

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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SCOTT SCHMEIZER & TKS INT’L LLC,

Plaintiffs-Counterclaim Defendants,

**MEMORANDUM OF
DECISION & ORDER**
CV 17-4966 (GRB)

-against-

RAFFAELE IANNELLO,

Defendant-Counterclaim Plaintiff.

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GARY R. BROWN, United States Magistrate Judge:

Counterclaim plaintiff Raffaele Iannello brings a motion to enforce an international arbitration award issued by an Italian arbitrator and confirmed by the Court of Appeal in Rome, Italy pursuant to the Federal Arbitration Act (“FAA”), 9 U.S.C. §§ 201-208, and the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, June 10, 1958, 21 U.S.T. 2517, 330 U.N.T.S. 3, as against counterclaim defendant TKS Int’l LLC (“TKS”). TKS counters that it received inadequate notice of the arbitration proceedings and that the arbitration decision awards relief outside the scope of the underlying arbitration agreement. For the reasons set forth herein, TKS’s arguments are entirely without merit, and the arbitration decision is subject to enforcement by the Court.

BACKGROUND

A. Factual Background

The unusual innovation underlying the instant dispute warrants a brief mention. The product at issue is technically described as “a plastic knife holder molded into a stick-like caricature of a human body.” DE 31 at 4. While that description proves adequate, in this instance a picture is worth many hundreds of words:



Initially designed by Iannello and sold in Europe as “The Voodoo” knife holder, defendants seized on the idea and created a virtually identical product in the United States. Marketed as “The Ex,” the U.S. version purportedly tapped into “frustrating personal experience with divorce,” thereby “[a]ppealing to consumers’ cathartic urges of retribution against exes.” *Id.* In 2007, the makers of “The Voodoo” and “The Ex” entered into a global licensing agreement pursuant to which the parties collaborated successfully for the next seven years. Indeed, the lacerated effigy generated significant buzz, prominently appearing on television series including *Scrubs*, *Lovespring* and *It’s Always Sunny in Philadelphia*. Like the relationship of the besieged statuette that stood at its core, the partnership soured, ending in an acrimonious breakup.

Importantly, the agreement contained a broad arbitration clause, which provides as follows:

Any dispute, claim, question, or disagreement arising from or relating to this Agreement or the breach thereof shall be submitted for binding arbitration before a single arbitrator in Rome, Italy, selected by the President of the Court in Rome, Italy, pursuant to Article 810, Title VIII, Book IV of the Italian Code of Civil Procedure. Proceedings shall be held pursuant to Article 816 thereof. The sole arbitrator shall decide according to the norms of Italy. Italian Courts shall retain exclusive jurisdiction over any appeal or similar proceedings concerning the arbitration award. The prevailing party in any such arbitration shall be entitled to an award of its reasonable attorney fees, costs and expenses incurred in the arbitration, including the arbitrator's fee and any fee for initiating the arbitration.

DE 30-3 at 14.

B. Procedural Background

Pursuant to the terms of the licensing agreement, in or around April 2014, Iannello commenced an arbitration in Rome by requesting the appointment of an arbitrator. DE 31-5 at 21. An arbitration proceeding was held on May 26, 2014, at which time the arbitrator noted that TKS had not been provided notice of the proceedings, and gave Iannello time to do so. *Id.* at 22. A second hearing was held on July 10, 2014, at which Iannello produced proof of service, but TKS did not appear. *Id.* Another arbitration hearing was held on October 20, 2014, at which counsel for Iannello and counsel for TKS appeared. *Id.* at 2-5. Based on the decision of the arbitrators, this hearing was the first substantive proceeding, and all parties were given opportunities to conduct discovery, raise arguments, make objections and file briefs in a process that extended well into 2016. *Id.* at 5-7. In her decision, dated March 22, 2016, the Arbitrator found in favor of Iannello, awarding him broad relief. *Id.* at 12-13. TKS appealed that award to the Court of Appeal in Rome, which court confirmed the arbitration determination in an order dated December 7, 2016. DE 30-6 at 15-23.

In April 2017, TKS filed a complaint in this action alleging defamation, interference with business relations, Lanham Act violations and trademark and copyright infringement in the Supreme Court of the State of New York for the County of Nassau, but making no mention of the extensive arbitration proceedings. DE 1-1. Iannello removed this action to federal court via a notice of removal filed on July 19, 2017. DE 1. The parties consented to the jurisdiction of the undersigned for all purposes. DE 23. The instant motion to enforce the arbitration decision followed.

