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11 **UNITED STATES DISTRICT COURT**

12 **CENTRAL DISTRICT OF CALIFORNIA – SOUTHERN DIVISION**

13 GRUMPY CAT LIMITED, an Ohio ) Case No.: 15-cv-02063-DOC-DFM  
14 Limited Liability Entity, )

15 Plaintiff,

16 v.


17 GRENADE BEVERAGE LLC, a )  
18 California Limited Liability )  
19 Company; PAUL SANDFORD, an )  
20 individual; NICK SANDFORD, an )  
21 individual; and DOES 1-50, )

22 Defendants. )  
23 )  
24 )  
25 )  
26 )  
27 )  
28 )

**JUDGMENT AND ORDERS**

IT IS ADJUDGED AND DECREED that Plaintiff GRUMPY CAT LIMITED (“Plaintiff”) is deemed the prevailing party on its first, second, third, fourth, sixth, and seventh causes of action against Defendant GRENADE BEVERAGE, LLC (“Grenade”) for Copyright Infringement, Trademark Infringement (Federal and Common Law), Trademark Dilution, Breach of Contract, and Accounting, and an order and judgment shall hereby issue and be entered against Grenade, as follows:

(1) Pursuant to 17 U.S.C. § 504(c)(1)-(2), and upon a finding by the Court that it is just and that Grenade has infringed on Plaintiff’s rights in U.S. Copyright Reg. Nos. VA0001849042, VA0001849043, VA0001849044, and VA0001901628 (collectively, the “Grumpy Cat Copyrights”), including without limitation by selling an unauthorized line of “Grumpy Cat” branded roasted coffee ground products, marketed as “Grumpy Cat Roasted Coffee” (the “Infringing Product”), it is hereby ordered that an award of maximum statutory damages in the sum of Six Hundred Thousand Dollars (**\$600,000.00**) issue and be entered in favor of Plaintiff for recovery against Grenade, for damages and compensation deemed specifically awarded for and arising out of Grenade’s intentional violation of the Copyright Act; plus interest thereon at the statutory limit, and recovery of all costs and fees incurred in execution of, enforcement and collection of the Judgment;

(2) Pursuant to 15 U.S.C.A. § 1117(a), and upon a finding by the Court that it is just and that Grenade has willfully infringed on and/or diluted Plaintiff’s rights in the word mark “GRUMPY CAT” (as protected under the common law and by U. S. Trademark Reg. Nos. 4,527,097 and 4,417,549) and the design mark  (as protected under the common law and by U. S. Trademark Reg. Nos. 4,820,434) (collectively, the “Grumpy Cat Trademarks”), including without limitation by selling the Infringing Product, it is hereby ordered that an award of three times the amount of Plaintiff’s actual monetary damages issue and be entered in favor of Plaintiff for recovery

1 against Grenade in an amount to be determined by a full and complete accounting of  
2 Grenade's books and records;

3 (3) Pursuant to 15 U.S.C.A. § 1117(a), and upon a finding by the Court that  
4 it is just and that Grenade has willfully infringed on and/or diluted Plaintiff's rights in  
5 the Grumpy Cat Trademarks, including without limitation by selling the Infringing  
6 Product, Grenade is hereby ordered to turn over to Plaintiff all of Grenade's profits  
7 earned and/or otherwise obtained in connection with the Grumpy Cat Trademarks, in  
8 an amount to be determined by a full and complete accounting of Grenade's books  
9 and records;

10 (4) Upon a finding by the Court that it is just and that Grenade has breached  
11 its May 31, 2013 license agreement with Plaintiff (the "License Agreement") by, *inter*  
12 *alia*,

- 13 a. Failing to provide Plaintiff with detailed monthly accountings, much  
14 less any accountings, despite repeated requests from Plaintiff,
- 15 b. Failing to pay Plaintiff the royalty payments to which Plaintiff is  
16 entitled based upon existing sales of the "Grumpy Cat  
17 Grumppuccino" product line,
- 18 c. Selling "Grumppuccinno" t-shirts that exceed the limited scope of the  
19 iced-coffee product line authorized by the License Agreement, and  
20 then failing to account to Plaintiff for these sales,
- 21 d. Failing to form a California limited liability company called "Grumpy  
22 Beverage LLC" pursuant to Section 6(d) of the License Agreement,  
23 and instead forming a Texas limited liability company with the same  
24 name, and
- 25 e. Failing to "negotiate in good faith" the terms of the Operating  
26 Agreement for "Grumpy Beverage LLC" with Plaintiff, as required by  
27 Section 6(d) of the License Agreement,

