

AKIN GUMP
STRAUSS HAUER & FELD LLP

Attorneys at Law

11413
CARA FOOS PIERCE
214-969-2738/Fax: (214) 969-4343
cpierce@akingump.com

March 17, 2005

VIA EXPRESS MAIL

Assistant Commissioner for Trademarks
BOX TTAB – NO FEE
2900 Crystal Drive
Arlington, VA 22202-3513

Re: *The Wet Seal, Inc. v. FD Management, Inc.*; Opposition No. 91157022
Re U.S. Trademark Application No. 76/372,550 ARDENBEAUTY
Our Reference No.: 031458.0026

Dear Sirs:

Enclosed for filing is a certified copy of the deposition of Laura Nicholas taken on February 16, 2005 in relating to the opposition listed above.

Regards,



Cara Foos Pierce

Enclosure

cc: Joseph Dreitler (w/ encl.)



03-17-2005

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #32

HENJUM GOUCHER
Reporting Services

March 16, 2005

JOHN CONE
Akin, Gump, Strauss, Hauer, & Feld
4100 First City Center
1700 Pacific Avenue
Dallas, TX 75201

Re: Deposition of **LAURA NICHOLAS**
Deposition Date: 02/16/2005
The Wet Seal, Inc. v. FD Management, Inc.
91157022

Dear Madam or Sir:

Enclosed for filing, please find the Court Reporter Certification pages, with Witness' Signature page, with signature, and Corrigendum, with changes, to the Oral Deposition referenced above.

If we can be further assistance to you, please do not hesitate to contact our office.

Respectfully yours,

HENJUM GOUCHER REPORTING SERVICES, L.P.

DH/mt
Enclosure

JOSEPH R. DREITLER

Henjum Goucher Reporting Services, L.P. *Dallas Corporate Office*
2501 Oak Lawn Avenue • 435 Oak Lawn Plaza • Dallas, Texas 75219 • www.henjumreporting.com
Phone: 214-521-1188 • 1-888-656-DEPO (3376) • Fax: 214-521-1034 • E-mail: Info@henjumreporting.com

CHANGES AND SIGNATURE

PAGE/LINE CHANGE

REASON

PG 23	LINE 12	November 1998	INCORRECTLY Transcribed
PG 23	LINE 16	November 1998	INCORRECTLY Transcribed
PG 68	LINE 18	November 1998	INCORRECTLY Transcribed

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I, LAURA NICHOLAS, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at Feothull Ranch,
California, this 8th day of March, 2005.



LAURA NICHOLAS

REPORTER'S CERTIFICATE

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I, LYNN E. VALENTI, CSR NO. 8061, Certified
Shorthand Reporter, certify:

That the foregoing proceedings were
taken before me at the time and place therein set
forth, at which time the witness was put under oath by
me;

That the foregoing is a true and correct
transcript of my shorthand notes so taken.

I further certify that I am not a relative or
employee of any attorney or of any of the parties, nor
financially interested in the action.

Dated this 22nd day of February, 2005.



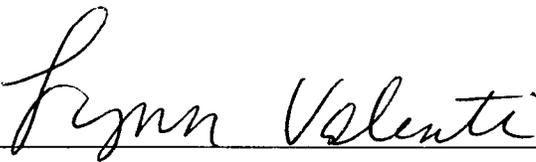
LYNN E. VALENTI, CSR No. 8061

1 REPORTER CERTIFICATION OF CERTIFIED COPY

2
3 I, LYNN E. VALENTI, CSR No. 8061, a Certified
4 Shorthand Reporter in the State of California, certify
5 that the foregoing pages 1 through 102 constitute a true
6 and correct copy of the original deposition of
7 LAURA NICHOLAS, taken on February 16, 2005.

8 I declare under penalty of perjury under the
9 laws of the State of California that the foregoing is
10 true and correct.

11 Dated this 22nd day of February, 2005.

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16 LYNN E. VALENTI, CSR No. 8061

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,)
)
 Opposer,)
)
 vs.) Opposition No. 91157022
)
FD MANAGEMENT, INC.,)
)
 Applicant.)

EXHIBITS TO THE DEPOSITION OF LAURA NICHOLAS
FEBRUARY 16, 2005



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application Registration No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,

Opposer,

v.

FD MANAGEMENT, INC.,

Applicant.

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06-30-2003

U.S. Patent & TMO/TM Mail Rpt Dt. #22

Opposition No. _____

NOTICE OF OPPOSITION

Commissioner for Trademarks
Box TTAB – FEE
2900 Crystal Drive
Arlington, Virginia 22202-3514

Madam:

IN THE MATTER OF application for trademark registration, Serial No. 76/372,550,
filed February 5, 2002, by FD Management, Inc. (“Applicant”), for the mark ARDENBEAUTY
published on page TM239 of the Official Gazette on June 3, 2003;

THE WET SEAL, INC., a California corporation, having its principal office or place of
business at 26972 Burbank, Foothill Ranch, California 92610 (“Opposer”), believes that it would
be damaged by the grant of registration of such application, and hereby opposes the registration
of the mark covered by Application No. 76/372,550.

As grounds for such opposition, it is alleged that:

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NOTICE OF OPPOSITION – PAGE 1

031458.0011 675920 v1

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022,
APPLICANT'S EXHIBIT NO. _____

1. Upon information and belief, and according to the records of the United States Patent and Trademark Office, Applicant, FD Management, Inc., is the owner of Application Serial No. 76/732,550.

2. Upon information and belief, Applicant had not used the mark ARDENBEAUTY in the United States for the goods set out in Application Serial No. 76/372,550, prior to February 5, 2002, the date of filing of Applicant's intent-to-use application for this mark.

3. Opposer is presently using, and has been continuously using the mark ARDEN B, from a date long prior to February 5, 2002, the date of filing of Applicant's intent-to-use application for the mark ARDENBEAUTY and a date long prior to any date of first use that can be relied upon by Applicant for the mark ARDENBEAUTY, in connection with the promotion and sale of women's jewelry, clothing including outerwear, underwear, swimwear, headwear, footwear, purses and bags, hair ornaments and the operation of retail apparel stores featuring women's clothing, footwear, hats and clothing accessories. Opposer's mark ARDEN B is symbolic of extensive goodwill and consumer recognition built up by Opposer through substantial amounts of advertising and promotion of its goods and services throughout the United States under the mark ARDEN B.

4. As a consequence, the relevant trade and purchasing public have come to know and associate the mark ARDEN B with clothing and accessories and stores selling clothing and accessories having their source of origin from, and originating with, Opposer. This identification and association with Opposer occurred long prior to the date of filing of Applicant's Application Serial No. 76/372,550 and long prior to any date of first use that can be relied upon by Applicant for the mark ARDENBEAUTY.

5. The trademark made the subject of Application Serial No. 76/372,550 and sought to be registered by Applicant consists of a mark which is so similar to Opposer's mark identified above and previously used by Opposer, and not abandoned, as to be likely, when applied to the goods of the Applicant, to cause confusion or to cause mistake, or to deceive.

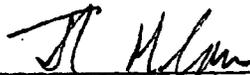
6. Opposer will be damaged by the registration of Applicant's mark made the subject of Application Serial No. 76/372,550.

PRAYER

WHEREFORE, Opposer prays that Applicant be required to answer this Notice of Opposition; that Application Serial No. 76/372,550 be denied; that registration of the mark covered by that application be refused; and that Opposer be granted such other and further relief as may be deemed just and proper.

DATED this 25 day of June, 2003.

Respectfully submitted,



John M. Cone
Akin Gump Strauss Hauer & Feld, LLP
P.O. Box 688
Dallas, Texas 75313-0688
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201
Telephone: (214) 969-4214
Facsimile: (214) 969-4343
jccone@akingump.com

ATTORNEYS FOR OPPOSER
THE WET SEAL, INC.

Certificate of Mailing Under 37 C.F.R. 1.8

Date of Deposit: 6-25-03

I hereby certify that the papers enclosed herein are being deposited with the United States Postal Service as first class mail on the date indicated above in an envelope and addressed to: Commissioner for Trademarks, Box TTAB-No Fee, 2900 Crystal Drive, Arlington, VA 22202-3513.

VICKI MARTIN

(Typed or printed name of person mailing paper or fee)

Vicki Martin

(Signature of person mailing paper or fee)

MAB

**AKIN GUMP
STRAUSS HAUER & FELD LLP**

Attorneys at Law



06-30-2003

U.S. Patent & TMO/TM Mail Rcpt Dt. #22

JOHN M. CONE
214-969-4214/Fax: (214) 969-4343
jcone@akingump.com

Handwritten note:
Cone
6/25/03

June 25, 2003

Assistant Commissioner for Trademarks
BOX TTAB - FEE
2900 Crystal Drive
Arlington, VA 22202-3513

Re: U.S. Trademark Application No. 76/372,550 ARDENBEAUTY
Our Reference No. 031458.0011

Dear Sirs:

Enclosed for filing in duplicate is The Wet Seal, Inc.'s Notice of Opposition against FD Management, and a check for \$300.00 for the filing fee.

Please address all correspondence to JOHN M. CONE of the firm AKIN GUMP STRAUSS HAUER & FELD LLP, P. O. Box 688, Dallas, Texas 75313-0688.

The Commissioner of Patents & Trademarks is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. 01-0657. A duplicate copy of this letter is enclosed for that purpose.

Best regards,

John M. Cone

JMC/vm
Enclosures



6/11/20

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application Registration No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,

Opposer,

v.

FD MANAGEMENT, INC.,

Applicant.

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Opposition No. 91157022

**OPPOSER'S RESPONSES TO APPLICANT'S
FIRST REQUEST FOR ADMISSIONS**

Opposer The Wet Seal, Inc. hereby serves its Responses to Applicant's First Request for Admissions.

**I.
RESPONSES TO REQUESTS FOR ADMISSION**

1. Admit that Opposer does not sell or market fragrance products for personal use, namely, perfume, cologne, toilet water, scented body lotion and moisturizing cream, body oil, body powder, scented skin soap; cosmetics and skin care preparations, namely, foundation make-up, face powder, blusher, compacts, eye pencils, lip pencils, lipstick, lip gloss, non-medicated lip balm, mascara, eye make-up, eyeliners, skin moisturizer and skin toner; hair care products, namely, shampoo, hair conditioners, hair gel and hair spray; nail care preparations, namely, nail polish, nail strengtheners, and nail polish remover; shaving cream, shaving gel, after-shave lotion; skin soap; shower gel; deodorant; antiperspirant; potpourri; sachets; suntanning preparations; and/or sun screen and sun block preparations.

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 2

ANSWER:

Deny.

2. Admit that Opposer's mark, ARDEN B., has not become "distinctive" of Opposer's products in United States commerce, as that term is understood in 15 U.S.C. § 1052(f).

ANSWER:

Deny.

3. Admit that Applicant's trademark, ARDENBEAUTY, is not likely to cause confusion, as that term is understood in 15 U.S.C. § 1125, with Opposer's mark, ARDEN B.

ANSWER:

Deny.

4. Admit that Opposer's mark, ARDEN B., is not "famous" in the United States, as that term is understood in 15 U.S.C. § 1125(c).

ANSWER:

Deny.

5. Admit that Opposer does not have a United States trademark registration for any item or good falling within International Class 3.

ANSWER:

Deny.

6. Admit that Opposer does not have a United States trademark application pending to register any item or good in International Class 3.

ANSWER:

Deny.

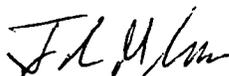
7. Admit that Opposer did not use the mark or name ARDEN B. anywhere in the world prior to September 11, 1997.

ANSWER:

Deny.

Dated: September 17, 2003.

Respectfully submitted,



John M. Cone
State Bar No. 04660100
AKIN, GUMP, STRAUSS, HAUER & FELD, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201-4675
Telephone: (214) 969-2800
Facsimile: (214) 969-4343

ATTORNEYS FOR OPPOSER
THE WET SEAL, INC.

CERTIFICATE OF SERVICE

I hereby certify that on this 17 day of September, 2003, Opposer's Responses to Applicant's First Request for Admissions was served upon the following counsel for Applicant FD Management Inc. via first class U.S. mail:

Gary H. Fechter
McCarter & English LLP
300 Park Avenue
New York, NY 10022





9-13
Apt 11/13

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,

Opposer,

v.

FD MANAGEMENT, INC.,

Applicant.

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Opposition No. 91157022

**OPPOSER'S RESPONSES TO APPLICANT'S
FIRST SET OF INTERROGATORIES**

Opposer The Wet Seal, Inc. makes these Responses to Applicant's First Set of Interrogatories.

**I.
GENERAL OBJECTIONS**

Opposer objects to all of the Interrogatories to the extent that they request information protected against discovery by (a) attorney-client privilege, and/or (b) attorney work product privilege.

Opposer objects to all of the Interrogatories to the extent that they request confidential or proprietary information. Opposer will reconsider this objection if a similar Protective Order is entered.

Opposer's investigation of facts relating to this action is still ongoing and it reserves the right to supplement or amend these responses if additional information is discovered.

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 3

OPPOSER'S RESPONSES TO APPLICANT'S FIRST SET OF INTERROGATORIES - PAGE 1

II.
OBJECTIONS TO DEFINITIONS AND INSTRUCTIONS

Opposer objects to the definition of "identify" or to give the "identity" to the extent that the subparts of the definition increase the number of interrogatories beyond that provided for in the rules.

Opposer objects to the definition of Applicant because it does not know the identity of all of FD Management, Inc.'s "predecessors, directors, officers, employees, agents and attorneys, and each person acting on its behalf or under its control." Opposer, in responding to these Interrogatories, will construe "Applicant" to mean FD Management, Inc., bearing in mind that a corporate entity can act only through its agents.

Opposer objects to the definition of "Opposer" to the extent that includes "attorneys".

Opposer objects to Instruction No. 8 to the extent it seeks to impose any duty to supplement that conflicts with the duty imposed by the Federal Rules of Civil Procedure.

III.
INTERROGATORY RESPONSES

The responses given below are made subject to and without waiver of the preceding general objections or any specific objection the Interrogatory.

INTERROGATORY NO. 1:

A. Identify each officer and managing agent of the "Opposer", giving each officer's and managing agent's name, address, title and duties with respect to "Opposer."

B. Answer part (A) above with respect to each person who occupies or has occupied any executive or managerial position within Opposer's organizational structure for the past (10) years relating in any way to cosmetics, namely, eye-make-up, eye pencil, eye shadow, eye liner,

mascara, facial makeup, foundation and facial powder, lip stick, lip liner, lip gloss; perfume, eau de toilette, cologne; essential oils, for personal use; hair care products, namely, shampoo, conditioner, gel and hair spray; skin care products, namely, face, hand and body lotions and moisturizers, eye cream, skin exfoliating creams and facial masks; nail care products, namely, nail polish; eyewear, namely, sunglasses; jewelry, namely, bracelets, rings, watches, earrings, necklaces; handbags, purses and backpacks; women's clothing, namely, boots, shoes, slippers, tops, tank tops, sweatshirts, sweaters, blouses, vests, shirts, shorts, pants, jeans, skirts, jumpsuits, outerwear, namely, blazers, coats, jackets, and rain wear, suits, camisoles, underwear, hosiery, scarves, hats, swimwear; hair ornaments, namely, clips, holders, sticks; retail apparel stores featuring women's clothing, footwear, hats and clothing accessories; and/or retail apparel store services in the field of women's clothing, footwear, hats and accessories (herein, collectively the "Goods"), or other similar products or services marketed or sold, or proposed to be marketed or sold under the mark ARDEN B., and state the inclusive dates during which each such person held or is holding each such position, his or her title, responsibilities, and duties.

RESPONSE:

Opposer objects to this Interrogatory's request for information "for the past 10 years". Opposer's ARDEN B. business was not conceived until 1997. Opposer will provide information from 1997 to date in relation to its ARDEN B. business.

Kathy Bronstein,
Former CEO of Wet Seal
Paula Brody, first Merchandise Manager of Arden B.
Kim Bajerac, Merchandise Manager of Arden B.
Greg Scott, President of Arden B., May 2000 to present.
All c/o Akin Gump Strauss Hauer & Feld LLP.

INTERROGATORY NO. 2:

Indicate each state, county or city (including the District of Columbia) in the United States, its territories and possessions, in which "Opposer":

- (a) is organized as a corporation;
- (b) is qualified under applicable law to do business as a foreign corporation;
- (c) is presently doing business, either directly or indirectly, or selling, either directly or indirectly, the products;
- (d) maintains its corporate headquarters (include exact street address of Opposer's main office);
- (e) maintains, owns or leases office space; and
- (f) "identify" each "person" for which an answer is supplied in parts (a)-(e) hereof.

RESPONSE:

Opposer objects to subpart (f) of this Interrogatory as vague and ambiguous and incapable of being answered.

- (a) Delaware;
- (b) a list of states in which Opposer is qualified to do business will be produced;
- (c) the term "products" has not been defined. Opposer will respond on the basis that "products" has the same meaning as "Goods" and is limited to ARDEN B. Opposer will produce a list showing the locations of its ARDEN B. retail stores. In addition, Opposer sells the ARDEN B. goods to customers throughout the U.S. via its website at <http://ardenb.com>;
- (d) 26972 Burbank, Foothill Ranch, CA 92610;
- (e) Opposer has offices in many of its retail stores. Those stores and its headquarters are the only locations at which it maintains, owns or leases office space.

INTERROGATORY NO. 3:

State whether Opposer or its business is now or has ever been a division, subsidiary, or related company to any other company. If so, identify each other company, and for each company so identified, state the relationship between it and Opposer, and state the dates on which the relationship began and, if applicable, ended.

RESPONSE:

Opposer objects to this Interrogatory to the extent it requests information in connection with any "related company." In the context of the Interrogatory, the term "related company" is vague and ambiguous.

Opposer and its business is not and has never been a division or subsidiary of another company.

INTERROGATORY NO. 4:

For the mark ARDEN B., as it relates to the Goods or other similar products or services, describe each individual product or service that has been sold or offered by Opposer in the United States, by stating for each such product or service:

- (a) the generic name of the product or service;
- (b) the date the product and/or service was first sold or provided in interstate commerce or in commerce with the United States;
- (c) the geographic area in which each such product or service has been sold or provided by Opposer;
- (d) the location of United States manufacturing facilities for each such product;
- (e) the location of United States headquarters for each such service;
- (f) the ports of entry into the United States for each such product; and

- (g) the date or dates when the sale of the product or service was discontinued, and the reasons for such discontinuance.

RESPONSE:

Opposer objects to subpart (f) of this Interrogatory as burdensome and irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.

(a) casual tops, woven tops, fashion knit tops, basic knit tops, activewear tops, sweaters, knit bottoms, dressy, suiting, casual, denim, dresses, outerwear, lingerie, jewelry and hair, accessories, misc. shoes, retail apparel store services;

(b) July 1997;

(c) the entire U.S.;

(d) Opposer does not manufacture any ARDEN B. Goods;

(e) the Opposer's headquarters in Foothill Ranch, CA.;

(g) the sale of the products and services has not been discontinued.

INTERROGATORY NO. 5:

For the mark ARDEN B., as it relates to the Goods or similar products or services, state the address of each of Opposer's places of business which are, have been, or are intended to be involved in any way with the manufacture, sale, distribution, or advertising of the Goods with which the mark has been, is intended to be, or is associated.

RESPONSE:

Opposer objects to this Interrogatory to the extent it seeks information about future sites for Opposer's ARDEN B. retail stores. This information is proprietary, confidential information and is neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

Opposer does not manufacture the ARDEN B. Goods. A list of Opposer's ARDEN B. stores will be produced. In addition, the ARDEN B. Goods are sold using Opposer's website <http://ardenb.com>.

INTERROGATORY NO. 6:

Identify each person having information relating to Opposer's use of the mark ARDEN B., as it relates to the Goods or similar products or services, in the United States.

RESPONSE:

All of Opposer's officers, directors, employees and agents as well as many members of the public have "information" relating to Opposer's use of ARDEN B. For the purposes of this proceeding, the person currently employed by Opposer with the most knowledge is Laura Nicholas, Director of ARDEN B. Division Stores, c/o Akin Gump Strauss Hauer & Feld LLP.

INTERROGATORY NO. 7:

Describe in detail the trade channels for each ARDEN B. Good or similar product of Opposer which has been or is sold, offered for sale or provided in the United States from Opposer to the ultimate end users of such product.

RESPONSE:

The ARDEN B. retail stores and Opposer's website at <http://ardenb.com>.

INTERROGATORY NO. 8:

Identify by type each end user that has used or uses each ARDEN B. Good or similar product or service of Opposer, which has been or is sold or offered for sale in the United States.

RESPONSE:

The general purchasing public, primarily female.

INTERROGATORY NO. 9:

Identify each type of retail or other business outlet in the United States which currently sells or offers for sale to the public or trade each ARDEN B. Good or similar product or service of Opposer.

RESPONSE:

Opposer's ARDEN B. retail stores. Opposer's web site at <http://www.ardenb.com>.

INTERROGATORY NO. 10:

State each media currently being used by Opposer to advertise or promote in the United States each of its ARDEN B. Goods or similar products or services and identify three (3) representative advertisers names for each such media.

RESPONSE:

Generally speaking, consumer magazines and the worldwide web;
Vogue; Cosmopolitan; Glamour.

INTERROGATORY NO. 11:

State Opposer's yearly proposed projected dollar and unit volume of sales in the United States for each of its ARDEN B. Goods or similar products and services from the date of first use in the United States up to the present time. For each such year or accounting period identify all documents relating to such volume of sales.

RESPONSE:

Opposer objects to this Interrogatory as requesting confidential business information. Opposer is prepared to disclose its sales figures on an 'attorneys eyes only' basis following the entry of a suitable protective order.

INTERROGATORY NO. 12:

Identify each license or assignment agreement into which Opposer has entered involving the use of the designation ARDEN B. as it relates to Goods or similar products and services by stating for each:

- (a) the name and address of each person who is or was a part to such agreement or license;
- (b) the inclusive dates of any such agreement or license;
- (c) the marks and the products that are the subject of any such agreement or license; and
- (d) the purpose of the license or agreement.

RESPONSE:

No responsive documents have been located.

INTERROGATORY NO. 13:

With respect to trade or professional shows, identify all documents relating to Opposer's past, current and prospective advertising and/or promotion of the mark ARDEN B., as it relates to the Goods or similar products or services. State with respect to each such advertisement or promotion:

- (a) its location, time and duration and sponsor;

- (b) the identity of all individuals involved in the preparation and/or participation of Opposer in the show;
- (c) a brief description of the exhibits or other advertising used or to be used at the show; and
- (d) the location and identification of all exhibits used or to be used at the show.

RESPONSE:

None.

INTERROGATORY NO. 14:

Identify each trademark search, clearance or other inquiry here in the United States conducted by or on behalf of Opposer or of which Opposer has otherwise become aware that referred or related to any designation comprising or incorporating the term ARDEN B. by stating for each such search or other inquiry:

- (a) the date, or if not possible, the approximate date of such trademark search, clearance or other inquiry;
- (b) the name, address, title and employer of the person who conducted such trademark search, clearance or other inquiry;
- (c) the name, address, title and employer of the person who authorized such trademark search, clearance or other inquiry, the owner or apparent owner thereof, and the goods, services, business or apparent goods, services or business associated or connected therewith.

RESPONSE:

Opposer objects to subpart (c) of this Interrogatory to the extent that the meaning of "owner or apparent owner thereof, and the goods, services, business or apparent goods, services

or business associated or connected therewith” is unclear, vague and ambiguous and not reasonably capable of response.

- (a) September 1997;
- (b) Thompson & Thompson;
- (c) Anna Silva, Gibson, Dunn & Crutcher, San Francisco, attorney for Wet Seal, Inc.

INTERROGATORY NO. 15:

Identify each survey, market research investigation or other inquiry in the United States conducted by or on behalf of Opposer or of which Opposer has otherwise become aware that refers or relates to any designation comprising or incorporating the term ARDEN B. by stating for each such inquiry:

- (a) the nature and purpose of such inquiry;
- (b) the date, or if not possible, the approximate date such inquiry was conducted;
- (c) the name, address and employer of such person who conducted or authorized the conduct of such inquiry; and
- (d) the results of each such inquiry.

RESPONSE:

- (a) Bruno and Ridgeway Survey
 - (i) Issues in the Agnes Trouble litigation.
 - (ii) June/July 2000.
 - (iii) Bruno and Ridgeway Research Associates, Inc.
 - (iv) Confidential.

- (b) 2002 Fashion Apparel Survey
 - (i) Characteristics of Arden B. shoppers,
 - (ii) May 2002.
 - (iii) Lieberman Research Group.
 - (iv) Confidential.

INTERROGATORY NO. 16:

Identify by stating the name, address and business affiliation, each expert who has been retained, employed, consulted or whose opinions or views have been sought by on behalf of Opposer, whether or not such expert is expected to testify during Opposer's testimony period, concerning the designation ARDEN B., as it relates to the Goods or similar products or services, on any aspect of this opposition proceeding, and state the inclusive dates of such consultation and the area of expertise of such expert or experts.

RESPONSE:

Opposer objects to this request to the extent that it seeks information as to non-testifying experts. Such information, if any, is preceded against discovery as attorney work product.

No testifying expert has been retained at this time.

INTERROGATORY NO. 17:

State whether Opposer is aware of any present or former third party use or registration of a name, mark or term comprised in whole or in part of marks incorporating the words "ARDEN B." as either a prefix or suffix or used alone, on or in association with the Goods. For each such use or registration, please identify:

- (a) the third party;
- (b) the name, mark or term involved;

- (c) the individual product or services for which it is used or was used or registered;
- (d) the date when Opposer became aware thereof; and
- (e) any action taken against any such third party.

RESPONSE:

None.

INTERROGATORY NO. 18:

State whether Opposer is aware of any instances of actual or possible consumer confusion, mistake, deception or association of any kind between Opposer or Opposer's ARDEN B. Goods and Applicant or Applicant's ARDENBEAUTY products. For each such instance, please identify:

- (a) the product(s) and trademarks/names involved;
- (b) the date when Opposer became aware thereof; and
- (c) any action taken by Opposer.

RESPONSE:

ARDEN B employees have reported that customers who have seen ARDEN BEAUTY advertisement have asked about ARDEN B's new beauty/make-up line.

INTERROGATORY NO. 19:

Identify all persons who participated in any way in the preparation of the answer or response to these interrogatories and state specifically, with reference to interrogatory numbers, the area of participation of each person.

RESPONSE:

John M. Cone, Akin Gump Strauss Hauer & Feld LLP;

Larry Smith, Vice President and General Counsel of Opposer; and

Laura Nicholas, Director of ARDEN B. Division Stores.

INTERROGATORY NO. 20:

Identify all lawsuits, oppositions, cancellations or the like involving Opposer's mark ARDEN B. and/or variants thereof.

RESPONSE:

Agnes Trouble v. The Wet Seal, Inc., Cause No. 99 CIV 10997 (S.D.N.Y.).

Unopco Sub, Inc. and Conopco, Inc. d/b/a Elizabeth Arden Co. v. the Wet Seal, Inc.,

Trademark Opposition Nos. 112,592, 112,906.

Agnes Trouble, Inc. v. The Wet Seal, Inc., Trademark Opposition No. 113,213.

INTERROGATORY NO. 21:

Identify all documents which will be relied upon by Opposer in connection with the allegations of paragraph 3 of the Notice of Opposition.

RESPONSE:

Opposer objects to this Interrogatory because it seeks information privileged against production as attorney work product. While Applicant is entitled to production of documents relating to particular areas of inquiry it is not entitled to know which particular documents Opposer will rely on.

Dated: September 17th, 2003.

Respectfully submitted,



John M. Cone
State Bar No. 04660100
AKIN, GUMP, STRAUSS, HAUER & FELD, LLP
1700 Pacific Avenue, Suite 4100
Dallas, Texas 75201-4675
Telephone: (214) 969-2800
Facsimile: (214) 969-4343

ATTORNEYS FOR OPPOSER
THE WET SEAL, INC.

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of September, 2003, a copy of the foregoing document was served upon the following counsel via first class U.S. mail:

Gary H. Fechter
McCarter & English LLP
300 Park Avenue
New York, NY 10022



THE WET SEAL, INC.

By: _____

Its: _____

STATE OF CALIFORNIA §
 § SS:
COUNTY OF _____ §

BEFORE ME, the undersigned authority, personally appeared _____, as
_____ for **THE WET SEAL, INC.**, who after first being duly sworn,
deposes and states that the foregoing Answers to Interrogatories are true and correct to the best
of his knowledge and belief.

SWORN TO AND SUBSCRIBED before me this ____ day of _____, 2003.

(S E A L)

Notary Public in and for the State of California

Print Name: _____

My Commission Expires: _____



CONTEMPO

wet seal

LIMBO LOUNGE

News

Contacts: Ed Thomas, President
(949)-699-3902
Ann Cadier Kim, CFO
(949) 699-3922

THE WET SEAL, INC. ANNOUNCES THE GRAND OPENING OF THEIR NEWEST STORE - ARDEN B.

FOOTHILL RANCH, CA (November 9, 1998) -- Specialty retailer The Wet Seal, Inc. (Nasdaq: WTSLA) announced the grand opening of its first Arden B. store in West Palm Beach, Florida at The Gardens. There are approximately 23 Arden B. stores planned to open prior to the Company's year-end, January 30, 1999. The Company currently operates 420 Wet Seal and Contempo Casuals stores, which cater to the junior customer. In contrast to these stores, the Arden B. stores will focus on a young, contemporary woman between the ages of 20 and 45.

"Our Arden B. stores will offer a collection of dressy and casual apparel, accessories and footwear that fits the ever changing lifestyle of the contemporary, image savvy woman, without conforming to the status quo. We're coming out of the gates with a fresh perspective and we plan to make our presence known in what is currently an underserved market," stated Kathy Bronstein, Vice Chairman and Chief Executive Officer of the Company. "The Arden B. brand was developed by our in-house design group over a year ago and has become a nationally recognized brand. This Arden B. brand has evolved since its inception into a more contemporary collection with a full line of merchandise offerings. We are committed to building the brand and have developed a national advertising campaign which will begin in January," continued Ms. Bronstein.

The Wet Seal, Inc., a specialty retailer of fashionable, casual apparel and accessory items designed for consumers with a young, active lifestyle, is headquartered in Foothill Ranch, California. The Company currently operates 427 stores in 42 states and Puerto Rico.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: All forward-looking statements made by the Company involve material risks and uncertainties and are subject to change based on factors beyond the Company's control. Accordingly, the Company's future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. Such factors include, but are not limited to, those described in the Company's filings with the Securities and Exchange Commission. The Company does not undertake to publicly update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

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APP. # 5

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The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 5



WET SEAL INC filed this 10-K on 04/27/1999.

Outline

Printer Friendly

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The Wet Seal, Inc., Opposer

v.

FD Management, Inc., Applicant

Opposition No. 91,157022

APPLICANT'S EXHIBIT NO. 6

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

/X/ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED JANUARY 30, 1999

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER 0-18632

THE WET SEAL, INC.

(Exact name of registrant as specified in its charter)

DELAWARE (State of incorporation)

33-0415940 (I.R.S. Employer Identification No.)

26972 BURBANK, FOOTHILL RANCH, CA (Address of principal executive offices)

92610 (Zip Code)

(949) 583-9029

(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT: NONE

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:

CLASS A COMMON STOCK (Title of Class)

PREFERRED STOCK PURCHASE RIGHTS (Title of Class)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ No / /

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to the Form 10-K. / /

The aggregate market value of voting stock held by non-affiliates as of April 3, 1999 was \$372,834,756.

The number of shares outstanding of the registrant's Class A Common Stock and Class B Common Stock, par value \$.10 per share, at April 3, 1999 was 10,729,886 and 2,912,665, respectively. There were no shares of Preferred Stock, par value \$.01 per share, outstanding at April 3, 1999.

DOCUMENTS INCORPORATED BY REFERENCE:

PART III incorporates information by reference from the Registrant's definitive Proxy Statement for its Annual Meeting of Stockholders' to be filed with the Commission within 120 days of January 30, 1999.

PART I

ITEM 1. BUSINESS

GENERAL

The Wet Seal, Inc., a Delaware corporation ("Wet Seal" or the "Company"), founded in 1962, is a nationwide specialty retailer of fashionable and contemporary apparel and accessory items designed for consumers with a young, active lifestyle. As of April 3, 1999, the Company operated 522 retail stores in 42 states, Washington D.C. and Puerto Rico, including 120 in California, 57 in Florida, and 41 in Texas. Of the 522 stores, 248 operate under the "CONTEMPO CASUALS" trademark, 190 operate under the "WET SEAL" trademark, 66 operate under the "ARDEN B." trademark, 17 operate under the "LIMBO LOUNGE" trademark and one of the stores operates under the "NEXT" trademark. Arden B. is the latest retail concept introduced by the Company in November 1998, and offers a collection of dressy and casual apparel, accessories and footwear for the young contemporary customer. Arden B. serves to fill the void between a "junior" and a "missy" customer. Limbo Lounge was introduced by the Company in fiscal 1996 and offers both junior's and young men's apparel and accessories in a unique and entertaining store environment.

On July 1, 1995, the Company acquired the business, assets and properties of Contempo Casuals, Inc. ("Contempo Casuals"), a 237-store junior women's retail chain. This acquisition substantially increased the size of the Company. Effective February 2, 1997, Contempo Casuals, Inc. was merged with and into The Wet Seal, Inc.

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The Company introduced the "Wet Seal Catalog" in late January 1998. The catalog focuses on the junior customer and features both private label and branded apparel, shoes and accessories. The Company had six catalog mailings throughout fiscal 1998. In fiscal 1999, the Company plans to reposition the catalog under the "Blue Asphalt" brand name. Blue Asphalt is the number one denim brand in both Wet Seal and Contempo Casuals stores, and has been expanded to a full assortment of fashion apparel and accessories. The Company also plans to introduce a related web-site under the Blue Asphalt name by mid-1999. The new site will include an on-line shopping "magalog," as well as links to the Wet Seal and Contempo Casuals web-sites. The Blue Asphalt magalog and web-site will both offer Blue Asphalt merchandise and youth-targeted editorial content to build brand awareness and increase customer base and sales.

PRODUCTS AND MERCHANDISING

Both Wet Seal and Contempo Casuals stores target the same fashion-conscious junior customer. The Company merchandises both stores similarly. In duplicate locations (stores located in malls where the Company operates both a Wet Seal and a Contempo Casuals store), the Company differentiates the locations by displaying the merchandise differently in each of the stores, and will occasionally differentiate the merchandise mix. The Company provides a balance of moderately-priced, fashionable brand name and Company-developed apparel and accessories that appeal to consumers with young, active lifestyles. The Company believes that Company-developed apparel differentiates it from its competitors.

In the fourth quarter of fiscal 1998, the Company opened the first Arden B. store. Arden B. caters to the fashionable young contemporary woman who falls between a "junior" and a "missy" customer. Arden B. stores offer a collection of dressy and casual apparel, accessories and footwear, all under the "Arden B." brand name. The Company currently operates 66 Arden B. stores nationwide and plans to open up to 13 additional stores in fiscal 1999.

In the fourth quarter of fiscal 1996, the Company introduced a store concept called Limbo Lounge. The product offerings include both junior's and young men's apparel and accessories in a unique and entertaining store environment. The Company currently operates 17 Limbo Lounge stores and plans to open up to eight additional stores in fiscal 1999.

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With respect to each of the retail concepts, the Company frequently updates its product offerings to provide a regular flow of fresh, new fashionable merchandise. Management carefully monitors pricing and markdowns to expedite sales of slower-moving inventory, facilitate the introduction of new merchandise and maintain an updated fashion image.

Generally, the Company's stores display merchandise within a current fashion trend which reflects a color statement and key items related to that trend. Rather than always displaying garments together by type (blouses with blouses, for example), the Company combines items of apparel and accessories which the customer might buy as an ensemble. Store displays are designed to enable customers to create ensembles within a current fashion statement or trend group. Management believes that the trend grouping concept strengthens the fashion image of the merchandise offered in the stores and enables the customer to locate combinations of blouses, skirts, pants and accessories in a manner which enhances the Company's opportunity to make multiple unit sales. From time to time certain key items are merchandised together on tables or wall shelf sections in order to emphasize those particular items. The general layout of merchandise in the stores is planned by the Company's management. The Company

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makes use of in-store image posters to help focus customers on particular fashion themes. The Company frequently changes the visual display of the merchandise in its stores to reflect the changing tastes of the Company's target customer.

DESIGN, BUYING AND PRODUCT DEVELOPMENT

The Company's experienced design and buying teams are responsible for identifying evolving fashion trends and then developing themes to guide the Company's merchandising strategy. These teams monitor emerging fashion trends by attending domestic and international fashion shows, engaging the services of international fashion consultants, following industry publications and conducting regular market research, including monitoring cutting-edge, alternative stores, visiting Company stores to interact with customers and employees and visiting competitors' stores. Additionally, the Company holds "open to buy" days once a week to allow vendors to meet with buyers. Management believes that these open sessions provide buyers with the opportunity to purchase fresh and innovative products that help to further differentiate the Company's merchandise mix.

The Company's commitment to Company-developed apparel is an important element in differentiating its merchandise from that of its competitors. After selecting a fashion theme to promote, the design and buying teams work closely with vendors to modify colors, materials and designs and create an image consistent with the theme for the Company's product offerings. Additionally, the Company has increased its focus on developing exclusive designs and brands to reinforce the fashion statements of its merchandise offerings as well as to increase the perception of Wet Seal, Contempo Casuals, Arden B. and Limbo Lounge as destination stores for the customer. The Company focused on the Blue Asphalt, Evolution Not Revolution and Arden B. brands in particular in fiscal 1998 and given the success of these brands, plans to continue this focus.

SOURCING AND VENDOR RELATIONSHIPS

The Company purchases its merchandise from numerous domestic vendors and an increasing number of foreign vendors. Although in fiscal 1998 no single vendor accounted for more than 10% of the Company's merchandise and only two vendors accounted for more than 5%, management believes the Company is the largest customer of many of its smaller vendors. Management believes the Company's importance to these vendors allows it to provide significant input into their design, manufacturing and distribution processes, and has enabled the Company to negotiate favorable terms with such vendors. Quality control is monitored carefully at the distribution points of its largest vendors and manufacturers, and all merchandise is inspected upon arrival at the Company's Foothill Ranch, California distribution center. The Company does not have any long term or exclusive contracts with any particular manufacturer or supplier for either brand name or Company-developed apparel.

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ALLOCATION AND DISTRIBUTION

The Company's merchandising effort primarily focuses on maintaining a regular flow of fresh, fashionable merchandise into its stores. Successful execution depends in large part on the Company's integrated planning, allocation and distribution functions. Planning and allocation are managed by a team headed by the Company's Vice President of Planning and Allocation. By working closely with District and Regional Directors and merchandise buyers, this team manages inventory levels and coordinates the allocation of merchandise to each of the

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Company's stores based on sales volume, climate and other factors that may influence individual stores' product mix.

All merchandise for retail stores is received from vendors at the Company'soothill Ranch, California distribution facility, where items are inspected for quality and prepared for shipping to the Company's stores. Merchandise for the catalog is distributed through a third party fulfillment house. The Company ships merchandise to stores within a 100-mile radius of the distribution center by its fleet of Company-owned trucks. The remainder of the Company's stores are shipped merchandise by common carrier. Consistent with the Company's goal of maintaining the freshness of its product offerings, the Company ships new merchandise to each store daily.

In keeping with the Company's policy of introducing new merchandise, markdowns are taken regularly to effect a rapid sale of slow-moving inventory. Merchandise which remains unsold is periodically shipped to the Company's clearance stores where further markdowns are taken as needed in order to move the merchandise. Sales of merchandise at these stores aggregated \$7.9 million for the fiscal year ended January 30, 1999. These stores operate under the Wet Seal, Contempo Casuals and Arden B. names.

MARKETING, ADVERTISING AND PROMOTION

The Company believes that the highly-visible locations of its stores within regional shopping malls, broad selection of fashionable merchandise and dynamic, entertaining in-store environments have contributed significantly to the Company's reputation as a destination store addressing the lifestyle of fashion-conscious young consumers. Consequently, the Company has historically relied more heavily on these factors and "word-of-mouth" advertising than more traditional forms of advertising such as print, radio and television.