DISCUSSION

A. Standard of Review

The FAA reflects “a strong federal policy favoring arbitration as an alternative means of dispute resolution,” *Ragone v. Atl. Video at the Manhattan Ctr.*, 595 F.3d 115, 121 (2d Cir. 2010) (internal quotation marks and citation omitted) (quoting *Hartford Accident & Indem. Co. v. Swiss Reinsurance Am. Corp.*, 246 F.3d 219, 226 (2d Cir. 2001)), and was designed to “ensure judicial enforcement of privately made agreements to arbitrate.” *Dean Witter Reynolds, Inc. v. Byrd*, 470 U.S. 213, 219 (1985). The Supreme Court recently reaffirmed the Congressional mandate to strictly enforce arbitration agreements. Writing for the majority, Justice Gorsuch observed:

Congress adopted the Arbitration Act in 1925 in response to a perception that courts were unduly hostile to arbitration. No doubt there was much to that perception. Before 1925, English and American common law courts routinely refused to enforce agreements to arbitrate disputes. *Scherk v. Alberto-Culver Co.*, 417 U.S. 506, 510, n. 4, 94 S. Ct. 2449, 41 L.Ed.2d 270 (1974). But in Congress's judgment arbitration had more to offer than courts recognized—not least the promise of quicker, more informal, and often cheaper resolutions for everyone involved. *Id.*, at 511, 94 S. Ct. 2449. So Congress directed courts to abandon their hostility and instead treat arbitration agreements as “valid, irrevocable, and enforceable.” 9 U.S.C. § 2. The Act, this Court has said, establishes “a liberal federal policy favoring arbitration agreements.” *Moses H. Cone Memorial Hospital v. Mercury Constr. Corp.*, 460 U.S. 1, 24, 103 S. Ct. 927, 74 L.Ed.2d 765 (1983) (citing *Prima Paint Corp. v. Flood & Conklin Mfg. Co.*, 388 U.S. 395, 87 S. Ct. 1801, 18 L.Ed.2d 1270 (1967)); *see id.*, at 404, 87 S. Ct. 1801 (discussing “the plain meaning of the statute” and “the unmistakably clear congressional purpose that the arbitration procedure, when selected by the parties to a contract, be speedy and not subject to delay and obstruction in the courts”).

Epic Sys. Corp. v. Lewis, -- U.S. --, 138 S. Ct. 1612, 1621 (2018). This analysis led the Court to conclude that “the law is clear: Congress has instructed that arbitration agreements like those before us must be enforced as written.” *Epic Sys. Corp.*, 138 S. Ct. at 1632.

This approach to arbitration applies with particular force to foreign arbitration awards.

As the Second Circuit recently held:

Under the New York Convention, the country in which the award is made is said to have *primary* jurisdiction over the arbitration award. The New York Convention specifically contemplates that the state in which, or under the law of which, an award is made, will be free to set aside or modify an award in accordance with its domestic arbitral law and its full panoply of express and implied grounds for relief. [] All other signatory States are *secondary* jurisdictions, in which parties can only contest whether that State should enforce the arbitral award. Courts in countries of secondary jurisdiction may refuse enforcement only on the limited grounds specified in Article V of the New York Convention. []

Chapter 2 of the Federal Arbitration Act (“FAA”), 9 U.S.C. § 201 *et seq.*, implements the United States' obligations under the New York Convention. Section 203 provides that original jurisdiction for an action or proceeding falling under the New York Convention lies in the United States federal district courts. 9 U.S.C. § 203

The goal of the New York Convention, and the principal purpose underlying American adoption and implementation of it, was to encourage the recognition and enforcement of commercial arbitration agreements in international contracts and to unify the standards by which agreements to arbitrate are observed and arbitral awards are enforced in the signatory countries. Thus, both the New York Convention and its implementing legislation in Chapter 2 of the FAA envision a single-step process for reducing a foreign arbitral award to a domestic judgment.

Under the New York Convention, this process of reducing a foreign arbitral award to a judgment is referred to as “recognition and enforcement.” N.Y. Convention, arts. III, IV, V. “Recognition” is the determination that an arbitral award is entitled to preclusive effect; “Enforcement” is the reduction to a judgment of a foreign arbitral award (as contrasted with a nondomestic arbitral award, discussed below). . . . Recognition and enforcement occur together, as one process, under the New York Convention. N.Y. Convention, arts. III, IV, V.

Chapter 2 of the FAA implements this scheme through Section 207, which provides that any party may, “[w]ithin three years after an arbitral award ... is made... apply to any court having jurisdiction under this chapter for an order confirming the award.” 9 U.S.C. § 207. Additionally, Chapter 2 of the FAA provides that “[t]he court shall confirm the award unless it finds one of the grounds for refusal or deferral of recognition or enforcement of the award specified in the [New York] Convention” at Article V. 9 U.S.C. § 207. Read in context with the New York Convention, it is evident that the term “confirm” as used in Section 207 is the equivalent of “recognition and enforcement” as used in the New York Convention for the purposes of foreign arbitral awards.

