hearing on the Preliminary Injunction.

#### II. TEMPORARY RESTRAINING ORDER

- (a) IT IS ORDERED that Defendants and each of their shareholders, members, owners, parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers, directors, employees, agents, attorneys, and all persons and entities who now or hereafter are in privity with or act in concert with any of them, are hereby temporarily restrained from all of the following acts:
  - (1) marketing, advertising, offering to sell, or selling any product, package, fitness program, video, DVD, or any other item of any kind that is or ever was named or labeled with the words "CORE RHYTHMS" or any colorable imitation thereof;
  - (2) marketing, advertising, offering to sell, or selling any product in

1		connection with the words "CORE RHYTHMS" or any colorable
2		imitation thereof;
3	(3)	using the words "CORE RHYTHMS" or any colorable imitation thereof
4		on any website or in any other marketing, advertising, or sales materials
5		of any kind;
6	(4)	manufacturing, importing, assembling, labeling, or distributing in any
7		way any product, package, fitness program, video, DVD, or any other
8		item of any kind that was copied, in whole or in part, from any "CORE
9		RHYTHMS" product;
10	(5)	manufacturing, importing, labeling, or distributing in any way product,
11		package, fitness program, video, DVD, or any other item of any kind that
12		is or ever was named or labeled with the words "CORE RHYTHMS" or
13		any colorable imitation thereof;
14	(6)	transferring, transporting, shipping, sending, moving, disposing of,
15		discarding, destroying, exporting, or otherwise parting with custody,
16		control, or possession of any product, package, fitness program, video,
17		DVD, or any other item of any kind that is or ever was named or labeled
18		with the words "CORE RHYTHMS" or any colorable imitation thereof
19		(other than as otherwise expressly ordered in writing by this Court);
20	(7)	modifying, re-labeling, re-packaging, re-naming, concealing, or
21		otherwise changing the content, appearance, trade dress, name,
22		packaging, or any other element, aspect, characteristic, or feature of any
23		product, package, fitness program, video, DVD, or other item that is or
24		ever was named or labeled with the words "CORE RHYTHMS" or any
25		colorable imitation thereof (other than as otherwise expressly ordered in
26		writing by this Court);
27	(8)	transferring, transporting, shipping, sending, moving, disposing of,
28		discarding, destroying, exporting, or otherwise parting with custody,

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control, or possession of (or modifying, editing, concealing, or otherwise changing the content of) any document, data, or record (including, but not limited to, any computer file, e-mail, spreadsheet, and any other record existing in electronic form) relating in any way to the manufacture, purchase, importation, labeling, assembling, distributing, marketing, advertising, offering to sell, selling, or shipping of any product, package, fitness program, video, DVD, or any other item of any kind that is or ever was named or labeled with the words "CORE RHYTHMS" or any colorable imitation thereof (including, but not limited to, any record relating to any purchase or any sale of any item bearing those words or any colorable imitation thereof); or infringing any of the trademarks or copyrights listed below:

- (9)
  - (a) CORE RHYTHMS® (U.S. Trademark Reg. No. 3189058);
  - (b) CORE RHYTHMS DANCE EXERCISE PROGRAM® (U.S.

Trademark Reg. No. 3272320);

- (c) Copyright Serial No. 1-58135431, for title CORE RHYTHMS FULL WORKOUT DVD COVER, Reg. No. VA 1-636-818, with Issue/Reg Date of 4/26/08
- (d) Copyright Serial No. 1-58135470 for title CORE RHYTHMS QUICK WORKOUT DVD COVER, Reg. No. VA 1-632-982, with Issue/Reg Date of 4/26/08.
- (e) Copyright for title CORE RHYTHMS KICK START DVD COVER, Reg. No. VA 1-632-983, with Issue/Reg Date of 4/26/08.
- (f) Copyright for title LATIN DANCE MADE EASY DVD COVER, Reg. No. VA 1-632-984, with Issue/Reg Date of 4/26/08.
- (g) Copyright for title 7-DAY DIET GUIDE, Reg. No. VA 1-632-981, with Issue/Reg Date of 4/26/08.
- (h) Copyright for title CORE RHYTHMS STARTER PACKAGE (RETAIL PKG), Reg. No. VA 1-632-129, with Issue/Reg Date of 4/26/08.