The Company utilizes a variety of advertising and promotional programs that allow the Company to gain exposure in a cost-effective manner. By introducing frequent shopper cards in its Wet Seal and Contempo Casuals stores, the Company has developed a marketing database that helps to track customers. The cards, which are sold for \$20 each, entitle customers to a standard 10% discount on purchases made within a one-year period. As part of these programs, sales representatives call selected cardholders personally to notify customers of special in-store promotions, such as preferred customer sales during which cardholders receive additional incentives. Management believes these promotions foster customer loyalty and encourage frequent visits and multiple item purchases. The Company also sponsors special events such as snowboarding competitions and beach festivals that focus on the interests and active lifestyles of its target customers. Further, the Company utilizes its Company-owned trucks as "rolling billboards" in California, painting them to promote the Company as well as certain of its Company-developed labels such as Blue Asphalt and Evolution Not Revolution.

STORE OPERATIONS

The Company's Wet Seal and Contempo Casuals stores are divided into seven geographic regions. Each region is managed by a Regional Director who reports to the Company's Senior Vice President of Store Operations. Each region is further divided into districts consisting of between 9 to 16 stores and managed by a District Director. The Limbo Lounge stores are located nationwide and are currently overseen by the local Wet Seal/Contempo Casuals Regional and District Directors. The Arden B. stores are divided into eight geographic districts consisting of 8 to 10 stores each. Each district is managed by a

District Director who reports to the Arden B. Director of Store Operations, who in turn reports to the Company's Senior Vice President of Store Operations. The Company delegates substantial authority to regional, district and store-level employees, while taking advantage of economies of scale by centralizing functions such as finance, data processing, merchandise purchasing and allocation, human resources and real estate at the corporate level.

The Company encourages communication between and among its Regional and District Directors and senior management. Each of the Company's 53 District Directors provides weekly reports to senior management concerning overall business conditions and specific aspects of their stores' operations. These reports are used to identify competitive trends and store level concerns in a timely manner. Store performance is also evaluated by senior management through the use of a "secret shopper" service that shops each store twice a month.

Stores are typically staffed with one full-time manager, one or two full-time co-managers, one full-time customer service leader and 9 to 16 customer service representatives and cashiers, most of whom are part-time. During peak seasons, stores may increase staffing levels to accommodate the additional in-store traffic. The Company seeks to hire store-level employees who are energetic, fashionable and friendly and who can identify with its targeted customers. The Company's policy is to promote store managers from within while also hiring from outside. Highly-regarded store managers are often given opportunities to move to higher-volume stores. The Company sets weekly sales goals for each store and devises incentives to reward stores that meet or exceed their sales targets. In addition, from time to time the Company runs sales contests to encourage its store level employees to maximize sales volume.

Most of the Company's stores are, and the Company expects that most of its new stores will be, located in regional, high-traffic shopping malls which contain at least one "anchor" department store. The Company places great emphasis on its location within a mall and attempts to locate stores in the higher-traffic areas of a mall and to obtain the greatest amount of frontage possible. The Company's average store size is approximately 4,100 square feet. Store hours are determined by the mall in which the store is located.

INFORMATION AND CONTROL SYSTEMS

While the Company believes its information systems are adequate to support its current needs, in order to accommodate future growth the Company plans to convert and upgrade to a state of the art client server based merchandising system. This conversion began at the end of fiscal 1998 and is expected to be completed by the third quarter of fiscal 1999. Prior to the purchase of the new system and hardware the Company obtained assurance from the vendors that the products purchased are in fact Year 2000 compliant.

All of the Company's stores have a point-of-sale system operating on in-store computer hardware and internally developed software. The system features bar-coded ticket scanning, dial-out check and credit authorization and provides nightly polling transmittal of sales and inventory data between the stores and the Company's corporate office. The Company has performed a thorough review of its existing computer software systems and hardware to identify processes which may be affected by Year 2000 problems. At this time, no significant issues have been identified and the Company has developed a plan for Year 2000 compliance should the conversion noted above fall behind schedule. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Year 2000 Compliance."

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EXPANSION STRATEGY

The Company currently plans to open up to 105 new stores in fiscal 1999 and plans to continue to grow in the following year. The Company may, in limited instances and to the extent it deems advisable, seek to acquire additional businesses which complement or enhance the Company's operations. The Company currently has no commitments or understandings with respect to such business opportunities.

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The following table sets forth the number of stores in each state as of April 3, 1999:

STATE	# OF STORES	STATE	# OF STORES	S
Alabama.....	1	Louisiana.....	3	O
Arizona.....	10	Maine.....	2	O
Arkansas.....	1	Maryland.....	14	P
California.....	120	Massachusetts.....	16	R
Colorado.....	9	Michigan.....	13	S
Connecticut.....	12	Minnesota.....	9	T
Delaware.....	1	Missouri.....	3	T
Florida.....	57	Nebraska.....	1	U
Georgia.....	12	Nevada.....	7	V
Hawaii.....	6	New Hampshire.....	3	W
Illinois.....	28	New Jersey.....	24	W
Iowa.....	3	New Mexico.....	3	W
Indiana.....	7	New York.....	28	W
Kansas.....	3	North Carolina.....	5	P
Kentucky.....	4	Ohio.....	12	

Management does not believe there are significant geographic constraints on the locations of future stores. The Company's strategy is to enter a particular geographic region with a base of two or three solid stores, and then continue expansion in such geographic regions while simultaneously entering new markets in a similar manner, thereby increasing the recognition of the Company's name. When deciding whether to open a new store, the Company typically targets regional malls as well as prime street locations in select markets. In making its selection, the Company evaluates, among other factors, market area, demographics, "anchor stores," store location, the volume of consumer traffic, rent payments and other costs associated with opening a new store. The average store size the Company intends to consider is between 3,000 and 4,500 square feet depending on the chain selected for the particular location. However, in making its decision, management reviews all leases in order to match closely the store size to the sales potential of the store.

The Company's ability to expand in the future will depend, in part, on general business conditions, the demand for the Company's merchandise, the ability to find suitable malls or other locations with acceptable sites on satisfactory terms, and the continuance of satisfactory cash flows from existing operations.

TRADEMARKS

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The Company's primary trademarks and service marks are "WET SEAL," "CONTEMPO CASUALS," "LIMBO LOUNGE" and "NEXT," which are registered in the U.S. Trademark Office. The Company has pending registrations in a number of classes for the trademark, "Arden B.," which are being opposed by Elizabeth Arden. It is the opinion of the Company's trademark counsel that the Company should be able to register its Arden B. marks and even if the Company is unable to register the marks (or any one of them), the absence of such registration will not cause any interruption in the use of Arden B. as a trademark by the Company to designate the merchandise sold under the Arden B. name and the stores in which that merchandise is sold. The Company also uses and has registered, or has a pending registration, on a number of marks, including "A. AUBREY," "ACCESSORIES FOR LIFE," "ACCOMPLICE," "BLUE ASPHALT," "CEMENT," "CLUB CONTEMPO," "EVOLUTION NOT REVOLUTION," "FORMULA X," "MEOW GENES," "UNCIVILIZED," "URBAN LIFE" and "URBAN VIBE." In general, the registrations for these trademarks and service marks are renewable indefinitely as long as the Company continues to use the marks as required by applicable trademark law. The Company is the owner of an allowed and currently pending service mark application for the mark "SEAL PUPS." Other than

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with respect to Arden B., the Company is not aware of any adverse claim or other infringement relating to its trademarks or service marks.

COMPETITION

The young women's retail apparel industry is highly competitive, with fashion, quality, price, location, in-store environment and service being the principal competitive factors. The Company competes with specialty apparel retailers, department stores and certain other apparel retailers, including The Limited and The GAP, and on a regional basis, with such retailers as Charlotte Russe, Gadzooks and Pacific Sunwear. Many competitors are large national chains which have substantially greater financial, marketing and other resources than the Company. While the Company believes it competes effectively for favorable site locations and lease terms, competition for prime locations within a mall is intense.

EMPLOYEES

As of January 30, 1999, the Company had 7,404 employees, consisting of 2,033 full-time employees and 5,371 part-time employees. Full-time personnel consisted of 1,140 salaried and 893 hourly employees. All part-time personnel are hourly employees. Of the total employees, 7,085 were sales personnel and 319 were administrative and distribution center personnel. Personnel at all levels of store operations are provided with cash incentives based upon various individual store sales targets.

All of the Company's employees are non-union and, in management's opinion, are paid competitively with current standards in the industry. The Company considers its relationship with its employees to be satisfactory.

ITEM 2. PROPERTIES

The Company's corporate headquarters is located at 26972 Burbank, Foothill Ranch, California, consisting of 283,200 square feet of leased office and distribution facility space (including 74,500 square feet of merchandise handling and storage mezzanine space in the distribution facility and 20,500 square feet of second floor office space). This lease expires on December 4, 2007. The Company's former distribution facility located in Los Angeles,

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California was subleased beginning in fiscal 1998 for the remainder of the lease term. The Los Angeles lease was acquired with the acquisition of Contempo Casuals and expires on July 31, 2002.

The Company leases all of its stores. Lease terms for the Company's stores are typically 10 years in length and generally do not contain renewal options. The leases generally provide for a fixed minimum rental and a rental based on a percent of sales once a minimum sales level has been reached. As a lease expires, the Company generally renews such lease at current market terms. However, each renewal is based upon an analysis of the individual store's profitability and sales potential.

The following table sets forth information with respect to store openings and closings since fiscal 1994:

	FISCAL YEAR		
	1998	1997	1996
Stores open at beginning of year.....	389	364	364
Stores acquired during period(1).....	0	0	0
Stores opened during period.....	86	34	10
Stores closed during period.....	21	9	10
Stores open at end of period.....	454	389	364

(1) Contempo Casuals was acquired on July 1, 1995.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company is involved in litigation relating to claims arising out of its operations in the normal course of business. Management believes that, in the event of a settlement or an adverse judgment of any pending litigation, the Company is adequately covered by insurance. As of April 3, 1999, the Company was not engaged in any legal proceedings which are expected, individually or in the aggregate, to have a material adverse effect on the Company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders through solicitations of proxies or otherwise.

PART II

WS 000527

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Class A Common Stock ("Common Stock") is listed on The Nasdaq Stock Market ("Nasdaq") under the symbol "WTSLA". As of April 1, 1999, there were 296 shareholders of record of the Company's Class A Common Stock. Additionally, the number of beneficial owners of the Company's Common Stock was estimated to be in excess of 4,500. The closing price of the Common Stock on April 1, 1999 was \$36.

The following table reflects the high and low sale prices of the Company's Common Stock as reported by Nasdaq for the last two fiscal years.

QUARTER	FISCAL 1998		FISCA
	HIGH	LOW	HIGH
First Quarter.....	\$38 1/4	\$26 7/8	\$27 1/4
Second Quarter.....	37 9/16	25 3/4	31 5/8
Third Quarter.....	31	13 5/8	27 1/4
Fourth Quarter.....	38	16 7/8	31 1/2

The Company has reinvested earnings in the business and has never paid any cash dividends to holders of the Company's Common Stock. The declaration and payment of future dividends, which are subject to the terms and covenants contained in the Company's bank line of credit, are at the sole discretion of the Board of Directors and will depend upon the Company's profitability, financial condition, cash requirements, future prospects and other factors deemed relevant by the Board of Directors.

ITEM 6. SELECTED FINANCIAL DATA

The following table of certain selected data regarding the Company should be read in conjunction with the financial statements and notes thereto and with the "Management's Discussion and Analysis of Financial Condition and Results of Operations." The data for the fiscal years ended February 3, 1996 and January 28, 1995 are derived from the Company's financial statements for such years which are not included herein.

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FIVE YEAR FINANCIAL SUMMARY

FISCAL YEAR	1998	1997	1996	1995
FISCAL YEAR ENDED	JANUARY 30, 1999	JANUARY 31, 1998	FEBRUARY 1, 1997	FEBRUARY 1996(1)

OPERATING RESULTS

Sales.....	\$ 485,389,000	\$ 412,463,000	\$ 374,942,000	\$ 266,695
Income (loss) before provision (benefit) for				

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income taxes.....	42,202,000	36,325,000	26,217,000	9,948
Net income (loss).....	\$ 25,954,000	\$ 21,250,000	\$ 15,252,000	\$ 5,815
PER SHARE DATA				
Net income (loss), basic...	\$ 1.98	\$ 1.57	\$ 1.15	\$
Net income (loss), diluted.....	\$ 1.91	\$ 1.53	\$ 1.13	\$
Weighted average shares outstanding, basic.....	13,085,587	13,552,502	13,219,284	12,387
Weighted average shares outstanding, diluted.....	13,581,233	13,899,877	13,459,810	12,500
OTHER FINANCIAL INFORMATION				
Net income (loss) as a percent of sales.....	5.3%	5.2%	4.1%	
Return on average stockholders' equity....	22.3%	20.8%	20.5%	
Cash and marketable securities.....	\$ 91,506,000	\$ 95,873,000	\$ 89,183,000	\$ 57,153
Working capital(4).....	\$ 21,856,000	\$ 66,452,000	\$ 59,791,000	\$ 26,051
Ratio of current assets to current liabilities.....	1.3	2.1	2.1	
Total assets.....	\$ 197,490,000	\$ 184,223,000	\$ 154,752,000	\$ 117,564
Long-term debt.....	1,264,000	1,264,000	3,264,000	5,264
Total stockholders' equity.....	\$ 120,278,000	\$ 112,994,000	\$ 91,120,000	\$ 57,735
Number of stores open at year end.....	454	389	364	
Number of stores acquired during the year.....	--	--	--	
Number of stores opened during the year.....	86	34	10	
Number of stores closed during the year.....	21	9	10	
Square footage of leased store space at year end.....	1,848,513	1,637,347	1,539,777	1,530
Percent of increase in leased square footage....	12.9%	6.3%	0.6%	1
Avg. sales per square foot of leased space(2).....	\$ 271	\$ 263	\$ 244	\$
Average sales per store(2).....	\$ 1,132,000	\$ 1,112,000	\$ 1,030,000	\$ 976
Comparable store sales increase (decrease) (3)...	2.1%	5.8%	8.8%	

(1) The Company's fiscal 1995 data include the results of operations of Contempo Casuals since July 1, 1995. Fiscal 1995 consisted of 53 weeks.

(2) In fiscal 1995, the 53rd week of sales was excluded from "Sales" for purposes of calculating "Average sales per square foot" and "Average sales per store" in order to make fiscal 1995 comparable to prior years.

(3) In fiscal 1996, "Comparable store sales" were calculated by excluding sales during the first week of fiscal 1995 in order to make fiscal 1995 comparable to fiscal 1996. In fiscal 1995, "Comparable store sales" were calculated by adding the first week of fiscal 1995 to fiscal 1994 sales in order to make

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fiscal 1994 comparable to fiscal 1995. Comparable store sales are defined as sales in stores that were open throughout the full fiscal year and throughout the full prior fiscal year.

- (4) The decrease in working capital in fiscal 1998 is due to the classification of \$37,973,000 of cash investments as long-term in fiscal 1998.

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ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

INTRODUCTION

The Company is one of the largest national mall-based specialty retailers focusing primarily on young women's apparel, and currently operates 522 retail stores in 42 states, Washington D.C. and Puerto Rico under the names "Wet Seal," "Contempo Casuals," "Arden B.," "Limbo Lounge" and "Next." In January 1998, the Company initiated a catalog which operates under the name "Wet Seal."

On July 1, 1995, the Company acquired Contempo Casuals. The purchase price consisted of a \$100,000 cash payment and the issuance of 254,676 shares of Class A Common Stock which had a market value of \$1,178,000 as of the acquisition date. In addition, the Company assumed approximately \$27,700,000 of current liabilities of Contempo Casuals. The transaction was accounted for under the purchase method and resulted in negative goodwill. The acquisition substantially increased the number of stores the Company operates. Effective February 2, 1997, Contempo Casuals, Inc. was merged with and into The Wet Seal, Inc.

As of January 30, 1999, the Company operated 454 stores compared to 389 stores as of January 31, 1998, the end of fiscal 1997. The Company opened 86 stores during fiscal 1998 and closed 21 stores.

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Company's Financial Statements and the Notes thereto.

RESULTS OF OPERATIONS

Fiscal 1998 consists of the 52 week period ended January 30, 1999, Fiscal 1997 consists of the 52 week period ended January 31, 1998 and Fiscal 1996 consists of the 52 week period ended February 1, 1997. Comparable store sales are defined as sales in stores that were open throughout the full fiscal year and throughout the full prior fiscal year.

The following table sets forth selected income statement data of the Company expressed as a percent of sales for the years indicated:

	AS A PERCENTAGE FISCAL YEAR	
	----- JANUARY 30, 1999 -----	JANUARY 1998 -----
Sales (including frequent buyer sales income and catalog sales).....	100.0%	100

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Cost of sales (including buying, distribution and occupancy costs).....	69.3	71
	-----	---
Gross margin.....	30.7	29
Selling, general and administrative expenses.....	22.8	21
	-----	---
Operating income.....	7.9	7
Interest income, net.....	0.8	0
	-----	---
Income before provision for income taxes.....	8.7	8
Provision for income taxes.....	3.4	3
	-----	---
Net income.....	5.3%	5
	-----	---

FISCAL 1998 COMPARED TO FISCAL 1997

Sales in fiscal 1998 were \$485,389,000 compared to sales in fiscal 1997 of \$412,463,000, an increase of \$72,926,000 or 17.7%. The dollar increase in sales in fiscal 1998 compared to fiscal 1997 was primarily due to the impact of the 86 new store openings in fiscal 1998 and the full year impact in 1998 of the net 25 new store openings in fiscal 1997. These increases were somewhat offset by the closing of 21 stores in fiscal 1998. To a lesser extent, the increase in sales was due to an increase in comparable store sales of 2.1%.

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Cost of sales, including buying, distribution and occupancy costs, was \$336,527,000 in fiscal 1998 compared to \$292,644,000 in fiscal 1997, an increase of \$43,883,000 or 15.0%. As a percentage of sales, cost of sales decreased to 69.3% in fiscal 1998, from 71.0% in fiscal 1997, a decrease of 1.7%. The dollar increase in cost of sales in fiscal 1998 compared to fiscal 1997 was due primarily to the increase in total sales. Of the 1.7% decrease in cost of sales as a percentage of sales, 1.2% related to a decrease in occupancy costs, 0.6% related to a decrease in the cost of merchandise and 0.1% related to a decrease in buying costs, offset by a 0.2% increase in distribution costs. The decrease in occupancy costs was associated primarily to the leverage of the catalog operation sales on store occupancy costs. To a lesser extent the decrease in occupancy was due to a decrease in store rental expenses as a percent of sales as a result of the expense leverage related to the increase in comparable store sales. The decrease of 0.6% in merchandise cost was due to an increase in the initial markup rates related to a decrease in the cost of merchandise. The 0.1% decrease in buying costs as a percentage of sales was due to the leverage associated with the increase in total sales. The 0.2% increase in distribution costs was related primarily to the catalog operation.

Selling, general and administrative expenses were \$110,554,000 in fiscal 1998 compared to \$86,999,000 in fiscal 1997, an increase of \$23,555,000 or 27.1%. As a percentage of sales, selling, general and administrative expenses was 22.8% in fiscal 1998 compared to 21.1% in fiscal 1997. The dollar increase in selling, general and administrative expenses in fiscal 1998 compared to fiscal 1997 was primarily due to the increase in total sales and to a lesser extent the expenses related to the catalog operation. The increase as a percent of sales was primarily due to the impact of the fixed costs associated with catalog production. Without the impact of the catalog operation, selling, general and administrative expenses increased 0.5%. This increase related primarily to the increase in selling expense as a percentage of sales due to the

increases in minimum wage and to the start up costs associated with new store openings. Also contributing to the increase as a percentage of sales was an increase in administrative wages to support the expanded operations in fiscal 1998.

Interest income, net, was \$3,894,000 in fiscal 1998 compared to \$3,505,000 in fiscal 1997, an increase of \$389,000. This increase was due primarily to an increase in the average cash balance invested during the year.

Income tax provision was \$16,248,000 in fiscal 1998 compared to \$15,075,000 in fiscal 1997. The effective income tax rate in fiscal 1998 was 38.5% compared to 41.5% in fiscal 1997. The decrease in the effective tax rate in fiscal 1998 compared to fiscal 1997 was due to the increase in income generated from states with lower effective tax rates as well as the impact of changes in the corporate cash investment strategy which resulted in higher balances invested in tax exempt securities.

Based on the factors noted above, net income was \$25,954,000 in fiscal 1998 compared to \$21,250,000 in fiscal 1997, an increase of \$4,704,000 or 22.1%. As a percentage of sales, net income was 5.3% in fiscal 1998 compared to 5.2% in fiscal 1997.

FISCAL 1997 COMPARED TO FISCAL 1996

Sales in fiscal 1997 were \$412,463,000 compared to sales in fiscal 1996 of \$374,942,000, an increase of \$37,521,000 or 10%. The dollar increase in sales in fiscal 1997 compared to fiscal 1996 was primarily due to the increase in the comparable store sales and the increase in frequent buyer sales income in fiscal 1997 compared to fiscal 1996. The Company attributes the increase in comparable store sales of 5.8% to the continued resurgence of fashion that began in fiscal 1996. The increase in sales was also due to a slightly lesser extent to the impact of the 34 new store openings in fiscal 1997 and the full year impact in 1997 of the 10 new store openings in fiscal 1996. These increases were somewhat offset by the closing of nine stores in fiscal 1997.

Cost of sales, including buying, distribution and occupancy costs, was \$292,644,000 in fiscal 1997 compared to \$272,189,000 in fiscal 1996, an increase of \$20,455,000 or 7.5%. As a percentage of sales, cost of sales decreased to 71.0% in fiscal 1997, from 72.6% in fiscal 1996, a decrease of 1.6%. The dollar

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increase in cost of sales in fiscal 1997 compared to fiscal 1996 was due primarily to the increase in total sales. Of the 1.6% decrease in cost of sales as a percentage of sales, 1.0% related to a decrease in occupancy costs, 0.4% related to a decrease in the cost of merchandise and 0.3% related to a decrease in distribution costs, offset by a 0.1% increase in buying costs. The decrease in occupancy costs was due primarily to a decrease in store rental expenses as a percent of sales as a result of the expense leverage related to the increase in comparable store sales. The decrease of 0.4% in merchandise cost was due to an increase in the initial markup rates related to a decrease in the cost of merchandise. The 0.3% decrease in distribution costs was related to a decrease in depreciation due to the impact of fully depreciated assets in the current year and to cost efficiencies related to processing the merchandise. These decreases were offset by a 0.1% increase in buying costs which was associated with payroll and personnel increases during the year to support the larger operations.

Selling, general and administrative expenses were \$86,999,000 in fiscal 1997

compared to \$79,238,000 in fiscal 1996, an increase of \$7,761,000 or 9.8%. As a percentage of sales, selling, general and administrative expenses remained the same at 21.1% in fiscal 1997 as compared to fiscal 1996. The dollar increase in selling, general and administrative expenses in fiscal 1997 compared to fiscal 1996 was primarily due to the increase in total sales and an increase in management expenses related to bonuses and retirement plans, offset by a decrease in office depreciation related to the impact of fully-depreciated assets, proceeds related to an insurance reimbursement and a decrease in non-payroll related selling expenses as a result of the economies of scale associated with the increase in comparable store sales.

Interest income, net, was \$3,505,000 in fiscal 1997 compared to \$2,702,000 in fiscal 1996, an increase of \$803,000. This increase was due primarily to an increase in the average cash balance invested.

Income tax expense was \$15,075,000 in fiscal 1997 compared to \$10,965,000 in fiscal 1996. The effective income tax rate in fiscal 1997 was 41.5% compared to a rate of 41.8% in fiscal 1996.

Based on the factors noted above, net income was \$21,250,000 in fiscal 1997 compared to \$15,252,000 in fiscal 1996, an increase of \$5,998,000 or 39.3%. As a percentage of sales, net income was 5.2% in fiscal 1997 compared to 4.1% in fiscal 1996.

LIQUIDITY AND CAPITAL RESOURCES

Working capital at the end of fiscal 1998, 1997 and 1996 was \$21,856,000, \$66,452,000 and \$59,791,000, respectively. The decrease in working capital in fiscal 1998 compared to fiscal 1997 was due to a net increase in long term investments of \$37,474,000 as current year cash was invested to a larger extent in investments with maturities beyond one year. The decrease in working capital was also due to the purchase of treasury stock for \$19,675,000 in the third quarter of fiscal 1998. Net cash provided by operating activities in fiscal 1998, 1997 and 1996 was \$43,950,000, \$31,948,000 and \$28,187,000, respectively. The increase in net cash provided by operating activities in fiscal 1998 was due primarily to the increase in net earnings. Further contributing to the increase was the increase in income taxes payable and accounts payable offset to some extent by the increase in inventory and deferred tax, net. The increase in income taxes payable is due to the timing of tax payments. The increase in accounts payable was attributable to the increase in payables associated with capital expenditures. The increase in inventory over the prior year was related to the increase in the number of stores offset to some extent by the decrease in catalog inventory as compared to prior year.

The increase in cash provided by operating activities in fiscal 1997 was due primarily to the increase in net earnings. Further contributing to the increase was the increase in accounts payable and accrued liabilities offset to some extent by the increase in inventory. The increase in accounts payable was attributable to the increase in payables associated with capital expenditures as well as to the timing of inventory receipts. The increase in inventory over the prior year was related to the increase in the number of stores as well as to the inventory held for the new catalog operations at the end of fiscal 1997.

Additions to property and equipment are the Company's most significant investment activities. In fiscal 1998, 1997 and 1996 the Company invested \$26,503,000, \$22,973,000 and \$8,620,000, respectively, in property and equipment and leasehold improvements. These expenditures related primarily to new store

openings and remodels. In fiscal 1997, the Company constructed a new office and distribution facility. On December 1, 1998, the Company acquired the leases and furniture and fixtures for 19 store locations from Mothers Work, Inc. for \$1,911,000. The majority of the locations acquired were converted to Arden B. stores. On February 1, 1999, the Company acquired the leases and furniture and fixtures for 80 stores from Britches of Georgetowne, Inc. The Company plans to convert the locations to Arden B., Wet Seal, Contempo Casuals and Limbo Lounge stores by the end of the first quarter of fiscal 1999, with the majority of the locations planned as Arden B. Primarily as a result of the Company's expanded operations and the real estate acquisition of 80 stores, capital expenditures for fiscal 1999 are currently estimated to be \$53,000,000.

In September 1998, the Company's Board of Directors authorized the repurchase of up to 20% of the outstanding shares of the Company's Class A Common Stock. As of January 30, 1999, 1,327,000 shares had been repurchased at a cost of \$19,675,000. Such repurchased shares are reflected as treasury stock in the accompanying financial statements.

On May 24, 1996 the Company sold 765,000 shares of Class A Common Stock as part of a public offering pursuant to a registration statement on Form S-3. The net proceeds to the Company from the sale of shares were \$14,459,000.

The Company has an unsecured revolving line of credit arrangement with Bank of America National Trust and Savings Association ("Bank of America") in an aggregate principal amount of \$30,000,000, maturing on July 1, 1999 and a five year amortizing term loan with Bank of America in the amount of \$10,000,000. As of January 30, 1999 the term loan has an outstanding balance of \$2,264,000. On March 31, 1999, the line of credit was extended to a maturity date of July 1, 2000. At January 30, 1999, there were no outstanding borrowings under the credit arrangement, and the Company was in compliance with all terms and covenants of the credit arrangement and the term loan. The Company invests its excess funds primarily in a short-term investment grade money market fund, investment grade commercial paper and U.S. Treasury and Agency obligations. Management believes the Company's working capital and cash flows from operating activities will be sufficient to meet the Company's operating and capital requirements in the foreseeable future.

SEASONALITY AND INFLATION

The Company's business is seasonal by nature with the Christmas season (beginning the week of Thanksgiving and ending the first Saturday after Christmas) and the back-to-school season (beginning the last week of July and ending the first week of September) historically accounting for the largest percentage of sales volume. In the Company's three fiscal years ended January 30, 1999, the Christmas and back-to-school seasons together accounted for an average of approximately 33% of the Company's annual sales, after adjusting for sales increases related to new stores. The Company does not believe that inflation has had a material effect on the results of operations during the past three years. However, there can be no assurance that the Company's business will not be affected by inflation in the future.

STATEMENT REGARDING FORWARD LOOKING DISCLOSURE

The preceding "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections may contain various forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, which represent the Company's expectations or beliefs concerning future events. The Company cautions that these statements are further qualified by important factors that could cause

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actual results to differ materially from those in the forward looking statements,

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including, without limitation, the retention by the Company of suppliers for both brand name and Company-developed merchandise, the ability of the Company to expand and to continue to increase comparable store sales and the sufficiency of the Company's working capital and cash flows from operating activities. In addition, these statements are further qualified by important factors that could cause actual results to differ materially from those in the forward looking statements, including, without limitation, a decline in demand for the merchandise offered by the Company, the ability of the Company to locate and obtain acceptable store sites and lease terms or renew existing leases, the ability of the Company to obtain adequate merchandise supply, the ability of the Company to hire and train employees, the ability of the Company to gauge the fashion tastes of its customers and provide merchandise that satisfies customer demand, management's ability to manage the Company's expansion, the effect of economic conditions, the effect of severe weather or natural disasters and the effect of competitive pressures from other retailers. The Company disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statement contained herein or to reflect any change in the expectations of the Company after the date hereof or any change in events, conditions or circumstances on which any statement is based.

NEW ACCOUNTING PRONOUNCEMENTS

The Company adopted Statement of Financial Accounting Standards No. 130 "Reporting Comprehensive Income" ("SFAS 130"), in the first quarter of fiscal 1998. SFAS 130 establishes standards for the reporting and display of comprehensive income. Components of comprehensive income, among other items, may include foreign currency translation adjustments, minimum pension liability adjustments, and unrealized gains and losses on marketable securities classified as available-for-sale.

In Fiscal 1998, the Company adopted Statement of Financial Accounting Standards No. 132 "Employers' Disclosures about Pensions and Other Postretirement Benefits" ("SFAS 132") which is effective for fiscal years beginning after December 15, 1997. This statement standardized the disclosure requirements for pensions and other postretirement benefits to the extent practicable, requires additional information on changes in the benefit obligations and fair values of plan assets that will facilitate financial analysis and eliminates certain disclosures that are no longer as useful as they were under previous statements.

YEAR 2000 COMPLIANCE

The Year 2000 issue is the result of computer programs being written using two digits rather than four to define the applicable year. Any of the Company's computer programs that have date-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000.

During fiscal 1998 and continuing through fiscal 1999, the Company is in the process of converting substantially all of its computer software systems and hardware. Prior to the purchase of the new systems and hardware the Company obtained or is in the process of obtaining assurance from the vendors that the products purchased are in fact Year 2000 compliant. The Company will also complete an independent review of such systems to further verify Year 2000 compliance. The Company has performed a thorough review of its existing computer

software systems and hardware to identify processes which may be affected by Year 2000 problems. At this time, no significant issues have been identified and the Company has developed an adequate plan for Year 2000 compliance should the conversions fall behind schedule.

During fiscal 1998 and fiscal 1999, the Company is also in the process of completing a Year 2000 review of its relationships with suppliers and financial institutions to obtain assurance, where necessary, that these entities are Year 2000 compliant. The Company's total Year 2000 project costs include the estimated costs and time associated with the impact of a third party's Year 2000 issue on the Company, and are based on presently available information. However, there can be no guarantee that the systems of other companies on which the Company's systems rely will be timely converted, or that a failure to convert by another company, or a conversion that is incompatible with the Company's systems, would not have a

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material adverse effect on the Company's business, results of operations, cash flows and financial condition.

If the Company is not completely successful in mitigating internal and external Year 2000 risks, the result could be a system failure causing disruptions of operations, including, among other things, a temporary inability to process transactions, distribute merchandise, or engage in similar normal business activities at the Company or its vendors and suppliers. The Company believes that under a worst case scenario, it could continue the majority of its normal business activities on a manual basis. With respect to potential Year 2000 failures of its vendors and suppliers, the Company plans to mitigate this risk by not depending on any single vendor or supplier for products or merchandise.

Due to the fact that the majority of the Company's computer software systems and hardware have been purchased or developed recently and were designed to be Year 2000 compliant, the Company does not expect to incur significant additional costs in addressing the Year 2000 issue. The total cost of the Year 2000 project is estimated at \$300,000, and will be funded through operating cash flows. Year 2000 costs as of January 30, 1999 totaled \$100,000.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Filed under Item 14.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Inapplicable.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

ITEM 11. EXECUTIVE COMPENSATION

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

All of the information called for by Part III (Items 10 through 13) is

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incorporated by reference from the Company's definitive Proxy Statement in connection with its Annual Meeting of Stockholders to be held June 9, 1999, filed pursuant to Regulation 14A.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(A) THE FOLLOWING DOCUMENTS ARE FILED AS PART OF THIS REPORT:

- 1. Financial Statements--See "Index to Financial Statements and Financial Statement Schedules".
- 2. Financial Statement Schedules--See "Index to Financial Statements and Financial Statement Schedules".
- 3. Exhibits--See "Exhibit Index".

(B) REPORTS ON FORM 8-K.

No reports on Form 8-K were filed during the last quarter of the fiscal year ended January 30, 1999.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE WET SEAL, INC. (REGISTRANT)

By: /s/ KATHY BRONSTEIN

 Kathy Bronstein
 VICE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

By: /s/ EDMOND THOMAS

 Edmond Thomas
 PRESIDENT AND CHIEF OPERATING OFFICER

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated and on the dates indicated.

SIGNATURES	TITLE	DATE

/s/ GEORGE H. BENTER JR.	Director	April 23, 1999

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George H. Benter Jr.

/s/ KATHY BRONSTEIN

Vice Chairman and Chief
Executive Officer and
Director (Principal
Executive Officer)

April 23, 1999

Kathy Bronstein

/s/ STEPHEN GROSS

Secretary and Director

April 23, 1999

Stephen Gross

/s/ ANN CADIER KIM

Vice President of Finance
and Chief Financial
Officer (Principal
Financial and Accounting
Officer)

April 23, 1999

Ann Cadier Kim

/s/ WALTER F. LOEB

Director

April 23, 1999

Walter F. Loeb

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SIGNATURES

TITLE

DATE

/s/ WILFRED POSLUNS

Director

April 23, 1999

Wilfred Posluns

/s/ GERALD RANDOLPH

Director

April 23, 1999

Gerald Randolph

/s/ ALAN SIEGEL

Director

April 23, 1999

Alan Siegel

/s/ IRVING TEITELBAUM

Chairman of the Board and
Director

April 23, 1999

Irving Teitelbaum

/s/ EDMOND THOMAS

President and Chief
Operating Officer and
Director

April 23, 1999

Edmond Thomas

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THE WET SEAL, INC.
INDEX TO FINANCIAL STATEMENTS
AND FINANCIAL STATEMENT SCHEDULES

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INDEPENDENT AUDITORS' REPORT:

Report of Deloitte & Touche LLP.....

FINANCIAL STATEMENTS:

Balance sheets as of January 30, 1999 and January 31, 1998.....
Statements of income for the years ended January 30, 1999, January 31, 1998 and Feb
Statements of comprehensive income for the years ended January 30, 1999, January 31
1997.....
Statements of stockholders' equity for the years ended January 30, 1999, January 31
1997.....
Statements of cash flows for the years ended January 30, 1999, January 31, 1998 and
Notes to financial statements.....

FINANCIAL STATEMENT SCHEDULES:

All schedules are omitted as they are not required, or the required information is
statements or the notes thereto.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders
The Wet Seal, Inc.:

We have audited the accompanying balance sheets of The Wet Seal, Inc. as of
January 30, 1999 and January 31, 1998 and the related statements of income,
comprehensive income, stockholders' equity and cash flows for each of the three
fiscal years in the period ended January 30, 1999. These financial statements
are the responsibility of the Company's management. Our responsibility is to
express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing
standards. Those standards require that we plan and perform the audit to obtain
reasonable assurance about whether the financial statements are free of material
misstatement. An audit includes examining, on a test basis, evidence supporting
the amounts and disclosures in the financial statements. An audit also includes
assessing the accounting principles used and significant estimates made by
management, as well as evaluating the overall financial statement presentation.
We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly,
in all material respects, the financial position of The Wet Seal, Inc. as of
January 30, 1999 and January 31, 1998 and the results of its operations and its
cash flows for each of the three fiscal years in the period ended January 30,
1999, in conformity with generally accepted accounting principles.

Deloitte & Touche LLP
March 12, 1999
Costa Mesa, California

THE WET SEAL, INC.

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BALANCE SHEETS

ASSETS

	JANUARY 30, 1999	JANUARY 1998
	-----	-----
CURRENT ASSETS:		
Cash and cash equivalents (Note 1).....	\$ 31,590,000	\$ 76,05
Short-term investments (Note 3).....	21,943,000	19,81
Other receivables.....	3,665,000	3,20
Merchandise inventories.....	28,002,000	26,88
Prepaid expenses (Note 1).....	--	33
Deferred tax charges (Note 4).....	1,791,000	1,13
	-----	-----
Total current assets.....	86,991,000	127,43
	-----	-----
EQUIPMENT AND LEASEHOLD IMPROVEMENTS:		
Leasehold improvements.....	75,659,000	65,46
Furniture, fixtures and equipment.....	37,758,000	24,96
Leasehold rights.....	3,577,000	3,69
Construction in progress.....	489,000	
	-----	-----
	117,483,000	94,12
Less accumulated depreciation.....	(57,110,000)	(49,17)
	-----	-----
Net equipment and leasehold improvements.....	60,373,000	44,95
	-----	-----
LONG-TERM INVESTMENTS (Note 3).....	37,973,000	49
OTHER ASSETS:		
Deferred tax charges and other assets (Notes 4 and 13).....	11,677,000	10,81
Goodwill, net of accumulated amortization of \$656,000 and \$611,000 as of January 30, 1999 and January 31, 1998, respectively.....	476,000	52
	-----	-----
Total other assets.....	12,153,000	11,33
	-----	-----
	\$197,490,000	\$184,22
	-----	-----

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable.....	\$ 37,515,000	\$ 35,85
Accrued liabilities (Note 12).....	20,430,000	20,57
Income taxes payable (Note 4).....	6,190,000	2,55
Current portion of long-term debt (Note 9).....	1,000,000	2,00
	-----	-----
Total current liabilities.....	65,135,000	60,98
	-----	-----
LONG-TERM LIABILITIES:		
Long-term debt (Note 9).....	1,264,000	1,26
Deferred rent.....	7,458,000	6,25
Other long-term liabilities (Note 13).....	3,355,000	2,73
	-----	-----
Total long-term liabilities.....	12,077,000	10,24

Total liabilities.....	77,212,000	71,22
COMMITMENTS (Note 7)		
STOCKHOLDERS' EQUITY: (Notes 5 and 6)		
Preferred Stock, \$.01 par value, authorized, 2,000,000 shares; none issued and outstanding.....	--	--
Common Stock, Class A, \$.10 par value, authorized 20,000,000 shares; 10,704,886 and 10,656,578 shares issued and outstanding at January 30, 1999 and January 31, 1998, respectively.....	1,071,000	1,06
Common Stock, Class B Convertible, \$.10 par value, authorized 10,000,000 shares; 2,912,665 shares issued and outstanding at January 30, 1999 and January 31, 1998.....	291,000	29
Paid-in capital.....	58,356,000	57,21
Retained earnings.....	80,374,000	54,42
Other comprehensive loss (Note 13).....	(139,000)	--
Treasury stock, 1,327,000 shares at cost.....	(19,675,000)	--
 Total Stockholders' Equity.....	 120,278,000	 112,99
	\$197,490,000	\$184,22

See accompanying notes to financial statements.

THE WET SEAL, INC.

STATEMENTS OF INCOME

	JANUARY 30, 1999	
	-----	-
SALES.....	\$ 485,389,000	\$
COST OF SALES (including buying, distribution and occupancy costs).....	336,527,000	-
GROSS MARGIN.....	148,862,000	-
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 10).....	110,554,000	-
OPERATING INCOME.....	38,308,000	-
INTEREST INCOME, NET (Note 9).....	3,894,000	-
INCOME BEFORE PROVISION FOR INCOME TAXES.....	42,202,000	-
PROVISION FOR INCOME TAXES (Note 4).....	16,248,000	-
NET INCOME.....	\$ 25,954,000	\$
NET INCOME PER SHARE, BASIC (Note 14).....	\$ 1.98	\$

NET INCOME PER SHARE, DILUTED (Note 14).....	\$ 1.91	\$
WEIGHTED AVERAGE SHARES OUTSTANDING, BASIC (Note 1).....	13,085,587	
WEIGHTED AVERAGE SHARES OUTSTANDING, DILUTED (Note 1).....	13,581,233	

See accompanying notes to financial statements.