CBF Industria de Gusa S/A v. AMCI Holdings, Inc., 850 F.3d 58, 71–73 (2d Cir. 2017), *cert. denied*, 138 S. Ct. 557 (2017) (alterations and citations omitted).¹ To be clear, recognition and enforcement is a summary proceeding in which the defendant bears a heavy burden to prove that a defense to enforcement exists. *Compagnie Noga D'Importation et D'Exportation, S.A. v. Russian Fed'n*, 361 F.3d 676, 683 (2d Cir. 2004) (“[D]istrict court’s role in reviewing a foreign arbitral award is strictly limited and the showing required to avoid summary confirmation is high” (internal quotation marks omitted)) (quoting *Yusuf Ahmed Alghanim & Sons, W.L.L. v. Toys “R” Us, Inc.*, 126 F.3d 15, 19, 23 (2d Cir. 1997)); *Ottley v. Schwartzberg*, 819 F.2d 373, 376 (2d Cir. 1987) (“Absent a statutory basis for modification or vacatur, the district court’s task was to confirm the arbitrator’s final award as mandated by section 9 of the Act . . . [and] the showing required to avoid summary confirmation is high.”).

B. Application

Though the New York Convention provides several grounds upon which a court of secondary jurisdiction may refuse or defer enforcement of a foreign arbitral award, only two have been raised by TKS: notice and scope. These statutory defenses may be raised in the following circumstances:

- (b) The party against whom the award is invoked was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings . . . ; or
- (c) The award deals with a difference not contemplated by or not falling within the terms of the submission to arbitration, or it contains decisions on matters beyond the scope of the submission to arbitration . . .

Convention Art. V(1). These are addressed below.

¹ While the central holding of *CBF* relates to the enforcement of arbitral awards without the need for recognition of such awards by a foreign court, in this case the award was, as noted, confirmed by an Italian court.

Notice

TKS's claim that it did not receive notice is curious, to say the least, and makes one suspect that counsel is conflating concepts of *service of process* with the notion of notice. *See, e.g.*, DE 31 at 8 (stating that "Schmeizer was never served with process," and referencing "a few attempts to serve process" and an "implication that service was never properly made upon TKS"). However, the requisites of notice are specified in the licensing agreement, including overnight mail and use of fax, DE 31-4 ¶ 12, and in no way resemble the legal notion of service of process. The notice defense under the Convention "essentially sanctions the application of the forum state's standards of due process." *Parsons & Whittemore Overseas Co. v. Societe Generale De L'Industrie Du Papier (RAKTA)*, 508 F.2d 969, 975 (2d Cir. 1974). Having contracted to accept that decision, TKS is bound by it. Moreover, the agreement provides that the arbitrator "shall decide according to the norms of Italy," *id.* at 14, and that arbitrator found notice was sufficient. DE 31-5 at 24 (finding that TKS's attorneys agreed that the proceeding was properly established). Moreover, even where service of process is required—which it was not here—participation in proceedings can effectively waive objections predicated upon improper service. *See, e.g., Datskow v. Teledyne, Inc., Cont'l Prod. Div.*, 899 F.2d 1298, 1300 (2d Cir. 1990) ("[D]efendant sufficiently participated in proceedings in the Western District to have waived lack of personal service of process . . .").

Counsel for TKS concludes, referring to the first two hearings which were not attended by TKS, "[t]hese ex parte proceedings, coupled with the likely 'home-field advantage' which inured to Iannello by virtue of his status as an Italian national, worked to bias the arbitrator against Plaintiffs and tainted the propriety of the proceedings." DE 31 at 8-9. Putting aside the

fact that the any “home-field advantage” would have existed² irrespective of the manner in which TKS was provided notice, the arbitration decision makes clear that no substantive proceedings occurred in defendants’ absence. There is absolutely no evidence that TKS was in any way prejudiced by delay in receiving notice; to the contrary, it appears that TKS actively and vigorously contested the arbitration proceedings.

TKS’s near-exclusive reliance on *Encyclopaedia Universalis S.A. v. Encyclopaedia Britannica, Inc.*, 403 F.3d 85 (2d Cir. 2005) is entirely misplaced; that case dealt with the failure to comply with agreed-upon procedures rather than the absence of notice. It is without doubt that TKS received “notice reasonably calculated to inform the respondent of the proceeding and an opportunity to be heard,” because TKS extensively participated in every relevant phase of the arbitration and appeal. *See* DE 31 at 11 (quoting *Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 313 (1950)). It is undeniable that TKS vigorously contested the arbitration, even filing counterclaims in that forum. *See* DE 30-5 at 4-5. Thus, though the parties agreed to the application of Italian legal norms, even under American standards of due process, notice here was plainly sufficient, and TKS’s defense is without merit.

