

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

DANCESPORT VIDEOS, LLC, an Arizona
limited liability company; and DIGITAL
VIDEO CREATIONS, INC., a California
corporation,

Plaintiffs,

v.

EDIZA ONLINE, INC., a California
corporation; AS SEEN ON TV
INFOMERCIALS, INC., a Florida
Corporation; FRANK BIANCO, an
individual; FRANK BIANCO, INC., a
Florida corporation; SHAREWELL GROUP,
INC., a California corporation; MICHAEL
SCHER, an individual; EUGENE SCHER, an
individual; and DOES 1 through 50,
inclusive,

Defendants.

Case No.: 09cv1873 LAB(RBB)

**ORDER AND PRELIMINARY
INJUNCTION**

On August 28, 2009, the Court issued an order granting Plaintiffs’ *ex parte* application for seizure of goods and for a temporary restraining order. A hearing was held on September 4, 2009, the Court held a hearing as is required under Fed. R. Civ. P. 65(b)(2). The Defendants who were named in the original complaint (the “Original Defendants”) were present and represented by counsel.

1 At the hearing, the Court entered an order as agreed to by Defendants and directed that
2 Plaintiffs prepare a draft order embodying the substance of the rulings made from the bench
3 and present it to Defendants' counsel for approval as to form and content. (Hearing Tr. At
4 22:3–6.) After the hearing, Plaintiffs amended their complaint to add two new Defendants
5 who were not the subject of the TRO application or the motion for preliminary injunction, and
6 who were not named in any of the Court's previous orders.

7 After some delay, Plaintiffs filed a notice that they were not able to agree on the form
8 of the proposed order, and attached their proposed order as an exhibit. The Court then
9 ordered Defendants to show cause why the proposed order should not be issued. Defendants
10 filed responses (collectively, "Response") consenting to entry of much of the order, but
11 objecting to certain aspects of it. Defendants are now represented by different counsel than at
12 the hearing.

13 **I. Preliminary Injunction as Issued**

14 At the hearing, the Court issued an order from the bench. This order applies only to
15 Plaintiffs and the Original Defendants, not the newly-added Defendants. The Response
16 apparently assumes no injunction is in place, which is incorrect. The Court specifically
17 entered an injunction as contemplated at the hearing:

18 The Court: As of today I order —as of this moment, I order the injunction
19 in effect along the lines that have been agreed to by the parties.

20 The Defendants understand the effect of the Court's order today?

21 Mr. Pfingst [Defendants' counsel]: Yes.

22 The Court: The TRO is continued in all respects with the exception of the
23 duty of production of that computer, and I made a special order with respect
24 to that.

25 Mr. Pfingst: For the record, my clients are in court at this time, have been
26 in court and are aware of the Court's ruling having been present at the time
27 it was made.

28 (Hearing Tr. 22:7–19.)

1 The Court made additional rulings with regard to preservation of the computer, which is
2 Defendant Frank Bianco's laptop (Hearing Tr. 22:21–23:2), as well as the return of certain
3 income tax returns (*id.*, 23:13–24:20.)

4 In other words, this order merely memorializes the orders the Court has already made,
5 which continue in force against Plaintiffs and the Original Defendants. Defendants request
6 that the injunction not be entered until Plaintiffs' have conducted an inventory and return tax
7 forms. The injunction, however, is already in place. If Defendants believe they are being
8 injured by Plaintiffs' disobedience to the Court's order they can seek an order holding
9 Plaintiffs in contempt.

10 At the hearing, the Original Defendants consented through counsel they would
11 preserve the contents of Frank Bianco's laptop and it would be kept in Defendants' counsel's
12 custody. They also conceded the seized materials the Court ordered seized were pirated, but
13 argued they had no reason to suspect they had bought pirated materials. Although they now
14 seek to challenge the portion of the order directing seizure of pirated materials and documents
15 relating to those materials, and preservation of the laptop, they have presented the Court with
16 no appropriate basis for reconsideration. If Defendants believe other materials were wrongly
17 seized, they can seek return of this, but in the meantime they should obey the Court's order.

18 **II. Injunction**

19 Neither version of the injunction proposed by the parties is in complete harmony with
20 that original order. The Court has reviewed the proposed order and objections, and has
21 adopted the proposed language it believes most closely reflect its original order.

22 The Court finds Plaintiffs have shown that they are likely to succeed on the merits of
23 their infringement and counterfeiting claims based on claims of Defendants' wrongful use of
24 DanceSport's federally registered "CORE RHYTHMS" marks and federally registered
25 copyrighted material in connection with counterfeit exercise DVDs.

26 The Court finds that Plaintiffs will be irreparably harmed by Defendants' advertising,
27 marketing, distributing, offering for sale, and sale of infringing products.