THE WET SEAL, INC.
STATEMENTS OF COMPREHENSIVE INCOME

	JANUARY 30, 1999
NET INCOME.....	\$ 25,954,000
OTHER COMPREHENSIVE LOSS:	
SUPPLEMENTAL EMPLOYEE RETIREMENT PLAN ADJUSTMENT (Note 13).....	(139,000)
COMPREHENSIVE INCOME.....	\$ 25,815,000

See accompanying notes to financial statements.

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THE WET SEAL, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY

	COMMON STOCK			
	CLASS A		CLASS B	
	SHARES	PAR VALUE	SHARES	PA
Balance at February 3, 1996.....	5,687,066	\$ 568,000	6,807,665	\$6
Issuance of Class A Common Stock pursuant to Public Offering (Note 5).....	765,000	76,000	--	
Stock issued pursuant to long-term incentive plan (Note 6).....	5,308	1,000	--	
Exercise of stock options (Note 6).....	276,500	28,000	--	
Tax benefit related to exercise of stock options (Note 6).....	--	--	-	

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Conversion of Class B Common Stock to Class A Common Stock (Note 5).....	3,895,000	390,000	(3,895,000)	(3
Net income.....	--	--	--	--
Balance at February 1, 1997.....	10,628,874	1,063,000	2,912,665	2
Stock issued pursuant to long-term incentive plan (Note 6).....	8,704	1,000	--	
Exercise of stock options (Note 6).....	19,000	2,000	--	
Tax benefit related to exercise of stock options (Note 6).....	--	--	--	
Net income.....	--	--	--	
Balance at January 31, 1998.....	10,656,578	1,066,000	2,912,665	2
Stock issued pursuant to long-term incentive plan (Note 6).....	12,308	1,000	--	
Exercise of stock options (Note 6).....	36,000	4,000	--	
Tax benefit related to exercise of stock options (Note 6).....	--	--	--	
Repurchase of common stock (Note 5).....	--	--	--	
Supplemental Employee Retirement Plan adjustment (Note 13).....	--	--	--	
Net income.....	--	--	--	
Balance at January 30, 1999.....	10,704,886	\$1,071,000	2,912,665	\$2

	TREASURY STOCK	TOTAL STOCKHOLDERS' EQUITY
Balance at February 3, 1996.....	--	\$ 57,735,000
Issuance of Class A Common Stock pursuant to Public Offering (Note 5).....	--	14,459,000
Stock issued pursuant to long-term incentive plan (Note 6).....	--	107,000
Exercise of stock options (Note 6).....	--	1,740,000
Tax benefit related to exercise of stock options (Note 6).....	--	1,827,000
Conversion of Class B Common Stock to Class A Common Stock (Note 5).....	--	--
Net income.....	--	15,252,000
Balance at February 1, 1997.....	--	91,120,000
Stock issued pursuant to long-term incentive plan (Note 6).....	--	266,000
Exercise of stock options (Note 6).....	--	214,000
Tax benefit related to exercise of stock options (Note 6).....	--	144,000
Net income.....	--	21,250,000
Balance at January 31, 1998.....	--	112,994,000
Stock issued pursuant to long-term incentive plan (Note 6).....	--	463,000
Exercise of stock options (Note 6).....	--	273,000
Tax benefit related to exercise of stock options (Note 6).....	--	408,000

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Repurchase of common stock (Note 5).....	(19,675,000)	(19,675,000)
Supplemental Employee Retirement Plan adjustment (Note 13).....	--	(139,000)
Net income.....	--	25,954,000
Balance at January 30, 1999.....	\$(19,675,000)	\$120,278,000

See accompanying notes to financial statements.

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THE WET SEAL, INC.

STATEMENTS OF CASH FLOWS

	JANUARY 1999

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income.....	\$25,954,
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization.....	13,039,
Loss on disposal of equipment and leasehold improvements.....	--
Stock issued pursuant to long-term incentive plan.....	463,
Deferred tax, net.....	(1,124,
Changes in operating assets and liabilities, net of effect of acquisition:	
Other receivables.....	(456,
Merchandise inventories.....	(1,118,
Prepaid expenses.....	330,
Other assets.....	(594,
Accounts payable and accrued liabilities.....	1,517,
Income taxes payable.....	4,045,
Deferred rent.....	1,204,
Other long-term liabilities.....	690,
Net cash provided by operating activities.....	----- 43,950,
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment in equipment and leasehold improvements.....	(26,503,
Investment in marketable securities.....	(83,018,
Proceeds from sale of marketable securities.....	43,418,
Acquisition of store leases and related store assets.....	(1,911,
Net cash used in investing activities.....	----- (68,014,
CASH FLOWS FROM FINANCING ACTIVITIES:	
Principal payments on long-term debt.....	(1,000,
Purchase of treasury stock.....	(19,675,
Proceeds from issuance of common stock.....	273,
Net cash (used in) provided by financing activities.....	----- (20,402,

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NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS.....	(44,466,
CASH AND CASH EQUIVALENTS, beginning of year.....	76,056,
CASH AND CASH EQUIVALENTS, end of year.....	\$31,590,

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year for:

Interest.....	\$ 194,
Income taxes, net.....	13,326,

SCHEDULE OF NONCASH TRANSACTIONS:

During the fifty-two weeks ended January 30, 1999, January 31, 1998 and February 1, 1997, the Company recorded an increase to paid-in capital of \$408,000, \$144,000 and \$1,827,000, respectively, related to tax benefits associated with the exercise of non-qualified stock options.

During the fifty-two weeks ended January 30, 1999, the Company recorded a decrease to other comprehensive income of \$139,000 and a corresponding decrease to other long-term liabilities and other assets of \$65,000 and \$204,000, respectively, related to the Supplemental Employee Retirement Plan. (See Note 13.)

During the fifty-two weeks ended February 1, 1997, the Company reduced certain estimated liabilities assumed in connection with the acquisition of Contempo Casuals. As a result, a reduction in accounts payable of \$1,481,000 was recorded with a corresponding reduction in fixed assets.

See accompanying notes to financial statements.

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF THE BUSINESS

The Wet Seal, Inc. (the "Company") is a nationwide specialty retailer of fashionable and contemporary apparel and accessory items designed for consumers with a young, active lifestyle. In January 1998, the Company initiated a catalog which operates under the name "Wet Seal". On July 1, 1995, the Company acquired Contempo Casuals, Inc., a 237-store junior women's retail chain. This acquisition substantially increased the Company's size. The Company's success is largely dependent upon its ability to gauge the fashion tastes of its customers and to provide merchandise that satisfies customer demand. The Company's failure to anticipate, identify or react to changes in fashion trends could adversely affect its results of operations. Approximately 35% of the voting stock of the Company is held by a group of companies directly or indirectly controlled by two directors of the Company, one of which is the Chairman of the Board. Effective February 2, 1997, Contempo Casuals, Inc. was merged with and into The Wet Seal, Inc.

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The Company's fiscal year ends on the Saturday closest to the end of January. The reporting period includes 52 weeks in each of the fiscal years 1998, 1997 and 1996.

MERCHANDISE INVENTORIES

Merchandise inventories are stated at the lower of cost (first-in, first-out) or market. Cost is determined using the retail inventory method.

EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Equipment and leasehold improvements are stated at cost. Expenditures for betterment or improvement are capitalized, while expenditures for repairs that do not significantly increase the life of the asset are expensed as incurred.

Depreciation is provided using primarily the straight-line method over the estimated useful lives of the assets. Furniture, fixtures and equipment are typically depreciated over 3 to 5 years. Leasehold improvements and the cost of acquiring leasehold rights are depreciated over the lesser of the term of the lease or 10 years.

LONG-LIVED ASSETS

The Company accounts for the impairment and disposition of long-lived assets in accordance with Statement of Financial Accounting Standards No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" ("SFAS 121"). In accordance with SFAS 121, long-lived assets to be held are reviewed for events or changes in circumstances which indicate that their carrying value may not be recoverable. At January 30, 1999, the Company believes there has been no impairment of the value of such assets.

INTANGIBLE ASSET

Excess of cost over net assets acquired (goodwill) is being amortized on the straight-line method over 25 years. The Company assesses the recoverability of goodwill at each balance sheet date by determining whether the amortization of the balance over its remaining useful life can be recovered through projected undiscounted future operating cash flows from the acquisition.

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED) RENTAL EXPENSE

Any defined rental escalations are averaged over the term of the related lease in order to provide level recognition of rental expense.

STORE PRE-OPENING COSTS

Store opening and pre-opening costs are charged to expense as they are incurred.

WS 000546

ADVERTISING COSTS

Costs for advertising related to retail operations consisting primarily of in-store signage and promotions are expensed as incurred. Direct response advertising costs consisting primarily of catalog book production and printing costs are capitalized and amortized over the expected life of the catalog, not to exceed 6 months. Direct response advertising costs reported as prepaid assets are \$0 and \$330,000 at January 30, 1999 and January 31, 1998, respectively. Total advertising expenses related primarily to retail operations in fiscal 1998, 1997 and 1996 were \$1,993,000, \$1,676,000 and \$1,728,000, respectively.

INCOME TAX

The Company accounts for income taxes in accordance with Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS 109"). Deferred tax charges are provided on items, principally depreciation and rent, for which there are temporary differences in recording such items for financial reporting purposes and for income tax purposes.

NET INCOME PER SHARE

The Company adopted Statement of Financial Accounting Standards No. 128, "Earnings Per Share" ("SFAS 128") beginning with the Company's fourth quarter of fiscal 1997. All prior period earnings per common share data have been restated to conform to the provisions of this statement. Net income per share, basic, is computed based on the weighted average number of common shares outstanding for the period. Net income per share, diluted, is computed based on the weighted average number of common and potentially dilutive common equivalent shares outstanding for the period. (See Note 14.)

STATEMENTS OF CASH FLOWS

For purposes of the statements of cash flows, the Company considers all highly liquid interest-earning deposits purchased with an initial maturity of three months or less to be cash equivalents. At January 30, 1999 and January 31, 1998, cash equivalents totaled \$29,298,000 and \$72,212,000, respectively, bearing interest at rates ranging from approximately 4.7% to 5.3% at January 30, 1999 and from approximately 5.4% to 5.6% at January 31, 1998.

NEW ACCOUNTING PRONOUNCEMENTS

The Company adopted Statement of Financial Accounting Standards No. 130 "Reporting Comprehensive Income" ("SFAS 130"), in the first quarter of fiscal 1998. SFAS 130 establishes standards for the reporting and display of comprehensive income. Components of comprehensive income, among other

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FCR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)
items, may include foreign currency translation adjustments, minimum pension liability adjustments, and unrealized gains and losses on marketable securities classified as available-for-sale.

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In Fiscal 1998, the Company adopted Statement of Financial Accounting Standards No. 132 "Employers' Disclosures about Pensions and Other Postretirement Benefits" ("SFAS 132") which is effective for fiscal years beginning after December 15, 1997. This statement standardized the disclosure requirements for pensions and other postretirement benefits to the extent practicable, requires additional information on changes in the benefit obligations and fair values of plan assets that will facilitate financial analysis and eliminates certain disclosures that are no longer as useful as they were under previous statements.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles necessarily requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FAIR VALUE OF FINANCIAL INSTRUMENTS

Management believes the carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value due to the short maturity of these financial instruments. Long-term debt bears a variable rate of interest; therefore, management believes the carrying amount for the outstanding borrowings at January 30, 1999 and January 31, 1998 approximate fair value.

STOCK-BASED COMPENSATION

The Company accounts for stock-based awards to employees using the intrinsic value method in accordance with Accounting Principles Board (APB) Opinion No. 25, "Accounting for Stock Issued to Employees." (See Note 6.)

NOTE 2: ACQUISITION

On July 1, 1995, the Company acquired the business, assets and properties of Contempo Casuals, Inc., a 237-store junior women's retail chain with stores in 34 states and Puerto Rico. The purchase price consisted of (a) the issuance of 254,676 shares of the Company's Class A Common Stock which had a value of \$1,178,000 on the date of the acquisition, and (b) \$100,000 in cash. The transaction was accounted for under the purchase method. In connection with the acquisition, the Company assumed certain liabilities which were estimated by the seller. The total amount of these assumed liabilities may not, in fact, be paid as the actual payments will be based on the future claims and losses which are actually submitted and which are related to pre-acquisition events. (See Note 12.)

On December 1, 1998, the Company acquired the leases and furniture and fixtures for 19 store locations from Mothers Work, Inc. The purchase price was recorded as leasehold improvements and furniture, fixtures and equipment in the accompanying financial statements. The majority of the locations acquired were converted to Arden B. stores.

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 3: INVESTMENTS

Short-term investments consist of highly liquid interest bearing deposits purchased with an initial maturity exceeding three months with a remaining maturity at January 30, 1999 less than twelve months. Long-term investments consist of highly liquid interest bearing securities which mature beyond twelve months from the balance sheet date. It is management's intent to hold short-term and long-term investments to maturity. Short-term and long-term investments are carried at amortized cost plus accrued income, which approximates market at January 30, 1999.

Investments are comprised of the following:

DESCRIPTION	MATURITY DATES	AMORTIZED COST	GROSS UNREALIZ GAINS
JANUARY 30, 1999			
Commercial paper.....	Within one year	\$ 1,000,000	\$ --
Corporate bonds.....	Within one year	1,514,000	--
Municipal bonds.....	Within one year	7,679,000	3,0
Government obligations.....	Within one year	11,750,000	--
Corporate bonds.....	One to two years	3,087,000	--
Municipal bonds.....	One to two years	34,886,000	31,0
		<u>\$ 59,916,000</u>	<u>\$ 34,0</u>
JANUARY 31, 1998			
Commercial paper.....	Within one year	\$ 14,905,000	\$ --
Corporate bonds.....	Within one year	1,372,000	1,0
Municipal bonds.....	Within one year	3,540,000	--
Corporate bonds.....	One to two years	499,000	1,0
		<u>\$ 20,316,000</u>	<u>\$ 2,0</u>

NOTE 4: PROVISION FOR INCOME TAXES

SFAS 109 requires the recognition of deferred tax assets and liabilities for the future consequences of events that have been recognized in the Company's financial statements or tax returns. The measurement of deferred items is based on enacted tax laws. In the event that the future consequences of differences between financial reporting bases and the tax bases of the Company's assets and liabilities result in a deferred tax asset, SFAS 109 requires an evaluation of the probability of being able to realize the future benefits indicated by such asset. A valuation allowance related to a deferred tax asset is recorded when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 4: PROVISION FOR INCOME TAXES (CONTINUED)

The components of the income tax provision are as follows:

	JANUARY 30, 1999

CURRENT:	
Federal.....	\$ 13,442,000
State.....	3,930,000

	17,372,000

DEFERRED:	
Federal.....	(1,126,000
State.....	2,000

	(1,124,000

	\$ 16,248,000

A reconciliation of the income tax provision to the amount of the provision that would result from applying the federal statutory rate (35%) to income before taxes is as follows:

	JANUA 19 -----
Provision for income taxes at federal statutory rate.....	
State income taxes, net of federal income tax benefit.....	
Tax exempt interest.....	
Other.....	
Effective tax rate.....	

As of January 30, 1999 and January 31, 1998, the Company's net deferred tax asset was \$10,709,000 and \$9,585,000 respectively. The major components of the Company's net deferred taxes at January 30, 1999 and January 31, 1998 are as follows:

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Deferred rent.....
 Acquisition related reserves.....
 Inventory cost capitalization.....
 Difference between book and tax basis of fixed assets.....
 State income taxes.....
 Supplemental Employee Retirement Plan.....
 Other.....

THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 5: STOCKHOLDERS' EQUITY

The 2,912,665 shares of the Company's Class B Common Stock outstanding as of January 30, 1999 are convertible on a share-for-share basis into shares of the Company's Class A Common Stock at the option of the holder. The Class B Common Stock has two votes per share while the Class A Common Stock has one vote per share.

On May 24, 1996 the Company sold 765,000 shares of Class A Common Stock as a part of a public offering pursuant to a registration statement on Form S-3. The net proceeds to the Company from the sale of shares were \$14,459,000.

During the year ended February 1, 1997, major stockholders converted 3,895,000 shares of Class B Common Stock to Class A Common Stock. These shares were sold to the public through registration statements on Form S-3. The Company did not receive any proceeds from these transactions.

During the year ended January 30, 1999, the Company's Board of Directors authorized the repurchase of up to 20% of the outstanding shares of the Company's Class A Common Stock. As of January 30, 1999, 1,327,000 shares had been repurchased at a cost of \$19,675,000. Such repurchased shares are reflected as treasury stock in the accompanying financial statements.

NOTE 6: LONG-TERM INCENTIVE PLAN

Under the Company's long-term incentive plans (the "Plans"), the Company may grant stock options which are either incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or non-qualified stock options. The Plans provide that the per share exercise price of an incentive stock option may not be less than the fair market value of the Company's Class A Common Stock on the date the option is granted. Options become exercisable over periods of up to five years and generally expire ten years from the date of grant or 90 days after employment or services are terminated. The Plans also provide that the Company may grant restricted stock and other stock-based awards. An aggregate of 1,475,000 shares of the Company's Class A

Common Stock may be issued pursuant to the Plans. As of January 30, 1999, 19,756 shares were available for future grants.

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 6: LONG-TERM INCENTIVE PLAN (CONTINUED)

Stock option activity for each of the three years in the period ended January 30, 1999 was as follows:

	NUMBER OF SHARES	WEIGHT EXERC
	-----	-----
Outstanding at February 3, 1996.....	635,000	\$
Granted.....	60,000	
Canceled.....	(6,000)	
Exercised.....	(276,500)	

Outstanding at February 1, 1997.....	412,500	
Granted.....	595,000	
Canceled.....	(21,000)	
Exercised.....	(19,000)	

Outstanding at January 31, 1998.....	967,500	
Granted.....	130,000	
Canceled.....	(12,000)	
Exercised.....	(36,000)	

Outstanding at January 30, 1999.....	1,049,500	\$

At January 30, 1999, January 31, 1998 and February 1, 1997 there were 283,500, 119,500 and 19,500 outstanding options exercisable at a weighted average exercise price of \$8.42, \$4.65 and \$4.40, respectively.

Additional information regarding options outstanding as of January 30, 1999 is as follows:

RANGE OF EXERCISE PRICES	OPTIONS OUTSTANDING			OPTIONS EXERCIS	
	NUMBER OUTSTANDING AS OF JAN. 30, 1999	WEIGHTED AVERAGE REMAINING CONTRACTUAL LIFE	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE AS OF JAN. 30, 1999	W A E
-----	-----	-----	-----	-----	
\$ 3.00 - \$ 3.63	30,000	5.33	\$ 3.56	19,000	

WS 000552

4.13 - 5.13	269,500	5.20	4.18	174,500
8.00 - 16.50	290,000	8.65	16.27	50,000
19.31 - 20.00	460,000	8.60	19.97	40,000
	-----			-----
\$ 3.00 - \$20.00	1,049,500	7.65	\$14.42	283,500

During the years ended January 30, 1999, January 31, 1998 and February 1, 1997, the Company recognized tax benefits of \$408,000, \$144,000 and \$1,827,000, respectively, resulting from the exercise of certain non-qualified stock options.

ADDITIONAL LONG-TERM INCENTIVE PLAN INFORMATION

As discussed in Note 1, the Company continues to account for its stock-based awards using the intrinsic value method in accordance with APB No. 25, "Accounting for Stock Issued to Employees" and its related interpretations. Accordingly, no compensation expense has been recognized in the financial statements for employee incentive stock options or non-qualified stock options.

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 6: LONG-TERM INCENTIVE PLAN (CONTINUED)

Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation," (SFAS 123) requires the disclosure of pro forma net income and earnings per share had the Company adopted the fair value method as of the beginning of fiscal 1995. Under SFAS 123, the fair value of stock-based awards to employees is calculated through the use of option pricing models, even though such models were developed to estimate the fair value of freely tradable, fully transferable options without vesting restrictions, which significantly differ from the Company's stock option awards. These models also require subjective assumptions, including future stock price volatility and expected time to exercise, which greatly affect the calculated values. The Company's calculations were made using the Black-Scholes option pricing model with the following weighted average assumptions: expected life, 48 months following vesting; stock volatility, 49.93% in fiscal 1998, 72.23% in fiscal 1997 and 65.95% in fiscal 1996; risk free interest rates, 4.74% in fiscal 1998, 6.10% in fiscal 1997 and 6.38% in fiscal 1996; and no dividends during the expected term. The Company's calculations are based on a valuation approach and forfeitures are recognized as they occur. If the computed fair values of the fiscal 1998, fiscal 1997 and fiscal 1996 awards had been amortized to expense over the vesting period of the awards, net income and earnings per share would have been reduced to the pro forma amounts indicated below:

		FISCAL 1998

Net Income.....	As reported	\$ 25,954,000
	Pro forma	\$ 24,804,000
Net Income Per Share, Basic.....	As reported	\$ 1.98

	Pro forma \$	1.90
Net Income Per Share, Diluted.....	As reported \$	1.91
	Pro forma \$	1.83

The impact of outstanding non-vested stock options granted prior to 1995 has been excluded from the pro forma calculation; accordingly, the above pro forma adjustments are not indicative of future period pro forma adjustments, when the calculation will apply to all applicable stock options.

As of January 30, 1999, the Company has granted an aggregate of 72,244 shares of Class A Common Stock, net of forfeitures, to a group of its key employees under the performance grant award plan which was instituted pursuant to the Company's Plans. Under the performance grant award plan, key employees of the Company receive Class A Common Stock in proportion to their salary. These bonus shares vest at the rate of 33.33% per year and non-vested shares are subject to forfeiture if the participant terminates employment. Compensation expense, equal to the market value of the shares as of the issue date, is being charged to earnings over the period that the employees provide service. In each of the years ended January 30, 1999, January 31, 1998 and February 1, 1997, 12,308, 8,704 and 5,308 shares, respectively, were fully vested and issued. In connection with the issuance of these shares, the Company recorded compensation expense of \$463,000, \$267,000 and \$107,000 for the years ended January 30, 1999, January 31, 1998 and February 1, 1997, respectively.

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 7: COMMITMENTS

LEASES

The Company leases retail stores, automobiles, computers and corporate office and warehouse facilities under operating lease agreements expiring at various times through 2010. Substantially all of the leases require the Company to pay maintenance, insurance, property taxes and percentage rent ranging from 3% to 12%, based on sales volume over certain minimum sales levels. Effective February 1998, the Company entered into a sublease agreement for its former warehouse facility which expires in August 2002.

Minimum annual rental commitments under non-cancelable leases, including the corporate office and warehouse facility lease, are as follows:

	MINIMUM LEASE COMMITMENTS

FISCAL YEAR ENDING:	
2000.....	\$ 51,196,000
2001.....	47,962,000
2002.....	43,352,000
2003.....	36,511,000
2004.....	30,793,000

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Thereafter.....	95,957,000

	\$ 305,771,000

Rental expense, including common area maintenance, was \$72,533,000, \$64,384,000 and \$62,391,000, of which \$295,000, \$377,000 and \$345,000 was paid as percentage rent based on sales volume, for the years ended January 30, 1999, January 31, 1998 and February 1, 1997, respectively.

EMPLOYMENT CONTRACTS

The Company has employment contracts with two officers, which provide for minimum annual salaries, customary benefits and allowances, and incentive bonuses if specified Company earnings levels are achieved. The agreements provide these same officers with severance benefits which approximate three years' salary if the agreements are terminated without cause before expiration of their terms or if the individual's duties materially change following a change in control of the Company.

LITIGATION

The Company is a defendant in various lawsuits arising in the ordinary course of its business. While the ultimate liability, if any, arising from these claims cannot be predicted with certainty, the Company is of the opinion that their resolution will not likely have a material adverse effect on the Company's financial statements.

LETTERS OF CREDIT

At January 30, 1999, the Company had outstanding letters of credit amounting to approximately \$15,994,000.

THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 8: REVOLVING CREDIT ARRANGEMENT

Under an unsecured revolving line of credit arrangement with a bank, the Company may borrow up to a maximum of \$30 million on a revolving basis through July 1, 1999. The cash borrowings under the arrangement bear interest at the bank's prime rate or, at the Company's option, LIBOR plus 1.75%. On March 31, 1999, the line of credit was extended to a maturity date of July 1, 2000.

The credit arrangement imposes quarterly and annual financial covenants requiring the Company to maintain certain financial ratios and achieve certain levels of annual income. In addition, the credit arrangement requires that the bank approve the payment of dividends and restrict the level of capital expenditures. At January 30, 1999 and January 31, 1998, the Company was in compliance with these covenants. The Company had no borrowings outstanding under the credit arrangement at January 30, 1999 or January 31, 1998.

NOTE 9: LONG-TERM DEBT

In June 1995, the Company entered into an unsecured five-year, \$10 million term loan. The loan bears interest at the bank's prime rate plus .25% or, at the Company's option, LIBOR plus 1.75% (6.75% at fiscal year end) payable monthly. Under the terms of the debt agreement, the outstanding balance of \$2,264,000 will be repaid in quarterly installments of \$500,000, commencing October 31, 1999, until paid. Aggregate principal payments during fiscal 1999 and fiscal 2000 are \$1,000,000 and \$1,264,000, respectively.

The term loan imposes quarterly and annual financial covenants requiring the Company to maintain certain financial ratios and achieve certain levels of annual income. In addition, the term loan requires that the bank approve the payment of dividends and restricts the level of capital expenditures. At January 30, 1999 and January 31, 1998, the Company was in compliance with these covenants.

NOTE 10: RELATED PARTY TRANSACTIONS

Certain officers of Suzy Shier, Inc., a shareholder, provide management services to the Company. For these services, the officers earned in the aggregate a management fee of \$375,000 in the year ended January 31, 1999 and \$250,000 during each of the years ended January 31, 1998 and February 1, 1997.

NOTE 11: RETIREMENT PLAN

Effective June 1, 1993, the Company established a qualified defined contribution retirement plan under the Internal Revenue Code, Section 401(k). The Wet Seal Retirement Plan (the "Plan") is available to all employees who meet the Plan's eligibility requirements. The Plan is funded by employee contributions, and additional contributions may be made by the Company at its discretion. As of January 30, 1999 the Company had accrued \$112,000 as its fiscal 1998 contribution to the Plan.

THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 12: ACCRUED LIABILITIES

Accrued liabilities consist of the following:

	JANUARY 30, 1999	JAN
	-----	-----
Reserve for self insurance.....	\$ 2,857,000	\$
Accrued wages, bonuses and benefits.....	7,272,000	
Combination costs.....	--	
Gift certificate and credit memo liability.....	3,464,000	
Sales tax payable.....	1,651,000	
Other.....	5,186,000	
	-----	-----

\$ 20,430,000	\$ 2
-----	-----
-----	-----

In connection with the acquisition of Contempo Casuals, Inc., the Company assumed certain accruals, including the reserve for self insurance, which were estimated by the seller. The total amount of these assumed accruals may not, in fact be paid as the actual payments will be based on the future claims and losses which are actually submitted and which are related to pre-acquisition events. The accrual for combination costs consisted of management's estimates for the costs of closing and/or combining certain Contempo Casuals facilities and operations into Wet Seal's, as well as the costs of integrating management information and security systems. As of January 31, 1998, the Company had substantially completed the combination of facilities and the acquisition of necessary management information systems to fully integrate Contempo Casuals' operations into Wet Seal's. The accrued combination costs remaining at January 31, 1998 totaling \$1,645,000 were fully utilized with the integration of the Company's in-store security systems in fiscal 1998.

NOTE 13: SUPPLEMENTAL EMPLOYEE RETIREMENT PLAN

The Company maintains a defined benefit supplemental employee retirement plan (the "SERP") for certain of its key employees and a director. The SERP provides for preretirement death benefits through life insurance and for retirement benefits. The Company funded the SERP in 1998 and 1997 through contributions to a trust fund known as a "Rabbi" trust. Assets held in the Rabbi trust (\$861,000 and \$261,000 at January 30, 1999 and January 31, 1998, respectively) are subject to claims of the Company's creditors but otherwise must be used only for purposes of providing benefits under the SERP.

In accordance with SFAS 132, the following presents a reconciliation of the SERP's funded status:

CHANGE IN BENEFIT OBLIGATION

	JANUARY 30, 1999	JAN
	-----	-----
Benefit obligation at beginning of year.....	\$ 2,730,000	\$
Service cost.....	293,000	
Interest cost.....	191,000	
Actuarial loss.....	141,000	
Benefits paid.....	--	
	-----	-----
Benefit obligation at end of year.....	\$ 3,355,000	\$
	-----	-----
	-----	-----

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 13: SUPPLEMENTAL EMPLOYEE RETIREMENT PLAN (CONTINUED)
CHANGE IN PLAN ASSETS

	JANUARY 30, 1999	JAN
	-----	-----
Fair value of plan assets at beginning of year.....	\$ --	\$
Actual return on assets.....	--	
Employer contribution.....	--	
Benefits paid.....	--	
	-----	-----
Fair value of plan assets at end of year.....	\$ --	\$
	-----	-----
Funded status.....	\$ (3,355,000)	\$ (
Unrecognized transition (asset)/obligation.....	--	
Unrecognized prior service cost.....	1,968,000	
Unrecognized net loss/(gain).....	139,000	
	-----	-----
Net amount recognized.....	\$ (1,248,000)	\$
	-----	-----
Weighted average assumptions:		
Discount rate.....	6.75%	
Expected return on plan assets.....	0.00%	
Rate of compensation increase.....	n/a	

AMOUNTS RECOGNIZED IN BALANCE SHEET

	JANUARY 30, 1999	JAN
	-----	-----
Prepaid pension cost.....	\$ --	\$
Accrued benefit liability.....	(3,355,000)	(
Intangible asset (unrecognized prior service cost).....	1,968,000	
Accumulated other comprehensive income.....	139,000	
	-----	-----
Net amount recognized.....	\$ (1,248,000)	\$
	-----	-----

COMPONENTS OF NET PERIODIC PENSION COST

	JANUARY 30, 1999	JAN
	-----	-----

WS 000558

Service cost--benefits earned during the period.....	\$	293,000	\$
Interest cost on projected benefit obligation.....		191,000	
Expected return on plan assets.....		--	
Amortization of unrecognized prior service cost.....		164,000	
		-----	-----
Net periodic pension cost.....	\$	648,000	\$
		-----	-----

THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 14: NET INCOME PER SHARE

A reconciliation of the numerators and denominators used in basic and diluted net income per share is as follows:

		JANUARY 30, 1999

Net income: Basic and diluted.....	\$	25,954,000

Weighted average number of common shares:		
Basic.....		13,085,587
Effect of dilutive securities--stock options.....		495,646

Diluted.....		13,581,233

Net income per share:		
Basic.....	\$	1.98
Effect of dilutive securities--stock options.....		0.07

Diluted.....	\$	1.91

NOTE 15: SHAREHOLDER RIGHTS PLAN

WS 000559

On August 19, 1997, the Company's Board of Directors adopted a Shareholder Rights Plan (the "Rights Plan") designed to protect company stockholders in the event of takeover action that would deny them the full value of their investment. Terms of the Rights Plan provide for a dividend distribution of one right for each share of common stock to holders of record at the close of business on August 29, 1997. The rights become exercisable only in the event, with certain exceptions, an acquiring party accumulates 12 percent or more of

the Company's voting stock, or if a party announces an offer to acquire 20 percent or more of the Company's voting stock. Unless earlier redeemed, the rights will expire on August 29, 2007. Each right will entitle the holder to buy one one-hundredth of a share of a new series of preferred stock at a price of \$73.00, subject to adjustment upon the occurrence of certain events. The Company will be entitled to redeem the rights at \$0.01 per right at any time until the tenth day following the acquisition of a 12 percent position in its voting stock.

NOTE 16: UNAUDITED QUARTERLY FINANCIAL DATA

FISCAL YEAR ENDED JANUARY 30, 1999

QUARTER	SALES	GROSS MARGIN	NET INCOM
First Quarter.....	\$ 104,845,000	\$ 29,973,000	\$ 3,488,
Second Quarter.....	113,036,000	32,888,000	4,879,
Third Quarter.....	121,622,000	36,501,000	5,418,
Fourth Quarter.....	145,886,000	49,500,000	12,169,
For the Year.....	\$ 485,389,000	\$ 148,862,000	\$ 25,954,

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THE WET SEAL, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEARS ENDED JANUARY 30, 1999, JANUARY 31, 1998 AND FEBRUARY 1, 1997

NOTE 16: UNAUDITED QUARTERLY FINANCIAL DATA (CONTINUED)

FISCAL YEAR ENDED JANUARY 31, 1998

QUARTER	SALES	GROSS MARGIN	NET INCOM
First Quarter.....	\$ 95,563,000	\$ 25,441,000	\$ 3,515,
Second Quarter.....	94,254,000	25,337,000	3,417,
Third Quarter.....	104,435,000	30,432,000	5,479,
Fourth Quarter.....	118,211,000	38,609,000	8,839,
For the year.....	\$ 412,463,000	\$ 119,819,000	\$ 21,250,

Net Income per share is computed independently for each of the quarters

WS 000560

presented and therefore may not sum to the totals for the year.

NOTE 17: SUBSEQUENT EVENT

On February 1, 1999, the Company acquired the leases and furniture and fixtures for 80 stores from Britches of Georgetowne, Inc. The Company plans to convert the locations to Arden B., Wet Seal, Contempo Casuals and Limbo Lounge stores by the end of the first quarter of fiscal 1999, with the majority of the locations planned as Arden B.

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
*3.1	-- Restated Certificate of Incorporation of the Company.
*3.2	-- Bylaws of the Company.
*4.1	-- Specimen Certificate of the Class A Stock, par value \$.10 per sha
*4.2	-- Specimen Certificate of the Class B Stock, par value \$.10 per sha
*****4.3	-- Shareholder Rights Plan.
*****10.1	-- Lease between the Company and Foothill-Parkstone I, LLC, dated No
*10.3	-- Services Agreement, dated December 30, 1988, and First amendment June 1, 1990, between the Company and Kathy Bronstein.
**10.3.1	-- Second amendment to Services Agreement between the Company and Ka 1992.
***10.3.2	-- Services Agreement between the Company and Edmond Thomas, dated J
****10.3.3	-- Third amendment to Services Agreement between the Company and Kat 17, 1994.
****10.3.4	-- First amendment to Services Agreement between the Company and Edm 1994.
****10.3.5	-- Fourth amendment to Services Agreement between the Company and Ka 13, 1995.
****10.3.6	-- Second amendment to Services Agreement between the Company and Ed 1995.
*****10.3.7	-- Fifth amendment to Services Agreement between the Company and Kat 30, 1995.
*****10.3.8	-- Sixth amendment to Services Agreement between the Company and Kat 2, 1996.
*****10.3.9	-- Third amendment to Services Agreement between the Company and Edm 1996.
10.3.9.1	-- Fourth amendment to Services Agreement between the Company and Ed 1995.
*10.4	-- 1990 Long-Term Incentive Plan.
**10.5	-- Credit Agreement between the Company and Bank of America, dated a
***10.5.1	-- Credit Agreement between the Company and Bank of America, dated J
****10.5.2	-- Amendments No. 1 and No. 2 to Credit Agreement between the Compan January 25, 1994 and June 1, 1994, respectively.
*****10.5.3	-- Business Loan Agreement between the Company and Bank of America, Revolving Line of Credit, dated June 30, 1995.
*****10.5.4	-- Business Loan Agreement between the Company and Bank of America, Credit for Contempo Casuals, dated June 30, 1995.
10.5.5	-- Amendment No. 1 to Business Loan Agreement between the Company an Term Loan and Revolving Line of Credit, dated May 7, 1998.
10.5.6	-- Amendment No. 2 to Business Loan Agreement between the Company an Term Loan and Revolving Line of Credit, dated June 12, 1998.

WS 000561

- 10.5.7 -- Amendment No. 3 to Business Loan Agreement between the Company an
Term Loan and Revolving Line of Credit, dated November 6, 1998.
- 10.5.8 -- Amendment No. 4 to Business Loan Agreement between the Company an
Term Loan and Revolving Line of Credit, dated March 31, 1999.
- *****10.6.1 -- Key Man life insurance policy for Edmond Thomas.
- 10.6.2 -- Key Man life insurance policy for Kathy Bronstein.
- ***10.7 -- 1994 Long-Term Incentive Plan.
- *10.8 -- Stock Purchase and Stock Transfer Restriction Agreement among Kat
and the Company dated December 30, 1988.
- ****10.9 -- Indemnification Agreement between the Company and various Executi
January 3, 1995, and schedule listing all parties thereto.
- *****10.10 -- 1996 Long-Term Incentive Plan.
- *****10.11 -- Supplemental Employee Retirement Plan.
- *****21.1 -- Subsidiaries of the Registrant
- 23.1 -- Consent of Deloitte & Touche LLP, independent auditors.
- 27.1 -- Financial Data Schedule--Fiscal year end 1998

-
- * Denotes exhibits incorporated by reference to the Company's Registration
- ** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended January 30, 1993.
- *** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended January 29, 1994.
- **** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended January 28, 1995.
- ***** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended February 3, 1996.
- ***** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended February 1, 1997.
- ***** Denotes exhibits incorporated by reference to the Company's Current Repo
25, 1997.
- ***** Denotes exhibits incorporated by reference to the Company's Annual Repor
year ended January 31, 1998.

WS 000562





◆◆◆◆
Arden B.
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In
the
retail
game,
there's
the wild,
uninhibited
Vegas side.
Then there's
the Monte
Carlo side.
Sophisticated,
smart and
self-assured,
Arden B. is
the player
that everyone
watches.



IZAK

As a fashion-driven, lifestyle-oriented shopping destination for contemporary young women 20 to 35, Arden B. is all about providing customers with smart, urban, modern fashions that don't just fit their busy lifestyles, they enhance them. With a unique mix of high-quality European and custom in-house designs offered at an affordable price, these fashions are sophisticated and hip in every sense. With a very full and busy life packed with career, friends and interests, the Arden B. customer constantly seeks out what's new, what's in and what's different. We are continuing to evolve and leverage the Arden B. brand through the synergy and interaction of unique fashion, housed in a style-conscious, energetic and customer-catered store environment. In fiscal 2001, we will begin a design concept for an exciting new store environment to be tested by Spring 2002, while also opening 5 stores and remodeling 2 others.

Arden B. is committed to a powerful marketing and public relations campaign that speaks to our target customer, creates hype for the Arden B. brand and image and will increase traffic to Arden B. stores. Excitingly, our fashions have also hit the small screen with Arden B. clothes starring on such award-winning shows as *Will and Grace* and *Entertainment Tonight*, plus a slew of monthly editorial credits in major women's fashion magazines.

On a more intimate scale, we will continue to pursue direct mail advertising, local publications and local marketing vehicles to further develop the Arden B. brand. An aggressive regional product placement plan has been established, as well as a multitude of in-store events and fashion shows. Additionally, we're developing a fashion information exchange between the buyers, designers and sales staff to provide a communication infrastructure to further benefit the customer. With all of these exciting components in place, the Arden B. retail experience will be nothing short of high-energy, exciting and fulfilling with a sales staff that is fashion-savvy, warm and extremely helpful.