Scope

TKS’s objections pursuant to subsection (c) center on the suggestion that the determination “contains decisions on matters beyond the scope of the submission to arbitration.” Convention Art. V(1)(c). The Second Circuit has held that this defense “allow[s] a party to attack an award predicated upon arbitration of a subject matter not within the agreement to submit to arbitration,” but that this defense “should be construed narrowly.” *Parsons*, 508 F.2d

² For avoidance of doubt, careful scrutiny of this record fails to reveal any evidence of such bias; indeed, the process undertaken appears to have been a thoughtful and fair proceeding.

at 976. Moreover, “[a]lthough the Convention recognizes that an award may not be enforced where predicated on a subject matter outside the arbitrator’s jurisdiction, it does not sanction second-guessing the arbitrator’s construction of the parties’ agreement.” *Id.* at 977. It appears that a defendant may attack particular “components” of an award, but to do so “must therefore overcome a powerful presumption that the arbitral body acted within its powers.” *Id.* at 976.

TKS argues—based on scant precedential authority—that several components of the arbitrator’s award are subject to this defense, including: (1) award of the trademark rights for “The Ex” to Iannello; (2) a direction to turn over molds used in the production of the product; and (3) the award of “internet domain names, social media pages and websites.” DE 31 at 10-11.

a. Trademark Rights

As to the trademark rights, this argument is easily dispatched. In an effort to undermine the award of its trademark rights to Iannello, TKS cites a portion of the licensing agreement that provides TKS presented arguments concerning “The Ex” trademark to the arbitrator who made specific findings in this regard. DE 30-5 at 2-7, 9 (noting that “upon termination, pursuant to article 2(E) of the Agreement, ‘each and every patent, design, trademark and/or copyright related to the Product ... shall be transferred to [Mr. Iannello]’”). Thus, the trademark at issue was subject to the agreement and was integral to the Arbitrator’s determination.

b. Molds

TKS argues that the arbitrator exceeded her authority by ordering transfer of the molds used to make the product to Iannello. In making this argument, counsel for TKS makes a subtle distinction: TKS does not, as it cannot, argue that the arbitrator was without power to enter an order prohibiting TKS from using the molds, rather, its objection is limited to the physical possession of the molds. In support of this argument, TKS cites the following passage of the

agreement to demonstrate that, under any circumstances, it was entitled to maintain ownership of the molds:

It is expressly agreed by the Parties that, notwithstanding any language in this Agreement that may be interpreted to the contrary, any molds used in the production of Products belong exclusively to the [TKS], and all right, title and interest thereto shall stay with the [TKS], even upon termination, expiration, cancellation and/or other conclusion or modification of this Agreement. However it is expressly acknowledged that said molds shall not be used by the [TKS] in breach of any Designer's Intellectual Property Rights.

DE 30-3 at 3. One interesting question is the value to TKS of continued possession of industrial molds that it is prohibited from using for all time; it would seem that the only legitimate use—other than, say, employment as bookends—would be a sale of the molds to Iannello. The risk, of course, is that the molds could be employed for continued violations of Iannello's rights, whether directly, inadvertently or through conveyance to a third party.

If this matter were being reviewed *de novo*, it would be a reasonable question as to whether the arbitrator's decision concerning possession of the molds runs afoul of the seemingly plain language of the provision concerning the ownership of the molds. Iannello could, though he has not, argue that the arbitrator's direction that the molds be surrendered represented a reasonable exercise of the arbitrator's power to resolve the licensing dispute. However, this must be viewed in the procedural context in which this matter has been brought before this Court. As noted, the Second Circuit has directed that the scope defense contained in the Convention must be "construed narrowly" and defendant "must therefore overcome a powerful presumption that the arbitral body acted within its powers." *Parsons*, 508 F.2d at 976. Furthermore, the undersigned cannot say that the award was "predicated on a subject matter outside the arbitrator's jurisdiction," *id.* at 977, as the questions surrounding ownership of the designs and related molds were clearly within the contours of the licensing agreement reached by the parties.

Given that TKS could well have raised these issues before the arbitrator and the Italian court, and either did not, or did so unsuccessfully, this argument essentially asks this Court to engage in “second-guessing the arbitrator’s construction of the parties’ agreement.” *Id.* Therefore, TKS has not established that the ruling regarding ownership of the molds was outside the arbitrator’s province.

c. Internet Domain Names, Social Media Pages and Websites

TKS’s final scope defense relates to the award of “internet domain names, social media pages and websites” to Iannello. DE 31 at 10. That portion of the award:

prohibits TKS Int'l LLC and its assignors from any use, direct or indirect, of the marks "RAFFAELE IANNELLO" "RICSB": "RAFFAELE IANNELLO CREATIVE SOUL BRAND", ""VOODOO", "VOODOO/THE EX", "THE EX" (even in conjunction with any other word or graphic representation) as company name, trade mark, domain name (including the domain names and in the context of the following websites: www.ricsb.com, www.ricsb.it, www.ricsb.de, www.ricsb.co.uk, www.ricsb.mx, www.gettheex.com, www.theknife.com, www.voodooknife.com, www.tksintl.co and the pages, www.facebook.com/TheExKnife, www.twittr.com/theexknife; www.pinterest.com/theknife, www.youtube.com/theexknife) and distinctive mark of any kind in its business activities, declaring Mr. Iannello the exclusive owner of the abovementioned distinctive marks.