1	(i) Copyright for title CORE RHYTHMS FULL WORKOUT DVD, F		
2	No. PA 1-597-830, with Issue/Reg Date of 4/26/08.		
3	(j) Copyright for title CORE RHYTHMS QUICK WORKOUT DVD,		
4	Reg. No. PA 1-597-829, with Issue/Reg Date of 4/26/08.		
5	(k) Copyright for title CORE RHYTHMS KICK START DVD, Reg.		
6	No. PA 1-597-831, with Issue/Reg Date of 4/26/08.		
7	(l) Copyright for title CORE RHYTHMS KICK START DVD, Reg. No.		
8	PA 1-597-826, with Issue/Reg Date of 4/26/08.		
9	(m) Copyright for title CORE RHYTHMS 2-MINUTE COMMERCIAL		
10	Reg. No. PA 1-602-500, with Issue/Reg Date of 7/18/08.		
11	(n) Copyright for title CORE RHYTHMS LONG FORM		
12	COMMERCIAL (VERSION 1), Reg. No. PA 1-602-498, with Issue/Reg Date of 7/18/08.		
13	(o) Copyright for title CORE RHYTHMS LONG FORM		
14	COMMERCIAL (VERSION 2), Reg. No. PA 1-602-502, with Issue/Reg Date of 7/18/08.		
15	(p) Copyright for title CORE RHYTHMS SALSA BLAST DVD		
16	COVER, Reg. No. VA 1-636-477, with Issue/Reg Date of 5/16/08.		
17	(q) Copyright for title CORE RHYTHMS SWING SENSATION DVD		
18	COVER, Reg. No. VA 1-636-468, with Issue/Reg Date of 5/16/08.		
19	(r) Copyright for title CORE RHYTHMS LATIN SYNERGY DVD		
20	COVER, Reg. No. VA 1-686-472, with Issue/Reg Date of 5/16/08.		
21	(s) Copyright for title CORE RHYTHMS LATIN SYNERGY DVD,		
22	Reg. No. PA 1-602-494, with Issue/Reg Date of 5/16/08.		
23	(t) Copyright for title CORE RHYTHMS SALSA BLAST DVD, Reg.		
24	No. PA 1-602-472, with Issue/Reg Date of 7/18/08.		
25	(u) Copyright for title CORE RHYTHMS SAMBA FUSION DVD, Reg		
26	No. PA 1-602-437, with Issue/Reg Date of 7/18/08.		
27	(v) Copyright for title CORE RHYTHMS SAMBA FUSION DVD		
28	COVER, Reg. No. VA 1-671-725, with Issue/Reg Date of 5/16/2008.		

- (w) Copyright for title CORE RHYTHMS SWING SENSATION DVD, Reg. No. PA 1-602-452, with Issue/Reg Date of 7/18/2008.
  - (x) Copyright for title CORE RHYTHMS CLUB MIX COLLECTION.
- (b) IT IS FURTHER ORDERED that Defendants and each of their shareholders, members, owners, parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers, directors, employees, agents, attorneys, and all persons and entities who now or hereafter are in privity with or act in concert with any of them, immediately shall remove any and all references to "CORE RHYTHMS" and any videos from any CORE RHYTHMS DVDs from any and all websites over which they have any ownership or control including, but not limited to, the websites at the domain name <www.asseenontv-infomercials.com>,<a href="http://ediza.securesites.net">http://ediza.securesites.net</a>>, <www.asontv.com> and <<www.asseenontvonline.net>;
- (c) IT IS FURTHER ORDERED that within three (3) days of receiving actual notice of this Order Defendants and each of their shareholders, members, owners, parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers, directors, employees, agents, attorneys, and all persons and entities who now or hereafter are in privity with or act in concert with any of them, shall deliver to counsel of record for Plaintiffs, for impounding by said counsel and for inspection, every product, package, fitness program, video, DVD, and other item of any kind that is or that ever was named or labeled with the words "CORE RHYTHMS" or any colorable imitation thereof.
- (d) IT IS FURTHER ORDERED that within three (3) days of receiving actual notice of this Order, Defendants and each of their shareholders, members, owners, parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers, directors, employees, agents, attorneys, and all persons and entities who now or hereafter are in privity with or act in concert with any of them, shall deliver to counsel of record for Plaintiffs for impounding and inspection every document, data, and record (including, but not limited to, every computer file, e-mail, spreadsheet, and other record existing in electronic form) relating in any way to the manufacture, purchase, importation, labeling, assembling, distributing,

marketing, advertising, offering to sell, selling, or shipping of any product, package, fitness program, video, DVD, or any other item of any kind that is or ever was named or labeled with the words "CORE RHYTHMS" (including, but not limited to, every record relating to each purchase or sale of each item bearing those words or any colorable imitation thereof, and every record revealing from whom each was purchased, where each was manufactured, from whom and from where each was imported, to whom each was sold and shipped, and all the revenues generated).

(e) IT IS FURTHER ORDERED that as a precondition of this Order becoming effective as against Defendants, Plaintiffs must post a cash deposit with the Clerk of the Court, in lieu of a bond, in the total amount of \$2500.00, or in the alternative an undertaking in that amount. (The foregoing sum is the total sum for both Plaintiffs combined, such that only the foregoing sum shall be required, not twice said sum for two Plaintiffs.)

#### H. MOTION FOR EXPEDITED DISCOVERY

Plaintiffs' request for expedited discovery is **DENIED WITHOUT PREJUDICE**. Discovery issues will be considered at the hearing on the motion for preliminary injunction scheduled in section I, below.

#### I. ORDER RE PRELIMINARY INJUNCTION HEARING

**IT IS FURTHER ORDERED** that Plaintiffs hereafter shall make efforts to serve this Order, the Summons and Complaint, and the *ex parte* application for seizure of counterfeit goods and for temporary restraining order and preliminary injunction (together with all supporting affidavits and other documents) on the Defendants by means reasonably calculated to give the Defendants notice thereof. **Plaintiffs shall promptly file proof of service.** 

The hearing on Plaintiffs' motion for a preliminary injunction is set for Tuesday, September 1, 2009, at 11:00 a.m. in courtroom 9 in the federal courthouse at 940 Front Street, San Diego, CA 92101.