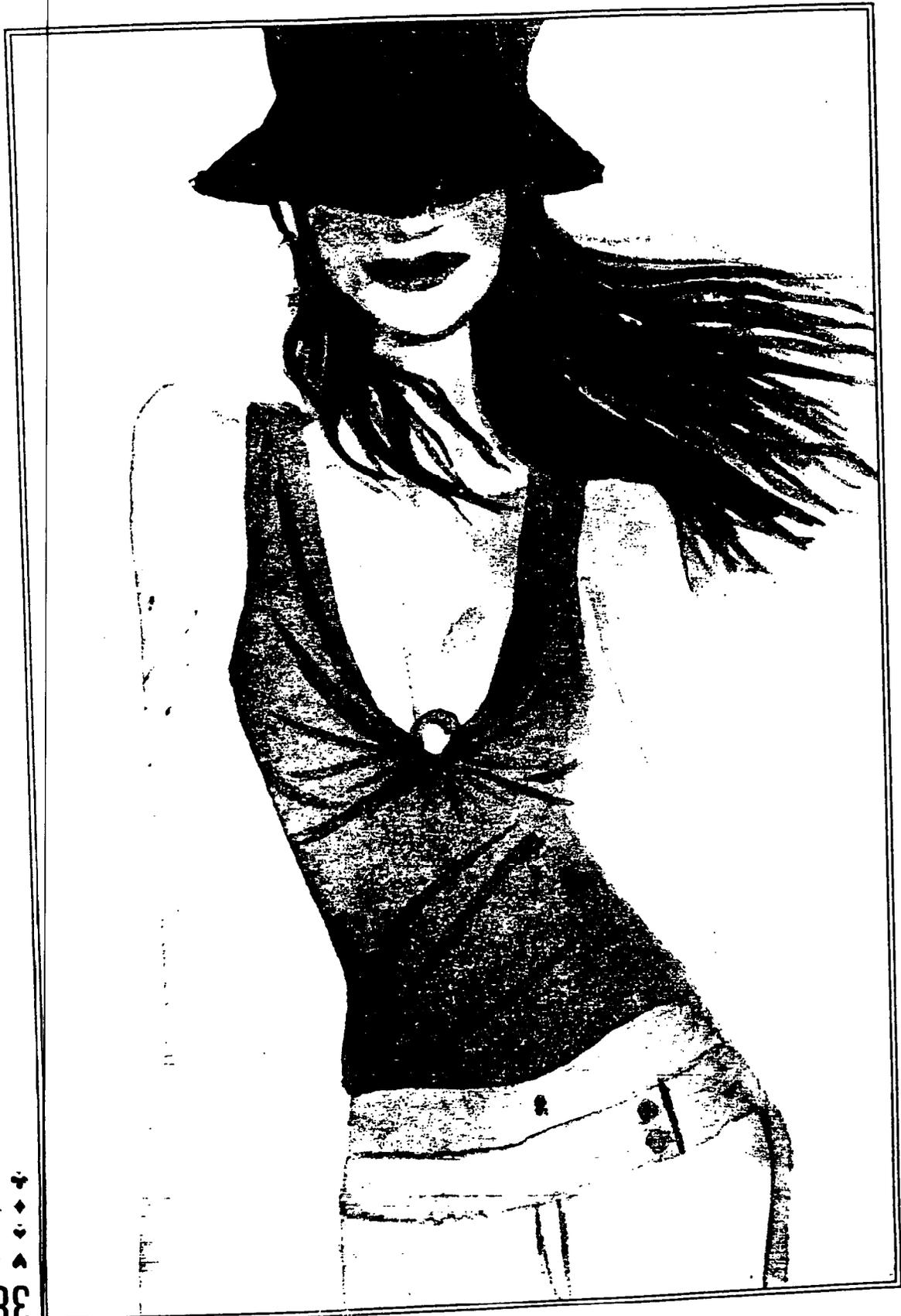
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MS 000991





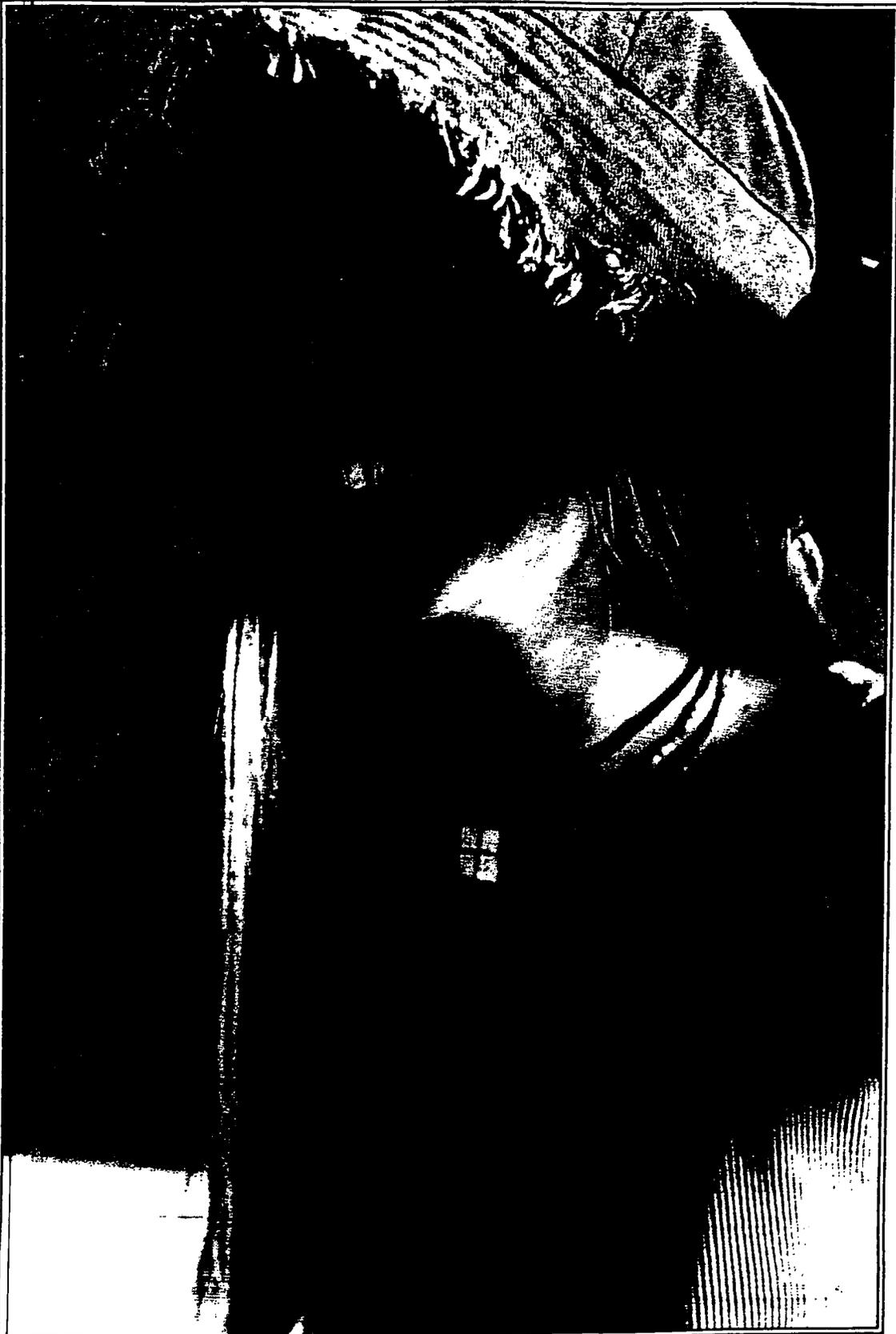
Zūtopia



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WS 000993

Who
are
tweens?
Girls stuck
between
finally fitting
into older, hip
clothes and
moms who still
want them to
wear pink bows.
Zutopia is the
trump card for
fashion-savvy
pre-teen
girls who
want to
play it
cool.



566000 SM



As the youngest and most recent acquisition, Zutopia acts as a much-needed link to the junior fashion set — namely Gen-Z. The brand was originally developed to appeal to young tweens who wanted more than anything to dress like their cool big sisters and the hip celebrities they worship. But mixed signals went up when moms and grandmas were simultaneously targeted. So, in acquiring the brand, we also stayed true to our history of marketing directly to our customer. We walk their walk and talk their talk, which makes this a good fit, because girls this age already have a keen fashion sense. They know and want what’s hip, what’s now and what’s in. And as an added bonus we’re able to build our relationship with girls at a much earlier age, which positions us for further growth.

To follow in the successful footsteps of our other flagship brands, the Zutopia brand will be built on the same fashion-forward structure and platform. This means consistently providing our customers with the same fashion trends that her big sister finds in Wet Seal. Our windows and storefronts will reflect the latest and greatest with a showcase of the hottest new fashion. Our accessories area will be structured as a must-have destination for fun, hip accoutrements. There is tremendous brand awareness within the malls where Zutopia stores are located, and plans are underway to build two new stores in fiscal 2001 as well as to remodel and to relocate another existing store. Fun, interactive and eclectic defines the entire store's environment as well as the lifestyle of our customer. And, reflecting her beliefs, spirit and dreams, Zutopia will be her store to hang out in, meet friends in and feel welcome in. We're excited to have Zutopia in our fashion family and for the opportunity to keep girls looking fabulous at every age.



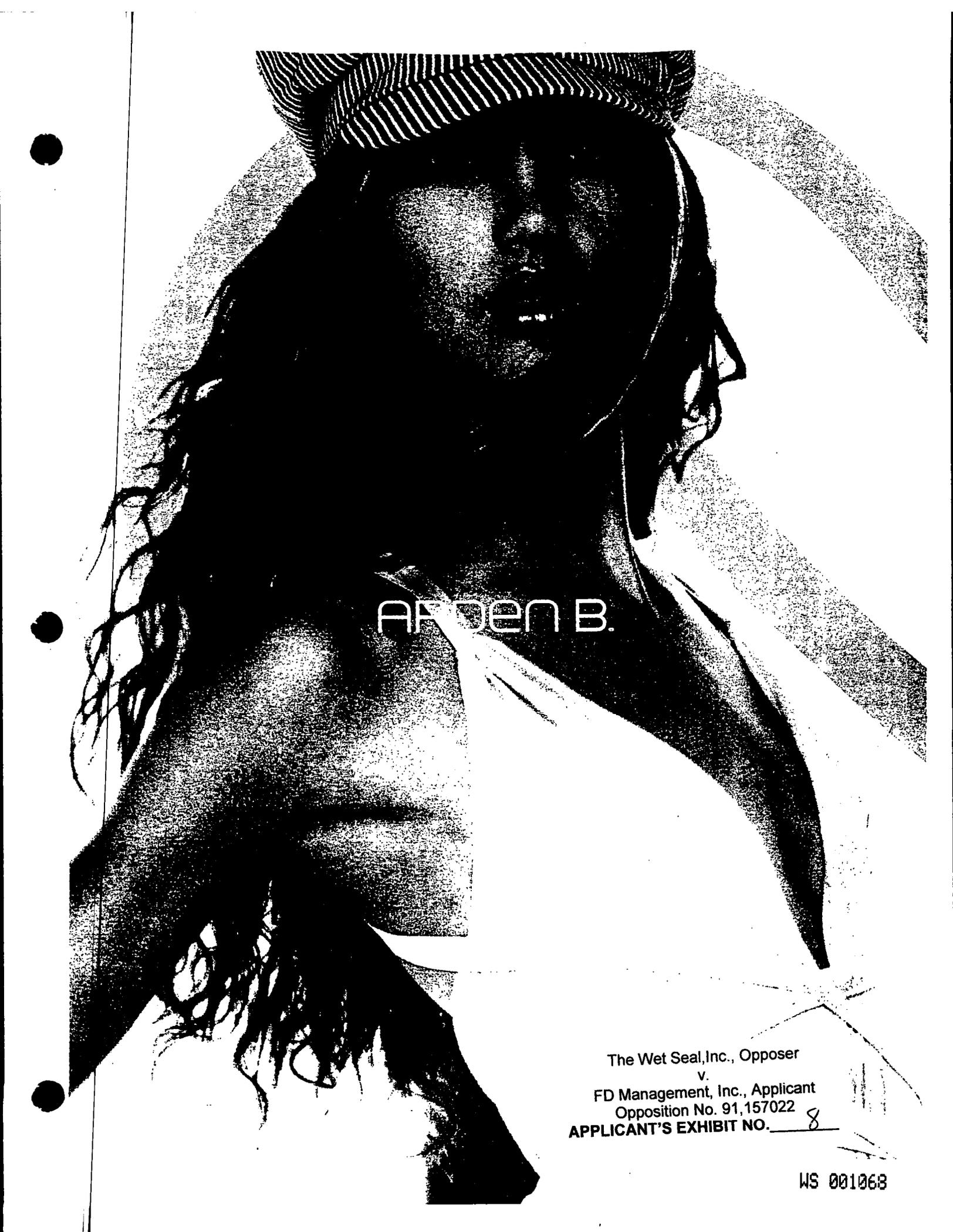
◆◆◆◆◆
Our Team
◆◆◆◆◆

We
have
some
of the
most
talented
people
in the
business
who know
exactly how
the fashion
industry game
is played and
what it takes
to keep the
company
on top.

Wet Seal.
The one
and only
true player
for the fashion
conscious
women
of the
world.

WS 001005





ARDEN B.

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 8

WS 001068

To the **Wet Seal, Inc.** Shareholders: **Fiscal 2002** was a year of highs and lows for our company, but we believe our ability to meet the challenges we have faced only underscores our staying power. * We began the year on a high note, carrying the momentum of the prior year — a period that brought historic change and unprecedented financial performance. However, as the year progressed, we were faced with unique challenges, both inside and outside the fashion world — from a dock workers' strike in Los Angeles, to a soft economy, to geo-political unrest. In addition, and perhaps most directly, our business, so dependent on new fashion styles, found no significant trend to drive sales, unlike in previous years. This void led to a very disappointing second half for us, with poor back-to-school and holiday sales seasons. * To be sure, this year's performance was in stark contrast to the prior year. However, at each turn, we acted to address issues as they arose. Perhaps most critical was an aggressive inventory management program which, in light of lower sales, necessitated extensive markdowns to clear older merchandise and enable the flow of fresh, new product to our stores. Particularly in our segment of retail, timeliness is crucial. Our ability to stay current and meet the ever-changing demands of our fashion-conscious customer is paramount to success. Our experienced team of buyers is dedicated to ensuring we will be first to market, ready to capitalize on the next big fashion wave. * To briefly recap this year's financial results, the company earned \$0.14 per diluted share for fiscal 2002, ended February 1, 2003. Net sales for the year totaled over \$600 million, with comparable store sales declining 5.6 percent. Lower gross margin



F-101

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 9



WS 001125



Dear Shareholders,

As we continue on our evolutionary journey of brand building into the year 2002, we reflect back on last year's results realizing that our goals are coming to fruition.

We entered 2001 with a strong agenda of rebuilding: our management team, our brands, and our vision. Our focus remained singular. We believed that to build our three concepts into Class A brands, we needed to reinvent ourselves. With that belief came the confidence for change and real change requires strong action.

We began by looking at our most established business, Wet Seal and Contempo Casuals, which was known more as a channel of distribution for a teenage customer than as a true brand. We determined that in order to reposition that business into a fashion retailer for young women, with no age limitations, we had to do two things. First and foremost, we needed to convert as many stores as possible to the Wet Seal banner. This would not only maximize our advertising and marketing efforts, but it would also focus us on one image of what that brand should represent. Secondly, we needed to reformulate our merchandising strategy and our sizing to reach a broader age range audience. To date, both of those goals have been accomplished.

Our contemporary business, Arden B. launched in 1998, had come into its stride but it was lacking a niche upon which to build. Under the direction of a new President for that brand, we entered 2001 with some momentum behind us, and again, reformulated a merchandising strategy which continued to evolve into a world-class fashion forward brand. Arden B. found its niche in the hearts of women of all ages who love fashion. It is the sweetheart of fashion editors and the first choice for "right off the runway" fashion for the hip female customer. Again, we disposed of the age barriers that previously had limited the direction of Arden B. and moved into a new arena: trendsetter.

Zutopia, our preteen concept, which was purchased from Gymboree in March 2001, has also seen the light. To maximize and leverage the strengths of its "big sisters", we made a choice to evolve that preteen business into a "first for fashion" brand with the same focus of our other brands - to be a fashion leader and first to market.

As we continue our brand-building mission, our focus now turns to growth. We are well positioned for rapid expansion in all three brands with a very strong balance sheet, an invigorated and innovative management team and the right formula for distinction of each brand. We look forward with confidence to increased sales and profitability, and an exciting future.

I would like to extend a special note of thanks to all of our employees who continue to "make it happen" and pave the way for our future success.

Sincerely,

Kathy Bronstein

Vice Chairman & Chief Executive Officer

WS 001151

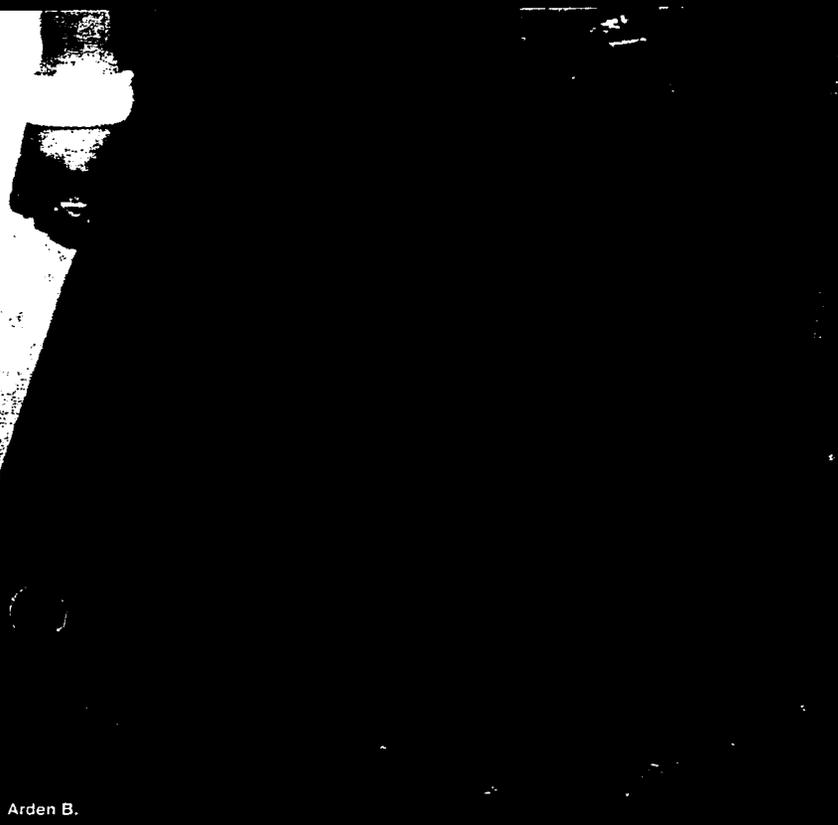


..... 3 3

3 Leading Brands.

Fashion may be fickle but, year after year, stylish women of all ages rely on us to provide the looks they love. No matter where on the style spectrum their tastes may fall, we've got a brand that fits. With forty years in the business, we know it takes more than style to attract a loyal following. It takes a leader. In fact, it takes three.

..... 3 3



Arden B.

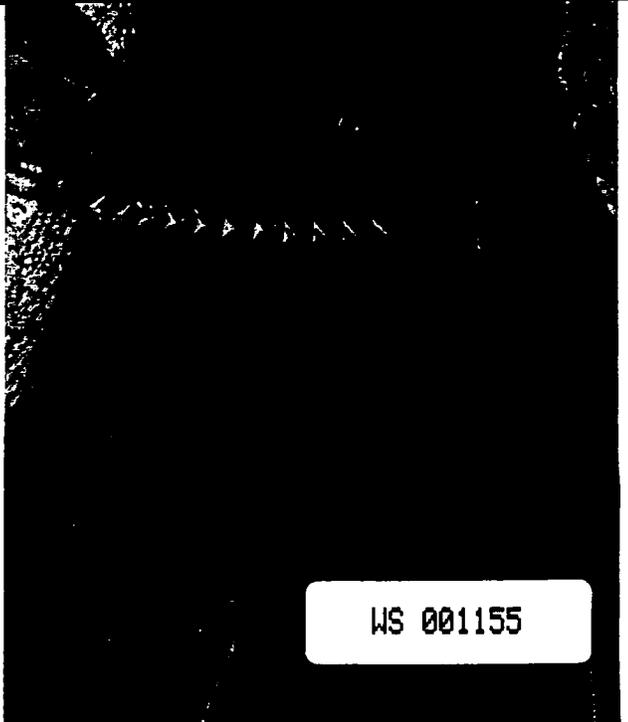
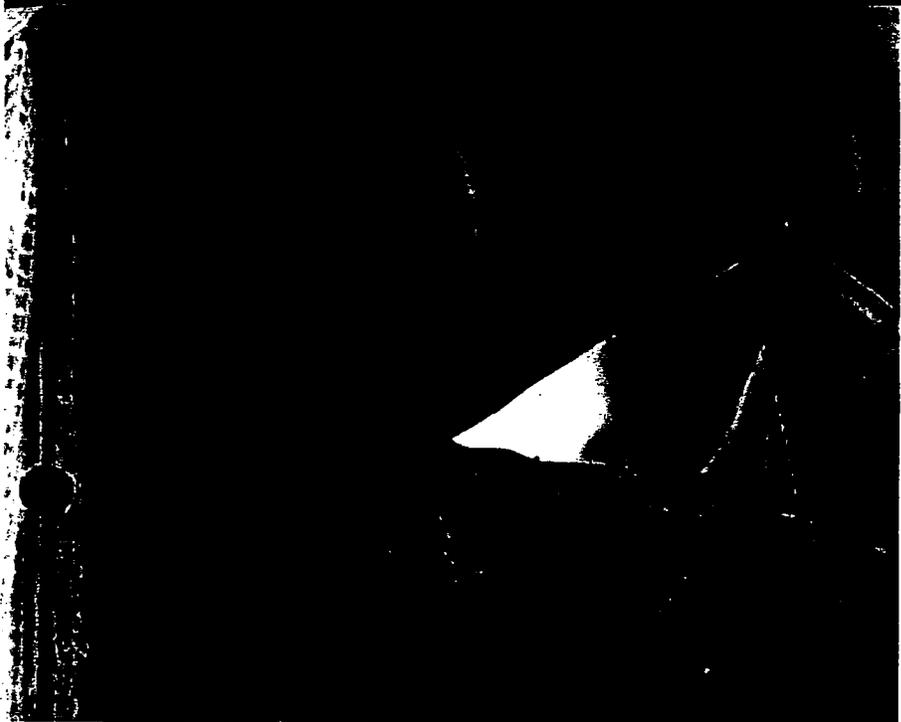


Wet Seal

WS 001154



Wet Seal Whatever look young women crave, Wet Seal is the first place they go for the last word on style. This group tries on personalities as easily as they try on clothes, and they count on Wet Seal to supply an ever-changing, always fresh, array of style choices. With new apparel and accessories arriving daily, Wet Seal gives trendy young women the opportunity to explore every look under the sun, from casual to funky to glamorous. Offering constant change, Wet Seal also gives them a reason to come back again and again. **Arden B.** For the woman who loves fashion right off the runway, the trend-setter, Arden B. finds its niche. With a unique mix of high quality European and custom in-house designs, Arden B. delivers the hip, sophisticated wardrobe that women need to suit their lifestyle. While they seek out the new, they can count on Arden B. to find it. This world-class brand has been an important addition to our company stable. **Zutopia** Style is ageless, which is why two years ago our company grew to include girls 5 to 12. Just as young girls are right in step with their trend-setting older sisters, our Zutopia brand is also in step with its sophisticated sister brands, Wet Seal and Arden B. Preteens know they can count on Zutopia for the styles they need to keep up with the big girls. Zutopia is perfectly positioned to help them develop their already keen fashion sense, and to be there down the road as they grow into our other brands.



WS 001155

Corporate Information

CORPORATE DATA

The company's common stock trades on The NASDAQ Stock Market under the symbol "WTSLA". Transfer Agent and Registrar is American Stock Transfer and Trust Company, 40 Wall Street, New York, New York. Central Office, 26972 Burbank, Foothill Ranch, California 92610 (949) 583-9029

FORM 10-K

A copy of the Company's Annual Report to the Securities and Exchange Commission on Form 10K is available without charge to stockholders upon written request to: Investor Relations, The Wet Seal, Inc., 26972 Burbank, Foothill Ranch, California 92610

ANNUAL MEETING

The Annual Stockholder's Meeting will be held at 10:00 a.m., Thursday, May 30, 2002 at the Westin South Coast Plaza, 686 Anton Boulevard, Costa Mesa, California 92626. Proxy statements were mailed to stockholders with the annual report.

OFFICERS & DIRECTORS

Board of Directors

George H. Benter, Jr.,
President,
Chief Operating Officer & Director,
City National Bank

Kathy Bronstein,
Vice Chairman &
Chief Executive Officer,
The Wet Seal, Inc.

Stephen Gross,
President,
Suzy Sbiel Limited

Walter F. Loeb,
President,
Loeb Associates, Inc.

Wilfred Posluns,
Managing Director,
Cedarpoint Investments, Inc.

Gerald Randolph,
Chief Financial Officer & Director,
Suzy Sbiel Limited

Board of Directors (continued)

Alan Siegel,
Partner, Akin, Gump, Strauss,
Strauss, Hauer and Feld, L.L.P.

Irving Teitelbaum,
Chairman & Chief Executive Officer,
Suzy Sbiel Limited

Executive Committee

Irving Teitelbaum, *Chairman*
Kathy Bronstein

Compensation & Option Committee

George H. Benter, Jr.
Walter Loeb
Wilfred Posluns

Audit Committee

Wilfred Posluns, *Chairman*
George H. Benter, Jr.
Walter Loeb

Corporate Officers

Irving Teitelbaum,
Chairman of the Board

Kathy Bronstein,
Vice Chairman &
Chief Executive Officer

Stephen Gross,
Secretary

Walter J. Parks,
Executive Vice President &
Chief Administrative Officer

Greg Scott,
President, Arden B.

Susan O'Toole,
President, Zutopia

Barbara Bachman,
Senior Vice President,
Store Operations

Sharon Hughes,
Senior Vice President & General
Merchandising Manager - Zutopia

Stephen Cox,
Senior Vice President & General
Merchandise Manager - WS/CC

Corporate Officers (continued)

Steve Strickland,
Senior Vice President,
Creative & Marketing

Cecilia Gasgonia,
Vice President, Merchandise
Planning & Allocation - Arden B.

Cheryl Rudich,
Vice President, Strategic Marketing

Heather Hollister,
Vice President, Real Estate

Heidi Coyne,
Vice President, Merchandise
Planning & Allocation - WS/CC

Julie Petritsch,
Vice President, Corporate Controller

Kim Bajrech,
Vice President, Divisional
Merchandise Manager - WS/CC

Larry Smith,
Vice President, General Counsel

Lee Breitenbach,
Vice President, Physical Distribution

Liz Mulligan,
Vice President, Divisional
Merchandise Manager - WS/CC

Mathieu Nuygen,
Vice President, Creative Services

Michael Relich,
Vice President &
Chief Information Officer

Pam Furlong,
Vice President, Human Resources

Siobhan Knox,
Vice President, Strategic Planning

Tina McAuley,
Vice President,
Product Development & Sourcing

Vic Spina,
Vice President,
Store Planning & Construction



SETTLEMENT AGREEMENT

This Agreement ("Agreement") is made as of March 20, 2002, ("Effective Date")
between Agnès Troublé ("AT"), a French citizen residing in France, and The Wet Seal, Inc., a
Delaware Corporation ("Wet Seal"), located in Foothill Ranch, California

The Wet Seal, Inc., Opposer

The parties agree as follows.

v.
FD Management, Inc., Applicant
Opposition No. 91,157022

APPLICANT'S EXHIBIT NO. 10

1. Background

a. AT is the owner of certain trademarks and U.S. trademark registrations and applications that include or are derived from the mark AGNES B. (the "AGNES B. Marks"). The AGNES B. Marks are licensed to operating companies in the United States and throughout the world (the "Affiliates"), and are used in association with the operation of retail stores, retail services, women's clothing and related merchandise and products, and fine house wares. The appearance and registration or serial number in the United States Patent and Trademark Office ("USPTO") for each of the AGNES B. Marks is listed in the attached Exhibit A.

b. Wet Seal currently uses the ARDEN B. trademark in a design form in association with the operation of retail stores, retail services, and women's clothing (the "ARDEN B. Marks"). Wet Seal has filed certain trademark applications to register the ARDEN B. Marks in the USPTO. The appearance and serial number of each of the current ARDEN B. Marks is listed in the attached Exhibit B.

c. AT has filed an opposition in the USPTO to Wet Seal's applications to register the ARDEN B. Marks under Action No. 113213 (the "Opposition").

d. AT filed a complaint (the "Action") against Wet Seal captioned *Agnès Troublé v. The Wet Seal, Inc.* in the United States District Court, Southern District of New York (No. 99 CV 10997 (VM)) claiming among other things that Wet Seal has infringed AT's registered trademarks by the use of the trademark ARDEN B. in the sale of women's apparel and as the name of a chain of stores. Wet Seal has denied the allegations and has defended the Action.

e. Each party has concluded that it is in its interest to settle the Action and to resolve the Opposition.

2. Change of the Wet Seal Design Mark

a. Wet Seal shall change the design form as it appears in Exhibit B (the "Old Logo") to the new design form that appears in the attached Exhibit C (the "New Logo") according to the transition schedule attached as Exhibit D (the "Transition Schedule"). Pursuant to the Transition Schedule, Wet Seal will cease using the Old Logo forever in connection with any and all goods and services throughout the world. Once the transition described in the Transition Schedule is complete, Wet Seal will not use either the Old Logo or any colorable imitation of the Old Logo. For the purposes of this Agreement, a "colorable imitation of the Old Logo" includes any version of the ARDEN B. logo that

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uses a script format, a lower-case "B." or an accent mark of any type.

b. Wet Seal will make the transition to the New Logo according to the Transition Schedule.

c. Wet Seal will use its best efforts to implement the Transition Schedule

i. Wet Seal shall destroy any remaining items designated in Sections II, III, IV, and V of the Transition Schedule not sold or used by the final dates specified in those sections of the Transition Schedule ("Final Transition Dates") and promptly provide to AT a declaration of destruction. If AT discovers use of the Old Logo by Wet Seal after the Final Transition Dates, AT or her representative will notify Wet Seal in writing detailing the date, place and nature of that use. Upon receipt of the notice, Wet Seal shall take immediate action to cease the use and to destroy any remaining items displaying the Old Logo.

ii. Wet Seal's failure to adhere strictly to the dates on the Transition Schedule will not constitute a breach of this Agreement unless it is determined that Wet Seal has not or is not acting in good faith to carry out its obligations to adhere to them. Notwithstanding the foregoing, Wet Seal shall timely complete the scheduled transitions of Signage, as defined in the Transition Schedule, unless it has consulted with a representative of AT pursuant to Paragraph 8(b) and received a waiver of the transition date for a particular store. Any dispute relating to Wet Seal's use of its best efforts or its good faith in undertaking its responsibilities under this provision shall be handled according to the procedure described in Paragraph 8(b).

3. Trademarks

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a. Wet Seal acknowledges that the AGNES B. Marks throughout the world, whether as word marks, in design form, or as a trade name are the property of AT and Wet Seal covenants and agrees not to sue AT for infringement or unfair competition based upon AT's use of the AGNES B. trademark in conformity with this Agreement. AT may modernize or change the AGNES B. Marks, and any modernized or changed AGNES B. Mark shall be treated as one of the AGNES B. Marks for purposes of this Agreement, provided, however, that AGNES B will not register or use a mark in the design of the New Logo or a colorable imitation thereof. Subject to the foregoing, Wet Seal agrees not to oppose or cancel any application or registration of any AGNES B. Marks or any future mark that includes any element of the AGNES B. Marks anywhere in the world in any International Classification of goods and service, at any time or on any basis or take any steps, directly or indirectly, to attack the validity of the AGNES B. Marks or their ownership by AT.

b. AT acknowledges that the ARDEN B. trademark throughout the world, whether as a word mark in the design of the New Logo, or as a trade name, is the property of Wet Seal and AT covenants and agrees not to sue Wet Seal for infringement or unfair competition based upon Wet Seal's use of the ARDEN B. trademark in conformity with this Agreement. Wet Seal may modernize or change the New Logo so long it is not in

the form of the Old Logo or a colorable imitation thereof, and any modernized or changed New Logo shall be treated as a "New Logo" for purposes of this Agreement. The term "colorable imitation" in the foregoing sentence has the same meaning set out in Subsection 2(a). At least fourteen (14) days before using or applying to register any modernized or changed New Logo, Wet Seal also agrees to show AT or her designated representative the proposed mark for her approval, which shall not be unreasonably withheld. Wet Seal intends to file applications with the USPTO to register the New Logo for apparel and retail store services. AT agrees that she will not oppose registration of the New Logo or the ARDEN B. trademark, so long as the form of the mark conforms to the criteria set forth in this Agreement, in the USPTO or anywhere else in the world in any International Classification of goods and service, at any time or on any basis, or take any steps, directly or indirectly, to attack the validity of the New Logo or the ownership of the New Logo by Wet Seal.

c. If either party encounters obstacles to registration because of the existence of the other's trademarks, the party whose trademark is cited as an obstacle agrees to provide the other, at no expense, such consents and additional information as reasonably may be required to permit the other party to secure and maintain registration of its respective marks or logos as permitted under this Agreement. The consents to be provided by each party shall be in such form as the trademark registration authorities may reasonably request. Each party agrees to provide such consents within 30 days of receipt of the other party's written request.

d. The rights of each of AT and Wet Seal in their respective trademarks include (i) the right to use their respective trademarks in association with all products of any kind and description presently designed, manufactured, sold or distributed by or for either party or which may in the future be so designed, manufactured, sold or distributed, (ii) the right to enter into license agreements with third parties for the use of their respective trademarks, and (iii) all other rights, including registration, which inure to the benefit of the owner of a trademark under the legal systems of the various countries and jurisdictions in which the trademarks are now or may be used in the future.

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e. Wet Seal agrees that it will not register the Old Logo anywhere in the world, and that it will apply to register its New Logo in the USPTO no later than seven (7) business days after the Effective Date. Wet Seal will also file an express abandonment of the Old Logo (in the form shown in the attached Exhibit E) in the USPTO and in all other domestic and foreign jurisdictions where applications to register the Old Logo are pending, including those listed in Exhibit B, no later than seven (7) business days after the USPTO approves the New Logo for publication or one year after the Effective Date, whichever is earlier. If Wet Seal fails or refuses to make that filing as prescribed, it hereby appoints AT and her attorneys as Wet Seal's attorney-in-fact for the sole purpose of making that filing on Wet Seal's behalf.

f. Within seven (7) business days of Wet Seal's service on AT of its filing of the abandonment(s) required under Paragraph 3(e), AT will file in the USPTO a motion to withdraw the Opposition (in the form shown in the attached Exhibit F).

g. The parties agree that within seven (7) business days of the dismissal of the

Action, they will jointly file in the Trademark Trial and Appeals Board a motion to continue to suspend the Opposition, pursuant to this Agreement, in the form shown in the attached Exhibit G.

4. Payment and Delivery of Documents

a. Together with its execution and delivery of this Agreement to AT, Wet Seal will deliver (i) a cashier or bank check for [REDACTED] in immediately available funds payable to "Patterson, Belknap, Webb & Tyler LLP" and (ii) an executed duplicate original of the abandonment(s) referred to in Paragraph 3(e) (attached as Exhibit E), which AT's counsel will hold in escrow to be used only in connection with Paragraph 3(e).

b. Together with its execution and delivery of this Agreement to Wet Seal, AT will deliver (i) a copy of the motion to withdraw the Opposition (attached as Exhibit F), and (ii) a signed Stipulation and Order of Dismissal (in the form shown in the attached Exhibit H), and Wet Seal will file it with the Court.

5. Publication of the Settlement

a. Within two business days following execution and delivery of this Agreement by Wet Seal, AT or her designee may issue a statement in a form substantially similar to the one set out in Exhibit I ("Statement"). Before AT issues the Statement, Wet Seal shall not make any public statement regarding the New Logo, this Agreement, or the settlement of this lawsuit. In its own public announcement of the change to the New Logo, Wet Seal is not required to mention the Action or the settlement thereof.

b. Neither party shall intentionally disclose the Transition Schedule (Exhibit D) or the amount of the payment provided for in Paragraph 4(a), and each party shall take steps to ensure that its file copies of the Agreement note that the Transition Schedule and the amount of payment are confidential.

c. Notwithstanding the foregoing, this Agreement may be used as evidence in a subsequent proceeding in which either of the parties alleges a breach of this Agreement or in any trademark proceeding between the parties involving trademark infringement or dilution occurring after the Effective Date as extended by the transition dates specified in the Transition Schedule.

6. General Releases

a. AT hereby releases, discharges and waives any and all claims and causes of action she has or may have had up to the Effective Date in the Action or otherwise ("Claims") against Wet Seal, its parents, subsidiaries, affiliated entities, officers, directors, agents, servants, employees, and attorneys, and AT covenants not to institute any suit with respect to the Claims. AT warrants that she has the power to grant such release and that none of the Claims she is releasing in this Agreement has been assigned or transferred to any other person or entity, by operation of law or otherwise.

b. Wet Seal hereby releases, discharges and waives any and all claims and causes of

action it has or may have had up to the Effective Date in the Action or otherwise ("Claims") against AT or her Affiliates and any of its parents, subsidiaries, affiliated entities, officers, directors, agents, servants, employees, and attorneys, and Wet Seal covenants not to institute any suit with respect to the Claims. Wet Seal warrants that it has the power to grant such release and that none of the Claims it is releasing in this Agreement has been assigned or transferred to any other person or entity, by operation of law or otherwise.

c. The parties' releases are, and shall be construed as, general releases up to the Effective Date, but the parties reserve their rights to sue for breach (but not rescission) of this Agreement.

7. Representations and Warranties

a. Wet Seal represents and warrants to AT that its entry into and consummation of this Agreement is the duly authorized action of Wet Seal as its valid and binding act, and each of the signatories of this Agreement and the express notice of abandonment of trademark (Exhibit E) is authorized to sign those documents for Wet Seal.

b. AT represents and warrants to Wet Seal that the entry into this Agreement and the consummation thereof is valid and binding on her and each and every Affiliate.

c. Wet Seal represents and warrants that Exhibit B is complete and that it owns no other registration or application to register – either in the United States or in any other domestic or foreign jurisdiction -- for the ARDEN B. Marks.

d. The parties acknowledge and agree that they have entered into this Agreement of their own free will and volition and were not coerced to do so nor under duress at the time of executing this Agreement, and that each of the parties has business or other options available to it other than the execution and delivery of this Agreement but has chosen to enter into this Agreement voluntarily and knowingly. The parties hereby warrant and represent that they have consulted with and received advice from legal counsel of their choice with respect to this Agreement.

8. Governing Law; Mediation

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a. This Agreement is governed in all respects by the substantive law of the State of New York, applicable to agreements made and performed there, without regard to its conflicts of laws rules. Subject to Paragraph 8(b), any controversy or proceeding arising out of or related to this Agreement shall be brought exclusively in the federal and state courts in the County and State of New York. The parties expressly submit to personal jurisdiction and venue in any of those courts and will not object to such jurisdiction on the ground of *forum non conveniens* or otherwise.

b. The parties agree that they will attempt in good faith to resolve any dispute relating to Wet Seal's performance of the transition from the Old Logo to the New Logo periods described in the Transition Schedule through negotiations between executives or counsel who have authority to settle the dispute and which each party identifies to the

other. If the parties are unable to resolve the dispute through such negotiations within a reasonable time not to exceed thirty (30) days, then the dispute shall be submitted to non-binding mediation conducted according to the then-current rules and procedures of the JAMS/Endispute agency, using one neutral third-party mediator based in the County and State of New York. The parties shall each bear their own costs and fees for any mediation and one-half of the costs of the mediator.

9. General Provisions

a. This Agreement together with its attached Exhibits A-I, which are incorporated in the Agreement, constitute the entire agreement between the parties with respect to its subject matter and supersede and merge all prior or contemporaneous agreements, representations, negotiations or discussions (whether written or oral) between the parties. Any modification to this Agreement is not valid unless in writing and signed by the parties.

b. This Agreement is binding on and inures to the benefit of the parties, their heirs, successors, assigns, licensees, parents, subsidiaries, affiliates, including the Affiliates, and all others acting by or through them or with or under their direction or in privity with them.

c. If a court of competent jurisdiction holds any term or provision of this Agreement invalid or unenforceable, such invalidity will not affect the validity or operation of any other term or provision unless doing so would deprive either of the parties of the benefit of the settlement, in which case the parties will attempt to re-negotiate the Agreement so as to rectify that result.

d. No waiver of any term or condition of or any breach of this Agreement or any part of it should be deemed a waiver of any other term or condition or of any later waiver or breach of the Agreement or any part of it.

e. The words "include or "including" mean "including without limitation." Headings and captions throughout this Agreement are for convenience only and should not be considered part of the Agreement.

f. This Agreement may be executed in multiple, facsimiled counterparts, each of which is valid and binding as if all of the parties had executed the same document.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered on its behalf, as of the Effective Date, by its duly authorized representative.

AGNÈS TROUBLÉ

Agnes Trublé

Date: _____

THE WET SEAL, INC.

By: _____

Title: _____

Date: _____

f. This Agreement may be executed in multiple, facsimiled counterparts, each of which is valid and binding as if all of the parties had executed the same document.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed and delivered on its behalf, as of the Effective Date, by its duly authorized representative.

AGNÈS TROUBLÉ

Date: _____

THE WESS SEAL, INC.