DE 30-5 at 32. In contending that this component of the award is outside the scope of the arbitrator’s powers, TKS asserts that such properties “were mentioned nowhere within the four corners of the contract.” DE 31 at 10. If this assertion were true, it would provide a compelling argument. However, the licensing agreement explicitly discusses “promotional and/ or advertising material whether in print, radio, television or *Internet . . .*” DE 30-3 at 4. This, combined with the broad arbitration agreement, makes it plain that this determination was squarely within the mandate awarded to the arbitrator.

C. Sanctions

For the first time on its reply papers, Iannello requests the imposition of sanctions, predicated, in part, on matters contained in TKS's opposition. Because TKS was not provided with an opportunity to respond, and to avoid further delay, the motion is denied without prejudice to renewal upon the filing of a notice of motion and supporting papers consistent with this Court's rules. Furthermore, should Iannello choose to pursue this application, the motion papers should include information relating to the amount of attorneys' fees and costs sought with the required supporting evidence.

CONCLUSION

Based on the foregoing, the Arbitration Award is hereby confirmed—a term which here means subject to recognition and enforcement—in all respects. Should counsel believe that a more specific enforcement order is required, a proposed order should be filed via ECF within five days of the date of this decision. In such circumstances, counsel for defendants shall have five days to file any objections to the proposed order.

Dated: Central Islip, New York
July 3, 2018

/s/ Gary R. Brown
GARY R. BROWN
United States Magistrate Judge

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

SCOTT SCHMEIZER and TKS INT’L, LLC,

Plaintiffs-Counterclaim Defendant,

CASE NO. 2:17-cv-04966-GRB

v.

RAFFAELE IANNELLO,

**FINAL JUDGMENT ENFORCING
FOREIGN ARBITRATION AWARD**

Defendant-Counterclaim Plaintiff.


FINAL JUDGMENT ENFORCING FOREIGN ARBITRATION AWARD

THIS MATTER came before this Court on Counter-Plaintiff’s, RAFFAELE IANNELLO, motion for an order enforcing the foreign arbitration award issued by the sole arbitrator Federica Oronzo in Rome, Italy, on March 22, 2016, in the arbitration proceedings between RAFFAELE IANNELLO and TKS INT’L, LLC, an authenticated and translated copy of which is attached hereto as **Exhibit A** (hereinafter referred to as the “Arbitration Award”). On July 3, 2018, this Court issued a Memorandum of Decision & Order granting Counter-Plaintiff’s, RAFFAELE IANNELLO, Motion to Enforce Foreign Arbitration Award (the “Order”). Under the Order, which is hereby confirmed and incorporated, pursuant to Fed. R. Civ. Pro. 58, this Court now enters this Final Judgment Enforcing Foreign Arbitration Award, to render the Arbitration Award immediately enforceable and executive as a judgment under the Federal Rules of Civil Procedures:


1. **THEREFORE, IT IS ORDERED AND ADJUGED** that the Arbitration Award attached to this Order is confirmed in all respects and that the Arbitration Award shall be enforced, for which let execution issue forthwith.

2. **IT IS FURTHER DECLARED** that RAFFAELE IANNELLO owns all rights, titles, and interests, in the marks “RAFFAELE IANNELLO,” “RICSB,” “RAFFAELE IANNELLO CREATIVE SOUL BRAND,” “VOODOO,” “VOODOO/THE EX,” “THE EX” and

in all trademarks, patents, trade dresses, designs, copyrights, and any other intellectual property rights in the product identified in **Exhibit B** (hereinafter the “Product”) and in all trademarks, patents, trade dresses, designs, copyrights, and any other intellectual property rights TKS INT’L, LLC used or registered under the licensing agreement between the parties (hereinafter the “Licensing Agreement”).¹ The rights, titles, and interests, mentioned above include, but are not limited, to the followings:

	<i>Intellectual Property Type</i>	<i>Name/Image</i>	<i>Goods and Services Type</i>	<i>Registration No.</i>
(a)	United States Trademark	“THE EX”	Cutlery	US Registration Number No. 3226398
(b)	United States Trademark		Cutlery	US Registration Number No. 3226399
(c)	United States Trademark	“THE EX”	Pens and pen holders	US Registration Number No. 3940656
(d)	United States Trademark	“VOODOO”	Knife blocks	US Registration Number No. 3480089
(e)	United States Trademark	“VOODOO”	Pens and pen holders	US Registration Number No. 4053966

1. The Licensing Agreement was originally entered between RAFFAELE IANNELLO and C.S.B. COMMODITIES, INC on July 1, 2017. C.S.B. COMMODITIES, INC assigned its rights under the Licensing Agreement to TKS INT’L, LLC on September 12, 2011. *See generally* DE 30-3. and DE 30-4.