Defendants shall file and serve opposition papers, if any, to said motion on or before 5:00 p.m. on August 31, 2009. (Said service shall be made upon Plaintiffs' counsel by actual delivery.) No reply from Plaintiffs is required in advance of the hearing, although the Court

may order additional briefing if appropriate.

Defendants are cautioned that filing their opposition and appearing the hearing on Tuesday, September 1 are intended to be their opportunities to oppose Plaintiffs' request that the Court issue a preliminary injunction. Failure to file an opposition within the time permitted, or to appear at the hearing may constitute consent to issuance of the injunction.

#### IT IS SO ORDERED.

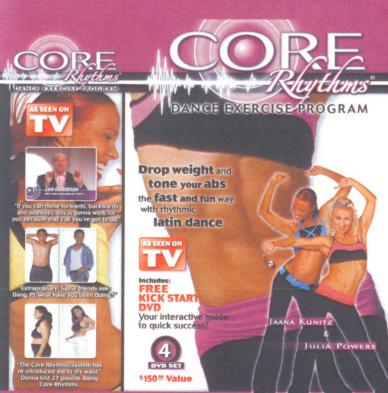
Dated: August 28, 2009

HONORABLE LARRY ALAN BURNS UNITED STATES DISTRICT JUDGE

# **EXHIBIT 1**

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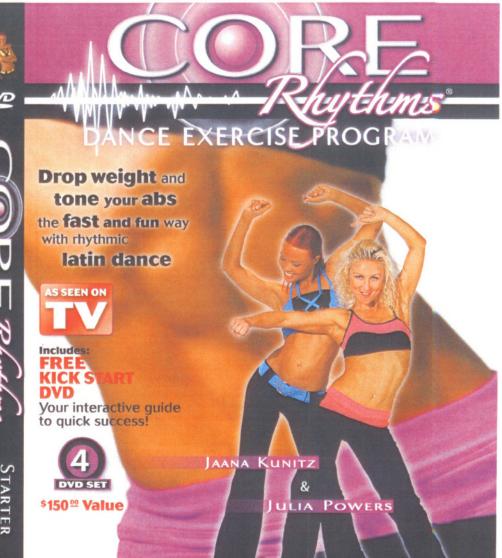
STARTER PACK



EXHIBIT 1 TRO ORDER

## <u>w</u> DVDs packed with 7 Day Diet Guide DVD SET with a retail value of more than \$150<sup>20</sup>! Includes a FREE 7-Day Diet Guide with menu plans to **EXHIBIT** help you slim-down while you are AS SEEN ON toning-up! Introducing Core Rhythms', a Latin dance exercise program that will speed-shrink your waistline and sculpt a lean, sexy body. With Core Rhythms, Interna-LATIN DANCE tional dance champions Jaana Kunitz and Julia Powers get you moving to hot Latin music that naturally burns away fat and tones your abs without the need for bulky machines and expensive equipment. You will learn 3 core movements essential to Latin dancing and then expand on those movements with step-by-step dance instruction for Salsa, Samba and Merengue styles. Tone-up and learn Latin dance at the same time! Core Rhytums is a registered trademark of DanceSport VideostLC All rights reserved. All original music is CCopyright 2005-2006 DanceSport Videos LLC. Unauthorized reproduction or duplication is p

Videos LLC. Unauthorized reproduction or duplication is prohibited





NTSC English

Introducing CORE RHYTHMS, a Latin Dance exercise program that will speed shrink your waistline and sculpt a lean, sexy body. With Core Rhythms, Jaana and Julia get you moving and grooving to HOT Latin music in no time! Now, YOU can go from flab to fab with three simple movements that allow you to reap the benefits of years of training and practicing without all the hard work. Core Rhythms gives you world class cardio conditioning, while toning your abs at the same time.

LATIN SYNERGY is the CORE RHYTHMS Core Cardio BLAST, combining 8 different dances into one workout. Starting with a fun warmup, Jaana & Julia quickly groove into the Merengue, Cha Cha, Salsa, Samba, Paso Doble, Swing and then wind down with the slinky Bolero. This action packed workout is sure to keep you in shape and wanting

The bonus video *LATIN DANCE MADE EASY* is taught by Julia and Bob Powers. In this instructional segment, you will learn how to dance Bolero and Merengue with a partner. They have incorporated elements from the *CORE RHYTHMS WORKOUT* into fun dance moves. Prepare yourself for an amazing night out on the town!

Core Rhythms\* is a registered trademark of DanceSport Videos LLC All rights reserved All original music is ©Copyright 2008 DanceSport Videos LLC Unauthorized reproduction or duplication is prohibited









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EXERCISEPRO 

SYNERGY

**BONUS VIDEO!** 

BACK

ULIA POWER

SPORT

**EXHIBIT 1** TRO ORDER

