UNITED STATES DISTRICT COURT EASTERN DISTRICT OF NEW YORK

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ERA FRANCHISE SYSTEMS, LLC f/k/a ERA FRANCHISE SYSTEMS, INC.,

Plaintiff,

-against-

ORDER ADOPTING REPORT

AND RECOMMENDATION

07-CV-5319 (JS)(WDW)

KINGS REALTY #1, INC., and KEVIN J. HANSON,

Defendants.

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APPEARANCES:

For Plaintiff: Ronald A. Giller, Esq.

Matthew Joseph Koster, Esq.

Gordon & Rees LLP

90 Broad Street, 23rd Floor

New York, NY 10004

For Defendants: No Appearance

SEYBERT, District Judge:

Magistrate Judge William D. Wall issued a Report and Recommendation ("R&R") on February 23, 2009. As part of the R&R, Judge Wall provided that any objections were to be filed with the Clerk of the Court within ten days of service of the R&R. The time for filing objections has expired, and no party has objected. Accordingly, all objections are hereby deemed to have been waived.

Upon careful review and consideration, the Court ADOPTS the R&R in its entirety, except as to the amount due for interest on the past due fees. Accordingly, Defendant is ORDERED to pay \$14,542.00 in past due fees, \$107,973.00 in lost future profits, \$5,671.38 in interest on the past due fees through July 31, 2009, \$8,237.25 in attorneys' fees, and \$564.60 in costs, totaling

\$136,988.23. Defendant is permanently ENJOINED from using ERA Franchise Systems, LLC trademarks, service marks, and logos ("ERA® Marks"). Defendant is ORDERED to submit its records for an audit to determine the amount of profit that has been derived from the unauthorized use of the ERA® Marks. Upon completion of the audit,

Plaintiff may ask the Court for an order directing Defendant to pay

that amount, minus any offsets by the award of lost profits, plus

treble damages, and attorneys' fees and costs.

SO ORDERED.

/s/ JOANNA SEYBERT
Joanna Seybert, U.S.D.J.

Dated: July <u>30</u>, 2009

Central Islip, New York