(f)	United States 3D Trademark		Knife blocks	US Registration Number No. 3480124
(g)	United States Trademark	“FIVE FINGER FILLET”	Knife holders/ Knife blocks	US Registration Number No. 3775376
(H)	United States Patent	“MAGNETIC KNIFE STAND”	N/A	Patent No. US 2006/0289701
(i)	United States Patent	“MAGNETIC KNIFE STAND”	N/A	Patent No. US 7,422,180 B2
(j)	United States Copyright	“THE VOODOO”	N/A	Registration No. VA0001730824

3. **IT IS FURTHER ORDERED** that, by operation of law, the United States Patent and Trademark Office shall transfer any and all trademarks and patents used or registered under the Licensing Agreement between the parties to RAFFAELE IANELLO, including, but not limited to, the trademarks and patents that are referred in paragraph 2 of this Order. In this regard, TKS INT’L, LLC shall assign to RAFFAELE IANELLO, at TKS INT’L, LLC’ s sole expenses, all trademarks and patents used or registered under the Licensing Agreement between the parties including, but not limited to, the trademarks and patents that are referred in paragraph 2 of this Order. TKS INT’L, LLC shall compile, execute, and file with the United States Patent and Trademark Office the Assignment Recordation forms PT0-1594 and PTO-1595 attached hereto as **Exhibit C** within seven (7) days from the date of this Order. TKS INT’L, LLC shall file an affidavit of compliance within seven (7) days from the date of filing the attached Assignment Recordation forms.

4. **IT IS FURTHER ORDERED** that, by operation of law, the United States Copyright Office shall transfer any and all copyrights TKS INT'L, LLC registered under the licensing agreement between the parties to RAFFAELE IANNELLO, including, but not limited to, the copyright referred in paragraph 2 of this Order. In addition, TKS INT'L, LLC shall assign to RAFFAELE IANNELLO, at TKS INT'L, LLC's sole expenses, all the all copyrights registered or used under the licensing agreement between the parties including, but not limited to, the copyright referred in paragraph 2 of this Order within seven (7) days from the date of this Order. TKS INT'L, LLC shall file an affidavit of compliance within seven (7) days from the date of the assignment.

5. **IT IS FURTHER ORDERED** that TKS INT'L, LLC shall assign to RAFFAELE IANNELLO, at TKS INT'L, LLC's sole expenses, all the domain names incorporating or using in any manner the tradenames that are referred in paragraph 2 of this Order including, but not limited to, the followings: www.ricsb.com, www.ricsb.co.uk, www.ricsb.com, www.gettheex.com, www.theknife.com, www.voodooknife.com, www.facebook.com/TheExKnife, www.twitter.com/theexknife, www.pinterest.com/theknife, www.youtube.com/theExknife within seven (7) days from the date of this Order. TKS INT'L, LLC shall file an affidavit of compliance within seven (7) days from the date of the assignment.

6. **IT IS FURTHER ORDERED** that TKS INT'L, LLC along with its manager, members, officers, principals, agent, representatives, servants, employees, affiliates, successors or assigns, and any person or entity acting on its behalf or in concert or participation with it, is **PERMANENTLY ENJOINED** from manufacturing or causing to be manufactured, importing, advertising or promoting, distributing, selling or offering to sell:

- (a) Any product, item or package that embodies, depicts in whole or in part, or incorporates or uses in any manner any of the intellectual property rights that are referred in paragraph 2 of this Order; and
- (b) Any product, item or packaging that embodies, depicts in whole or in part, or incorporates or uses in any manner the design or appearance of the Product or any other products or items TKS INT'L, LLC produced, manufactured, sold, advertised or distributed under the Licensing Agreement.