By: [Signature]

Title: Vice Chairman/COO

Date: 2/20/05

EXHIBIT A

Index to The Agnès B. Marks

Registrations

1. AGNES B., Reg. No. 1,336,761, I.C. 25 (May 21, 1985)
2. AGNES B., Reg. No. 1,442,634, I.C. 3, 9, 14, 18 (June 16, 1987)
3. AGNES B. (Stylized), Reg. No. 1,719,758, I.C. 3, 25 (Sept. 29, 1992)
4. AGNES B. (Stylized), Reg. No. 2,077,233, I.C. 14 (July 8, 1997)
5. AGNES B. LOLITA (Stylized), Reg. No. 1,708,281, I.C. 25 (August 18, 1992)
6. AGNES B. LOLITA (Stylized), Reg. No. 2,001,957, I.C. 3 (Sept. 17, 1996)
7. B. (Stylized), Reg. No. 2,053,915, I.C. 25 (April 22, 1997)
8. B. (Stylized), Reg. No. 2,094,567, I.C. 14 (September 9, 1997)
9. B. SOFT (Stylized), Reg. No. 2,443,699, I.C. 14 (April 17, 2001)
10. SPORT B. JEAN AGNES B. & DESIGN, Reg. No. 1,825,206, I.C. 25 (March 8, 1994)
11. LE B. D'AGNES B. (Stylized), Reg. No. 1,577,203, I.C. 3, 25 (Jan. 16, 1990)
12. SPORT AGNES B. & DESIGN, Reg. No. 1,790,471, I.C. 25 (Aug. 31, 1993)
13. LE PETIT B.B., Reg. No. 1,949,723, I.C. 25 (Jan. 16, 1996)
14. ROUGE B. (Stylized), Reg. No. 2,438,035, I.C. 3 (March 27, 2001)

Applications

15. @GNES B. (Stylized), Serial No. 75/767,552, I.C. 14, 18, 25 (Notice of Allowance Issued Nov. 20, 2001)
16. AGNES B. LAB' (Stylized), Serial No. 75/575,643, I.C. 25, (Filed Oct. 21, 1998)
17. SPORT B. & DESIGN, Serial No. 76/321,841, I.C. 14, 18, 25 (Filed Oct. 5, 2001)
18. SPORT B. AGNES B. & COLOR DESIGN, Serial No. 76/224,336, I.C. 25 (Filed March 12, 2001)
19. B. PERFECT!, Serial No. 75/903,189, I.C. 3 (Filed Jan. 26, 2000)
20. LE PETIT B.B. & DESIGN, Serial No. 74/098,111, I.C. 3 (Notice of Allowance Issued July 24, 2001)
21. SPORT B. FABRIQUE AU MAROC (Stylized), Serial No. 76/228, 097, I.C. 18, 25 (Filed March 20, 2001)

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WS 001362

T3/19/1

3/19/1 (Item 1 from file: 226)

DIALOG(R) File 226: TRADEMARKSCAN(R) - US FED

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03383303

AGNES B.

INTL CLASS: 25 (Clothing)

U.S. CLASS: 39 (Clothing)

STATUS: Registered; Section 8 & 15 - Accepted & Acknowledged

GOODS/SERVICES: MEN'S AND WOMEN'S READY TO WEAR-NAMELY, DRESSES,
SUITS, SKIRTS, JACKETS, COATS FOR DAY AND EVENING WEAR, FOR
WOMEN; SLACKS, JACKETS, SUITS, SPORTSHIRTS, DRESS-SHIRTS, COATS
FOR DAY AND EVENING WEAR, FOR MEN

SERIAL NO.: 73-383,303

REG. NO.: 1,336,761

REGISTERED: May 21, 1985

FILED: September 2, 1982

PUBLISHED: March 12, 1985

OG AMENDED: March 1, 1988

AFFIDAVIT SEC.: 8-15; September 11, 1991

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 38, RUE
DU BAC, PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 38, RUE
DU BAC, PARIS, FR (France)

ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194 RUE
DE RIVOLI, PARIS, FR (France)

CLAIMS: IN THE STATEMENT, COLUMN 1, AFTER LINE 3, "NOW LOCATED AT
194 RUE DE RIVOLI" IS INSERTED.

NON-U.S. REGISTRATION DATA: Reg. No.: 149,025 Date: March 21,
1973 Expiration: March 21, 1993

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON AND TAYLOR, 727 -
23RD STREET, SOUTH, ARLINGTON, VA 22202

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WS 001363

T2/19/1

2/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED

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03592308

AGNES B.

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)
9 (Electrical & Scientific Apparatus)
14 (Jewelry)
16 (Paper Goods & Printed Matter)
18 (Leather Goods)
20 (Furniture & Articles Not Otherwise Classified)
21 (Housewares & Glass)
24 (Fabrics)

U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
2 (Receptacles)
3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)
4 (Abrasives & Polishing Materials)
5 (Adhesives)
6 (Chemicals & Chemical Compositions)
13 (Hardware, Plumbing, Steam-fitting Supplies)
21 (Electrical Apparatus, Machines & Supplies)
22 (Games, Toys, & Sporting Goods)
23 (Cutlery, Machines, & Tools, Parts Therof)
25 (Locks & Safes)
26 (Measuring & Scientific Appliances)
27 (Horological Instruments)
28 (Jewelry & Precious Metalware)
29 (Brooms, Brushes, & Dusters)
30 (Crockery, Earthenware, & Porcelain)
32 (Furniture & Upholstery)
33 (Glassware)
36 (Musical Instruments & Supplies)
37 (Paper & Stationery)
38 (Prints & Publications)
40 (Fancy Goods, Furnishings, & Notions)
41 (Canes, Parasols, & Umbrellas)
42 (Knitted, Netted, Textile Fabrics, & Substitutes)
50 (Merchandise Not Otherwise Classified)
51 (Cosmetics & Toilet Preparations)
52 (Detergents & Soaps)

T&T U.S. CLASS: 41 (Canes, Parasols, & Umbrellas)

STATUS: Registered; Partial Section 8 Accepted; Section 44(D)

GOODS/SERVICES: (INT. CL. 3) PERFUMES < , SKIN CREAMS, LOTIONS
AND GELS, HAIR SHAMPOOS AND CONDITIONERS, TOILET SOAPS > (INT.
CL. 9) ((EYEGLASSES AND SUNGLASSES AND PARTS THEREFOR)) (INT.
CL. 14) ((WATCHES)) , JEWELRY, PRECIOUS GEM STONES,
CHRONOMETERS (INT. CL. 16) < STATIONERY; NAMELY WRITING PAPER
AND ENVELOPES, PLAYING CARDS, NOTEBOOKS, NOTEPADS, FOUNTAIN
PENS AND BALL POINT PENS > (INT. CL. 18) ((GARMENT BAGS FOR
TRAVEL)) , SUITCASES AND UMBRELLAS (INT. CL. 20) < FURNITURE;
NAMELY, SOFAS, CHAIRS, TABLES AND LAMPS, MIRRORS > (INT. CL.
21) < CHINA AND EARTHENWARE DISHES; NAMELY, PLATES, BOWLS,
SAUCERS AND CUPS, AND SERVING PLATES AND BOWLS, BEVERAGE
GLASSES > (INT. CL. 24) < WASH CLOTHS, BED LINENS, TABLE
CLOTHS, HANDKERCHIEFS, BEDSPREADS AND PILLOWCASES >

SERIAL NO.: 73-592,308

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REG. NO.: 1,442,634
REGISTERED: June 16, 1987
FILED: April 8, 1986
PUBLISHED: March 24, 1987
AFFIDAVIT SEC.: 8(PARTIAL); March 2, 1994
ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual); D/B/A/
AKA MRS. JEAN-RENE DE FLEURIEU , 194 RUE DE RIVOLI, PARIS, FR
(France)
OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual); D/B/A/
AKA MRS. JEAN-RENE DE FLEURIEU , 194 RUE DE RIVOLI, PARIS, FR
(France)
ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual); D/B/A/
AKA MRS. JEAN-RENE DE FLEURIEU , 194 RUE DE RIVOLI, PARIS, FR
(France)
EXTRA STATUS DATA: CANCELLED SECTION 8 IN INTL. CL. 16, 20, 21 &
24 ONLY O.G. 4-12-1994; CANCELLED SECTION 8 IN INT. CL. 21.
MAR 02, 1994; CANCELLED SECTION 8 IN INT. CL. 20. MAR 02,
1994; CANCELLED SECTION 8 IN INT. CL. 24. MAR 02, 1994
PORTRAIT: THE MARK "AGNES B." IN THE DRAWING IS THE PSEUDONYM OF
APPLICANT, ANGES TROUBLE, WHOSE MAIDEN NAME IS "AGNES
BOURGOIS".
OTHER U.S. REGISTRATIONS: 1336761
NON-U.S. APPLICATION DATA: App. No.: 767925 Country: FR (France)
Date: November 18, 1985
NON-U.S. APPLICATION DATA: App. No.: 775902 Country: FR (France)
Date: January 13, 1986
NON-U.S. REGISTRATION DATA: Reg. No.: 1331378 Country: FR
(France) Date: November 18, 1985 Expiration: November 18,
1995
NON-U.S. REGISTRATION DATA: Reg. No.: 1338306 Country: FR
(France) Date: January 13, 1986 Expiration: January 13, 1996
FILING CORRESPONDENT: CAROLE E. DENATALE , BREWSTER TAYLOR,
LARSON AND TAYLOR, 727 - 23RD STREET, S., ARLING, VA 22202

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4/19/1 (Item 1 from file: 226)
DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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04098637 * TRADEMARK IMAGE AVAILABLE *

AGNES B.

Stylized Letters

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)

25 (Clothing)

U.S. CLASS: 39 (Clothing)

51 (Cosmetics & Toilet Preparations)

52 (Detergents & Soaps)

STATUS: Registered; Section 8 & 15 - Accepted & Acknowledged

GOODS/SERVICES: (INT. CL. 3) PERFUMES AND COSMETICS; NAMELY,
PENCILS AND SHADOWS FOR EYELASHES, EYELIDS AND EYEBROWS;
POWDERS AND CREAMS FOR FACE MAKEUP; CREAMS, LOTIONS AND MILKS
FOR REMOVING FACE MAKEUP; LIPSTICKS; DEPILATORY CREAMS; CREAMS
AND LOTIONS FOR SKIN CARE; FACE PACKS; HAIR SPRAYS; VARNISHES
AND VARNISH REMOVERS FOR NAIL CARE; SALTS, POWDERS, OILS FOR
BATH (NON-MEDICAL USE); TOILET MILKS; CREAMS, OILS AND LOTIONS
FOR SKIN; HAIR DYES; HAIR LOTIONS; SHAMPOOS; TOILET SOAPS;
DEODORANTS FOR PERSONAL USE; TOILET TALC (INT. CL. 25)
CLOTHING, NAMELY, MEN'S, WOMEN'S AND CHILDREN'S SUITS

SERIAL NO.: 74-098,637

REG. NO.: 1,719,758

REGISTERED: September 29, 1992

FIRST USE: April 1987 (Intl Class 3)

January 1975 (Intl Class 25)

FIRST COMMERCE: February 1988 (Intl Class 3)

January 1984 (Intl Class 25)

FILED: September 20, 1990

PUBLISHED: July 7, 1992

AFFIDAVIT SEC.: 8-15; October 4, 1998

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OTHER U.S. REGISTRATIONS: 1336761

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON & TAYLOR, 1199 N
FAIRFAX ST STE 900, ALEXANDRIA VA. 22314

agnes b.

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T5/19/1

5/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED

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05096802 * TRADEMARK IMAGE AVAILABLE *

AGNES B. Stylized Letters

INTL CLASS: 14 (Jewelry)

U.S. CLASS: 2 (Receptacles)

27 (Horological Instruments)

28 (Jewelry & Precious Metalware)

50 (Merchandise Not Otherwise Classified)

STATUS: Registered

GOODS/SERVICES: PRECIOUS METALS AND THEIR ALLOYS SOLD IN BULK,
PRECIOUS METALS IN GENERAL, AND GOODS IN PRECIOUS METALS OR
COATED THEREWITH, NAMELY, JEWELRY, PRECIOUS STONES, HOROLOGICAL
AND CHRONOMETRIC INSTRUMENTS FOR USE AS WATCHES, WATCHES, WATCH
CHAINS, WATCH CASES, WRIST WATCHES, WATCH BANDS, PARTS FOR
CLOCKS, NAMELY, CLOCK HANDS

SERIAL NO.: 75-096,802

REG. NO.: 2,077,233

REGISTERED: July 8, 1997

FILED: April 30, 1996

PUBLISHED: April 15, 1997

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

ASSIGNEE(S): FOOTHILL CAPITAL CORPORATION, AS AGENT (California
Corporation), 2450 COLORADO AVE., #3000W, SANTA MONICA, CA
(California), 90404, USA (United States of America)

Assignor(s): TLC EDUCATION PROPERTIES, LLC (Delaware Limited
liability company)

Reel/Frame: 2181/0604

Recorded: November 7, 2000

Brief: SECURITY INTEREST

OTHER U.S. REGISTRATIONS: 1708281; 1815622; 1825206 AND OTHERS

NON-U.S. REGISTRATION DATA: Reg. No.: 1.262.667 Country: FR

(France) Date: January 17, 1984 Expiration: January 17, 2004

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON AND TAYLOR, 727
TWENTY-THIRD STREET, SOUTH, ARLINGTON, VA 22202

agnes b.

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ATTORNEY'S EYES ONLY

T7/19/1

7/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED

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04124677 * TRADEMARK IMAGE AVAILABLE *

AGNES B. LOLITA Stylized Letters

INTL CLASS: 25 (Clothing)

T&T INTL CLASS: 3 (Cosmetics & Cleaning Preparations)

U.S. CLASS: 39 (Clothing)

T&T U.S. CLASS: 51 (Cosmetics & Toilet Preparations)

52 (Detergents & Soaps)

STATUS: Registered; Section 8 & 15 - Accepted & Acknowledged

GOODS/SERVICES: CLOTHING; NAMELY, SHIRTS, T-SHIRTS, DRESSES,
SKIRTS, SLACKS, RAINCOATS, COATS, SUITS, JACKETS, SPORT SHIRTS,
DRESS SHIRTS

SERIAL NO.: 74-124,677

REG. NO.: 1,708,281

REGISTERED: August 18, 1992

FIRST USE: April 1986 (Intl Class 25)

FIRST COMMERCE: April 1989 (Intl Class 25)

FILED: December 19, 1990

PUBLISHED: May 26, 1992

OG AMENDED: April 13, 1999

AFFIDAVIT SEC.: 8-15; November 6, 1998

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

PLAINTIFF IN OPPOSITION ACTION NUMBER 101460 AGAINST SERIAL
NUMBER 74300289. FOR TRADEMARK LOLITA LEMPICKA

CLAIMS: THE DRAWING IS AMENDED TO APPEAR AS FOLLOWS: PUBLISH NEW
CUT

PORTRAIT: THE NAME "AGNES B. LOLITA" DOES NOT IDENTIFY A
PARTICULAR LIVING INDIVIDUAL.

NON-U.S. REGISTRATION DATA: Reg. No.: 1.434.409 Country: FR
(France) Date: September 17, 1987 Expiration: September 17,
1997

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON & TAYLOR,
TRANSPOTOMAC PLZ, 1199 N FAIRFAX ST STE 900, ALEXANDRIA VA
22314

agnes b.

LOLITA

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T8/19/1

8/19/1 (Item 1 from file: 226)
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04800324 * TRADEMARK IMAGE AVAILABLE *

AGNES B. LOLITA Stylized Letters

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
4 (Abrasives & Polishing Materials)
6 (Chemicals & Chemical Compositions)
50 (Merchandise Not Otherwise Classified)
51 (Cosmetics & Toilet Preparations)
52 (Detergents & Soaps)

STATUS: Registered; Intent to Use - Application

GOODS/SERVICES: PERFUMES AND TOILET WATERS

SERIAL NO.: 74-800,324

PARENT SERIAL NUMBER: 74-124,677

REG. NO.: 2,001,957

REGISTERED: September 17, 1996

FIRST USE: March 26, 1993 (Intl Class 3)

FIRST COMMERCE: December 15, 1993 (Intl Class 3)

FILED: December 19, 1990

PUBLISHED: August 31, 1993

DECLARATION APPROVED: September 8, 1995

EXTENSION APPROVED: June 13, 1994

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

PORTRAIT: THE NAME "AGNES B. LOLITA" DOES NOT IDENTIFY A
PARTICULAR LIVING INDIVIDUAL.

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON AND TAYLOR, 727
TWENTY-THIRD STREET, SOUTH, ARLINGTON, VA 22202

*agnes b.
lolita*

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T9/19/1

9/19/1 (Item 1 from file: 226)

DIALOG(R)File 226:TRADEMARKSCAN(R)-US FED

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04675043 * TRADEMARK IMAGE AVAILABLE *

B. Stylized Letters

INTL CLASS: 25 (Clothing)

U.S. CLASS: 22 (Games, Toys, & Sporting Goods)

39 (Clothing)

STATUS: Registered; Section 44(D)

GOODS/SERVICES: ARTICLES OF CLOTHING, NAMELY SUITS, COATS, OVERCOATS, RAIN COATS, HALF COATS, PARKAS, TIES, SHIRTS, JUMPERS, SWEATERS, UNDERPANTS, JACKETS, TEE-SHIRTS, BRIEFS, VESTS, SOCKS, DRESSES, CHASUBLES, SKIRTS, CARDIGANS, BLOUSES, UNDER SHIRTS, POLO SHIRTS, PETTICOATS, DUNGAREES, OVERALLS, BOILER SUITS, BRASSIERE, COLLARS, CUFFS, SHAWLS, STOCKING, WAISTCOATS, TROUSERS, SCARVES, FOULARDS, GLOVES, HATS, CAPS, BERETS, PYJAMAS, DRESSING GOWNS, BATHING COSTUME, SHOES, BOOTS, SANDALS, SLIPPERS

SERIAL NO.: 74-675,043

REG. NO.: 2,053,915

REGISTERED: April 22, 1997

FILED: May 17, 1995

PUBLISHED: May 14, 1996

SUSPENDED: October 24, 1995

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194, RUE DE RIVOLI, 75001 PARIS, FR (France)

OTHER U.S. REGISTRATIONS: 1336761 AND OTHERS

NON-U.S. APPLICATION DATA: App. No.: 95/552772 Country: FR (France) Date: January 10, 1995

NON-U.S. REGISTRATION DATA: Reg. No.: 95/552772 Country: FR (France) Date: January 10, 1995 Expiration: January 10, 2005

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON AND TAYLOR, 727 TWENTY-THIRD STREET, SOUTH, ARLINGTON, VA 22202

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T10/19/1

10/19/1 (Item 1 from file: 226)
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05104304 * TRADEMARK IMAGE AVAILABLE *

B. Stylized Letters

INTL CLASS: 14 (Jewelry)
U.S. CLASS: 2 (Receptacles)
27 (Horological Instruments)
28 (Jewelry & Precious Metalware)
50 (Merchandise Not Otherwise Classified)

STATUS: Registered; Section 44(D)

GOODS/SERVICES: PRECIOUS METALS AND THEIR ALLOYS SOLD IN BULK
EXCEPT THOSE FOR DENTAL USE; JEWELRY; PRECIOUS METALS, NAMELY,
GOLD AND SILVER; NON-MONETARY COINS OF PRECIOUS METALS; MEDALS;
BADGES OF PRECIOUS METAL; CLOCKS; HOROLOGICAL INSTRUMENTS FOR
USE AS WATCHES; WATCHES; WATCH CASES; WATCH BANDS; WATCH
CHAINS; WATCH PARTS, NAMELY, SPRINGS AND WATCH FACE GLASSES;
WRIST WATCHES; CHRONOGRAPHS FOR USE AS WATCHES; CHRONOMETERS

SERIAL NO.: 75-104,304

REG. NO.: 2,094,567

REGISTERED: September 9, 1997

FILED: May 15, 1996

PUBLISHED: June 17, 1997

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

OTHER U.S. REGISTRATIONS: 1325206; 1708281; 1815622 AND OTHERS

NON-U.S. APPLICATION DATA: App. No.: 96/619359 Country: FR
(France) Date: April 3, 1996

NON-U.S. REGISTRATION DATA: Reg. No.: 96/619359 Country: FR
(France) Date: April 3, 1996 Expiration: April 3, 2006

FILING CORRESPONDENT: BREWSTER TAYLOR, BREWSTER TAYLOR, LARSON &
TAYLOR, 1199 N FAIRFAX ST STE 900, ALEXANDRIA VA 22314

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Handwritten signature or initials in black ink, consisting of a large loop and a horizontal stroke.

?

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<http://www.dialogclassic.com/main.vmgw>

02/12/2002

WS 001373

T4/19/1

4/19/1 (Item 1 from file: 226)

DIALOG(R) File 226: TRADEMARKSCAN(R) - US FED

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B SOFT

05560540 * TRADEMARK IMAGE AVAILABLE *

Stylized Letters

INTL CLASS: 14 (Jewelry)

U.S. CLASS: 2 (Receptacles)

27 (Horological Instruments)

28 (Jewelry & Precious Metalware)

50 (Merchandise Not Otherwise Classified)

STATUS: Registered; Section 44(D); Intent to Use - Application
GOODS/SERVICES: PRECIOUS METALS AND THEIR ALLOYS, OTHER THAN FOR
DENTAL USE; JEWELRY; GOLD AND SILVER WARES, NAMELY, COFFEE AND
TEA SERVICES, TRAYS, NAPKIN RINGS, PITCHERS, PICTURE FRAMES,
AND CANDLESTICKS, ALL MADE OF PRECIOUS METALS; JEWELRY
ARTICLES; NON-MONETARY COINS OF PRECIOUS METAL; MEDALS; BADGES
OF PRECIOUS METAL; HOROLOGICAL INSTRUMENTS, NAMELY, CLOCKS AND
ALARM CLOCKS; WATCHES, WATCH CASES; WATCH BANDS; WATCH CHAINS,
WATCH SPRINGS AND GLASSES; CHRONOGRAPHS FOR USE AS WATCHES;
CHRONOMETERS

SERIAL NO.: 75-560,540

REG. NO.: 2,443,699

REGISTERED: April 17, 2001

FILED: September 28, 1998

PUBLISHED: April 25, 2000

ALLOWANCE FILED: July 18, 2000

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

NON-U.S. APPLICATION DATA: App. No.: 98/728104 Country: FR
(France) Date: April 15, 1998

NON-U.S. REGISTRATION DATA: Reg. No.: 98/728104 Country: FR
(France) Date: April 15, 1998 Expiration: April 15, 2008

FILING CORRESPONDENT: RICHARD P. GILLY, RICHARD P. GILLY,
INTELLECTUAL PROPERTY LAW OFFICES, ONE PENN CENTER - SUITE 1500
, 1617 JOHN F. KENNEDY BOULEVARD, PHILADELPHIA, PA 19103-1815

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Q.
SOFT

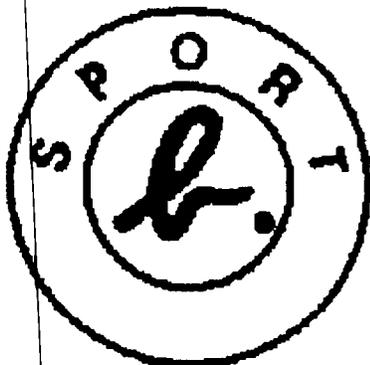
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T16/19/1

16/19/1 (Item 1 from file: 226)
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04278842 * TRADEMARK IMAGE AVAILABLE *

SPORT B. JEAN AGNES B. and Design
INTL CLASS: 25 (Clothing)
U.S. CLASS: 39 (Clothing)
STATUS: Registered; Section 8 & 15 - Accepted & Acknowledged;
Section 44(D)
GOODS/SERVICES: CLOTHING; NAMELY, DRESSES, SUITS, SKIRTS,
JACKETS, COATS, SLACKS, JEANS, SWEATERS, SHIRTS, TEE-SHIRTS,
SWEATSHIRTS; HEADGEAR; NAMELY, HATS, CAPS
SERIAL NO.: 74-278,842
REG. NO.: 1,825,206
REGISTERED: March 8, 1994
FILED: May 27, 1992
PUBLISHED: June 8, 1993
SUSPENDED: December 14, 1992
AFFIDAVIT SEC.: 8-15; November 26, 2000
ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)
OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)
ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)
DISCLAIMS: "SPORT" AND "JEAN"
OTHER U.S. REGISTRATIONS: 1443634; 1577203
NON-U.S. APPLICATION DATA: App. No.: 92/27NL Country: FR
(France) Date: February 26, 1992
NON-U.S. REGISTRATION DATA: Reg. No.: 92/407386 Country: FR
(France) Date: February 26, 1992 Expiration: February 26,
2002
FILING CORRESPONDENT: PATTERSON, BELKNAP, WEBB & TYLER LLC,
ATTN.: IP DOCKETING, 1133 AVENUE OF THE AMERICAS, NEW YORK, NY
10036



JEAN Agnes b.

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T12/19/1

12/19/1 (Item 1 from file: 226)
DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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03652129 * TRADEMARK IMAGE AVAILABLE *

LE B. D'AGNES B. Stylized Letters

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)
25 (Clothing)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
4 (Abrasives & Polishing Materials)
6 (Chemicals & Chemical Compositions)
22 (Games, Toys, & Sporting Goods)
39 (Clothing)
50 (Merchandise Not Otherwise Classified)
51 (Cosmetics & Toilet Preparations)
52 (Detergents & Soaps)

STATUS: Expired; Section 44(D)

GOODS/SERVICES: (INT. CL. 3) < PERFUME, EAU DE TOILETTE, EAU DE
COLOGNE, MAKEUP BASE, DAY CREAM, POWDER, POWDER BRUSHES,
LIPSTICK, NAIL POLISH, EYE SHADOW, EYE SHADOW APPLICATORS,
MASCARÀ, EYE LINER, EYE MAKEUP REMOVER, MAKEUP REMOVER,
PERFUMED WATER, NIGHT CREAM, AND BODY OIL > (INT. CL. 25)
PULLOVERS, SHIRTS, T-SHIRTS, BLOUSES, SKIRTS, JACKETS, COATS
AND TROUSERS

SERIAL NO.: 73-652,129

REG. NO.: 1,577,203

REGISTERED: January 16, 1990

FILED: March 30, 1987

PUBLISHED: October 24, 1989

AFFIDAVIT SEC.: 15^8(PARTIAL)

ORIGINAL APPLICANT: AGNES TROUBLE (France Individual), 194, RUE
DE RIVOLI, PARIS, FR (France)

OWNER AT PUBLICATION: AGNES TROUBLE (France Individual), 194, RUE
DE RIVOLI, PARIS, FR (France)

ORIGINAL REGISTRANT: AGNES TROUBLE (France Individual), 194, RUE
DE RIVOLI, 75000 PARIS, FR (France)

EXTRA STATUS DATA: CANCELLED SECTION 8 IN INTL. CL. 3 ONLY O.G.
10-29-1996; CANCELLED SECTION 8 IN INTL. CL. 25 ONLY O.G.
8-27-1996; ABANDONMENT OF 03021988 REVIVED 09021988

DESIGN PHRASE: THE MARK "AGNES B." IN THE DRAWING IS THE
PSEUDONYM OF APPLICANT, AGNES TROUBLE, WHOSE MAIDEN NAME IS
AGNES BOURGEOIS.

NON-U.S. APPLICATION DATA: App. No.: PV828351 Country: FR
(France) Date: December 11, 1986

NON-U.S. REGISTRATION DATA: Reg. No.: 1410272 Country: FR
(France) Date: December 11, 1986 Expiration: December 11,
1996

FILING CORRESPONDENT: DAVID S. KANE , LARSON AND TAYLOR, 727
TWENTY-THIRD STREET, SOUTH, ARLINGTON, VA 22202

Le B. d'Agnès B.

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WS 001377

T13/19/1

13/19/1 (Item 1 from file: 226)

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04278843 * TRADEMARK IMAGE AVAILABLE *

SPORT AGNES B. and Design

INTL CLASS: 25 (Clothing)

U.S. CLASS: 22 (Games, Toys, & Sporting Goods)
39 (Clothing)

STATUS: Registered; Section 8 & 15 - Accepted & Acknowledged;
Section 44(D)

GOODS/SERVICES: CLOTHING; NAMELY, < DRESSES, SUITS, SKIRTS,
JACKETS, COATS, > SLACKS, JEANS < , SWEATERS, SHIRTS,
TEE-SHIRTS, SWEAT-SHIRTS; FOOTWEAR; NAMELY, BOOTS, SPORTSHOES;
HEADGEAR; NAMELY, HATS, CAPS >

SERIAL NO.: 74-278,843

REG. NO.: 1,790,471

REGISTERED: August 31, 1993

FILED: May 27, 1992

PUBLISHED: June 8, 1993

SUSPENDED: October 16, 1992

AFFIDAVIT SEC.: 8-15; December 29, 1999

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

DISCLAIMS: "SPORT"

OTHER U.S. REGISTRATIONS: 1443634; 1577203

NON-U.S. APPLICATION DATA: App. No.: 92-406955 Country: FR
(France) Date: February 24, 1992

NON-U.S. REGISTRATION DATA: Reg. No.: 406955 Country: FR
(France) Date: February 24, 1992 Expiration: February 24,
2002

FILING CORRESPONDENT: RICHARD P. GILLY, ESQ., ONE PENN CENTER,
SUITE 1500, 1617 J.F.K. BOULEVARD, PHILADELPHIA, PA
19103-1815

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WS 001378



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WS 001379

T5/19/ALL

5/19/1 (Item 1 from file: 226)

DIALOG(R)File 226:TRADEMARKSCAN(R)-US FED
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04800809

LE PETIT B.B. <THE LITTLE BB>

INTL CLASS: 25 (Clothing)

U.S. CLASS: 22 (Games, Toys, & Sporting Goods)
39 (Clothing)

STATUS: Registered; Cancellation Proceeding Filed; Section 44(D);
Intent to Use - Application

GOODS/SERVICES: CLOTHING, NAMELY TEE-SHIRTS

SERIAL NO.: 74-800,809

PARENT SERIAL NUMBER: 74-098,112

REG. NO.: 1,949,723

REGISTERED: January 16, 1996

FIRST USE: February 1995 (Intl Class 25)

FIRST COMMERCE: February 1995 (Intl Class 25)

FILED: September 18, 1990

PUBLISHED: December 22, 1992

DECLARATION APPROVED: October 20, 1995

EXTENSION APPROVED: October 27, 1994

ALLOWANCE FILED: March 16, 1993

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

ORIGINAL REGISTRANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

CANCELLATION ACTION: 29907

Filed: July 22, 1999

Outcome: TERMINATED

Date of Outcome: March 19, 2001

Cited TM: PETIT BEE

Cited SN: 75-520,045

Petitioner: ALBERT E. LEE

DISCLAIMS: "PETIT"

FULL TEXT TRANSLATION: THE ENGLISH TRANSLATION OF "LE PETIT" IN
THE MARK IS "THE LITTLE OR SMALL".

NON-U.S. APPLICATION DATA: App. No.: 217061 Country: FR (France)
Date: June 13, 1990

NON-U.S. REGISTRATION DATA: Reg. No.: 1597081 Country: FR
(France) Date: June 13, 1990 Expiration: June 13, 2000

FILING CORRESPONDENT: BREWSTER TAYLOR, PHILIP R. FORLENZA,
PATTERSON, BELKNAP, WEBB & TYLER LLP, 1133 AVENUE OF THE
AMERICAS, NEW YORK, NY 10036-6710

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WS 001380

T7/19/1

7/19/1 (Item 1 from file: 226)

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05701779 * TRADEMARK IMAGE AVAILABLE *

ROUGE B.

Stylized Letters

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
4 (Abrasives & Polishing Materials)
6 (Chemicals & Chemical Compositions)
50 (Merchandise Not Otherwise Classified)
51 (Cosmetics & Toilet Preparations)
52 (Detergents & Soaps)

STATUS: Registered; Section 44(D); Intent to Use - Application
GOODS/SERVICES: MAKE-UP PREPARATIONS; LIPSTICKS; NAIL VARNISH;
EYE AND CHEEK SHADOW, MASCARA, FOUNDATION CREAMS; SOAPS;
PERFUMERY, NAMELY, PERFUME OILS AND PERFUME, ESSENTIAL OILS FOR
PERSONAL USE, NAMELY, FOR COSMETIC, BATH AND TOILET PURPOSES,
DENTIFRICES; COSMETIC PREPARATIONS FOR BATH, NAMELY, BATH AND
SHOWER GELS; SOAPS FOR BATH UNDER LIQUID FORM OR GEL;
DEODORANTS FOR PERSONAL USE; CLEANSING MILK FOR TOILET
PURPOSES; COSMETIC PREPARATION FOR SKIN CARE, NAMELY,
CLEANSERS, MOISTURIZERS, EXFOLIANTS, TONERS, EYE GELS, EYE
CREAMS, FACE CREAMS, MASQUES; SMOOTHING STONES; TALCUM POWDER
FOR TOILET USE; PERFUMES; TOILET WATERS; SCENTED WATER; HAIR
LOTIONS; SUN-TANNING COSMETIC PREPARATIONS, NAMELY, SUN TAN
LOTIONS, SUN TAN OILS, SELF-TANNING LOTIONS; PERFUMERY
PRODUCTS, NAMELY, PERFUME, EAU DE COLOGNE, EAU DE TOILETTE,
SCENTED BODY LOTION, SCENTED BODY CREAM, SCENTED POWDERS;
SHAMPOOS

SERIAL NO.: 75-701,779

REG. NO.: 2,438,035

REGISTERED: March 27, 2001

FILED: May 6, 1999

PUBLISHED: March 28, 2000

ALLOWANCE FILED: June 20, 2000

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OWNER AT PUBLICATION: TROUBLE, AGNES (France Individual), 194,
RUE DE RIVOLI, 75001 PARIS, FR (France)

DISCLAIMS: "ROUGE"

NON-U.S. APPLICATION DATA: App. No.: 99/781.230 Country: FR
(France) Date: March 17, 1999

NON-U.S. REGISTRATION DATA: Reg. No.: 99/781.230 Country: FR
(France) Date: March 17, 1999 Expiration: March 17, 2009

FILING CORRESPONDENT: RICHARD P. GILLY, RICHARD P. GILLY,
INTELLECTUAL PROPERTY LAW OFC, ONE PENN CENTER - SUITE 1500,
1617 JOHN F KENNEDY BLVD, PHILADELPHIA, PA 19103-1815

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WS 001381

ROUGE *h.*

**CONFIDENTIAL - FOR
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WS 001382

T1/19/1

1/19/1 (Item 1 from file: 226)

DIALOG(R) File 226: TRADEMARKSCAN(R)-US FED

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05767552 * TRADEMARK IMAGE AVAILABLE *

AGNES B. and Design

INTL CLASS: 14 (Jewelry)
18 (Leather Goods)
25 (Clothing)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
2 (Receptacles)
3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)
22 (Games, Toys, & Sporting Goods)
27 (Horological Instruments)
28 (Jewelry & Precious Metalware)
39 (Clothing)
41 (Canes, Parasols, & Umbrellas)
50 (Merchandise Not Otherwise Classified)

STATUS: Pending-Published for Opposition; Notice of Allowance -
Issued; Section 44(D); Intent to Use - Application; Intent To
Use - Current

GOODS/SERVICES: (INT. CL. 14) PRECIOUS METALS AND THEIR ALLOYS
SOLD IN BULK EXCEPT FOR THOSE FOR DENTAL USE (INT. CL. 18)
UMBRELLAS; PARASOLS AND WALKING STICKS; LEATHER AND
IMITATION-LEATHER ARTICLES, NAMELY, ANIMAL SKINS, TRUNKS,
TRAVELING BAGS, WHIPS AND SADDLERY, PURSES, SCHOOL BAGS,
BUSINESS CARD CASES, CALLING CARD CASES, CREDIT CARD CASES,
VANITY CASES SOLD EMPTY, BRIEFCASES, HAVERSACKS, HANDBAGS,
TRAVELING BAGS, GARMENT BAGS FOR TRAVEL, HARNESSSES FOR ANIMALS,
POCKET WALLETS, ATTACHE CASES (INT. CL. 25) CLOTHING FOR
SPORTS, NAMELY SWEAT PANTS, T-SHIRTS, SWEAT-SHIRTS, SHIRTS,
SHORTS, TANK TOPS; FOOTWEAR OTHER THAN ORTHOPEDIC SHOES; HEAD
WEAR; GLOVES; BELTS

SERIAL NO.: 75-767,552

FILED: August 4, 1999

PUBLISHED: August 28, 2001

ALLOWANCE FILED: November 20, 2001

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OTHER U.S. REGISTRATIONS: 1336761; 1442634; 1577203; 1708281;
1719758; 1790471; 1815622; 2053915; 2077233 AND OTHERS

NON-U.S. APPLICATION DATA: App. No.: 99.801.452 Country: FR
(France) Date: July 6, 1999

NON-U.S. REGISTRATION DATA: Reg. No.: 99.801.452 Country: FR
(France) Date: July 6, 1999 Expiration: July 6, 2009

FILING CORRESPONDENT: GLORIA C. PHARES, GLORIA C. PHARES,
PATTERSON, BELKNAP, WEBB & TYLER LLP, 1133 AVENUE OF THE
AMERICAS, NEW YORK, NEW YORK 10036

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001383

@guis b.