28 ///

1 The Court finds that the balance of hardships tips in favor of Plaintiffs and that the
2 public interest weighs in favor of granting a preliminary injunction; and

3 The Court finds that Plaintiffs have made a showing that injunctive relief is warranted
4 given, *inter alia*, that Defendants were offering goods for sale marked with trademarks
5 registered on the Principal Register of the United States Patent and Trademark Office in
6 connection with the distribution, offering for sale and selling of goods (*i.e.*, exercise DVDs);
7 that such goods were counterfeits and not genuine licensed goods; that the counterfeit
8 products infringe Plaintiffs' copyrights, trade dress and trademarks; and that Plaintiffs will
9 likely be irreparably harmed by infringement. The Original Defendants have consented to an
10 injunction forbidding them to infringe on Plaintiffs' copyrights, trade dress and trademarks.

11 The Court therefore **ORDERS** as follows:

12 (a) The Original Defendants and each of their shareholders, members, owners,
13 parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers,
14 directors, employees, agents, attorneys, and all persons and entities who now or hereafter are
15 in privity with or act in concert with any of them, are hereby temporarily restrained from all
16 of the following acts:

- 17 (1) marketing, advertising, offering to sell, or selling any product, package,
18 fitness program, video, DVD, or any other item of any kind that is or
19 ever was named or labeled with the words "CORE RHYTHMS" or any
20 colorable imitation thereof;
- 21 (2) marketing, advertising, offering to sell, or selling any product in
22 connection with the words "CORE RHYTHMS" or any colorable
23 imitation thereof;
- 24 (3) using the words "CORE RHYTHMS" or any colorable imitation thereof
25 on any website or in any other marketing, advertising, or sales materials
26 of any kind;
- 27 (4) manufacturing, importing, assembling, labeling, or distributing in any
28 way any product, package, fitness program, video, DVD, or any other

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

item of any kind that was copied, in whole or in part, from any “CORE RHYTHMS” product;

(5) manufacturing, importing, labeling, or distributing in any way 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;

(6) transferring, transporting, shipping, sending, moving, disposing of, discarding, destroying, exporting, or otherwise parting with custody, control, or possession 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 (other than as otherwise expressly ordered in writing by this Court);

(7) modifying, re-labeling, re-packaging, re-naming, concealing, or otherwise changing the content, appearance, trade dress, name, packaging, or any other element, aspect, characteristic, or feature of any product, package, fitness program, video, DVD, or other item that is or ever was named or labeled with the words “CORE RHYTHMS” or any colorable imitation thereof (other than as otherwise expressly ordered in writing by this Court);

(8) transferring, transporting, shipping, sending, moving, disposing of, discarding, destroying, exporting, or otherwise parting with custody, 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

1 kind that is or ever was named or labeled with the words “CORE
2 RHYTHMS” or any colorable imitation thereof (including, but not
3 limited to, any record relating to any purchase or any sale of any item
4 bearing those words or any colorable imitation thereof); or

5 (9) infringing any of the trademarks or copyrights listed below:

6 (a) CORE RHYTHMS® (U.S. Trademark Reg. No. 3189058).

7 (b) CORE RHYTHMS DANCE EXERCISE PROGRAM® (U.S.
8 Trademark Reg. No. 3272320).

9 (c) Copyright Serial No. 1-58135431, for title CORE RHYTHMS FULL
10 WORKOUT DVD COVER, Reg. No. VA 1-636-818, with Issue/Reg Date of 4/26/08.

11 (d) Copyright Serial No. 1-58135470 for title CORE RHYTHMS
12 QUICK WORKOUT DVD COVER, Reg. No. VA 1-632-982, with Issue/Reg Date of
13 4/26/08.

14 (e) Copyright for title CORE RHYTHMS KICK START DVD COVER,
15 Reg. No. VA 1-632-983, with Issue/Reg Date of 4/26/08.

16 (f) Copyright for title LATIN DANCE MADE EASY DVD COVER,
17 Reg. No. VA 1-632-984, with Issue/Reg Date of 4/26/08.

18 (g) Copyright for title 7-DAY DIET GUIDE, Reg. No. VA 1-632-981,
19 with Issue/Reg Date of 4/26/08.

20 (h) Copyright for title CORE RHYTHMS STARTER PACKAGE
21 (RETAIL PKG), Reg. No. VA 1-632-129, with Issue/Reg Date of 4/26/08.

22 (i) Copyright for title CORE RHYTHMS FULL WORKOUT DVD, Reg.
23 No. PA 1-597-830, with Issue/Reg Date of 4/26/08.

24 (j) Copyright for title CORE RHYTHMS QUICK WORKOUT DVD,
25 Reg. No. PA 1-597-829, with Issue/Reg Date of 4/26/08.