7. **IT IS FURTHER ORDERED** that TKS INT'L, LLC along with its manager, members, officers, principals, agent, representatives, servants, employees, affiliates, successors or assigns, and any person or entity acting on its behalf or in concert or participation with it, are further hereby **PERMANENTLY ENJOINED** from engaging in any of the following acts:

- (a) Engaging in any infringement of any patents, trademarks, trade dresses, designs copyrights, or any other intellectual property rights that are referred in paragraph 2 of this Order;
- (b) Asserting any ownership of rights or any right, titles or interests in the trademarks, patents, trade dresses, designs, copyrights, and any other intellectual property rights that are referred in paragraph 2 of this Order;
- (c) Using the domain names incorporating or using in any manner the tradenames that are referred in paragraph 2 of this Order including, but not limited to, the followings: www.ricsb.com, www.ricsb.co.uk, www.ricsb.com, www.gettheex.com, www.theknife.com, www.voodooknife.com, www.facebook.com/TheExKnife, www.twitter.com/theexknife, www.pinterest.com/theknife, www.youtube.com/theExknife.
- (d) Assisting, aiding, or abetting any other entity or person in engaging in or performing any of the activities referred to in the paragraphs 7(a), 7(b), and 7(c) above and in paragraphs 8(a), 8(b), and 8(c) above.

8. **IT IS FURTHER ORDERED** that, at TKS INT'L, LLC's sole expenses, TKS INT'L, LLC shall deliver to RAFFAELE IANNELLO's counsel for impoundment, at such location as RAFFAELE IANNELLO's counsel may direct, all Products, items, or packages that embodies, depicts in whole or in part, or incorporates or uses in any manner any intellectual property rights that are referred in paragraph 2 of this Order together with all plate, molds, matrices and other means of making the same, in the direct or indirect possession, custody or control of TKS INT'L, LLC, its manager, members, officers, principals, agent, representatives, servants, employees, affiliates, successors or assigns, and any person or entity acting on its behalf or in concert or participation with it. RAFFAELE IANNELLO's counsel is hereby appointed substituted custodian for all such items.

9. **IT IS FURTHER ORDERED** that, at TKS INT'L, LLC's sole expenses, TKS INT'L, LLC shall procure the return, and to withdraw and recall, from any and all channels of trade and distribution, including without limitation from retail shelves and from online retailers, all of the Products, items, or packages that embodies, depicts in whole or in part, or incorporates or uses in any manner any intellectual property rights that are referred in paragraph 2 of this Order. In the event that any additional Products, items, or packages subject to this Order is subsequently delivered to or comes within the direct or indirect possession, custody or control of TKS INT'L, LLC, TKS INT'L, LLC shall promptly deliver the additional Products or items to RAFFAELE IANNELLO's counsel, which is hereby appointed substituted custodian for all such items. As to each entity or person returning the Products or item, TKS INT'L, LLC shall refund all monies paid by each entity or person in connection with such Products or items and shall reimburse the entity or person for all associated shipping charges.

10. **IT IS FURTHER ORDERED** that TKS INT'L, LLC shall serve upon RAFFAELE IANNELLO's counsel within twenty (20) days from the date of this Order an affidavit, made under oath, that sets forth fully and completely the following information: (a) the identity of each and any Product, item, or packages that embodies, depicts in whole or in part, or incorporates or uses in any manner any intellectual property rights that are referred in paragraph 2 of this Order; (b) for each Product, item, or package the number of units manufactured, marketed, displayed, distributed, shipped, imported, exported, sold or offered for sale by TKS INT'L, LLC or its agents; (c) for each unit of Product, item or package, the purchaser, transferee or recipient of each unit(s), the quantities acquired by purchaser, transferee or recipient and complete contact information (including limitation the address, telephone number, fax number and email address where known) for each such purchaser, transferee or recipient; (d) for each unit of the Product, item, or package the current or last known location of each such unit, including without limitation the location of all Products.

11. **IT IS FURTHER ORDERED** that at TKS INT'L, LLC's sole expense, TKS INT'L, LLC shall make written contact (either through fax or electronic mail) with (i) each retailer, distributor, wholesaler, importer, exporter, customer, licensee or any other person and entity to or through whom TKS INT'L, LLC has shipped, transferred, imported, exported or sold any Products or other items that are the subject of this Order; and (ii) each retailer, distributor, wholesaler, licensee, potential licensee, customer, potential customer or any other person and entity who TKS INT'L, LLC has contacted (whether by mail, electronic mail, orally or otherwise) since March 22, 2016, for marketing, promoting or advertising any Product or other item that is the subject of this Order, and shall provide each person and entity with a copy of this Order and with a verbatim copy of the following notice, in legible and conspicuous print, in its entirety:

**NOTICE PUBLISHED PURSUANT TO
ORDER OF THE UNITED STATES DISTRICT COURT**

YOU ARE HEREBY ADVISED as follows:

In the last two years, you might have bought, seen, or contacted regarding the sale of these products:



which have been sold and marketed as the Ex Knife holder / Voodoo Knife block, the Ex Knife pen holder / Voodoo pen holder, the Ex Knife tray / Voodoo tray, and the Five Finger Fillet knife holder (the “Products”).

Pursuant to the ruling of the United States District Court recognizing an Italian arbitration award, RAFFAELE IANNELLO is the owner of all the trademarks, patents, and copyrights related to the Products (“intellectual property”). Under the ruling, RAFFAELE IANNELLO’s intellectual property was infringed by identical or similar products sold by TKS INT’L, LLC and its affiliates.