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**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

WS 001384

T6/19/1

6/19/1 (Item 1 from file: 226)

DIALOG(R) File 226: TRADEMARKSCAN(R) - US FED

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05575643 * TRADEMARK IMAGE AVAILABLE *

AGNES B. LAB' Stylized Letters

INTL CLASS: 25 (Clothing)

U.S. CLASS: 22 (Games, Toys, & Sporting Goods)

39 (Clothing)

STATUS: Pending; Publication/Registration Review Complete;
Section 44(D); Intent to Use - Application; Intent To Use -
Current

GOODS/SERVICES: CLOTHING FOR MEN, WOMEN AND CHILDREN, NAMELY,
COATS, OVERCOATS, RAIN COATS, PARKAS, T-SHIRTS, JUMPERS,
SWEATERS, UNDERWEAR, VESTS, SOCKS, DRESSES, SKIRTS, SUITS,
CARDIGANS, BLOUSES, UNDERSHIRTS, POLO SHIRTS, PETTICOATS,
BRASSIERES, COLLARS, CUFFS, SHAWLS, STOCKINGS, WAISTCOATS,
TROUSERS, SCARVES, FOULARDS, GLOVES, PAJAMAS, DRESSING GOWNS,
BATHING SUITS, BATH ROBES; FOOTWEAR, NAMELY, BOOTS, SHOES,
SANDALS, SLIPPERS; HEADWEAR, NAMELY, HATS, CAPS AND BERETS

SERIAL NO.: 75-575,643

FILED: October 21, 1998

ORIGINAL APPLICANT: AGNES TROUBLE (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

OTHER U.S. REGISTRATIONS: 1336761; 1708281; 1719758; 1825206;
2053915

NON-U.S. APPLICATION DATA: App. No.: 927020 Date: September 10,
1998

NON-U.S. REGISTRATION DATA: Reg. No.: 927020 Date: March 12,
2001 Expiration: September 10, 2008

FILING CORRESPONDENT: RICHARD P. GILLY, RICHARD P. GILLY, ONE
PENN CENTER - SUITE 1500, 1617 JOHN F. KENNEDY BOULEVARD,
PHILADELPHIA, PA 19103-1815

agnes b.
LAB'

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001385

T14/19/1

14/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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06321841 * TRADEMARK IMAGE AVAILABLE *

SPORT B.

and Design
INTL CLASS: 14 (Jewelry)
18 (Leather Goods)
25 (Clothing)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
2 (Receptacles)
3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)
22 (Games, Toys, & Sporting Goods)
27 (Horological Instruments)
28 (Jewelry & Precious Metalware)
39 (Clothing)
41 (Canes, Parasols, & Umbrellas)
50 (Merchandise Not Otherwise Classified)

STATUS: Pending; New Application - Assigned to Examiner; Intent
to Use - Application; Intent To Use - Current

GOODS/SERVICES: (INT. CL. 14) PRECIOUS METALS AND THEIR ALLOYS,
OTHER THAN DENTAL USE; JEWELRY; PRECIOUS STONES; HOROLOGICAL
INSTRUMENTS, NAMELY, CLOCKS AND ALARM CLOCKS; WATCHES; WATCH
CASES; WATCH BANDS; WATCH CHAINS; WATCH GLASSES; CHRONOGRAPHS;
CHRONOMETERS FOR USE AS WATCHES (INT. CL. 18) LEATHER AND
IMITATION-LEATHER ARTICLES, TRAVELING BAGS; HANDBAGS; SPORT
BAGS; BRIEFCASES; VALISES AND LUGGAGE, POCKET WALLETS; VANITY
CASES SOLD EMPTY; PARASOLS, UMBRELLAS, CANES (INT. CL. 25)
CLOTHING; FOOTWEAR (OTHER THAN ORTHOPEDIC SHOES); HEADWEAR;
BATHING SUITS, SPORTS CLOTHING, NAMELY, SWEATERS, SHIRTS,
PANTS, SKIRTS, SHORTS, TANK TOPS, SWEAT-PANTS, T-SHIRTS,
SWEAT-SHIRTS

SERIAL NO.: 76-321,841

FILED: October 5, 2001

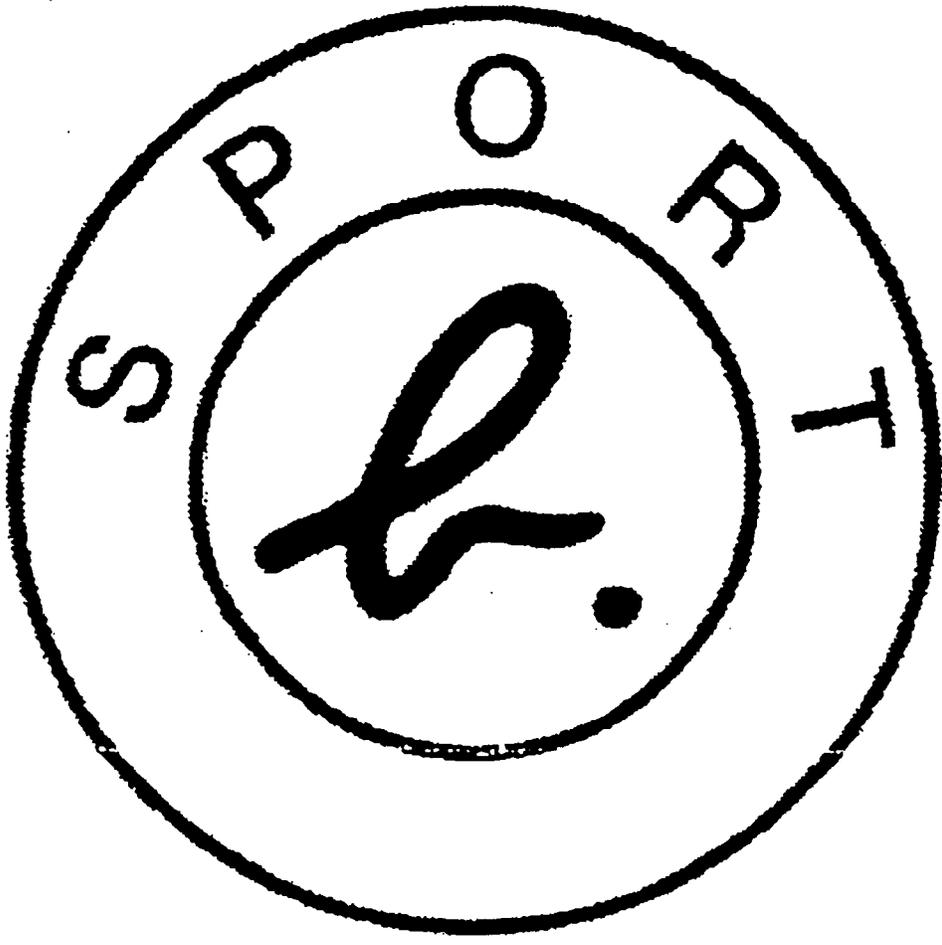
ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

NON-U.S. REGISTRATION DATA: Reg. No.: 1672807 Country: FR
(France) Date: June 21, 1991

FILING CORRESPONDENT: ALLISON RUTLEDGE-PARISI, ALLISON
RUTLEDGE-PARISI, PATTERSON BELKNAP WEBB, 1133 AVENUE OF THE
AMERICAS FL 22, NEW YORK NY 10036-6731

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001386



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ATTORNEY'S EYES ONLY**

WS 001387

15/19/1

15/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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06224336 * TRADEMARK IMAGE AVAILABLE *

SPORT B. AGNES B. and Design

INTL CLASS: 14 (Jewelry)
18 (Leather Goods)
25 (Clothing)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
2 (Receptacles)
3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)
22 (Games, Toys, & Sporting Goods)
27 (Horological Instruments)
28 (Jewelry & Precious Metalware)
39 (Clothing)
41 (Canes, Parasols, & Umbrellas)
50 (Merchandise Not Otherwise Classified)

STATUS: Pending; Non-Final Action - Mailed; Section 44(D); Intent
to Use - Application; Intent To Use - Current

GOODS/SERVICES: (INT. CL. 14) PRECIOUS METALS AND THEIR ALLOYS,
OTHER THAN DENTAL USE; JEWELRY; PRECIOUS STONES; GOLD AND
SILVER WARE, OTHER THAN CUTLERY, FORKS AND SPOONS; HOROLOGICAL
INSTRUMENTS, NAMELY, CLOCKS, ALARM CLOCKS AND WATCHES; WATCH
CASES; WATCH CHAINS; WATCH BANDS (INT. CL. 18) LEATHER AND
IMITATION-LEATHER ARTICLES, NAMELY, ANIMAL SKINS, TRUNKS AND
TRAVELING BAGS, PURSES, SCHOOL BAGS, BUSINESS CARD CASES,
CALLING CARD CASES, CREDIT CARD CASES, VANITY CASES SOLD EMPTY,
BRIEFCASES, HAVERSACKS, HANDBAGS, GARMENT BAGS FOR TRAVEL,
VALISES AND LUGGAGE; DRIVING LICENSE CASES; POCKET CASES;
BANDOLIERS; KEY CASES; ADDRESS BOOKS MADE IN LEATHER AND
IMITATION LEATHER; AGENDAS MADE IN LEATHER AND IMITATION
LEATHER; PASSPORT CASES; POCKET WALLETS; HARNESSSES FOR
ANIMALS, ATTACHE CASES (INT. CL. 25) CLOTHING; FOOTWEAR (OTHER
THAN ORTHOPEDIC SHOES); GLOVES; BELTS; HEADWEAR; SPORTS
CLOTHING, NAMELY, SWEATERS, SHIRTS, PANTS, SKIRTS, SHORTS, TANK
TOPS, SWEAT-PANTS, T-SHIRTS, SWEAT-SHIRTS

SERIAL NO.: 76-224,336

FILED: March 12, 2001

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, 75001 PARIS, FR (France)

NON-U.S. APPLICATION DATA: App. No.: 003.063.818 Country: FR
(France) Date: November 10, 2000

FILING CORRESPONDENT: ALLISON RUTLEDGE-PARISI, ALLISON
RUTLEDGE-PARISI, PATTERSON BELKNAP WEBB, 1133 AVENUE OF THE
AMERICAS FL 22, NEW YORK NY 10036-6731

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001388



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ATTORNEY'S EYES ONLY

WS 001389

T3/19/1

3/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED

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05903189

B. PERFECT!

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
4 (Abrasives & Polishing Materials)
6 (Chemicals & Chemical Compositions)
50 (Merchandise Not Otherwise Classified)
51 (Cosmetics & Toilet Preparations)
52 (Detergents & Soaps)

STATUS: Pending; Approval For Publication; Section 44(D); Intent to Use - Application; Intent To Use - Current

GOODS/SERVICES: "PERFUMERY, NAMELY PERFUME OILS AND PERFUME; ESSENTIAL OILS FOR PERSONAL USE, NAMELY FOR COSMETIC, BATH AND TOILET PURPOSES; DENTIFRICES; COSMETIC PREPARATIONS FOR BATHS, NAMELY BATH AND SHOWER GELS; SOAPS FOR BATH UNDER LIQUID OR SOLID FORM OR GEL; DEODORANTS FOR PERSONAL USE; CLEANSING MILK FOR TOILET PURPOSES; COSMETIC PREPARATIONS FOR SKIN CARE, NAMELY, CLEANSERS, MOISTURIZERS, EXFOLIANTS, TONERS, EYE GELS, EYE CREAMS, FACE CREAMS, MASQUES; SMOOTHING STONES; PERFUMES, NAMELY, PERFUME, EAU DE COLOGNE, EAU DE TOILETTE, SCENTED BODY LOTION, SCENTED BODY CREAM, SCENTED POWDERS; TOILET WATERS; SCENTED WATER; HAIR LOTIONS; SUN-TANNING COSMETIC PREPARATIONS, NAMELY, SUN TAN LOTIONS, SUN TAN OILS, SELF-TANNING LOTIONS; MAKE-UP PREPARATIONS; FOUNDATION CREAMS; LIPSTICKS; NAIL VARNISH; TALCUM POWDER FOR TOILET USE"

SERIAL NO.: 75-903,189

FILED: January 26, 2000

ORIGINAL APPLICANT: TROUBLE, AGNES (France Unknown), 194, RUE DE RIVOLI, 75001 PARIS, FR (France)

NON-U.S. APPLICATION DATA: App. No.: 99,822,178 Country: FR (France) Date: November 8, 1999

NON-U.S. REGISTRATION DATA: Reg. No.: 99822178 Country: FR (France) Date: November 8, 1999 Expiration: November 8, 2009

FILING CORRESPONDENT: GLORIA C. PHARES, GLORIA C. PHARES, PATTERSON, BELKNAP, WEBB & TYLER L.L.P., 1133 AVENUE OF THE AMERICAS, NEW YORK, NEW YORK 10036

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**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

WS 001390

T6/19/1

6/19/1 (Item 1 from file: 226)

DIALOG(R) File 226: TRADEMARKSCAN(R)-US FED
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04098111 * TRADEMARK IMAGE AVAILABLE *

LE PETIT B.B. <THE LITTLE, SMALL> and Design

INTL CLASS: 3 (Cosmetics & Cleaning Preparations)

T&T INTL CLASS: 25 (Clothing)

25 (Clothing)

U.S. CLASS: 51 (Cosmetics & Toilet Preparations)

52 (Detergents & Soaps)

T&T U.S. CLASS: 39 (Clothing)

STATUS: Pending-Published for Opposition; Notice of Allowance -

Issued; Section 44(D); Intent to Use - Application; Intent To

Use - Current

GOODS/SERVICES: TOILET WATER; CLEANSING MILK FOR TOILET PURPOSES;

CLEANSING LIQUID SOAP; SHOWER CLEANSING LIQUID WITHOUT SOAP;

SHAMPOO; TOOTHPASTE; ALL OF THE AFORESAID GOODS BEING FOR

CHILDREN AND BABIES

SERIAL NO.: 74-098,111

FILED: September 18, 1990

PUBLISHED: December 8, 1992

ALLOWANCE FILED: July 24, 2001

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE

DE RIVOLI, 75001 PARIS, FR (France)

OPPOSITION ACTION: 90896

Filed: March 8, 1993

Outcome: TERMINATED

Date of Outcome: June 5, 1996

Opposing TM: LE PETIT

Opposing SN: 73-654,434

Opposing RN: 1,547,864

Opposer: WILSON MARKETING ENTERPRISES, INC.

FULL TEXT TRANSLATION: THE ENGLISH TRANSLATION OF THE WORDS "LE

PETIT" IN THE MARK IS " THE LITTLE" OR "SMALL".

NON-U.S. APPLICATION DATA: App. No.: 223932 Date: July 9, 1990

NON-U.S. REGISTRATION DATA: Reg. No.: 1601383 Date: July 9, 1990

Expiration: July 9, 2000

FILING CORRESPONDENT: BREWSTER TAYLOR, LARSON AND TAYLOR, 727

TWENTY-THIRD STREET, SOUTH, ARLINGTON, VA 22202

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001391

le petit

b. b.

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001392

T8/19/1

8/19/1 (Item 1 from file: 226)

DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED

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06228097 * TRADEMARK IMAGE AVAILABLE *

SPORT B. FABRIQUE AU MAROC Stylized Letters

INTL CLASS: 18 (Leather Goods)

25 (Clothing)

T&T INTL CLASS: 28 (Toys & Sporting Goods)

U.S. CLASS: 1 (Raw Or Partly Prepared Materials)

2 (Receptacles)

3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)

22 (Games, Toys, & Sporting Goods)

39 (Clothing)

41 (Canes, Parasols, & Umbrellas)

STATUS: Pending; Response After Non-Final Action - Entered;

Section 44(D); Intent to Use - Application; Intent To Use -
Current

GOODS/SERVICES: (INT. CL. 18) TRAVELLING BAGS, PURSES, BRIEFCASES,
VALISES AND LUGGAGE, DRIVING LICENSE CASES, POCKET CASES,
CALLING CARD CASES AND BUSINESS CARD CASES, BANDOLIERS, CREDIT
CARD CASES, KEY CASES, ADDRESS BOOKS, AGENDAS, PASSPORT CASES,
POCKET WALLETS, VANITY CASES SOLD EMPTY, PARASOLS, UMBRELLAS
AND CANES (INT. CL. 25) CLOTHING, BELTS (CLOTHING), SHOES
(OTHER THAN ORTHOPEDIC SHOES); HEAD WEAR; CLOTHING FOR SPORTS,
NAMELY SWEATPANTS, T-SHIRTS, SWEATSHIRTS, SHIRTS, SHORTS AND
TANK TOPS

SERIAL NO.: 76-228,097

FILED: March 20, 2001

ORIGINAL APPLICANT: TROUBLE, AGNES (France Individual), 194, RUE
DE RIVOLI, PARIS, 75001, FR (France)

NON-U.S. APPLICATION DATA: App. No.: 003033335 Country: FR
(France) Date: June 8, 2000

FILING CORRESPONDENT: ALLISON RUTLEDGE-IPARISL, ALLISON
RUTLEDGE-PARISI, PATTERSON BELKNAP WEBB, 1133 AVENUE OF THE
AMERICAS FL 22, NEW YORK NY 10036-6731

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001393

SPORT A.
FABRIQUÉ
AU MAROC

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001394

EXHIBIT B

Index to Arden B. Marks

1. ARDEN B. (Stylized), Serial No. 75/394,241, I.C. 9, 14, 18, 26 (Notice of Allowance Issued July 17, 2001)
2. ARDEN B. (Stylized), Serial No. 75/365,543, I.C. 25, 42 (Notice of Allowance Issued July 17, 2001)

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

WS 001395

T2/19/ALL

2/19/2 (Item 2 from file: 226)
DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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05394241 * TRADEMARK IMAGE AVAILABLE *
ARDEN B. Stylized Letters
INTL CLASS: 9 (Electrical & Scientific Apparatus)
14 (Jewelry)
18 (Leather Goods)
26 (Fancy Goods)
U.S. CLASS: 1 (Raw Or Partly Prepared Materials)
2 (Receptacles)
3 (Baggage, Animal Equipment, Portfolios,
Pocketbooks)

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WS 001396

- 21 (Electrical Apparatus, Machines & Supplies)
- 22 (Games, Toys, & Sporting Goods)
- 23 (Cutlery, Machines, & Tools, Parts Therof)
- 26 (Measuring & Scientific Appliances)
- 27 (Horological Instruments)
- 28 (Jewelry & Precious Metalware)
- 36 (Musical Instruments & Supplies)
- 37 (Paper & Stationery)
- 38 (Prints & Publications)
- 39 (Clothing)
- 40 (Fancy Goods, Furnishings, & Notions)
- 41 (Canes, Parasols, & Umbrellas)
- 42 (Knitted, Netted, Textile Fabrics, & Substitutes)
- 50 (Merchandise Not Otherwise Classified)

STATUS: Pending-Published for Opposition; Notice of Allowance - Issued; Intent to Use - Application; Intent To Use - Current

GOODS/SERVICES: (INT. CL. 9) EYEWEAR, NAMELY, SUNGLASSES (INT. CL. 14) JEWELRY, NAMELY, BRACELETS, RINGS, WATCHES, EARRINGS AND NECKLACES (INT. CL. 18) HANDBAGS, PURSES, AND BACKPACKS (INT. CL. 26) HAIR ORNAMENTS, NAMELY CLIPS, HOLDERS AND STICKS

SERIAL NO.: 75-394,241

FILED: November 21, 1997

PUBLISHED: September 15, 1998

ALLOWANCE FILED: July 17, 2001

ORIGINAL APPLICANT: WET SEAL, INC., THE (California Corporation), 64 FAIRBANKS, IRVINE, CA (California), 927181603, USA (United States of America)

CWNER AT PUBLICATION: WET SEAL, INC., THE (California Corporation), 64 FAIRBANKS, IRVINE, CA (California), 927181603, USA (United States of America)

OPPOSITION ACTION: 112906

Filed: January 6, 1999

Outcome: TERMINATED

Date of Outcome: April 7, 2001

Opposing TM: ELIZABETH ARDEN

Opposing SN: 73-104,951

Opposing RN: 1,073,947

Opposer: UNOPCO SUB, INC. AND CONOPCO, INC., DBAELIZABETH ARDEN CO.

OPPOSITION ACTION: 113213

Filed: January 6, 1999

Outcome: PENDING

Date of Outcome: March 16, 1999

Opposing TM: AGNES B.

Opposing SN: 73-383,303

Opposing RN: 1,336,761

Opposer: MME. AGNES TROUBLE

FILING CORRESPONDENT: ANNA C SILVA , DAVID A. SEGAL, GIBSON, DUNN & CRUTCHER, LLP, 4 PARK PLAZA, IRVINE, CA 92614-8557

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001397

2/19/3 (Item 3 from file: 226)
 DIALOG(R) File 226:TRADEMARKSCAN(R)-US FED
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05365543 * TRADEMARK IMAGE AVAILABLE *

ARDEN B.

Stylized Letters
 INTL CLASS: 25 (Clothing)
 42 (Scientific, technological & legal services)
 T&T INTL CLASS: 35 (Advertising & Business Services)
 U.S. CLASS: 22 (Games, Toys, & Sporting Goods)
 39 (Clothing)
 100 (Miscellaneous Service Marks)
 101 (Advertising & Business Services)
 STATUS: Pending-Published for Opposition; Statement of Use -
 Registration Review Complete; Intent to Use - Application
 GOODS/SERVICES: (INT. CL. 25) WOMEN'S CLOTHING, NAMELY, BOOTS,
 SHOES, SLIPPERS, TOPS, TANK TOPS, SWEATSHIRTS, BLOUSES, VESTS,
 SHIRTS, SHORTS, PANTS, SKIRTS, JUMPSUITS, OUTERWEAR, NAMELY,
 BLAZERS, COATS, JACKETS, AND RAIN WEAR, SUITS, CAMISOLES,
 UNDERWEAR, HOSIERY, SCARVES, SWIMWEAR (INT. CL. 42) RETAIL
 APPAREL STORE SERVICES IN THE FIELD OF WOMEN'S CLOTHING,
 FOOTWEAR, HATS AND ACCESSORIES
 SERIAL NO.: 75-365,543
 FIRST USE: November 1997 (Intl Class 25)
 November 1998 (Intl Class 42)
 FIRST COMMERCE: November 1997 (Intl Class 25)
 November 1998 (Intl Class 42)
 FILED: September 30, 1997
 PUBLISHED: September 8, 1998
 DECLARATION APPROVED: October 13, 2001
 ALLOWANCE FILED: July 17, 2001
 ORIGINAL APPLICANT: WET SEAL, INC., THE (California Corporation),
 64 FAIRBANKS, IRVINE, CA (California), 927181603, USA (United
 States of America)
 OWNER AT PUBLICATION: WET SEAL, INC., THE (California
 Corporation), 64 FAIRBANKS, IRVINE, CA (California), 927181603,
 USA (United States of America)
 OPPOSITION ACTION: 112592
 Outcome: TERMINATED
 Date of Outcome: April 7, 2001
 Opposing TM: ELIZABETH ARDEN
 Opposing SN: 73-104,951
 Opposing RN: 1,073,947
 Opposer: UNOPCO SUB, INC. AND CONOPCO, INC. DBAELIZABETH
 ARDEN CO.
 OPPOSITION ACTION: 113213
 Filed: January 6, 1999
 Outcome: PENDING
 Date of Outcome: March 16, 1999
 Opposing TM: AGNES B.
 Opposing SN: 73-383,303
 Opposing RN: 1,336,761
 Opposer: MME. AGNES TROUBLE
 FILING CORRESPONDENT: KENNETH R GLASER , KENNETH R. GLASER, AKIN,
 GUMP, STRAUSS, HAUER & FELD, LLP, PO BOX 688, DALLAS, TEXAS
 75313-0689

**CONFIDENTIAL - FOR
 ATTORNEY'S EYES ONLY**

WS 001398

Adams B

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

WS 001399

EXHIBIT C

ARROEN B[®]

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

WS 001400

TOTAL P. 24

EXHIBIT D – CONFIDENTIAL

TRANSITION SCHEDULE

REDACTED

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

ATTORNEYS' EYES ONLY

WS 001401

REDACTED

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

REDACTED

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

REDACTED

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

ATTORNEYS' EYES ONLY

WS 001404

EXHIBIT E

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: The Wet Seal, Inc.

Serial No: 75/365,543

Filed: September 30, 1997

Classes: 25 and 42

Mark: ARDEN B.

TM Law Office _____

EXPRESS ABANDONMENT

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

Dear Sir or Madam:

Pursuant to 37 C.F.R. 2.68, Applicant, THE WET SEAL, INC. hereby expressly abandons the above referenced application in accordance with the terms and conditions of the Settlement Agreement between Agnès Troublé and The Wet Seal, Inc.

Respectfully submitted,

By  _____

John M. Cone
Akin, Gump, Strauss, Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, TX 75201-4675
Attorneys for The Wet Seal, Inc.

Dated: April 3, 2002

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

EXHIBIT E

CERTIFICATE OF MAILING

I hereby certify that the foregoing documents are being deposited with the U.S. Postal Service in an envelope addressed to: Assistant Commissioner for Trademarks, 2900 Crystal Dr., Arlington, VA 22202-3513, on _____, 2002.

**CONFIDENTIAL – FOR
ATTORNEY’S EYES ONLY**

EXHIBIT E

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: The Wet Seal, Inc.
Serial No: 75/394,241
Filed: November 21, 1997
Classes: 9, 14, 18, and 26
Mark: ARDEN B.
TM Law Office No: _____

EXPRESS ABANDONMENT

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

Dear Sir or Madam:

Pursuant to 37 C.F.R. 2.68, Applicant, THE WET SEAL, INC. hereby expressly abandons the above referenced application in accordance with the terms and conditions of the Settlement Agreement between Agnès Troublé and The Wet Seal, Inc.

Respectfully submitted,

By  _____

John M. Cone
Akin, Gump, Strauss, Hauer & Feld LLP
1700 Pacific Avenue, Suite 4100
Dallas, TX 75201-4675
Attorneys for The Wet Seal, Inc.

Dated: April 3, 2002

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

EXHIBIT E

CERTIFICATE OF MAILING

I hereby certify that the foregoing documents are being deposited with the U.S. Postal Service in an envelope addressed to: Assistant Commissioner for Trademarks, 2900 Crystal Dr., Arlington, VA 22202-3513, on _____, 2002.

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

-----X
Mme. AGNÈS TROUBLÉ,

Opposer,

v.

THE WET SEAL, INC.

Applicant.
-----X

Opposition No. 113,213

MOTION TO WITHDRAW OPPOSITION

As Applicant has now expressly abandoned its applications for the ARDEN B. trademark in International Classes 9, 14, 18 and 26, Serial No. 85/394,241, and International Classes 25 and 42, Serial No. 75/365,543, Opposer Mme. AGNÈS TROUBLÉ, moves to withdraw Opposition Number 113,213 against the applications.

Dated _____, 200_

Respectfully submitted,

PATTERSON, BELKNAP, WEBB & TYLER LLP

By: Gloria C. Phares

Gloria C. Phares, Esq.
1133 Avenue of the Americas
New York, New York 10036
(212) 336-2000
Attorneys for Opposer Agnès Troublé

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

EXHIBIT G

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

-----X	
Mme. AGNÈS TROUBLÉ,	:
	:
Opposer,	:
	:
v.	:
	:
THE WET SEAL, INC.	:
	:
Applicant.	:
-----X	

Opposition No. 113,213

MOTION ON CONSENT TO SUSPEND PROCEEDING

TO THE ASSISTANT COMMISSIONER FOR TRADEMARKS:

Pursuant to Trademark Rules of Practice Rule 2.117, Opposer, Agnès Troublé, moves on consent to continue the suspension of this proceeding for an additional twelve (12) months. On December 10, 1999 the Board granted Applicant's motion to suspend this proceeding because Opposer had filed a civil complaint against Applicant for trademark infringement in the United States District Court for the Southern District of New York. The Board suspended this proceeding pending disposition of the civil action. The parties have now settled that action and have stipulated to its dismissal. Pursuant to the parties' settlement agreement, however, Applicant will not abandon its applications for up to one year, so that it may obtain registration of an alternate trademark. Accordingly, the parties have agreed to continue the suspension of this Opposition Proceeding until Applicant abandons the Applications.

As part of the parties' settlement agreement, they mutually consented to the above suspension.

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

WS 001414

An original and two copies of this motion are being submitted pursuant to
Rule 2.121(d).

Dated: New York, New York
March __, 2002

Respectfully submitted,

By: _____
Gloria C. Phares

PATTERSON, BELKNAP, WEBB & TYLER LLP
1133 Avenue of the Americas
New York, New York 10036
(212) 336-2000

Attorneys for Opposer, Agnès Troublé

By: _____

Akin, Gump, Strauss, Hauer & Feld LLP
590 Madison Avenue
New York, NY 10022

Attorneys for Applicant The Wet Seal, Inc.

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

WS 001415

EXHIBIT H

Gloria C. Phares (GP-7611)
Deborah K. Steinberger (DS-3073)
PATTERSON, BELKNAP, WEBB & TYLER LLP
1133 Avenue of the Americas
New York, NY 10036-6710
(212) 336-2000
Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X	
AGNÈS TROUBLÉ	: 99 Civ. 10997 (VM)
Plaintiff,	:
- against -	:
THE WET SEAL, INC.,	:
Defendants.	:
-----X	

STIPULATION AND ORDER OF DISMISSAL

WHEREAS, plaintiff has commenced this action against defendant, claiming that defendant's ARDEN B. trademark infringes plaintiff's AGNES B. trademark;

WHEREAS, defendant denied and continues to deny plaintiff's allegations;

WHEREAS, the parties, desirous of avoiding the expense and distraction of further litigation, entered into a settlement agreement made as of March __, 2002 ("Settlement Agreement");

- (a) The above-captioned action is dismissed with prejudice.
- (b) Each party will bear its own costs and attorney's fees.

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

WS 001416

(c) The court retains jurisdiction over any claim brought to enforce the Settlement Agreement.

Dated: New York, New York
March __, 2002

Gloria C. Phares (GP-7611)

PATTERSON, BELKNAP, WEBB & TYLER LLP
1133 Avenue of the Americas
New York, New York 10036-6710
(212) 336-2000
Attorneys for Plaintiff Agnès Troublé

By: _____
Alan Siegel (AS-____)

AKIN, GUMP, STRAUSS, HAUER & FELD, LLP
590 Madison Avenue
New York, New York 10022
(212) 872-1002
Attorneys for Defendant The Wet Seal, Inc.

SO ORDERED:

The Honorable Victor Marrero, U.S.D.J.

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

EXHIBIT I

Contact: For Agnès Troublé:
Gregory Swift
Agnes b. (A.B.W. Enterprises)
(212) 548-9701
gregory.swift@agnesb.net

FOR IMMEDIATE RELEASE

AGNES B. vs. ARDEN B. SETTLEMENT

French fashion designer Agnès b. is pleased to announce the settlement of her trademark infringement lawsuit against Wet Seal's Arden B. women's clothing division.

Agnès b.'s lawsuit, filed in Federal Court in Manhattan in November 1999 (No. 99 Civ. 10997), alleged that Wet Seal's ARDEN B. mark, used on its stores and clothing, infringed the AGNES B. trademark. The AGNES B. mark appears in Agnès b.'s own distinctive handwritten script. Wet Seal's ARDEN B. mark also appeared in a handwritten script format. As a result of the settlement, Wet Seal will design a new logo for all ARDEN B. stores and merchandise, as well as pay an undisclosed amount to Agnès b.

Agnès was reached in her Paris office and said "With this matter resolved we look forward to concentrating our energies on our customers, our stores and on continuing to expand in the United States."

As a designer, stylist, photographer, film producer, Agnès b. still has time to run an art gallery and be an avid collector as well as a supporter of the arts. Agnès b.'s fashions, her art gallery and current events are also presented on her website at <http://www.agnesb.com>. The first agnès b. boutique in the United States was opened in New York in 1981 with others following in Boston, Chicago, Los Angeles, Costa Mesa, San Francisco, and Honolulu. With over 115 boutiques around the world, agnès b. remains a family-owned company that has grown in tune with the times, instinctively and far from the spectacle of fashion runways and, without advertising.

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: The Wet Seal, Inc.
Serial No: 75/365,543
Filed: September 30, 1997
Classes: 25 and 42
Mark: ARDEN B.
TM Law Office _____

EXPRESS ABANDONMENT

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

Dear Sir or Madam:

Pursuant to 37 C.F.R. 2.68, Applicant, THE WET SEAL, INC. hereby expressly abandons the above referenced application in accordance with the terms and conditions of the Settlement Agreement between Agnès Troublé and The Wet Seal, Inc.

Respectfully submitted,

By _____

Akin, Gump, Strauss, Hauer & Feld LLP
590 Madison Avenue
20th Floor
New York, NY 10022
Attorneys for The Wet Seal, Inc.

Dated: _____, 2002

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

WS 001419

CERTIFICATE OF MAILING

I hereby certify that the foregoing documents are being deposited with the U.S. Postal Service in an envelope addressed to: Assistant Commissioner for Trademarks, 2900 Crystal Dr., Arlington, VA 22202-3513, on _____, 2002.

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: The Wet Seal, Inc.

Serial No: 75/394,241

Filed: November 21, 1997

Classes: 9, 14, 18, and 26

Mark: ARDEN B.

TM Law Office No: _____

EXPRESS ABANDONMENT

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513

Dear Sir or Madam:

Pursuant to 37 C.F.R. 2.68, Applicant, THE WET SEAL, INC. hereby expressly abandons the above referenced application in accordance with the terms and conditions of the Settlement Agreement between Agnès Troublé and The Wet Seal, Inc.

Respectfully submitted,

By _____

Akin, Gump, Strauss, Hauer & Feld LLP
590 Madison Avenue
20th Floor
New York, NY 10022
Attorneys for The Wet Seal, Inc.

Dated: _____, 2002

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

CERTIFICATE OF MAILING

I hereby certify that the foregoing documents are being deposited with the U.S. Postal Service in an envelope addressed to: Assistant Commissioner for Trademarks, 2900 Crystal Dr., Arlington, VA 22202-3513, on _____, 2002.

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

Mme. AGNÈS TROUBLÉ,	X	
	:	
Opposer,	:	
	:	
v.	:	Opposition No. 113,213
	:	
THE WET SEAL, INC.	:	
	:	
Applicant.	:	
	X	

MOTION ON CONSENT TO SUSPEND PROCEEDING

TO THE ASSISTANT COMMISSIONER FOR TRADEMARKS:

Pursuant to Trademark Rules of Practice Rule 2.117, Opposer, Agnès Troublé, moves on consent to continue the suspension of this proceeding for an additional twelve (12) months. On December 10, 1999 the Board granted Applicant's motion to suspend this proceeding because Opposer had filed a civil complaint against Applicant for trademark infringement in the United States District Court for the Southern District of New York. The Board suspended this proceeding pending disposition of the civil action. The parties have now settled that action and have stipulated to its dismissal. Pursuant to the parties' settlement agreement, however, Applicant will not abandon its applications for up to one year, so that it may obtain registration of an alternate trademark. Accordingly, the parties have agreed to continue the suspension of this Opposition Proceeding until Applicant abandons the Applications.

As part of the parties' settlement agreement, they mutually consented to the above suspension.

WS 001423

**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

An original and two copies of this motion are being submitted pursuant to
Rule 2.121(d).

Dated: New York, New York
March __, 2002

Respectfully submitted,

By: _____
Gloria C. Phares

PATTERSON, BELKNAP, WEBB & TYLER LLP
1133 Avenue of the Americas
New York, New York 10036
(212) 336-2000

Attorneys for Opposer, Agnès Troublé

By: _____

Akin, Gump, Strauss, Hauer & Feld LLP
590 Madison Avenue
New York, NY 10022

Attorneys for Applicant The Wet Seal, Inc.

**CONFIDENTIAL – FOR
ATTORNEY’S EYES ONLY**



1-15-01

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into by and between, on the one hand, Unopco Sub, Inc. ("Unopco"), a Delaware corporation having a principal place of business in Wilmington, Delaware and Conopco, Inc. d/b/a Elizabeth Arden Co. ("Elizabeth Arden"), a New York corporation having a principal place of business in New York, New York (Unopco and Elizabeth Arden sometimes hereinafter referred to collectively as "Opposers") and, on the other hand, The Wet Seal, Inc. ("Wet Seal"), a Delaware corporation having a principal place of business in California.

WHEREAS, Wet Seal has adopted and is currently using, as a trademark and service mark, the term ARDEN B (the "Arden B Mark") in a distinctively styled script ("Stylized Format") depicted in attached Exhibit A;

WHEREAS, Wet Seal has filed applications for registration of the Arden B Mark in the Stylized Format, in connection with men's, women's and children's clothing and retail apparel store services, such application being identified as Serial No. 75/365,543, filed September 30, 1997 ("First Application"), and in connection with eyewear, jewelry, handbags, purses and backpacks, and hair ornaments, such application being identified as Serial No. 75/365,543, filed November 21, 1997 ("Second Application");

WHEREAS, Opposers have filed a Notice of Opposition to First Application, such proceeding identified as Opposition No. 112,906 ("First Opposition"), and a Notice of Opposition to Second Application, such proceeding identified as Opposition No. 112,592 ("Second Opposition"), based upon Opposers' prior use and/or registration of the trademark and service mark ELIZABETH ARDEN ("Elizabeth Arden Mark") in connection with a variety of products and services;

**CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY**

The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022
APPLICANT'S EXHIBIT NO. 11

WHEREAS, the parties wish to settle their differences relating to the issues raised by the First Opposition and Second Opposition, and in a manner designed to avoid potential confusion in the marketplace;

NOW, THEREFORE, in consideration of the premises, the terms and conditions herein, and for other good and valuable consideration, the receipt of which being acknowledged by the parties, the parties have agreed and do agree as follows:

1. Unopco and Elizabeth Arden shall not object to, and hereby consents and agrees to consent to, Wet Seal's use and registration of the Arden B Mark in the United States, or in any other country in which Elizabeth Arden has established trademark rights in the Elizabeth Arden mark, only if Wet Seal complies with all of the following conditions:

a. Wet Seal to neither use nor seek registration of the Arden B Mark as applied to cosmetics, skin care, hair care or fragrance products (including, but not limited to, eau de toilette, eau de cologne, eau de parfum, parfum, body lotion, body talc and powder, bath and shower gel, body oil, body soap, body wash, body splash, facial moisturizer, facial wash, after shave lotion/balm, deodorants, antiperspirants and such other products commonly sold in a full fragrance line of goods) or their packaging, or as the name of spas, salons or stores specializing in the sale of cosmetics, skin care, hair care or body products or services in the United States or, as applicable, in the respective country in which Elizabeth Arden has established trademark rights in the Elizabeth Arden mark;

b. the Arden B Mark to only be commercially used and registered as a trademark or service mark in the United States or, as applicable, the respective country in which Elizabeth Arden has established trademark rights in the Elizabeth Arden Mark, in

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

the Stylized Format; or if different than the Stylized Format, in a distinctively stylized form which is not the same as, nor likely to cause consumer confusion with, any of the stylized forms by which the Elizabeth Arden Mark is commercially portrayed in the United States, or the particular country of relevance;

c. Wet Seal not to use the Arden B Mark in the United States in connection with eyewear except in connection with eyewear, particularly sunglasses, sold and offered for sale in retail outlets and facilities bearing the Arden B Mark; and

d. Wet Seal not to register the Arden B Mark in the United States in connection with eyewear; provided that Elizabeth Arden shall not object to the use or registration by Wet Seal of the Arden B Mark in connection with eyewear, including sunglasses, anywhere in the world, except to the extent expressly prohibited by this Agreement.

2. Promptly after execution of this Agreement, and Wet Seal's deletion of "eyewear" from the Second Application, Opposers shall dismiss the First Opposition and Second Opposition, such dismissals to be with prejudice so long as Wet Seal is in compliance with the conditions recited in paragraph 1 hereof.

3. The parties to this Agreement acknowledge and recognize that avoidance of consumer confusion between Wet Seal's products and retail outlets bearing the Arden B Mark and Elizabeth Arden's products and retail outlets is a principal objective of this Agreement. Accordingly, to facilitate such objective, the parties hereto have respectively agreed as follows:

a. Wet Seal shall avoid the use of the distinctive trade dress features of the Elizabeth Arden "red door" spas, including but not limited to the color red, whether on its Arden B. clothing labels, in signage for its Arden B. stores, or elsewhere in the conduct

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

of its operations or the advertising or promotion of its goods or services, where such use will result in consumer confusion, mistake or deception as to the source of goods or services of the parties. While the parties recognize there is a good faith dispute as to whether the labels like that attached as Exhibit B would result in consumer confusion, mistake or deception, for purposes of early resolution of this dispute, Wet Seal will discontinue use of the Exhibit B labels within six (6) months of this Agreement.

b. Wet Seal shall avoid the use of the name "Elizabeth" (or commonly known variations of such name such as Beth or Liz) as a prominent feature of its advertising or as the name of any spokesperson which it uses to promote the stores or products bearing the Arden B Mark, where such use in either the conduct of its operations or the advertising or promotion of its goods or services, will result in consumer confusion, mistake or deception as to the source of goods or services of the parties;

c. Wet Seal's sale of the branded cosmetics of third parties within any of its Arden B's outlets shall only be under circumstances where such sales do not cause consumer confusion, mistake or deception as to the source of goods or services of the parties; and

d. the parties shall hereafter reasonably confer and work together, cooperatively and in good faith, for the purpose of avoiding consumer confusion, mistake of deception as to the source of goods or services of the parties.

4. Should either party consider the other party to have breached or violated any term or provision of this Agreement, the complaining party shall notify the allegedly breaching party, in writing and by certified mail, return receipt requested, specifying the nature of such alleged breach or violation. The allegedly breaching party shall thereafter have thirty (30) days from

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

receipt of such written notice to cure the breach, if any. In the event that such breach is cured during the thirty (30) day period, then the situation shall be such as if such breach or violation had never occurred.

5. This Agreement and the terms and provisions hereunder shall bind and apply, as well inure to the benefit of, the successors and assigns of, and companies parent or subsidiary to or affiliated with, the parties hereto.

6. This instrument constitutes the sole agreement of the parties hereto relating to the subject matter hereof. Any prior agreements, promises, negotiations, representations not expressly set forth in this Agreement are of no force or effect. Any modifications of this Agreement shall only be in writing in an instrument executed by all the parties.

7. This Agreement may be disclosed by either party to the United States Patent and Trademark Office or to any governmental agency responsible for the registration of trademarks or service marks.

8. This Agreement and any disputes arising under or related thereto (whether for breach of contract, tortious conduct or otherwise) shall be governed by the laws of the State of New York, without reference to its conflicts of law principles. Any legal actions, suits or proceedings arising out of this Agreement whether for breach of contract, tortious conduct or otherwise) shall be brought exclusively in the state courts of New York ("New York State Court") or the United States District Court for the Southern District of New York ("New York Federal Court"), and the parties to this Agreement hereby accept and submit to the personal jurisdiction of these New York courts with respect to any legal actions, suits or proceedings arising out of this Agreement; provided that nothing herein shall be interpreted to restrict any party's right to file (or remove from State Court) any action to the New York Federal Court, if otherwise appropriate.

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

UNOPCO SUB, INC.

Date: Jan. 9, 2001

By: 

Print Name: K. C. LEONARD

Title: ASST. SECRE.

CONOPCO, INC. dba
ELIZABETH ARDEN CO.

Date: Jan. 9, 2001

By: 

Print Name: K. C. LEONARD

Title: ASST. SECRE.

THE WET SEAL, INC.

Date: JAN. 15, 2001

By: 

Print Name: Ann Cadier Kim

Title: Senior Vice President,
Chief Financial Officer

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

A

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

ATTORNEYS' EYES ONLY

WS 001350

Allen B.

