

Delta T, LLC v. Kale Fans Am. S.A. DE C.V.

United States District Court for the Middle District of Florida, Orlando Division

January 22, 2021, Decided; January 22, 2021, Filed

Case No: 6:20-cv-170-Orl-40EJK

Reporter

2021 U.S. Dist. LEXIS 35855 *; 2021 WL 716629

DELTA T, LLC, Plaintiff, v. KALE FANS AMERICA S.A. DE C.V. and KALE ENVIRONMENTAL TECHNOLOGY (SHANGHAI) CORPORATION, Defendants.

Subsequent History: Appeal dismissed by Delta T v. V., 2021 U.S. App. LEXIS 15788 (11th Cir. Fla., Mar. 18, 2021)

Prior History: Delta T v. Kale Fans Am. S.A. De C.V., 2020 U.S. Dist. LEXIS 62178, 2020 WL 1674328 (M.D. Fla., Feb. 25, 2020)

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Judges: PAUL G. BYRON, UNITED STATES DISTRICT JUDGE.

Opinion by: PAUL G. BYRON

Opinion

ORDER

This cause comes before the Court on Defendant Kale Fans America S.A. DE C.V.'s Motion to Dissolve the Preliminary Injunction (Doc. 38 (the "**Motion**")). Plaintiff responded in opposition. (Doc. 79). Upon consideration, the Motion is due to be denied.

I. BACKGROUND

On February 2, 2020, Plaintiff Delta T, [*2] LLC d/b/a Big Ass Fans ("**BAF**") filed an Emergency Motion for a Temporary Restraining Order ("**TRO**") and Seizure Order against Defendant Kale Fans America S.A. DE C.V. ("**Kale Mexico**"). (Doc. 2). On February 3, the Court granted the Motion and issued a TRO. (Doc. 8). The TRO enjoined Kale Fans and affiliated entities from "offering for sale, selling, advertising, displaying, showing, marketing, promoting, soliciting the sale of, or otherwise engaging in the sale or prospective sale of the Infringing Products¹ to preserve the status quo until a hearing can be held for a preliminary injunction." (Doc. 9, p. 3).

Following an evidentiary hearing on February 20, 2020, the Court entered an Order converting the TRO into a Preliminary Injunction. (Doc. 38). The Preliminary Injunction incorporated and extended the operative terms of the TRO, including the prohibition enjoining Defendants from "advertising, displaying, showing, marketing, [or] promoting" the Infringing Products. (*Id.* at pp. 1-2).

Kale Mexico now moves to dissolve the Preliminary Injunction. (Doc. 68).

II. STANDARD OF REVIEW

¹As defined by the Court's Order, "Infringing Products" includes Defendant's Eurus II, Eurus III, and Air Move fans, and any other ventilating fans for commercial and industrial use with the color yellow applied to the end of their blades. (Doc. 9, p. 2).

A district court has continuing jurisdiction over a preliminary injunction, and, in the exercise of that jurisdiction, is authorized [*3] to modify the injunction as equity requires. *Canal Auth. of State of Fla. v. Callaway*, 489 F.2d 567, 578 (5th Cir. 1974).²

On a motion to dissolve a preliminary injunction, the movant must show a change in circumstances that justifies the relief requested. *Hodge v. Dep't of Hous. & Urban Dev., Hous. Div., Dade Cnty.*, 862 F.2d 859, 861-62 (11th Cir. 1989); *Gooch v. Life Invs. Ins. Co. of Am.*, 672 F.3d 402, 414-15 (6th Cir. 2012) (stating that, to obtain modification or dissolution of a preliminary injunction, "a movant must demonstrate significant changes in fact, law, or circumstance since the previous ruling"). "Modification of an injunction is proper only when there has been a change of circumstances between entry of the injunction and the filing of the motion that would render the continuance of the injunction in its original form inequitable." *Favia v. Ind. Univ. of Penn.*, 7 F.3d 332, 337-38 (3d Cir. 1993); *see also In re Consol. Non—Filing Ins. Fee Litig.*, 431 F. App'x. 835, 839 (11th Cir. 2011)³ ("[The] two prong test requires the moving party to establish, first, that a significant change in circumstances warrants revision of the decree and, second, that the proposed modification is suitably tailored to the changed circumstance.").⁴

III. DISCUSSION

Kale Mexico offers no evidence of a change in circumstances warranting modification of the Preliminary Injunction.