The Court has ordered TKS INT’L, LLC to immediately cease any further manufacture, sale, promotion, shipment or distribution of the Products.

If you are a vendor of the Products, this Court has ordered that all profits from the Product that you would have otherwise returned to TKS INT’L, LLC must be returned to counsel for RAFFAELE IANNELLO at the following address: 3650 NW 82nd Avenue, Suite 401, Doral, Florida 33166, who can be contacted at service@anmpa.com.

12. **IT IS FURTHER ORDERED** that within sixty (60) calendar days of the date of this Order, TKS INT’L, LLC will file with the Court, and personally serve on RAFFAELE IANNELLO’s counsel, an affidavit of compliance under oath setting forth the actions taken to comply with the terms of paragraphs 8, 9, 10, and 11 of this Order. Specifically, this affidavit shall have attached each communication ordered to be sent pursuant to paragraph 12 of this Order.

13. **IT IS FURTHER ORDERED** that TKS INT’L, LLC, a Delaware company with a last known address of 2501 Riverside Drive, Wantagh, New York 11793-4543 pay to RAFFAELE IANNELLO, with an address of 3650 NW 82nd Avenue, Suite 401, Doral, Florida 33166, the following amounts for which let execution issue forthwith:²

- (a) The arbitral award in the sum of \$ [REDACTED];
- (b) Attorneys’ fees and costs incurred by RAFFAELE IANNELLO during the arbitration proceedings as follows:

<i>Item</i>	<i>Amount in EUR</i>	<i>Amount in USD as for March 22, 2016</i>
Attorneys’ Fees	€ [REDACTED]	\$ [REDACTED]
General Expenses under art. 13 of D.M. 55/2014 (It.). ³	€ [REDACTED]	\$ [REDACTED]
<i>Cassa Previdenziale Avvocati</i> (“CPA”) (i.e., National Lawyers Fund)	€ [REDACTED]	\$ [REDACTED]
Taxable Amount	€ [REDACTED]	\$ [REDACTED]
VAT at 22%	€ [REDACTED]	\$ [REDACTED]

2. In an action to enforce an arbitration award under the New York Convention, the proper date for converting the arbitration award from a foreign currency to U.S. dollars is the date of the arbitration award. *Yukos Capital S.A.R.L. v. Samaraneftgaz*, 592 Fed. Appx. 8, 12 (2d Cir. 2014); 9 U.S.C.A. § 207. Here, because the Arbitration Award was entered on March 22, 2016, and some of the Award’s amounts are expressed in Euro, the exchange rate applied to this Order is the average exchange rate on March 22, 2016, i.e., 1 EUR = 1.1235 USD. <https://www.poundsterlinglive.com/best-exchange-rates/euro-to-us-dollar-exchange-rate-on-2016-03-22>

3. This is a flat 15% of the attorneys’ fees total amount.

Total	€ [REDACTED]	\$ [REDACTED]
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(c) The arbitrator's fees and costs as follows:

<i>Item</i>	<i>Amount in EUR</i>	<i>Amount in USD as for March 22, 2016</i>
Arbitrator's Fees	€ [REDACTED]	\$ [REDACTED]
General Expenses under art. 13 of D.M. 55/2014 (It.).	€ [REDACTED]	\$ [REDACTED]
<i>Cassa Previdenziale Avvocati</i> ("CPA") (i.e., National Lawyers Fund)	€ [REDACTED]	\$ [REDACTED]
Non-exempt costs	€ [REDACTED]	\$ [REDACTED]
Taxable Amount	€ [REDACTED]	\$ [REDACTED]
VAT at 22%	€ [REDACTED]	\$ [REDACTED]
Total	€ [REDACTED]	\$ [REDACTED]

All the sums above shall bear nine percent (9%) post-judgment interest from March 22, 2016.⁴

14. **IT IS FURTHER ORDERED** that this Court shall have jurisdiction to interpret and enforce the terms of this Order and to determine any issues which may arise concerning this Order, including an award of attorneys' fees and costs to Iannello.

IT IS SO ORDERED AND ADJUGED.

Dated: Central Islip, New York, _____, _____, 2018.

GARY R. BROWN
United States Magistrate Judge

4. On enforcement of German arbitration award, holder of award was entitled to interest computed at rate allowed by German tribunal from date of breach until date of award and thereafter at rate allowed by New York law. *Von Engelbrechten v Galvanoni & Nevy Bros., Inc.*, 59 Misc 2d 721, 724 [Civ Ct 1969], *affd*, 61 Misc 2d 959 [App Term 1970]. Here, RAFFELE IANNELLO is not seeking pre-judgment/award interest, but only post-judgment/award interest.