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

ATTORNEYS' EYES ONLY

WS 001351

B

CONFIDENTIAL - FOR
ATTORNEY'S EYES ONLY

ATTORNEYS' EYES ONLY

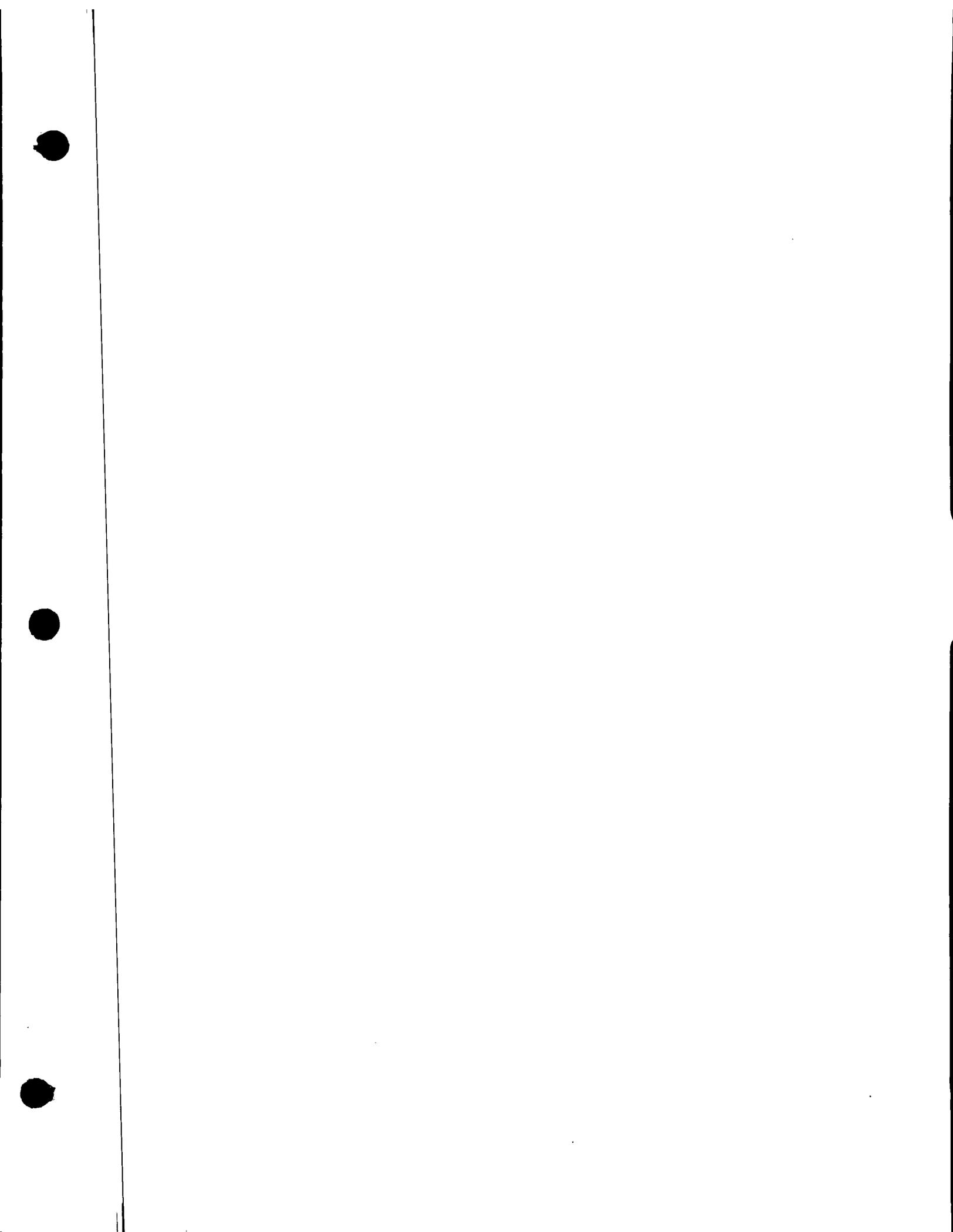
WS 001352



**CONFIDENTIAL – FOR
ATTORNEY'S EYES ONLY**

ATTORNEYS' EYES ONLY

WS 001353





WS 000071

The Wet Seal, Inc., Opposer
v.

FD Management, Inc., Applicant
Opposition No. 91,157022

APPLICANT'S EXHIBIT NO. 12

#310

21 11 1-2217 000000



WS 000073

1061001 8177 180002

WS 000074



Fall 2002 Holiday Gift Sets



ardenbeauty Holiday Gift Set

Line Image Holiday Gift Box Contains:

1.7 fl. oz. ardenbeauty Eau de Parfum Spray

3.3 fl. oz. ardenbeauty Body Lotion

Item Number	UPC Number	Order Multiple	Suggested Retail	Retail Value	Ship Date
0142-022	0-85805-01420-9	12	\$48.50	\$62.00	9/16/02

 Elizabeth Arden
PROMOTIONS

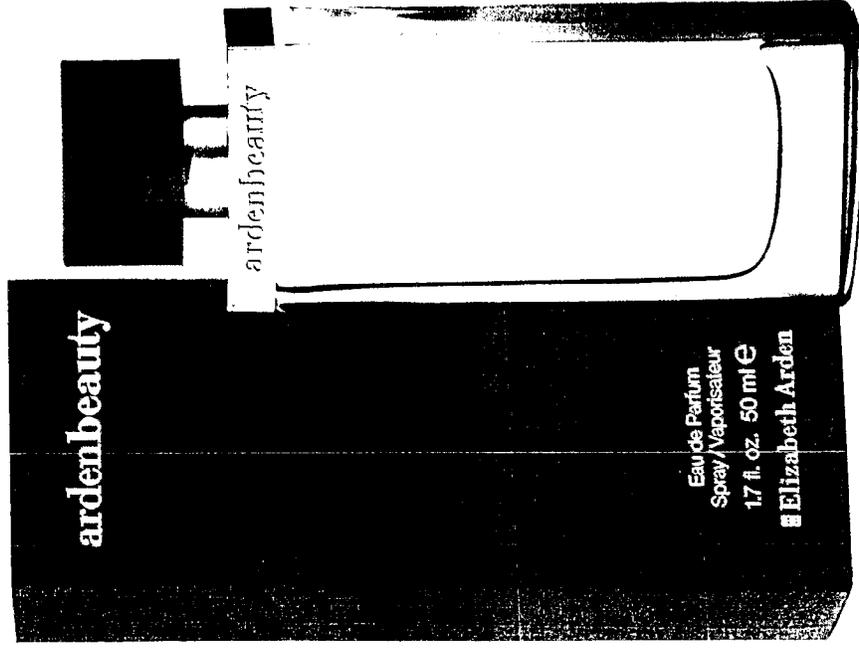
Fall 2002 ardenbeauty

Packaging

Fragrance

The ardenbeauty bottle is elegant, faceted and sculptural, changing as you turn it in your hand. The base is a rich luminous red that radiates color up the concave sides. The satin gold collar features the ardenbeauty logo and leads into a translucent red cap.

The carton is matte red, embossed with a silk shantung pattern and features the ardenbeauty logo in matte white.



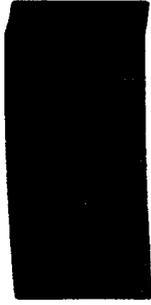
 Elizabeth Arden
FRAGRANCE

Fall 2002 ardenbeauty

Packaging

Body Lotion and Body Wash

The frosted bottle mirrors the beautiful lines of the Eau de Parfum and features a translucent red flip-top cap and red ardenbeauty logo.



ardenbeauty



ardenbeauty

Body Lotion

Loïon Sainïe pour le Corps

Elizabeth Arden

Body Wash

Crème Nettoyante pour le Corps

Elizabeth Arden

 Elizabeth Arden
FRAGRANCE

1 IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
2 BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD
3

4
5 In the Matter of Application No. 76/372,550 ARDENBEAUTY.
6 -----

7 THE WET SEAL, INC.,)

8 Opposer,)

9 vs.)

Opposition No. 91157022

10 FD MANAGEMENT, INC.,)

11 Applicant.)

12
13
14
15
16 DEPOSITION OF LAURA NICHOLAS
17 FEBRUARY 16, 2005
18
19
20
21

22 REPORTED BY: IMHOF AND ASSOCIATES
COURT REPORTERS & VIDEOGRAPHERS

23 LYNN E. VALENTI, CSR
24 CSR No. 8061 7720 Painter Ave 20650 Adam Circle
Suite A Yorba Linda, Ca
Whittier, Ca 90602 92886

25 Job No. 050216LV

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,)

)
)
Opposer,)

vs.) Opposition No. 91157022

FD MANAGEMENT, INC.,)

)
)
Applicant.)

DEPOSITION OF LAURA NICHOLAS, taken on
behalf of Opposer, at 26972 Burbank, in the
City of Foothill Ranch, California,
commencing at 8:54 A.M., on Wednesday, the
16th day of February, 2005, before LYNN E.
VALENTI, CSR No. 8061.

APPEARANCES

1
2 For the Opposer: AKIN GUMP STRAUSS HAUER & FELD, LLP
3 BY: JOHN MORANT CONE, ESQ.
4 1700 Pacific Avenue
5 Suite 4100
6 Dallas, TX 75201
7 (214) 969-2800

8 For the Applicant: JONES DAY
9 BY: JOSEPH R. DREITLER, ESQ.
10 325 John H. McConnell Boulevard
11 Suite 600
12 Columbus, OH 43215
13 (614) 469-3939
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I N D E X

2	WITNESS	EXAMINATION	PAGE
3	LAURA NICHOLAS		

4		BY MR. CONE	9 - 51
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FURTHER EXAMINATION

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8		BY MR. DREITLER	98 - 99
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EXHIBITS

13	OPPOSER'S		PAGE
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14	1 - Notice of Taking Testimony		9
----	--------------------------------	--	---

15	2 - September 25th, 1997 purchase order 95044		15
16	for Arden B. labels, Bate stamped WS-000075		

17	3 - September 25th, 1997 purchase order 95055		16
18	for Arden B. labels, Bate stamped WS-000081		

19	4 - Document entitled "Arden B. Clothing		16
20	Labels," Bate stamped WS-000057		

21	5 - Wet Seal catalogue, early fall 1998, Bate		18
22	stamped WS-000308 through WS-000317		

23	6 - Wet Seal catalogue, holiday 1998, Bate		19
24	stamped WS-000292 through WS-000307		

25	7 - Arden B. catalogue, Summer Style 1999,		20
	Bate stamped WS-000018 through WS-000035		

	8 - Fall One Arden B. catalogue, Bate stamped		20
	WS-000008 through WS-000017		

EXHIBITS

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4	9 - Arden B. Spring '00 catalogue, Bate stamped WS-000001 through WS-000007	21
5	10 - Photocopy of Arden B. labels, Bate stamped WS-000052	21
6		
7	11 - Photocopy of baseball cap with Arden B. logo, Bate stamped WS-000058	22
8	12 - Arden B. comparative income statement for the fiscal months ending January 30, 1999, Bate stamped WS-000084 through WS-000090 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	26
9		
10	13 - Arden B. income statement for the fiscal months ending February 3, 2001, Bate stamped WS-000091 through WS-000097 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	26
11		
12	14 - Document reporting sales by individual store starting in September of 2000 and ending January of 2003, Bate stamped WS-000944 through WS-000951 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	27
13		
14	15 - Arden B. monthly sales by group-location, Bate stamped WS-001263 through WS-001342 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	28
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16	16 - Arden B. monthly sales by group-location, Bate stamped WS-001425 through WS-01574 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	30
17		
18	17 - Arden B. 1999 media recommendation - Option III, WS-000238 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	41
19		
20	18 - Arden B. selling expenses, advertising - non lease required, Bate stamped WS-000239 (BOUND IN A SEPARATE CONFIDENTIAL BOOKLET)	42
21		
22	19 - Arden B. 2001 advertising media schedule, Bate stamped WS-001254	43
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EXHIBITS

	OFPOSER'S	PAGE
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3	20 - Arden B. 2002 media recommendation, Bate stamped WS-001255	44
4		
5	21 - Entertainment Weekly magazine dated September 24th, 1999, showing a one-page Arden B. advertisement, Bate stamped WS-000284 through WS-000285	45
6		
7	22 - Cosmopolitan magazine dated September 1999 showing one-page advertisement for Arden B. and Arden B. postcard, Bate stamped WS-000288, WS-000289 and WS-000291	45
8		
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10	23 - Photographs of Arden B. locations, Bate stamped WS-000357 through WS-000392	46
11	(EXHIBIT NUMBER 24 WAS INADVERTANTLY SKIPPED DURING NUMBERING)	
12		
13	25 - Photograph of bebe's parfum spray	48
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1 INFORMATION REQUESTED

2 (None)

3 UNANSWERED QUESTIONS

4 (None)

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1 FCOTHILL RANCH, CALIFORNIA, WEDNESDAY, FEBRUARY 16, 2005

2 8:54 A.M.

3
4 LAURA NICHOLAS,

5 called as a witness herein, being first

6 duly sworn, was examined and testified

7 as follows:

8
9 EXAMINATION

10 BY MR. CONE:

11 Q Good morning. This is a testimony deposition
12 in a Trademark Opposition Number 91157022, The Wet Seal,
13 Inc., against FD Management, Inc. It's the testimony
14 deposition of the Opposer, The Wet Seal, Inc., pursuant
15 to a notice served January 31, 2005 upon Mr. Joseph
16 Dreitler, the attorney for the Applicant, FD Management,
17 Inc.

18 (Opposer's Exhibit 1 was marked for
19 identification, the original of which is
20 attached hereto.)

21 BY MR. CONE

22 Q Would you be kind enough to introduce yourself.
23 Tell us your name and address?

24 A My name is Laura Nicholas.

25 Q And where do you work?

1 A I work at Arden B., a division of Wet Seal,
2 Inc.

3 Q What do you do for Arden B.?

4 A I am the head of stores.

5 Q What do you do as head of stores for Arden B.?

6 A I'm responsible for all operational and sales
7 focus in the 92 locations we have throughout the
8 country.

9 Q Does that involve visiting the Arden B.
10 stores?

11 A Yes.

12 Q Are you familiar with those stores?

13 A Yes.

14 Q Do you visit other stores that might be
15 competitors of Arden B.?

16 A Yes.

17 Q Are you knowledgeable about those stores as
18 well?

19 A I am.

20 Q How long have you worked for Arden B.?

21 A I've been with Arden B. for four years.

22 Q Okay. So when does that mean you started?

23 A February of 2001.

24 Q What did you do before you worked for
25 Arden B.?

1 A I worked for a women's specialty fashion
2 business, Beezu Beezu (phonetic).

3 Q Is that a retail store chain?

4 A It is.

5 Q And what sort of goods does it sell?

6 A Women's ready-wear fashion apparel.

7 Q And what was your position?

8 A Director of stores.

9 Q And what did that involve you doing?

10 A Very similar to what I do here. I was
11 responsible for all operational and sales driving focus
12 in those store locations.

13 Q Before Beezu Beezu what did you do?

14 A I worked for bebe for 11 years.

15 Q What is bebe?

16 A Bebe is a contemporary women's fashion
17 specialty retail chain.

18 Q Is that a competitor of Arden B.?

19 A Yes.

20 Q What did you do for bebe?

21 A I was a West Coast regional director.

22 Q What did the West Coast regional director do
23 when ycu were there?

24 A I was responsible for the West Coast stores
25 operations -- execution of operational and sales driving

1 focus.

2 Q And what merchandise did the bebe stores
3 sell?

4 A Women's contemporary fashion clothing.

5 Q And before bebe were you employed?

6 A I worked for Neiman Marcus.

7 Q What did you do for Neiman Marcus?

8 A For four years I was a department manager.

9 Q In what departments?

10 A Women's dresses, ready-to-wear, and couture as
11 well as children's.

12 Q Did you hold any employment position before
13 Neiman Marcus?

14 A I worked for Saks Fifth Avenue for two years.

15 Q What did you do?

16 A I was an assistant manager, department's
17 assistant manager.

18 Q In what department?

19 A Women's dresses, coats and suits, and
20 children's.

21 Q Were you employed before Saks Fifth Avenue?

22 A I worked for many years through high school and
23 college part time in fashion retail.

24 Q You mentioned college. Did you go to
25 college?

1 A I did.

2 Q Where did you go to college?

3 A I went to San Diego State University and
4 graduated from a fashion design and merchandising school
5 in San Diego.

6 Q What was the name of that school?

7 A Fashion Careers of California.

8 Q Do you remember when you graduated?

9 A 22 years ago.

10 Q Oh, my gosh.

11 Okay. All right. And the degree? What did
12 you study in college?

13 A Fashion merchandising and management.

14 Q Do you consider yourself to be generally
15 knowledgeable about retail trade and women's clothing and
16 accessories?

17 A Yes.

18 Q You mentioned that you worked for Arden B. Who
19 owns Arden B.?

20 A It is a division of the Wet Seal, Inc.

21 Q And what is Wet Seal, Inc.'s business?

22 A Wet Seal, Inc., originated as a women's or
23 girls' junior contemporary business.

24 Q And is that clothes?

25 A It is clothes, yes, apparel and accessories.

1 Q And how did the Arden B. division of Wet Seal
2 get started?

3 A In the mid nineties, 1995, '96, the CEO Kathy
4 Bronstein had wanted to add another division, an
5 extension of the --

6 MR. DREITLER: Objection. It's hearsay.

7 BY MR. CONE:

8 Q It's okay. Go ahead.

9 A An extension of the junior business, and
10 created a new division or collection.

11 Q And so what did she do?

12 A She brought in a new collection of merchandise
13 under the Arden B. label.

14 MR. DREITLER: Continuing objection on hearsay.

15 BY MR. CONE:

16 Q And was the Arden B. merchandise sold?

17 A Yes.

18 Q Do you know when it was first sold?

19 A In 1997.

20 Q And what merchandise was first sold in 1997?

21 A It was a collection of tops, bottoms, jackets,
22 dresses.

23 Q And did that merchandise include labels
24 identifying the brand?

25 A Yes.

1 Q What brand was identified?

2 A Arden B.

3 (Opposer's Exhibit 2 was marked for
4 identification, the original of which is
5 attached hereto.)

6 BY MR. CONE:

7 Q Let me show you what we have marked as
8 Opposer's Exhibit Number 2. I'll ask you to look at
9 Opposer's Exhibit Number 2. And can you tell me what
10 that is?

11 A It is a purchase order for labels, Arden B.
12 labels, September 25th of 1997.

13 MR. DREITLER: Objection. Foundation. Objection,
14 it's hearsay. Witness not competent to testify about
15 this document.

16 BY MR. CONE:

17 Q What, if anything, does the information in
18 Opposer's Exhibit Number 2 tell you about when the labels
19 would have been used, if they were used?

20 A It would tell me that they were purchased to be
21 used in 19 -- the fall season of 1997.

22 Q Based on your experience, how long does it
23 generally take from ordering labels to getting the labels
24 into clothes and into stores?

25 A It can be 30 to 90 days.

1 Q You typically wouldn't order labels much
2 earlier than, say, 90 days before the clothes were going
3 to the stores?

4 A No.

5 Q I'd like to show you what we have marked as
6 Opposer's Number 3. Take a look at that and tell me what
7 is Opposer's Exhibit 3.

8 (Opposer's Exhibit 3 was marked for
9 identification, the original of which is
10 attached hereto.)

11 MR. DREITLER: Object again on the grounds that it's
12 hearsay; she is not competent to testify about the
13 document.

14 THE WITNESS: This would show another purchase
15 order, September 25th, 1997, ordering 20,000 of one Arden
16 B. label and 35,000 of another Arden B. label.

17 BY MR. CONE:

18 Q And does the purchase order which is Opposer's
19 Exhibit Number 3 show the form of the label being
20 ordered?

21 A Yes.

22 (Opposer's Exhibit 4 was marked for
23 identification, the original of which is
24 attached hereto.)

25

1 BY MR. CONE:

2 Q Let me show you what we have marked as
3 Opposer's Exhibit Number 4. Can you tell me what is
4 shown in Opposer's Exhibit Number 4?

5 A A variety of Arden B. labels.

6 MR. DREITLER: Same objection. Hearsay, not
7 competent to testify about documents.

8 BY MR. CONE:

9 Q Did you see the Arden B. labels such as those
10 shown in Opposer's Exhibit Number 4 in use in clothing in
11 the time period of '98/'99?

12 MR. DREITLER: Objection.

13 THE WITNESS: In 1999.

14 BY MR. CONE:

15 Q Where did you see them?

16 A In an Arden B. store at San Francisco Center in
17 San Francisco during its launch period.

18 Q And is it your recollection that the form of
19 the labels used in the clothing in that store are as
20 shown in Opposer's Exhibit Number 4?

21 A Yes.

22 Q Do you know how the Arden B. clothing was first
23 sold by the Wet Seal, Inc.?

24 A In 1997 when it was introduced, it was placed
25 within the Wet Seal store locations.

1 MR. DREITLER: Objection. Competency, foundation.
2 Hearsay.

3 (Opposer's Exhibit 5 was marked for
4 identification, the original of which is
5 attached hereto.)

6 BY MR. CONE:

7 Q Let me show you what we have marked as
8 Opponent's Exhibit Number 5. Can you tell me what that
9 is?

10 A This is a Wet Seal catalogue for early fall of
11 1998.

12 MR. DREITLER: Same objection. Competency,
13 foundation.

14 BY MR. CONE:

15 Q Does this have any relevance to the sale of the
16 Arden B. clothing products?

17 A Yes, it shows Arden B. merchandise shown and
18 catalogued within this catalogue.

19 Q Is there a date on the catalogue?

20 A Early fall 1998.

21 Q And is it the practice of the Wet Seal, Inc.,
22 to date its catalogues at or near the time when they are
23 distributed?

24 A Yes, for the customer's purpose.

25

1 (Opposer's Exhibit 6 was marked for
2 identification, the original of which is
3 attached hereto.)

4 BY MR. CONE:

5 Q Let me show you what we've marked as Opposer's
6 Exhibit Number 6. Can you identify that for me?

7 A Yes, it is a Wet Seal catalogue for holiday of
8 1998.

9 MR. DREITLER: Same objection. Foundation,
10 competency of the witness.

11 BY MR. CONE:

12 Q What is meant by holiday 1998?

13 A It is the holiday season, November/December.

14 Q And is that at or about the time this catalogue
15 would have been distributed?

16 A It would have more than likely been distributed
17 in October.

18 Q And does this have any relevance to the Arden
19 B. clothing products of the Wet Seal, Inc.?

20 A Yes, this does show on page 10, or 300, Arden
21 B. clothing.

22 MR. DREITLER: Same objection. This witness isn't
23 competent to testify on the document.

24

25

1 (Opposer's Exhibit 7 was marked for
2 identification, the original of which is
3 attached hereto.)

4 BY MR. CONE:

5 Q Let me show you what we've marked as Opposer's
6 Exhibit Number 7. Could you take a look at Opposer's
7 Exhibit Number 7 and tell me what that is, please?

8 MR. DREITLER: Same objection. Foundation, lack of
9 competency to testify about this document.

10 THE WITNESS: This would be a catalogue and book on
11 introducing Arden B. as a brand, as well as showing
12 specific Arden B. merchandise.

13 BY MR. CONE:

14 Q What is this type of book used for?

15 A It may be used for catalogue to send the
16 customers and to send to editors for P.R. and editorial
17 or to send to stores as product and brand knowledge.

18 Q And is it dated?

19 A This is Summer Style 1999.

20 (Opposer's Exhibit 8 was marked for
21 identification, the original of which is
22 attached hereto.)

23 BY MR. CONE:

24 Q I'll show you what we've marked as Opposer's
25 Exhibit 8. Would you look at Opposer's Exhibit 8,

1 please, and tell me what that is?

2 MR. DREITLER: Same objection. Foundation,
3 competency of witness.

4 THE WITNESS: This would be Fall One, which is the
5 season following Summer 1999. This is a catalogue
6 showing specific merchandise, Arden B. merchandise.

7 (Opposer's Exhibit 9 was marked for
8 identification, the original of which is
9 attached hereto.)

10 BY MR. CONE:

11 Q Okay. And I'll show you a document that we've
12 marked as Opposer's Exhibit Number 9. Could you tell me
13 what that is, please?

14 MR. DREITLER: Same objection. Foundation,
15 competency of witness.

16 THE WITNESS: This is an Arden B. Spring 2000
17 catalogue showing specific Arden B. merchandise.

18 (Opposer's Exhibit 10 was marked for
19 identification, the original of which is
20 attached hereto.)

21 BY MR. CONE:

22 Q Would you take a look at the document we've
23 marked as Opposer's Exhibit Number 10. Do you recognize
24 that and, if so, can you tell us what it is?

25 A I can see that it is -- that this would be

1 labels that would be used wrapped around hosiery or
2 leggings tights --

3 MR. DREITLER: Same objection. Hearsay, lack of
4 foundation, lack of competency of the witness to testify
5 about it.

6 THE WITNESS: -- with the Arden B. label on it.

7 (Opposer's Exhibit 11 was marked for
8 identification, the original of which is
9 attached hereto.)

10 BY MR. CONE:

11 Q Okay. Thank you. Would you take a look at
12 what we've marked as Opposer's Exhibit Number 11 and tell
13 me what that is, please?

14 A This is a baseball cap with an Arden B. logo on
15 the baseball cap.

16 Q Do the exhibits we've just looked at, numbers 5
17 through 11, accurately illustrate the products that were
18 sold under the Arden B. brand in 1998 to about 2000?

19 MR. DREITLER: Objection. Hearsay, lack of
20 foundation, lack of competency of this witness to testify
21 about the documents.

22 THE WITNESS: Overall, yes. I would say from 1998
23 to 2001 would be showing that this was the original
24 script logo.

25

1 BY MR. CONE:

2 Q Which you saw in use --

3 A Yes.

4 Q -- at that time?

5 A Uh-huh.

6 Q You've talked about these products being
7 initially distributed by the Wet Seal. Did the manner of
8 the distribution of Arden B. merchandise eventually
9 change?

10 A Yes.

11 Q And how did it change?

12 A In November of 1999 there was the launch of the
13 Arden B. store's free-standing stores.

14 Q And do you know when the first free-standing
15 Arden B. store opened?

16 A November 1999.

17 Q When you joined the company in February of
18 2001, how many Arden B. stores were operating?

19 A 85.

20 Q And where were those stores located in terms of
21 geography when you joined in February 2001?

22 A Throughout the country. In major cities, you
23 know, San Francisco, L.A., Chicago, New York -- New
24 Jersey, I should say, Miami, and certainly many cities in
25 between.

1 Q Now, in general, in terms of the type of real
2 estate location, where were the Arden B. stores placed?

3 A The majority of stores are in major shopping
4 malls throughout the country.

5 Q Was that true in February 2001 --

6 A Yeah.

7 Q -- when you joined the company?

8 A Yes.

9 Q What stores or brands does Arden B. consider to
10 be its competitors?

11 A Though there are many competitors within each
12 mall and shopping area, our direct competitors we look
13 at, bebe, BCBG, Anthropology, a department in Nordstroms,
14 which is Nordstroms Savvy.

15 Q And are these competitor stores you identified
16 located in the same shopping malls as Arden B. stores?

17 A Many of them.

18 Q Who buys the Arden B. merchandise at the Arden
19 B. stores?

20 A We have a broad range of a true customer base
21 from 20 to 45. Our branding focus is a young woman in
22 her mid to late twenties.

23 Q And what range of products do you sell at the
24 Arden B. stores?

25 A We sell tops, bottoms, outerwear, suiting,

1 dresses, shoes, and accessories.

2 Q And are those marked with the Arden B. brand?

3 A Yes, all of our -- 99 percent of our
4 merchandise has the Arden B. label in it.

5 Q And was that true when you joined the company
6 in February 2001?

7 A Yes.

8 Q Do the customers who buy the Arden B.
9 merchandise also buy fragrances, cosmetics, body and hair
10 care products?

11 MR. DREITLER: Objection. No foundation. The
12 witness is not competent to testify.

13 THE WITNESS: Yes.

14 BY MR. CONE:

15 Q Do you think you're competent to answer that
16 question?

17 A I do.

18 Q Why?

19 A I see women walk in with makeup, color on their
20 lips, on their eyes, as well as occasionally you're able
21 to smell the fragrance the customer might be wearing when
22 you're working with them closely.

23 Q In general, is it possible for your customers
24 to purchase fragrances, cosmetics, and body and hair care
25 products at stores in the shopping malls in which the

1 Arden B. stores are located?

2 A Yes.

3 (Opposer's Exhibit 12 was marked for
4 identification, the original of which was
5 bound in a separate confidential booklet.)

6 BY MR. CONE:

7 Q I'd like you to look at a document we've marked
8 as Opposer's Exhibit Number 12, and can you tell me what
9 that document is?

10 MR. DREITLER: Objection. Competency, hearsay, lack
11 of foundation of this witness to testify about the
12 document.

13 THE WITNESS: This is an income statement showing
14 sales and net income for the fiscal year of 1998.

15 BY MR. CONE:

16 Q For what sales?

17 A The Arden B. sales.

18 Q And what does it reflect as to the sales of
19 Arden B. merchandise in 1998?

20 A 4,330,000.

21 (Opposer's Exhibit 13 was marked for
22 identification, the original of which was
23 bound in a separate confidential booklet.)

24 BY MR. CONE:

25 Q I'd like you now to look at a document we've

1 marked as Opposer's Exhibit Number 13. Can you tell me
2 what this document is?

3 MR. DREITLER: Same objection. Competency, lack of
4 foundation, hearsay for this witness to testify about
5 this document.

6 THE WITNESS: This is an income statement reflecting
7 sales and net income for the fiscal year of 2000 as well
8 as reflecting the prior year's sale in comparison.

9 BY MR. CONE:

10 Q And what -- sales of what are reflected in this
11 Exhibit Number 13?

12 A In the fiscal year of 1999, the Arden B. sales,
13 retail sales were 57,080,000, and in 2000, the Arden B.
14 retail sales were 75,317,000.

15 (Opposer's Exhibit 14 was marked for
16 identification, the original of which was
17 found in a separate confidential booklet.)

18 BY MR. CONE:

19 Q Let me show you a document we've marked as
20 Opposer's Exhibit Number 14. Can you tell me what
21 information is contained in this document?

22 A This is a reporting showing sales by individual
23 store starting in September of 2000 --

24 MR. DREITLER: Objection. Foundation, competency of
25 the witness. It's hearsay.

1 THE WITNESS: -- and ending January of 2003.

2 BY MR. CONE:

3 Q And when you say "individual stores," which
4 stores are these?

5 A These were all locations that were open as of
6 September 2000, and it reflects when stores throughout
7 that time frame through January 2003 opened, as well as a
8 select few had closed.

9 Q And are these Arden B. stores?

10 A Yes, they are.

11 (Opposer's Exhibit 15 was marked for
12 identification, the original of which was
13 bound in a separate confidential booklet.)

14 BY MR. CONE:

15 Q Let me show you what we've marked as Opposer's
16 Exhibit 15. Can you tell me what this document is?

17 MR. DREITLER: Lack of foundation, lack of
18 competency of the witness to testify about the document.
19 Objection.

20 THE WITNESS: This is an Arden B. monthly sales
21 reporting by category of merchandise: Tops, bottoms,
22 outerwear, et cetera, starting in September of 2000 and
23 going through January -- well, December of '04, and
24 current as of January of '05 as well.

25

1 BY MR. CONE:

2 Q And are you familiar with these reports in your
3 position as director of stores for Arden B.?

4 A This particular report, by category, I do not
5 regularly look at.

6 Q And do you regularly receive reports of
7 sales?

8 A Absolutely.

9 Q And how are the reports of sales generated?

10 A On a daily basis the stores, in the evenings,
11 connect with the main corporate computer and pull all
12 their sales information, which are then pulled together
13 in a multitude of reporting structure that, you know,
14 any -- a multitude of departments within the corporation
15 can pull up which are appropriate for their
16 responsibility.

17 Q And is this all from some central data base the
18 company maintains?

19 A Yes.

20 Q And is it Arden B.'s regular practice to
21 capture the sales information for management purposes?

22 A Yes, on a daily basis.

23 Q I've marked a document as Opposer's Exhibit 20.
24 Would you take a look at that?

25 MR. DREITLER: Are you moving ahead? Because 16 is

1 my next number.

2 THE WITNESS: Yeah, it was 16.

3 MR. CONE: I beg your pardon. Let me go back.

4 Thank you, Joe.

5 Make this 17.

6 MR. DREITLER: Have you got a 16?

7 THE WITNESS: It would be 16.

8 MR. CONE: 16. I'll get it right next time. 16.

9 (Opposer's Exhibit 16 was marked for
10 identification, the original of which was
11 bound in a separate confidential booklet.)

12 BY MR. CONE:

13 Q Would you take a look at the document we've
14 marked as Exhibit 16 and let me know what that one is.

15 MR. DREITLER: Again I object on the grounds it's
16 hearsay, and lack of foundation. This witness is not
17 competent to testify about this document.

18 THE WITNESS: This is another reporting structure by
19 store, Arden B. store, by department, of merchandise,
20 starting in 2000 and ending in January of '05, the
21 beginning of February '05.

22 BY MR. CONE:

23 Q And do these reflect the retail value of sales
24 at each store during each month that this report is
25 current for?

1 A Yes.

2 Q And you mentioned the classes or categories of
3 merchandise. The first part of Exhibit Number 16, which
4 is the pages that are Bates numbered 1425 through I think
5 1454, all say at the top "Arden B. Access." What does
6 that mean?

7 A That's accessories.

8 Q And what is included within accessories?

9 A Jewelry, shoes, handbags, belts, hats.

10 Q Okay. And the next set, which is WS-1455
11 through 1484, is marked "Outerwear." What is meant by
12 outerwear?

13 A Outerwear would be coats, leather jackets,
14 blazers.

15 Q Anything else?

16 A (No audible response).

17 Q How about the next group, which is WS-01485
18 through 01514, which is marked "Dresses"? What is
19 included within the category of dresses?

20 A That is pretty simple. It's dresses.

21 Q Okay. And then finally we have a group which
22 is WS-01515 through I believe -- well, no. Two more
23 groups. The next group, 01515 through 01544, "Bottoms."
24 What are bottoms?

25 A Bottoms would be pants, skirts, shorts, capris,

1 any category of a bottom.

2 Q And then what is in the final group, which is
3 WS-01545 through 01574, "Tops"? What are included within
4 the category of tops?

5 A Tops is blouses, woven shirts and tops, knit
6 tops, fashion tops, sweaters as well.

7 Q If you look at Exhibit 16, does this tell you
8 where the various Arden B. stores are located?

9 A Yes.

10 Q And can you tell us -- let's go through some of
11 these. Tell us where they are.

12 A Uh-huh.

13 Q And it starts off with the left-hand column of
14 this chart is headed "Location." Is that where the
15 store --

16 A That is the mall location.

17 Q Okay. So where is the store 3300, San
18 Francisco Center?

19 A In San Francisco, California.

20 Q And the store 3301?

21 A Miami, Florida.

22 Q 3302?

23 A Boston, Massachusetts.

24 Q 3303?

25 A Palm -- it's in Florida. It's north of

1 Miami.

2 Q Okay. 3304, the Glendale Galleria?

3 A Glendale, California, outside of Los Angeles.

4 Q 3305, the Houston Galleria?

5 A Houston, Texas.

6 Q 3306, Fashion Valley?

7 A San Diego, California.

8 Q 3307, Santa Monica Place?

9 A Santa Monica, California.

10 Q 3308, Ala Moana?

11 A Ala Moana, Honolulu, Hawaii.

12 Q 3309, Mac Arthur Center?

13 A In Virginia.

14 Q 3310, Fashion Island?

15 A Newport, California. Newport Beach,

16 California.

17 Q 3311, Walnut Street?

18 A Philadelphia, Pennsylvania.

19 Q 3312, Newport Center Mall?

20 A It is right over the bridge of New York City,

21 so it's just outside of New York.

22 Q 3313, Woodfield?

23 A Outside of Chicago, Illinois.

24 Q 3314, Oak Street?

25 A Chicago, Illinois.

1 Q 3315, Beverly Center?
2 A Los Angeles, California.
3 Q 3316, Bellevue Square?
4 A Bellevue, Washington.
5 Q 3317, Dallas Galleria?
6 A In Dallas, Texas.
7 Q 3318, Cherry Creek?
8 A Denver, Colorado.
9 Q 3319, Lenox Street?
10 A Atlanta, Georgia.
11 Q 3320, Town Center?
12 A Boca Raton, Florida.
13 Q 3321, George Town Park?
14 A It's just outside Washington D.C.
15 Q 3322, The Atrium?
16 A Boston, Massachusetts.
17 Q 3323, Mall Short Hills?
18 A In New Jersey.
19 Q 3324, Riverside Square?
20 A New Jersey as well. Forgive me, I don't know
21 all the specific cities by heart.
22 Q But you've probably been there.
23 A Many times.
24 Q I think you have to go to page 001431 to find
25 the next one, which is 3325, it says The Galleria.

1 A Pittsburgh, Pennsylvania.

2 Q 3326?

3 A Philadelphia, Pennsylvania.

4 Q 3327?

5 A It's in New York, forgive me, outside of
6 Manhattan.

7 Q 3328, Dadeland Mall?

8 A Miami, Florida.

9 Q 3330, Somerset Collection?

10 A Detroit, Michigan.

11 Q 3331, The Westchester?

12 A White Plains, New York.

13 Q 3333, Montgomery Mall?

14 A In Baltimore, Maryland.

15 Q You okay?

16 A Yeah. I'm trying to make sure, I'm putting
17 myself in all these stores as we go through this.

18 Q 3334, Columbia?

19 A In Baltimore as well.

20 Q 3335, Haywood Mall?

21 A Is in Green Hills, South Carolina.

22 Q 3336, Buckland Hills?

23 A Was in Atlanta, Georgia.

24 Q 3337, Paramus Park?

25 A In New Jersey.

- 1 Q 3338, North Point Mall?
2 A This was Atlanta, Georgia, as well.
3 Q 3339, Perimeter Mall?
4 A Atlanta, Georgia.
5 Q 3340, Garden State?
6 A New Jersey.
7 Q 3341, Willowbrook Mall?
8 A Outside of Houston, Texas.
9 Q 3342, Bridgewater Co?
10 A As well in New Jersey.
11 Q 3343, Freehold Raceway?
12 A New Jersey.
13 Q 3344, Pentagon City?
14 A Washington D.C.
15 Q And 3345, Rockaway Town Square?
16 A New Jersey.
17 Q 3346, Northlake Mall?
18 A Atlanta, Georgia.
19 Q 3347, Keystone?
20 A Indianapolis.
21 Q 3348, Oak Brook?
22 A Outside of Chicago.
23 Q 3349, Towson Town Center?
24 A Baltimore.
25 Q 3350, Town Center?

- 1 A Outside of Atlanta.
- 2 Q 3351, Gwinnett?
- 3 A Outside of Atlanta.
- 4 Q If we turn to page WS-01437, store 3352, Menlo
- 5 Park?
- 6 A New Jersey.
- 7 Q 3353, Stamford Town Center?
- 8 A Connecticut.
- 9 Q 3354, Westfarms Mall?
- 10 A Connecticut as well.
- 11 Q 3355, Danbury Fair?
- 12 A Let me think. Danbury closed down a couple
- 13 years ago. I am going blank on this one.
- 14 Q I think you can pass on one.
- 15 A It's been a couple years.
- 16 Q 3356, St. Louis Galleria?
- 17 A St. Louis.
- 18 Q 3357, Northbrook?
- 19 A Outside of Chicago.
- 20 Q 3358, Mall of America?
- 21 A Minneapolis.
- 22 Q 3359, Carousel Center?
- 23 A Syracuse, New York.
- 24 Q 3360, Burlington Mall?
- 25 A Is outside of Boston.

1 Q 3361, Annapolis Mall?

2 A This as well I will pass. It closed several
3 years ago.

4 Q 3362, Willow Grove Park?

5 A Outside of Philadelphia.

6 Q 3363, Cambridgeside?

7 A Boston.

8 Q 3364, mall of New Hampshire?

9 A In New Hampshire.

10 Q 3365, Orland Square?

11 A Outside of Chicago.

12 Q 3366, Ridgedale Center?

13 A Outside of Minneapolis.

14 Q 3367, Baybrook Mall?

15 A Outside of Houston, Texas.

16 Q 3368, Highland Mall?

17 A Austin, Texas.

18 Q 3369, Meriden Square?

19 A Pass. Several years, we have closed it several
20 years ago.

21 Q 3370, Prudential Center?

22 A In Boston.

23 Q 3371, Scottsdale Center?

24 A Scottsdale, Arizona.

25 Q 3372, The Parks Arlington?

- 1 A Arlington, Georgia.
- 2 Q 3373, Vista Ridge?
- 3 A Outside of Dallas.
- 4 Q 3374, Woodland Hills?
- 5 A Tulsa, Oklahoma.
- 6 Q 3375, Columbiana Center?
- 7 A In South Carolina.
- 8 Q 3376, The Woodlands?
- 9 A Outside of Houston.
- 10 Q If you turn to WS-01443, 3377 Southdale
- 11 Center?
- 12 A Outside of Minneapolis.
- 13 Q 3378, Old Orchard?
- 14 A Outside of Chicago.
- 15 Q 3379, Providence Place Mall?
- 16 A Providence, Rhode Island.
- 17 Q 3380, Fayette Mall?
- 18 A In Fayette, Kentucky.
- 19 Q 3381, Regency Square Mall?
- 20 A I will pass on that city.
- 21 Q 3382, Willowbrook?
- 22 A Is outside of Houston, Texas.
- 23 Q 3383, Mission Viejo Mall?
- 24 A Mission Viejo, California.
- 25 Q 3384, Concord Mills?

