159 F.3d 1348 (Table), 1998 WL 536780 (2nd Cir.(N.Y.))
Unpublished Disposition

Briefs and Other Related Documents

NOTICE: THIS IS AN UNPUBLISHED OPINION.

(The Court's decision is referenced in a "Table of Decisions Without Reported Opinions" appearing in the Federal Reporter. Use FI CTA2 s 0.23 for rules regarding the citation of unpublished opinions.)

United States Court of Appeals, Second Circuit.
TOPICLEAR BEAUTY, Topiclear Beauty Products, Inc., Plaintiffs-Appellants,
Charles Aini, I.C.E. Marketing Corporation, Jacob Aini, Plaintiffs-Counter-Defendants-Appellants,
Raquel Aini, also known as Rachel Aini, Counter-Defendant-Appellant,
v.
SUN TAIYANG CO., LTD., Palms Fashion, Inc., Jigu Trading Co., Defendants,
Glenda Cohen, Choice International Defendants-Counter-Claimants,
Societe Internationale de Cosmetiques, Marcel Cohen, CCI Co., REC Co., Emile Garou, Ismael Jedouane, Simone Mamane, Michel Farah, Mitchell Pharmaceuticals, New York Line Manufacture, Defendants-Counter-Claimants Appellees.
No. 97-9325.
June 11, 1998.

Michael G. Biggers, Bryan Cave LLP, New York, N.Y. (Todd S. Sharinn, on the brief).
Geoffrey Mazel, Ross, Suchoff, Egert, Hankin, Maidenbaum, & **Mazel**, (Mark L. Hankin, on the brief) New York, N.Y.

Present: JAMES L. OAKES, THOMAS J. MESKILL, JOSÉ A. CABRANES, Circuit Judges.

SUMMARY ORDER

***1** This cause came on to be heard on the transcript of record from the United States District Court for the Southern District of New York (Lewis A. Kaplan, *Judge*) and was argued.

ON CONSIDERATION WHEREOF, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the judgment of the district court is AFFIRMED.

This is an appeal from a judgment of the district court entered after a bench trial, in which the court found that plaintiff-appellant Topiclear Beauty Products, Inc. ("TBPI") owns all rights in the trademark TOPICLEAR. TBPI contends, *inter alia,* that the injunction entered by the district court to prohibit infringement of the mark could be construed as effectively granting appellees an "assignment in gross" in violation of basic principles of trademark law. *See Marshak v. Green,* 746 F.2d 927 (2d Cir.1984). Appellant Jacob Aini also appeals from the judgment of the district court insofar as it held that he is not entitled to payment of $300,000 pursuant to a loan agreement and promissory note, and that he is personally liable to appellee REC in the amount of $536,995.25. For the reasons stated below, we affirm the judgment of the district court.

Appellants argue that the injunction entered by the district court is worded in such a way that it could be construed as authorizing an "assignment in gross" of the TOPICLEAR mark. The injunction, as modified by the district court, reads as follows:

Defendants SIC, Marcel Cohen, CCI, REC, Emile [Garou], Ismael Jedouane, Michel Farah and Mitchell Pharmaceuticals, Ltd., their officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of this Judgment by personal service or otherwise, are permanently enjoined from importing, selling, distributing or causing to be imported, sold or distributed goods bearing the mark TOPICLEAR or any colorable imitation or variation thereof, *provided however,* that nothing herein shall prevent REC from exporting to, importing into or selling in the United States TOPICLEAR products bearing the TOPICLEAR mark which are manufactured by or under the supervision of REC and which are identical in formulation to TOPICLEAR products contemporaneously (i) manufactured by or under its supervision and (ii) sold by it to TBPI or its designee for distribution in the United States.

Joint Appendix at 989 (emphasis added).

TBPI's chief concern seems to be that the word "contemporaneously" might be read to refer back to

the commercial relationship that existed between TBPI and REC at some previous point in time. Read in this way, the injunction would permit REC to import into the United States TOPICLEAR products which it had, *at some earlier point in time,* "contemporaneously ... (i) manufactured ... and (ii) sold" to TBPI. If such were the meaning of the injunction, we agree that it would raise serious questions as to whether TBPI could exercise sufficient control over the TOPICLEAR mark, as well as the goodwill associated with the mark, so as to avoid consumer confusion.

**2 We do not, however, read the injunction to refer back in time. The injunction provides for prospective relief. The reference to "contemporaneous" production and sale of TOPICLEAR products is therefore directed to future, not past, dealings between the parties. In their briefs, the parties appeared to concur in this understanding of the injunction. Appellees stated in their brief that:

[u]nder the express terms of the injunction, REC may only continue to import, export, or sell in the United States those [TOPICLEAR] products it manufactures that are identical in formulation to products that are, at the same time, manufactured by or under REC's supervision AND sold by it to TBPI or its designees for distribution in the United States. Thus, if at any time REC sells no [TOPICLEAR] products to [TBPI] or its designees for distribution in the United States, then REC is prohibited by the injunction from otherwise importing, exporting, or selling any TOPICLEAR products in the United States.

Appellees' Brief at 20-21 (emphasis in original). In their reply brief, appellants indicated that they were satisfied with this construction of the injunction. However, appellees asserted at oral argument that--for reasons that remain obscure to the Court--the parties in fact did *not* agree on the proper construction of the injunction, notwithstanding the apparent harmony of their briefs.

Whether or not the parties can now be said to agree, we hold that the construction of the injunction expressed in appellees' brief, as quoted above, accurately reflects the plain meaning of the injunction and adequately preserves TBPI's control over the TOPICLEAR mark. Accordingly, the injunction should be enforced in keeping with this construction, which avoids any tendency toward a prohibited assignment in gross.

We have considered all other arguments raised by appellants, and we find them to be uniformly without merit. The judgment of the district court is therefore AFFIRMED.

C.A.2 (N.Y.),1998.

Topiclear Beauty v. Sun Taiyang Co., Ltd.

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