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8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**
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11 ITG BRANDS, LLC,

12 Plaintiff,

13 v.

14 CAPNA INTELLECTUAL

15 Defendant.
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Case No. 2:21-cv-00818-ODW-PVC

Before: Hon. Otis D. Wright, II

**STIPULATED PERMANENT
INJUNCTION**

Complaint Filed: January 28, 2021

1 Plaintiff, ITG Brands LLC's ("ITGB") and Defendant, Capna Intellectual
 2 ("Defendant") (collectively the "Parties"), hereby advise the Court that they have
 3 entered into a Settlement Agreement dated July 27, 2021 ("Agreement") and have
 4 settled this Civil Action as relates to the claims between them. The Agreement
 5 between the Parties includes among its provisions the entry of injunctive relief, and
 6 therefore the Parties submit this Permanent Injunction to the Court, on full and
 7 mutual consent as indicated below:

8 **IT IS HEREBY ORDERED** that:

9 1. The terms of the Court's June 21, 2021 Preliminary Injunction Order
 10 (ECF No. 59) are incorporated by reference herein. Defendant will continue to be
 11 bound by the obligations of the Preliminary Injunction Order in full, except that
 12 certain provisions of the Preliminary Injunction Order shall be modified as set forth
 13 below.

14 2. Effective August 2, 2021, Defendant will be permanently enjoined
 15 from all use of ITGB's Interlocking OO's logo shown in incontestable U.S.
 16 Trademark Registration Nos. 2,578,658, and 2,617,994, ("ITGB Marks") or any
 17 other mark containing interlocking OOs and/or circles (collectively "interlocking
 18 circles"), including but not limited to the logos **BLOOM**¹ and/or , in any manner
 19 (including in solid colors) in connection with any advertising and promotion
 20 (including online advertising, social media pages on Facebook, Instagram, Twitter,
 21 Weed Maps, YouTube, and any other social media platform), websites, and physical
 22 advertising and promotional materials such as advertisements, brochures, and point
 23 of sale materials. This provision shall apply only to advertising, promotion,
 24 websites, physical advertising, and promotional materials under Defendant's
 25 control. To the extent any retail distributor not under Defendant's control possesses
 26

27 ¹ In each case in which this Order refers to the logo **BLOOM** as a mark that Defendant is
 28 enjoined from using, it refers only to that stylized logo and not to the word "BLOOM" used
 without the two O's interlocked.

1 point of sale materials containing interlocking circles, Defendant shall use its best
2 efforts to ensure that those materials are removed by no later than August 2, 2021.
3 To the extent Defendant discovers such possession by a retail distributor after
4 August 2, 2021, Defendant shall continue to use its best efforts to ensure that those
5 materials are removed.

6 3. As of the date this permanent injunction is entered until November 30,
7 2021, Defendant shall display corrective advertising and/or other notices on its
8 websites and social media pages informing the general public that Defendant will be
9 using new logos. The corrective advertisements and/or other notices shall not
10 include either **BLOOM**, , or any other marks or logos which contain interlocking
11 circles.

12 4. By no later than November 30, 2021, Defendant shall be permanently
13 enjoined from and will cease selling or distributing to retailers any and all products,
14 packaging, advertising, brochures, or any other physical items in its possession
15 bearing the marks and logos **BLOOM**, , or these marks and logos in solid colors,
16 or any other marks or logos which contain interlocking circles (the “Infringing
17 Products”). By no later than December 31, 2021, Defendant shall destroy any and all
18 Infringing Products in its possession, and Defendant shall verify it has complied
19 with paragraph 4 of this permanent injunction by providing ITGB a sworn
20 declaration under penalty of perjury from an officer, director, or manager of
21 Defendant reasonably describing the method used to destroy any remaining
22 Infringing Products.

23 5. By November 15, 2021, Defendant shall send notices approved by
24 ITGB to all of its retail distributors explaining that in light of the issuance of this
25 permanent injunction each retail distributor has the option to return any product in
26 its possession as of December 1, 2021 bearing the marks and logos **BLOOM**, , or
27 these marks and logos in solid colors, and, if requested by a retail distributor,
28 Defendant shall exchange such products for an equivalent product that does not bear

1 the marks and logos **BLOOM**, , or these marks and logos in solid colors. By
2 November 1, 2021, Defendant shall also provide ITGB with a copy of the notice for
3 review and approval by ITGB prior to Defendant sending any notices to its retail
4 distributors.

5 6. As of the date of this permanent injunction, Defendant is prohibited
6 from expanding the promotion or sale of any products bearing the marks and logos
7 **BLOOM**, , or these marks and logos in solid colors, the ITGB Marks or any other
8 marks or logos which contain interlocking circles. (“Infringing Products”) to new
9 territories or an increase in total aggregate locations in each state.

10 7. As of the date of this permanent injunction, Defendant is prohibited
11 from instructing, assisting, aiding, or abetting any person or entity in engaging in or
12 performing any of the activities referred to in paragraph 6. In accordance with
13 paragraph 4 of this permanent injunction, Defendant’s provision of materials to
14 franchisees in the ordinary course of business from now until November 30, 2021
15 shall not be considered a violation of this paragraph.

16 8. As of the date of this permanent injunction, on the first business day of
17 each month beginning with the month of August 2021 and ending with the month of
18 November 2021, Defendant shall provide to ITGB an accounting regarding
19 Defendant’s inventory levels and forecasted product demand, and such accounting
20 shall be provided by sworn declaration under penalty of perjury from an officer,
21 director, or manager of Defendant.

22 9. Defendant shall notify its distributors and/or retailers of this permanent
23 injunction, must prepare such notice within three (3) business days of the issuance
24 of this injunction, and ITGB has three (3) business days from receipt to approve the
25 form of the notice. Defendant’s distributors and/or retailers are not bound in any
26 way by this permanent injunction, and the notice will state that Defendant’s
27 distributors and/or retailers are not bound in any way by this permanent injunction.
28 Defendant shall not be required to notify its distributors of the provision in

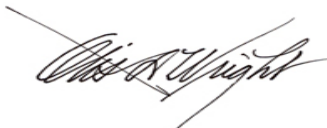
1 paragraph 5 of this permanent injunction before November 15, 2021.

2 10. On July 21, 2021 Defendant shall send to Plaintiff, but not file with the
3 Court, a report in writing under oath, signed by an officer, director, or manager of
4 Defendant setting forth in detail the manner and form in which Defendant has
5 complied with this injunction and the Agreement.

6 11. The Court shall retain jurisdiction of this civil action and the parties to
7 resolve any issues arising of any claim of violation of or noncompliance with this
8 permanent injunction and/or the Agreement between the parties in settlement of this
9 civil action.

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11 **IT IS SO ORDERED.**

12 Dated: August 2, 2021

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14 — Honorable Otis D. Wright II —
15 Judge, United States Court
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