26 (k) Copyright for title CORE RHYTHMS KICK START DVD, Reg.
27 No. PA 1-597-831, with Issue/Reg Date of 4/26/08.

28 ///

1 (l) Copyright for title CORE RHYTHMS LATIN DANCE MADE
2 EASY DVD, Reg. No. PA 1-597-826, with Issue/Reg Date of 4/26/08.

3 (m) Copyright for title CORE RHYTHMS 2-MINUTE COMMERCIAL,
4 Reg. No. PA 1-602-500, with Issue/Reg Date of 7/18/08.

5 (n) Copyright for title CORE RHYTHMS LONG FORM
6 COMMERCIAL (VERSION 1), Reg. No. PA 1-602-498, with Issue/Reg Date of 7/18/08.

7 (o) Copyright for title CORE RHYTHMS LONG FORM
8 COMMERCIAL (VERSION 2), Reg. No. PA 1-602-502, with Issue/Reg Date of 7/18/08.

9 (p) Copyright for title CORE RHYTHMS SALSA BLAST DVD
10 COVER, Reg. No. VA 1-636-477, with Issue/Reg Date of 5/16/08.

11 (q) Copyright for title CORE RHYTHMS SWING SENSATION DVD
12 COVER, Reg. No. VA 1-636-468, with Issue/Reg Date of 5/16/08.

13 (r) Copyright for title CORE RHYTHMS LATIN SYNERGY DVD
14 COVER, Reg. No. VA 1-686-472, with Issue/Reg Date of 5/16/08.

15 (s) Copyright for title CORE RHYTHMS LATIN SYNERGY DVD,
16 Reg. No. PA 1-602-494, with Issue/Reg Date of 5/16/08.

17 (t) Copyright for title CORE RHYTHMS SALSA BLAST DVD, Reg.
18 No. PA 1-602-472, with Issue/Reg Date of 7/18/08.

19 (u) Copyright for title CORE RHYTHMS SAMBA FUSION DVD, Reg.
20 No. PA 1-602-437, with Issue/Reg Date of 7/18/08.

21 (v) Copyright for title CORE RHYTHMS SAMBA FUSION DVD
22 COVER, Reg. No. VA 1-671-725, with Issue/Reg Date of 5/16/2008.

23 (w) Copyright for title CORE RHYTHMS SWING SENSATION DVD,
24 Reg. No. PA 1-602-452, with Issue/Reg Date of 7/18/2008.

25 (x) Copyright for title CORE RHYTHMS CLUB MIX COLLECTION.

26 (b) The Original Defendants and each of their shareholders, members, owners,
27 parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers,
28 directors, employees, agents, attorneys, and all persons and entities who now or hereafter are

1 in privity with or act in concert with any of them, **immediately shall remove** any and all
2 references to “CORE RHYTHMS” and any videos from any CORE RHYTHMS DVDs from
3 any and all websites over which they have any ownership or control including, but not limited
4 to, the websites at the domain names <www.asseenontv-
5 infomercials.com>,<http://ediza.securesites.net>, <asontv.com> and
6 <www.asseenontvonline.net>.

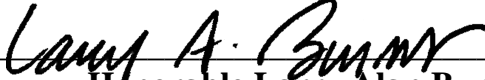
7 (c) The Original Defendants and each of their shareholders, members, owners,
8 parents, subsidiaries, affiliates, distributors, licensees, successors, heirs, assigns, officers,
9 directors, employees, agents, attorneys, and all persons and entities who now or hereafter are
10 in privity with or act in concert with any of them, shall deliver to counsel of record for
11 Plaintiffs, for impounding by said counsel and for inspection, **every product, package,**
12 **fitness program, video, DVD, and other item** of any kind that is or that ever was named or
13 labeled with the words “CORE RHYTHMS” or any colorable imitation thereof. Plaintiffs
14 shall take possession of the 702 DVDs named or labeled with the words “CORE RHYTHMS”
15 that were seized and impounded by United States Customs and Border Protection.

16 (d) The Original Defendants’ counsel shall take possession of the laptop computer
17 used by Defendant Frank Bianco that was not found and not seized, in its condition as of
18 11:00 a.m. on September 4, 2009; that there will be no alterations made before it is given over
19 to counsel, or alternatively, that without any alterations being made and a mirror image copy
20 of the hard drive be obtained and that be turned over to counsel, who shall take possession
21 forthwith. The parties should contact Magistrate Judge Reuben B. Brooks regarding any
22 discovery they seek.

23 (e) The cash bond previously posted by Plaintiffs in the amount of \$2,500.00 shall
24 remain on deposit with the Clerk of the Court as security for this preliminary injunction.

25 **IT IS SO ORDERED.**

26 **Dated: 11-18-09**

27 
28 **Honorable Larry Alan Burns**
United States District Judge