

Court Rejects Bid For Split Trials In Rolling Papers TM Fight

Law360 (March 10, 2022, 8:03 PM EST) — A Georgia federal court refused to grant separate trials for two retailers in a fight over the sale of counterfeit "Top Tobacco" cigarette rolling papers, saying Thursday that the allegations have enough in common to proceed together.

Judge Michael L. Brown of the U.S. District Court for the Northern District of Georgia said in a text order that contrary to the assertions made by plaintiff Republic Tobacco and defendants ZCell & Novelties and Star Importers & Wholesalers Inc., it makes the most sense to adjudicate in one trial the claims targeting each retailer. The decision shuts down the companies' argument that the allegations targeting the two retailers are too different to proceed together.

"The five factors discussed in the parties' brief weigh towards denial of the motion since there are, among other things, common questions of law and fact and overlapping witnesses, and severance would not facilitate judicial economy," Judge Brown said in the text order.

Richard Robbins of Robbins Ross Alloy Belinfante Littlefield LLC, an attorney for Star Importers, told Law360 in an email Thursday that while he and his co-counsel believed that it made sense to sever the claims to simplify and shorten the trial for Star, they "respect the court's decision, are "prepared to move forward with one trial and we look forward to vindicating our client."

Republic and its brand Top Tobacco filed suit in 2019, alleging that Star Importers & Wholesalers Inc.; Ziya Business Inc., which does business as ZCell & Novelties; and their respective owners sold counterfeit cigarette rolling papers bearing Republic's trademarks.

ZCell's supplier, TN Vape & Smoke Shop LLC, has admitted to willfully selling counterfeits, according to court filings. ZCell argues in its own counterclaims against TN Vape that it would have no reason to believe that the rolling papers it was supplied weren't authentic.

In August, Republic scored a win in the dispute when Judge Brown issued a permanent injunction banning ZCell and Star from selling cigarette rolling papers imitating the "Top" and "Job" brands made by Republic Tobacco. ZCell and its owner, Samadali Lakhani, argued that an injunction wasn't appropriate when there was no evidence that they would continue to infringe in the future, but Judge Brown said Republic and its customers were "entitled to legal assurances defendants' counterfeiting will stop."

Republic Tobacco originally launched the suit in Illinois federal court, but the suit was transferred to Georgia in October 2019. According to the complaint, Republic and its predecessors have used the "Top" mark in connection with tobacco for more than 100 years, and the "Job" mark in connection with cigarette rolling papers for more than 150 years. The defendants' products are "inferior in quality and design to plaintiff's

legitimate, trademarked product," the suit states.

In August, Judge Brown also entered summary judgment as to liability against the defendants, rejecting ZCell's argument that Republic waited too long to sue — a defense known as laches — and Lakhani's claim that he could not be held personally liable for the counterfeiting violations.

Representatives for the remaining parties didn't immediately return requests for comment Thursday.

Republic is represented by Amy L. Hanna Keeney and Maia T. Woodhouse of Adams and Reese LLP.

ZCell and Lakhani are represented by James M. Johnson of Johnson Trial Law LLC.

Star is represented by **Richard L. Robbins** and **Rachel F. Gage** of **Robbins Ross Alloy Belinfante Littlefield LLC**.

TN Vape is represented by Marc A. Walwyn of the Law Office of Marc Walwyn.

The case is Top Tobacco LP et al. v. Star Importers & Wholesalers Inc. et al., case number 1:19-cv-04939, in the U.S. District Court for the Northern District of Georgia.

-Additional reporting by Tiffany Hu. Editing by Karin Roberts.