At best, Kale Mexico points to Plaintiff's Amended Complaint, which eliminated Plaintiff's [*4] earlier allegations that Kale Mexico made a "once-a-year appearance" at the AHR Expo. (*See* Doc. 87, pp. 1, 20). According to Kale Mexico, the Amended Complaint "removes the necessary allegations that [Kale Mexico] previously sold products in the United States—without which,

²In *Bonner v. City of Prichard*, 661 F.2d 1206, 1209 (11th Cir. 1981) (en banc), the Eleventh Circuit adopted as binding precedent all decisions of the former Fifth Circuit handed down before October 1, 1981.

³"Unpublished opinions are not controlling authority and are persuasive only insofar as their legal analysis warrants." *Bonilla v. Baker Concrete Const., Inc.*, 487 F.3d 1340, 1345 (11th Cir. 2007).

⁴While *Hodge* and *In re Consol. Non—Filing Ins. Fee Litig.* both dealt with modifications of consent decrees, "[f]or the purposes of modification, consent decrees . . . are treated as judicial acts, akin to injunctions." *Jacksonville Branch, N.A.A.C.P. v. Duval Cnty. Sch. Bd.*, 978 F.2d 1574, 1578 (11th Cir. 1992).

no Lanham Act claims can exist, and the Court could not have issued an injunction." (Doc. 68, p. 13).⁵ But Kale Mexico already made—and the Court already rejected—the argument it "has not made *any* sales of *any* products in the United States." (Doc. 18, p. 17). Accordingly, the Court does not view the Amended Complaint as a significant change in facts.⁶

The remainder of Kale Fan's Motion seeks to relitigate arguments previously made or raise new arguments more appropriate for a motion to dismiss. Such arguments are overruled.

IV. CONCLUSION

Until this litigation is concluded or an evidentiary demonstration of changed circumstances is made, the Preliminary Injunction shall remain in effect. Accordingly, it is **ORDERED** and **ADJUDGED** that Defendant Kale Fan's Motion to Dissolve the Preliminary Injunction (Doc. 68) is **DENIED**.

DONE AND ORDERED in Orlando, Florida on January 22, [*5] 2021.

/s/ Paul G. Byron

PAUL G. BYRON

UNITED STATES DISTRICT JUDGE

⁵Section 1114(1)(a) imposes civil liability on "[a]ny person who shall, without the consent of the registrant . . . use in commerce . . . a registered mark in connection with the sale . . . or advertising of any goods." Section 1116(d)(1)(A) allows for the *ex parte* seizure of infringing products in civil cases arising under § 1114(1)(a).

⁶In any event, the Court is unconvinced by Kale Mexico's argument that prior sales of infringing products are necessary to establish a § 1114(1)(a) violation. *See N. Am. Med. Corp. v. Axiom Worldwide, Inc.*, 522 F.3d 1211, 1220 n.7 (11th Cir. 2008) (construing "use in commerce" broadly when evaluating trademark infringement); *see also Steeped, Inc. v. Nuzee, Inc.*, No. 19-cv-3763, 2019 U.S. Dist. LEXIS 203545, 2019 WL 6251255, at *3 (N.D. Cal. Nov. 22, 2019) (rejecting the defendant's arguments that it had "yet to sell" any infringing products and that merely exhibiting products at a trade show did not constitute "use in commerce"). As Plaintiff notes, by the time this case was filed, Kale Mexico had already "transport[ed] and advertis[ed] Infringing Products across the United States border and in the United States, in contemplation of obtaining United States business." (Doc. 79, pp. 2-3). In the Court's view, the fact that Kale Mexico had not yet sold an infringing product does not alter Plaintiff's likelihood of success on the merits.

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