1 it is hereby ordered that an award of actual monetary damages issue and be entered in  
2 favor of Plaintiff for recovery against Grenade in an amount determined by a full and  
3 complete accounting of Grenade’s books and records;

4 (5) Pursuant to 17 U.S.C. § 505, 15 U.S.C. § 1117(a) and Section 14(b) of  
5 the License Agreement, Plaintiff is awarded recovery against Grenade of Plaintiff’s  
6 reasonable attorneys’ fees, in the amount of Fifteen-Thousand Six Hundred Dollars  
7 (\$15,600), plus interest thereon at the statutory limit;

8 (6) Pursuant to 17 U.S.C. § 502 and 15 U.S.C. § 1116(a), it is hereby ordered  
9 that a Permanent Injunction issue and is entered in favor of Plaintiff against Grenade,  
10 its agents, servants, employees, representatives, successors, and assigns, and all  
11 persons, firms, or corporations in acting in concert or participation with Grenade  
12 (collectively, the “Enjoined Grenade Parties”), pursuant to which they are  
13 permanently restrained, enjoined, and prohibited from:

- 14 a. distributing, advertising, offering for sale, or selling the Infringing  
15 Product;
- 16 b. directly or indirectly manufacturing, distributing, advertising, selling,  
17 and/or offering for sale any merchandise, including the Infringing  
18 Product, which makes use of the Grumpy Cat Copyrights and/or  
19 Grumpy Cat Trademarks, and specifically:
  - 20 i. manufacturing, advertising, distributing, selling, and/or offering  
21 for sale any products or other items which picture, reproduce, or  
22 utilize the likenesses of or which copy or bear a substantial  
23 similarity to the Grumpy Cat Copyrights and Grumpy Cat  
24 Trademarks; or
  - 25 ii. manufacturing, advertising, distributing, selling, or offering for  
26 sale any unauthorized promotional materials, which picture,  
27 reproduce, or utilize the likenesses of, or which bear substantial  
28

1 similarity to Grumpy Cat Copyrights and Grumpy Cat  
2 Trademarks; or

3 iii. engaging in any conduct and/or contributing to any conduct that  
4 tends falsely to represent that, or is likely to confuse, mislead, or  
5 deceive purchasers and/or members of the public to believe that  
6 any products sold by the Enjoined Grenade Parties are connected  
7 with Plaintiff, are sponsored, approved, or licensed by Plaintiff,  
8 or are in some way connected or affiliated with Plaintiff; or

9 iv. affixing, applying, annexing and using in connection with the  
10 manufacture, distribution, advertisement, sale, and/or offer for  
11 sale or other use of any goods or services, a false description or  
12 representation, including words or other symbols, tending to  
13 falsely describe or represent goods as being those of Plaintiff;

14 (7) Grenade is ordered to, within thirty (30) days of the issuance of this  
15 Order, provide Plaintiff with full and complete access to all of Grenade’s financial  
16 books and records relating in any way to the sale of the Infringing Product, Grenade’s  
17 use or exploitation of the Grumpy Cat Copyrights, and/or Grenade’s use or  
18 exploitation of the Grumpy Cat Copyrights Grumpy Cat Trademarks. Plaintiff shall  
19 then have until December 15, 2016 to conduct an accounting of Grenade’s books and  
20 records in order to determine and provide the Court with a calculation of (a) the  
21 amount of actual monetary damages due to Plaintiff pursuant to Sections (2) and (4)  
22 above, and (b) the amount of Grenade’s profits that should be disgorged and turned  
23 over to Plaintiff pursuant to Section (3) above.

24 **IT IS SO ORDERED.**

25  
26 DATED: \_\_\_\_\_

The Honorable David O. Carter  
United States District Court Judge