1 A In North Carolina.

2 Q And 3385, Aventura Mall?

3 A Just north of Miami, Florida.

4 Q Were all these stores opened and doing business
5 in September of 2000?

6 A Yes.

7 Q How do you know that?

8 A There is a record of sales -- the generation of
9 sales.

10 Q And is it possible from this Exhibit 16 to tell
11 when a store opened and started to do business?

12 A Yes, it is.

13 Q How would you determine that?

14 A You would -- you can see locations with the
15 record of sales. When they open, they will come onto
16 this list. As an example, Mall at Millenia, 3925, opened
17 in October 2002.

18 Q And if a store had closed -- you mentioned a
19 few -- how were you told that had happened?

20 A The sales would then drop off this report. As
21 an example, the first example I see is The Atrium Mall,
22 3322, closed in January, the end of January '05, as
23 February '05 shows no sales.

24 Q Is it true to say that the Arden B. stores --
25 excuse me.

1 Is it true to say that the Arden B. stores are
2 located generally across the entire United States?

3 A Yes.

4 Q And have been for a number of years now?

5 A Yes.

6 Q And that was the case when you joined the
7 company in February of 2001?

8 A Yes.

9 (Opposer's Exhibit 17 was marked for
10 identification, the original of which was
11 bound in a separate confidential booklet.)

12 BY MR. CONE:

13 Q I'd ask you to look at what we've marked as
14 Opposer's Exhibit Number 17. Could you tell me what this
15 is?

16 MR. DREITLER: Objection. Lack of foundation,
17 hearsay, lack of competence for this witness to testify
18 about this document.

19 THE WITNESS: This would show the Arden B. 1999
20 marketing budget and expense.

21 BY MR. CONE:

22 Q And when you say "marketing," is this for
23 advertising?

24 A This would be advertising in, highlighting
25 specific magazines, Cosmopolitan, Glamour, In Style,

1 Jane, and Entertainment Weekly.

2 Q And is it Arden B.'s practice to advertise in
3 these types of magazines?

4 MR. DREITLER: Continuing objection as it relates to
5 this particular document.

6 THE WITNESS: Yes, we annually choose the right type
7 of magazine to move forward in advertising.

8 BY MR. CONE:

9 Q And has Arden B. advertised in this type of
10 magazine since you've been employed by Arden B.?

11 A We have advertised in Vogue and Elle as well.

12 (Opposer's Exhibit 18 was marked for
13 identification, the original of which was
14 bound in a separate confidential booklet.)

15 BY MR. CONE:

16 Q If you'd look at what we've marked as Opposer's
17 Exhibit Number 18, can you tell me what that is,
18 please?

19 A This would be an advertise -- Arden B. selling
20 expenses, advertising budget.

21 MR. DREITLER: Objection. Lack of foundation, lack
22 of competency, and it's hearsay.

23 THE WITNESS: This is showing the analysis of the
24 2000 plan for Arden B. as compared to 1999.

25

1 BY MR. CONE:

2 Q And how much was spent in 1999?

3 A \$1.825 million.

4 MR. DREITLER: Continuing objection, same grounds.

5 (Opposer's Exhibit 19 was marked for
6 identification, the original of which is
7 attached hereto.)

8 BY MR. CONE:

9 Q I'll show you what we've marked as Opposer's
10 Exhibit Number 19. Can you tell me what that is,
11 please?

12 A This is the 2001 advertising schedule for Arden
13 B. showing advertising in publications from September of
14 2001 through December 2001.

15 MR. DREITLER: Objection. Lack of foundation.

16 BY MR. CONE:

17 Q Did these advertisements get placed when you
18 were working for Arden B.?

19 A Yes.

20 Q And what publications would you have
21 advertisements placed in?

22 A Vogue, In Style, Harper's Bazaar, Coast, and it
23 shows a miscellaneous magazine.

24 Q And do you recall those advertisements
25 appearing in those magazines?

1 A Absolutely.

2 (Opposer's Exhibit 20 was marked for
3 identification, the original of which is
4 attached hereto.)

5 BY MR. CONE:

6 Q I'll show you what we've marked as Opposer's
7 Exhibit Number 20. Would you look at that exhibit and
8 tell me what this is, please?

9 MR. DREITLER: Same objection. Lack of foundation,
10 competency of the witness to testify about the
11 document.

12 THE WITNESS: This is the Arden B. 2002 media
13 reccmmendation schedule.

14 BY MR. CONE:

15 Q And what is the media recommendation schedule?
16 What does that mean?

17 A The advertising in Vogue, Marie Clare, In
18 Style, Glamour, Cosmopolitan, Harper's Bazaar, and then
19 some local publications, San Jose Mercury, The Collection
20 for New York, and some Outdoor Shelters.

21 Q And did Arden B. advertise in these
22 publications during 2002?

23 A Yes.

24

25

1 (Opposer's Exhibit 21 was marked for
2 identification, the original of which is
3 attached hereto.)

4 BY MR. CONE:

5 Q Would you look at what we've marked as
6 Opposer's Exhibit Number 21 and tell me what that is,
7 please?

8 A This is an Entertainment Weekly magazine --
9 MR. DREITLER: Hearsay objection, lack of
10 foundation, lack of competency.

11 THE WITNESS: -- dated September 24th, 1999, showing
12 a one-page Arden B. advertisement.

13 (Opposer's Exhibit 22 was marked for
14 identification, the original of which is
15 attached hereto.)

16 BY MR. CONE:

17 Q I'd like to show you what we've marked as
18 Opposer's Exhibit Number 22. Can you look at that and
19 tell me what that is, please?

20 A Yes, it is a Cosmopolitan magazine dated
21 September 1999 --

22 MR. DREITLER: Same objection. Lack of foundation,
23 lack of competency of witness to testify about this
24 document.

25 THE WITNESS: -- showing a one-page advertisement

1 for Arden B. as well as an Arden B. postcard used to
2 distribute via mail to the customer base.

3 BY MR. CONE:

4 Q Do the Arden B. stores display the Arden B.
5 brand?

6 A Yes.

7 Q How is that done?

8 A Exterior-wise, there's the Arden B. logo above
9 the entrance door as well as on the windows. Throughout
10 the store, there's an Arden B. logo behind the wrap desk
11 and throughout some of the floor fixtures, as well as the
12 logo is on our wooden hanger, our shopping bags, tissue
13 paper and stickers, along with our gift boxes that we
14 extend to the customer.

15 (Opposer's Exhibit 23 was marked for
16 identification, the original of which is
17 attached hereto.)

18 BY MR. CONE:

19 Q Let me show you what we have marked as Exhibit
20 Number 23. Tell me, if you could, what is -- what are
21 the documents that make up Exhibit 23?

22 MR. DREITLER: Same objection. Lack of foundation,
23 lack of competency of this witness.

24 THE WITNESS: Photographs of the Arden B. locations,
25 front page specifically, our Oak Street store in Chicago

1 showing the Arden B. logo at the door and on the window
2 within the interior of the store. These photographs show
3 the script logo throughout the store.

4 BY MR. CONE:

5 Q And when was the script logo used?

6 A Through mid to late 2001.

7 Q And the photographs which are Opposer's Exhibit
8 23 accurately represent and show the way in which the
9 Arden B. brand was displayed at your stores through to
10 the middle of 2001?

11 A Yes.

12 MR. DREITLER: Objection. Lack of foundation, lack
13 of competency.

14 BY MR. CONE:

15 Q Is the -- I'll start again my question.

16 Do you sell fragrances and body care products
17 in your Arden B. stores?

18 A No.

19 Q Do any of the stores you identified as your
20 competitors sell fragrances and body care products?

21 A Yes.

22 Q Which ones?

23 A Bebe, BCBG, Anthropology has soap, Banana
24 Republic. All have either fragrance or some kind of body
25 care.

1 (Opposer's Exhibit 25 was marked for
2 identification, a photograph of which is
3 attached hereto.)

4 BY MR. CONE:

5 Q I'd like to show you what we've marked as
6 Opposer's Exhibit Number 25. Can you tell me what that
7 is, please?

8 A Yes, it is bebe's parfum spray.

9 Q When was that purchased?

10 A This was purchased yesterday, February 15th --

11 Q By who?

12 A -- 2005.

13 By myself.

14 Q And where did you purchase it?

15 A At the bebe location at Fashion Island Mall in
16 Newport Beach, California.

17 Q And is there a brand name on the product
18 which --

19 A Yes.

20 Q What is the brand name on the product?

21 A Bebe.

22 MR. DREITLER: Can I see that?

23 MR. CONE: Yeah. We didn't buy three. I'm sorry.

24 MR. DREITLER: That's fine. I just --

25 This would be 26?

1 MR. CONE: Will it?

2 MR. DREITLER: Yeah.

3 MR. CONE: Okay.

4 MR. DREITLER: I'll look at it, know what it is.

5 MR. CONE: Thank you.

6 (Opposer's Exhibit 26 was marked for
7 identification, a photograph of which is
8 attached hereto.)

9 BY MR. CONE:

10 Q Let me show you what we have marked as
11 Opposer's Exhibit Number 26. Can you tell me what that
12 is?

13 A Yes. This is BCBGirls perfumed bath and shower
14 scrub.

15 Q What is BCBG?

16 A It's a women's contemporary retail clothing
17 chain.

18 Q And what is the mark on the product which is
19 exhibited there in front of you, Exhibit 26?

20 A It is their label, BCBGirls.

21 (Opposer's Exhibit 27 was marked for
22 identification, a photograph of which is
23 attached hereto.)

24 BY MR. CONE:

25 Q Let me ask you to look at Opposer's Exhibit 27.

1 A This is Banana Republic W, which is an eau de
2 parfum for her.

3 Q And what is the brand on Exhibit 27?

4 A Banana Republic.

5 Q Is that the name of the store?

6 A Yes, it is.

7 (Opposer's Exhibit 28 was marked for
8 identification, a photograph of which is
9 attached hereto.)

10 BY MR. CONE:

11 Q Can you tell me what has been marked as Exhibit
12 28?

13 A This is a scented soap from Anthropology.

14 Q And is the Anthropology brand on the label on
15 the back?

16 A Yes.

17 (Opposer's Exhibit 29 was marked for
18 identification, a photograph of which is
19 attached hereto.)

20 BY MR. CONE:

21 Q Would you look at what we've marked as
22 Opposer's Exhibit Number 29. Can you tell me what that
23 is, please?

24 A This is Forever 21's XXI lip gloss.

25 Q What is Forever 21?

1 A Forever 21 is a junior fashion specialty chain
2 of stores.

3 Q What brand name is used on the product that's
4 Exhibit 29?

5 A XXI.

6 (Opposer's Exhibit 30 was marked for
7 identification, a photograph of which is
8 attached hereto.)

9 BY MR. CONE:

10 Q Would you look at what we've marked as
11 Exhibit -- Opposer's Exhibit Number 30, and can you tell
12 me what that is, please?

13 A This is nail polish from Forever 21.

14 Q And is there a brand name on the nail
15 polish?

16 A XXI.

17 Q Thank you.

18 MR. CONE: I'm going to pass the witness at this
19 time.

20 MR. DREITLER: I'm sorry?

21 MR. CONE: Pass the witness at this time.

22 MR. DREITLER: Do you want to take a break?

23 MR. CONE: Yes, let's do that.

24 (Recess)

25

EXAMINATION

1
2 BY MR. DREITLER:

3 Q Thank you, Ms. Nicholas, for your time. I
4 appreciate it. I'm John Dreitler. I represent the
5 Applicant in this matter, FD Management, Inc., which is
6 the owner of Elizabeth Arden.

7 And just to go on the record and say it, if at
8 any time you don't understand a question or I'm not clear
9 or you can't hear me, please just say so. I don't want
10 you to guess at something that I'm saying or asking for
11 and not understand. So just do that and, again, as we
12 just said before, if at any time you want to take a break
13 for whatever reason, just say the word.

14 A Thank you.

15 Q Okay. You mentioned that with the very
16 extensive background that you've had, that you've been at
17 Wet Seal. Do you actually work for Wet Seal or Arden B.?

18 A I actually work for Wet Seal, Incorporated.

19 Q And that's been since February 2001, correct?

20 A Yes.

21 Q And have you held the same title and same job
22 responsibilities for the entire time?

23 A I've held the same job responsibilities the
24 entire time, with a title change in February of '04.

25 Q Okay. And what was that title change in

1 February of '04?

2 A I was hired as the director of stores for Arden
3 B. --

4 Q Right.

5 A -- in February of 2001. In February 2004 I was
6 promoted from the title standpoint to vice-president of
7 stores for Arden B.

8 Q But your job responsibilities did not change
9 with that?

10 A No.

11 Q Do you have additional people that are working
12 for you or reporting to you that weren't prior to
13 February 2004?

14 A Not from a department structure, but I have
15 created a job since that time to add to a direct -- as a
16 direct report from any department.

17 Q And what job would that be?

18 A I added the director of store operations and
19 communication.

20 Q Okay. And what does he or she do?

21 A She actually is responsible for all of the
22 operational communication from corporate to the stores,
23 to the field.

24 Q Okay. And in your title, can you give me a
25 little bit more specifics as exactly what your line of

1 operations are, what things you do?

2 A Okay. I am directly responsible to the company
3 to ensure that our stores are running operationally
4 sound, as well as the focus of maximizing our sales
5 through customer service and selling talent.

6 That extends to the interaction and
7 participation in marketing decisions, product
8 participation in regards to, from a customer's viewpoint
9 when buyers are looking to buy merchandise, giving
10 feedback from the customer's viewpoint as well as the
11 visual presentation once the merchandise is received in
12 the stores, working with the president and the director
13 of visual to make sure that the presentation in the
14 stores is appropriate to the selling viewpoint, as well
15 as the operational execution of the -- what we call the
16 floor set, which is the visual merchandising.

17 Q And so when you say you are involved in
18 marketing decisions, what types of marketing decisions
19 are you involved in and are you solely responsible for
20 the company's marketing decisions?

21 A Absolutely not solely responsible. I am part
22 of the marketing group that meets on a weekly basis with
23 the vice-president of marketing and the president where
24 we discuss our marketing strategies, whether an
25 advertising campaign in magazines, whether the postcards

1 and communication, how it looks as we send it out to
2 customers, as well as how the stores look once we've used
3 the marketing choices within the store.

4 Q Okay. So there is a director of marketing?

5 A There's a vice-president of marketing, yes.

6 Q And trying to decipher, 'cause I'm not a retail
7 merchant, as to exactly what all of those things entail,
8 do those things entail accounting functions? Is there an
9 accounting department that's responsible for maintaining
10 the sales records and expenses?

11 A Yes. We have personal responsibility of being
12 aware and held to our budgets that we set at the
13 beginning of each year. The gathering of that
14 information and reporting it would come from initially
15 our I.T. department through our finance department, which
16 is then communicated to us so we are able to really
17 manage our expectational finances.

18 Q Okay. And same thing as far as is there a
19 separate person in charge of advertising, or is that part
20 of the marketing function?

21 A That's part of the marketing function.

22 Q And is the vice-president of marketing
23 responsible for hiring the advertising agencies or
24 whatever creative that you use to put together the
25 advertisements that you run?

1 A The vice-president of marketing works directly
2 with our central service marketing department making the
3 decisions on the photographer, the stylist, the model, et
4 cetera.

5 Q Okay. When you run an advertisement in a
6 magazine, do you use an outside advertising agency to put
7 that together or is that something that you do
8 internally?

9 A Internally.

10 Q And who all is involved in that process?

11 A The vice-president of marketing is essentially
12 driving and responsible for that. The president is very
13 involved and ultimately finalizes all decisions in that
14 regard.

15 Q Who is the president?

16 A The president is Jennifer Pritchard.

17 Q How long has she been president?

18 A She's been president of Arden B. for one
19 year.

20 Q And who was the president before
21 Ms. Pritchard?

22 A Greg Scott.

23 Q And if you know, how long was he president?

24 A He was president for three years and nine
25 months.

1 Q Are those the only presidents that you've
2 worked for since you've been there?

3 A Yes.

4 Q Do you know who Elizabeth Arden is?

5 A I know of Elizabeth Arden, yes.

6 MR. CONE: Objection. Goes beyond the scope of
7 direct examination.

8 BY MR. DREITLER:

9 Q Do you have any idea how long Elizabeth Arden
10 cosmetics and fragrances have been sold?

11 A I don't --

12 MR. CONE: Objection. Goes beyond the scope of
13 direct examination.

14 Joe, can we keep that as an ongoing objection
15 so I don't have to interrupt you every time?

16 MR. DREITLER: That's fine. Stipulated it's a
17 running objection.

18 MR. CONE: Thank you.

19 THE WITNESS: I am not specifically aware of the
20 time.

21 BY MR. DREITLER:

22 Q Since the time you've been involved in fashion
23 design, have Elizabeth Arden cosmetics and fragrance
24 products been sold?

25 A I would say yes, from my knowledge of 22 years.

1 Q If I told you Elizabeth Arden cosmetics and
2 fragrances have been sold for more than 60 years, would
3 that surprise you?

4 A No.

5 Q Would you consider cosmetics to be a beauty
6 product?

7 A Yes.

8 Q You've heard the phrase "hope in a bottle"?

9 A Yes.

10 Q What does that phrase mean?

11 A It could mean open a bottle and smell
12 beautiful, it could mean open a bottle and look
13 beautiful.

14 Q I'm sorry, I was not clear. Hope in a bottle.

15 A I'm sorry? Hope in a bottle?

16 Q Not open a bottle.

17 A I'm sorry, which I have heard that from a
18 cosmetics standpoint.

19 Hope in a bottle, no, I have not heard that
20 specifically.

21 Q The cosmetics and fragrance business is
22 referred to as hope in a bottle.

23 A That would make sense.

24 Q Have you ever testified before?

25 A No.

1 Q Who all have you talked with about your
2 testifying here today?

3 A John.

4 Q Mr. Cone?

5 A Mr. Cone. Jennifer Pritchard. And prior,
6 approximately a year and a half ago, with Greg Scott and
7 Larry Smith, at that time our in-house counsel.

8 Q Okay. Is Mr. Scott no longer in-house
9 counsel?

10 A Larry Smith was in-house and he is no longer.

11 Q Okay. And that was it?

12 A That was -- that was approximately a year and a
13 half ago. And I believe Mr. Cone was involved in that as
14 well.

15 Q Okay. And what all did you do to prepare for
16 your testifying here today?

17 A Just reviewed my position and my awareness to
18 Arden B. as a brand and a specialty chain as I joined the
19 company and prior, as I looked at it from a competitive
20 standpoint when I was an employee at bebe, and any other
21 knowledge about the stores' appearances, how we use
22 logos, et cetera.

23 Q Okay.

24 MR. CONE: Let me just at this time remind the
25 witness that to the extent any discussions that she had

1 or any preparations that she had involved counsel for the
2 company, she should not divulge the nature of the
3 communication. I have no problem with saying that she
4 met with counsel.

5 BY MR. DREITLER:

6 Q And did you look at all of the documents that
7 you have looked at today as part of your preparation?

8 A I met with counsel and reviewed some of the
9 documents.

10 Q Some of them but not all of them?

11 A Not all.

12 Q Did all of these documents come from your own
13 personal files, or your own files from your operations?

14 A No.

15 Q I'm just going to go back and ask you to look
16 at Exhibits 2 and 3 and 4 and 5 and 6 and 7 -- I'm going
17 to try to do this quickly -- and 8 and 9 and 10.

18 The dates on all these documents appear to be
19 prior to your joining Wet Seal in February of 2001. Is
20 that correct? Please feel free to go through and look at
21 the documents.

22 A That is correct.

23 Q Okay. And I believe you told me that these
24 documents did not come from files that are under your
25 care or custody as part of your job; is that correct?

1 A Correct.

2 Q Okay. And so when looking at Exhibits 2
3 through 10, is it fair to say you have no firsthand
4 knowledge that these documents, that these labels were
5 actually purchased at this time period or that this
6 catalogue went out, because you weren't here and these
7 aren't your records? Would that be a fair statement?

8 A Yes.

9 Q And looking at Exhibits 12 through -- well,
10 let's just look at 12 and probably 13, which are a pair
11 of income statements for 1998 and 1999.

12 Did these documents come from the files that
13 are in your care, custody and control?

14 A No.

15 Q So you don't know if these numbers are totally
16 accurate or not; you have no independent knowledge that
17 they are, firsthand knowledge?

18 A They are the numbers that I am aware of from my
19 own necessity to understand the business growth through
20 the beginnings of the Arden B. stores through my
21 responsibility now for these numbers to be correct.

22 Q But you didn't prepare these records?

23 A No.

24 Q And these records are not from your files; is
25 that correct?

1 A They're not from my files.

2 Q That's fine.

3 If you could just look at Exhibits 17 and 18,
4 which appear to be 1999 media recommendations and
5 advertising, non lease required, for 2000, do these
6 documents come from files that are in your care, custody,
7 or control as part of your job responsibility?

8 A No.

9 Q And looking at Exhibit 21 and 22, which is
10 Entertainment Weekly, September 24, 1999, and
11 Cosmopolitan, September 1999, did these documents come
12 out of files that are kept under your care and custody as
13 part of your job responsibility?

14 A No.

15 Q And getting to what started this entire
16 thing -- and I guess I should mark it as Applicant's 1.

17 MR. DREITLER: And you don't have stickers, so you
18 are going to get this later, right?

19 THE REPORTER: Yes.

20 (Applicant's Exhibit 1 was marked for
21 identification, the original of which is
22 attached hereto.)

23 BY MR. DREITLER:

24 Q Would you take a look at Applicant's Exhibit 1,
25 Ms. Nicholas? Have you ever seen that document before?

1 A No.

2 Q Do you know -- in own words, would you just
3 tell us what this case is about, in your own words?

4 A From my understanding, it is that when
5 Elizabeth Arden launched the Arden Beauty fragrance line,
6 there was concern about the trademark of Arden B. versus
7 Arden Beauty and the confusion from a branding standpoint
8 and that, from my understanding, Elizabeth Arden was --
9 Elizabeth Arden was wanting to have the rights to all
10 cosmetics, fragrances, beauty care under Arden Beauty,
11 versus Arden B. being able to go forward using that if we
12 launched our own line.

13 Q Okay. We'll get to that in a minute, thank
14 you.

15 Were you asked for your input as to whether or
16 not this case should be brought?

17 A No.

18 Q Do you know in general the goods for which
19 Elizabeth Arden is seeking trademark registration for
20 Arden Beauty?

21 MR. CONE: The same objection. To the extent these
22 questions are beyond the scope of the direct examination,
23 again, if they are, I'm going to keep that objection,
24 please.

25 MR. DREITLER: Fine.

1 THE WITNESS: Could you repeat the question?

2 BY MR. DREITLER:

3 Q Yes. Do you have any idea of what the goods
4 are that Elizabeth Arden is seeking to register Arden
5 Beauty for that are the subject of this litigation?

6 A I could speculate.

7 Q Don't do that.

8 A But no, I don't know specifics.

9 Q Okay. I'd like to mark as Applicant's Number 2
10 a document that is entitled Opposer's Responses to
11 Applicant's First Request for Admissions.

12 MR. CONE: Once again I'll object to any questions
13 about this document as going beyond the scope of the
14 direct examination.

15 MR. DREITLER: We'll continue that objection to let
16 it go, other than this is the witness they put forward to
17 testify. So it is what it is.

18 (Applicant's Exhibit 2 was marked for
19 identification, the original of which is
20 attached hereto.)

21 BY MR. DREITLER:

22 Q Have you ever seen this document before,
23 Ms. Nicholas?

24 A No.

25 Q I would ask that you read on the first -- the

1 number one under Responses to Requests for Admissions:

2 "Admit that Opposer does not sell or market
3 fragrance products for personal use, namely,
4 perfume, cologne, toilet water, scented body
5 lotion and moisturizing cream, body oil, body
6 powder, scented skin soap; cosmetics and skin
7 care preparations, namely, foundation makeup,
8 face powder, blusher, compacts, eye pencils, lip
9 pencils, lipstick, lip gloss, nonmedicated lip
10 balm, mascara, eye makeup, eyeliners, skin
11 moisturizer and skin toner; hair care products,
12 namely, shampoo, hair conditioners, hair gel and
13 hair spray; nail care preparations, namely, nail
14 polish, nail strengtheners, and nail polish
15 remover; shaving cream, shaving gel, after-shave
16 lotion; skin soap; shower gel; deodorant;
17 antiperspirant; potpourri; sachets; suntanning
18 preparations; and/or sun screen and sun block
19 preparations."

20 Can you tell me which, if any, of those
21 products Arden B. currently sells?

22 A None of them.

23 Q I believe you mentioned -- strike that.

24 You indicated before that Arden B. was selling
25 some clothing products in 1997; is that correct?

1 A Yes.

2 Q How many stores do you know were they selling
3 Arden B. products?

4 A I do not know the exact number of locations.

5 Q Would it have been 10, a hundred? Do you have
6 any idea?

7 A I can't. I would not be able to do anything
8 but speculate.

9 Q Okay. That's fine.

10 We'll mark this as Applicant's Number 3, which
11 is Opposer's Responses to Applicant's First Set of
12 Interrogatories.

13 (Applicant's Exhibit 3 was marked for
14 identification, the original of which is
15 attached hereto.)

16 BY MR. DREITLER:

17 Q And just take your time and please take a look
18 at it, Ms. Nicholas, and tell me if you've ever seen that
19 document before and just sort of go through it, if you
20 would.

21 A I have never seen the document before.

22 Q Okay. I ask you that -- and it's not a trick
23 question, but if you look at number 19, Interrogatory 19
24 in the response, your name is indicated as the person who
25 participated in the preparation of the answer.

1 MR. CONE: Is that a question?

2 BY MR. DREITLER:

3 Q Were you aware that your name was put down as
4 someone who participated in these answers?

5 A I wasn't aware that it was put down but I did
6 participate, as I mentioned, about a year and a half ago
7 in conversation.

8 Q Okay. Did you provide any documents at that
9 time?

10 A No.

11 Q Okay. Could you just take a couple minutes and
12 go through it? And if you see a question that you
13 provided the information on, just stop and tell me that
14 you provided the information on it so that I can ask you
15 questions about it.

16 A Number 18, the question regarding possible
17 consumer confusion, mistake or deception.

18 Q Has a consumer come up to you in a store and
19 said that she thought that Elizabeth Arden's Arden Beauty
20 products were somehow connected with Arden B.?

21 A No, not to myself personally.

22 Q Thank you.

23 With respect to number 4, if you know the
24 answer, 4-D, is it still correct that Arden B. does not
25 manufacture any of its own products?

1 A We do not manufacture our own products, meaning
2 purchasing our own fabric and having the manufacturer
3 work directly and only for us. So no, we do not -- we
4 are not a manufacturing retailer.

5 Q Okay. So you place orders, typically, overseas
6 with purchase orders for people to make products and put
7 your labels in them; is that correct?

8 A Yes, the majority of our product, yes.

9 Q And what's the minority?

10 A We do have a team of designers that design
11 product that we then again go out through manufacturers
12 to produce it. Even though it's our proprietary design,
13 it is still produced from an outside manufacturer or
14 vendor.

15 Q Okay. I know you weren't here at the time, but
16 do you recall or have knowledge when and where the first
17 Arden B. store opened?

18 A In November of '99 there was a group of stores,
19 it was approximately 43 stores that opened in November of
20 1999.

21 (Applicant's Exhibit 4 was marked for
22 identification, the original of which is
23 attached hereto.)

24 BY MR. DREITLER:

25 Q Okay. Take a look at that document. Have you

1 ever seen that document before, this Applicant's Number
2 4?

3 A Yes, I have.

4 Q Where did you see it and when?

5 A I saw this document -- I believe it is the same
6 document that I saw -- I'm just trying to really
7 acknowledge whether it's the same document or not.

8 I saw that document yesterday, if it is the
9 exact document. I saw a document showing the
10 announcement of the opening our Arden B. store.

11 Q Yesterday?

12 A Yes.

13 Q Is that the only time you've ever seen it?

14 A This specific document, yes.

15 Q Okay. Have you seen some other document
16 similar to that before yesterday?

17 A Not at -- not a formal press release document
18 announcing the opening.

19 Q Okay. So if this is to be believed, it appears
20 that the first Arden B. store was opened at The Gardens
21 in West Palm Beach, Florida, sometime in November of
22 1998. That's what it says, right?

23 A Uh-huh.

24 Q And to the extent that you know, how many
25 stores were added and how many stores closed over the

1 next ensuing years up to today, of Arden B.?

2 A We have opened -- we currently have 92 stores.
3 We have had as many as a hundred and six. So throughout
4 my tenure here we have closed 12 to 13 stores.

5 Q So were there 102 when you came here in
6 February 2001?

7 A No, there were 85, and we have opened through
8 the four years approximately 20, 21 stores.

9 Q Okay. So the best of your knowledge, this was
10 the first Arden B. store that went into operation?

11 A Yes, and it is still open.

12 Q It is still open. Okay.

13 Does Arden B. sell any of its clothing or
14 accessories or other products at stores other than Arden
15 B. stores?

16 A No.

17 Q This press release identifies Kathy Bronstein
18 as vice-chair and chief executive officer of the company.
19 I believe I heard you mention her name earlier. Is that
20 right?

21 A Yes.

22 Q Do you know who she is?

23 A Yes.

24 Q Who is she?

25 A Kathy Bronstein, when I joined the company, was

1 the vice-chairman and CEO of The Wet Seal,
2 Incorporated.

3 Q Did you report up through Ms. Bronstein?

4 A I did not report directly to her, as I report
5 to the president of Arden B., but had many interactions
6 with Ms. Bronstein.

7 Q So you dealt with her and know who she is?

8 A Yes.

9 MR. DREITLER: I should probably go back before we
10 go off the record and identify these things by Bate stamp
11 number, because we have Bate stamp numbers. And I would
12 like to get those on the record, if you would please do
13 so.

14 I'll hand you what's going to be marked as
15 Applicant's Number 5, which is WS-000034 and WS-000035.

16 (Applicant's Exhibit 5 was marked for
17 identification, the original of which is
18 attached hereto.)

19 BY MR. DREITLER:

20 Q Ms. Nicholas, have you ever seen this document
21 before?

22 A I believe this is from one of the catalogues
23 that I saw earlier today.

24 Q That was the only time you ever saw this
25 document?

1 A Yes.

2 Q Is that correct?

3 A Yes.

4 Q Okay. Would you just read it?

5 A "Our goal is to become" --

6 Q I'm sorry, you don't have to read it out loud.

7 Just read it so I can ask you a question about it.

8 A I was following your lead from reading out loud
9 before.

10 Q I apologize.

11 You read it? Does that pretty much sum up the
12 target market for the Arden B. stores, the young, hip
13 woman?

14 A Globally, yes. We have certainly evolved in
15 our approach to our brand but -- but yes.

16 Q Have you become yet the national leader for
17 young fashion?

18 A We have grown tremendously and we're moving in
19 that direction.

20 Q And so just for my knowledge, if you'd go over
21 this once again, with this as your target market or
22 target demographic, your competitors are?

23 A Bebe, BCBG, Anthropology. There is certainly a
24 cross-over with Banana Republic, Express, and certainly
25 specialized departments within department stores like

1 Nordstroms, Bloomingdale's, et cetera.

2 Q So Limited is one of your competitors, you
3 would say?

4 A We look to them as a possible cross-over,
5 yes.

6 Q When you say "a possible cross-over," what does
7 that mean?

8 A We feel that a BCBG or bebe has a -- we have a
9 much larger cross-over customer that would shop both bebe
10 and Arden B. or BCBG or Arden B. much more frequently.
11 We feel that that customer -- our customer would come to
12 us and BCBG in the same visit.

13 Customers like Banana Republic or Express,
14 there is a narrower cross-over base where there's a woman
15 who is still a -- you know, looking for fashion, though
16 on a more conservative viewpoint, so there are parts of
17 our life still -- that still need a real basic -- what we
18 call basic level of fashion which they may go through
19 Banana or Express for.

20 Q And you don't currently or you do not provide
21 that basic fashion?

22 A Within our collection we certainly have an
23 Arden B. basic level, you know, collection of product.
24 We carry denim. So we do extend that to our customer in
25 a slightly more fashion-forward way than a Banana or Gap

1 would.

2 Q Okay. So it's less conservative and dowdy than
3 those, is what you're saying; it's more fashion-forward
4 and hip is --

5 A Yes, yes.

6 Q Okay. I think you mentioned that you worked
7 for Neiman Marcus at one point. How would you describe
8 the price points of the clothing items that you sell in
9 Arden B. versus, for example, the Neiman -- I guess you
10 were in the -- were you in the couture section?

11 A I was for a time as well as a ready-to-wear
12 department.

13 Globally, we are certainly at a lower price
14 point than the global merchandise mix at Neiman Marcus.
15 Certainly at Neiman Marcus as well there are -- there's
16 the opportunity to purchase certain labels and brands
17 that are of more moderate, you know, for a consumer who
18 is -- not all consumers at Neiman Marcus shop in the
19 couture department.

20 So globally we are a lower price point, but
21 certainly at Neiman Marcus there's the opportunity to
22 shop at a more moderate average price point in certain
23 departments.

24 Q Okay. So your price points are consistent in
25 the range of what you said before, was it -- was it Gap

1 or was it bebe?

2 A We are very consistent with a bebe,
3 Anthropology. BCBG is a slightly higher price than we
4 are. But that is the range that we're very competitive
5 with.

6 Q Okay. And so would I be correct in saying it's
7 much more of a -- it's much more, as it says here, hip
8 than classic designs?

9 A Yes.

10 MR. DREITLER: I'll mark as Applicant's Number 5
11 (sic) Bate stamps WS-000519 through WS-000562.

12 (Applicant's Exhibit 6 was marked for
13 identification, the original of which is
14 attached hereto.)

15 BY MR. DREITLER:

16 Q I'll just ask you, Ms. Nicholas, have you ever
17 seen the Wet Seal 10-K report for 1999 --

18 A No.

19 Q -- before?

20 A I have not.

21 Q Okay. Would you turn to page WS-000526,
22 please. And you don't have to read out loud, but just
23 read from the top down through where it says
24 "Competition," if you would, please.

25 Have you read it?

1 A Yes.

2 Q Under the section which is entitled
3 "Competition," is there anything in that section that you
4 would disagree with describing the competition?

5 MR. CONE: Objection to the extent the time period
6 you're asking about is not stated.

7 MR. DREITLER: To the extent that the witness knows
8 what the competition was as of January 30, 1999.

9 MR. CONE: '99. Okay.

10 BY MR. DREITLER:

11 Q Is that a fair statement, to the best of your
12 knowledge?

13 A I would say this is a fair statement at that
14 time, yes.

15 Q And looking up at the paragraph above that,
16 were you aware that the company was involved in trademark
17 oppositions with Elizabeth Arden over the company's right
18 to register Arden B. back in 1999?

19 A No, I was not.

20 MR. DREITLER: I'm handing to counsel -- it's
21 Applicant's Number 7, which is Bate stamps WS-000952 to
22 WS-001005.

23 (Applicant's Exhibit 7 was marked for
24 identification, the original of which is
25 attached hereto.)

1 BY MR. DREITLER:

2 Q Would you take a look at -- well, it's number
3 000988, about the fourth page. It starts out, "As a
4 fashion-driven, lifestyle-oriented." Would you just take
5 a look at that? You don't have to read it out loud.

6 Okay. And as of the date this annual report
7 2000 came out, would you have any disagreements with the
8 description of what the Arden B. business and customer
9 was all about?

10 A No.

11 (Applicant's Exhibit 8 was marked for
12 identification, the original of which is
13 attached hereto.)

14 BY MR. DREITLER:

15 Q I'll hand you Applicant's Number 8, which is
16 Bate stamp WS-001065, ask you, have you ever seen that
17 document before?

18 A As a shareholder I will say that, yes, I have
19 seen this. Remembering the specifics about it, I would
20 have to reread it.

21 Q Okay. But you have seen it before as a
22 shareholder?

23 A Yes.

24 Q And if you'd look at the second page, which is
25 WS-001068, it appears to be a picture of a young woman

1 with "Arden B."

2 A This was one of our -- this was our spring
3 2000 -- 2003 ad campaign.

4 Q And that was an ad campaign that ran where?

5 A In magazines. Vogue, I can speak for very
6 specifically, as well as throughout our interior of the
7 store for a few months.

8 Q It appears, to someone who doesn't know, fairly
9 fashion-forward; is that correct?

10 A Yes.

11 (Applicant's Exhibit 9 was marked for
12 identification, the original of which is
13 attached hereto.)

14 BY MR. DREITLER:

15 Q I'll now hand you Applicant's Number 9, which
16 is Bate stamp numbers WS-001125, WS-001151, WS-00154,
17 WS-001155, WS-001183. Let me ask you just to take a look
18 at those documents, if you would, please.

19 Have you ever seen those documents before?

20 A I don't recall specifically seeing these
21 specific documents, though I recall seeing shareholders'
22 information from Kathy Bronstein.

23 Q Okay. Let's look at the second page,
24 WS-001151. It says at the top The Wet Seal, Inc., and
25 then it has a picture of someone --

1 A Kathy Bronstein.

2 Q It says "Dear Shareholders"?

3 A Uh-huh.

4 Q Would you just take a second, take a look at
5 that, if you don't mind.

6 A Uh-huh. Okay.

7 Q I'm just looking this paragraph where it says,
8 "Our contemporary business, Arden B. launched in 1998,
9 had come into its stride but it was lacking a niche upon
10 which to build." Are you familiar with what that means
11 and what was going on?

12 A Yes.

13 Q Okay. In your own words, what does that mean?
14 What is she saying?

15 A That means from 1998 until the time that Greg
16 Scott joined the company, which was in May of 2000, there
17 was not specifically a focused viewpoint of who the
18 customer base or strategy was from a true merchandising
19 viewpoint.

20 From a branding standpoint I think it was
21 always very clear, but from a merchandising standpoint it
22 wasn't as clear and specific how to capture that
23 customer.

24 Q What was it from a merchandising standpoint
25 prior to this time and what did it become?

1 A I believe that though the branding focus was to
2 be able to capture the young, hip fashion woman, that
3 under, you know, the focus, it was difficult for them to
4 understand how to do that from a fashion standpoint at
5 the right price point and, you know, in what direction,
6 you know, because of the -- the natural focus on what
7 competition is doing.

8 Knowing Greg Scott, because I worked for him
9 prior, with him at bebe for many, many years, regardless
10 of what competition was or wasn't doing, he had a very
11 focused niche in his mind as to what that customer would
12 be looking for and what would differentiate ourselves
13 from our competition.

14 Q And what did he do? You mentioned price points
15 is one thing?

16 A I think very specific focus on creating great
17 fashion, quality at a value for the customer. So there
18 was a connection between price point and quality and
19 fashion as well as really focusing on that young, hip
20 woman who still wanted to be feminine and current at the
21 same time.

22 Q Did the price points go up or did they go
23 down?

24 A I can't specifically speak from, you know, a
25 real measurable -- I could tell you I believe they stayed

1 within a consistent range of what it was. It was really
2 extending more value through quality and like a true
3 fashion viewpoint.

4 Q And at the bottom it says, "Sincerely." Do you
5 recognize that signature?

6 A Uh-huh. That's Kathy Bronstein.

7 Q That's her signature?

8 A Uh-huh.

9 Q And when did she leave the company, if you
10 know?

11 A Yes, she left the company in -- I believe it
12 was April, the month. It was the first half, without
13 question, of 2003.

14 Q And where is she now, just out of curiosity?

15 A I don't know the specifics of what she's doing
16 now.

17 MR. DREITLER: Off the record.

18 (Discussion off the record)

19 BY MR. DREITLER:

20 Q Are you familiar with a company called Agnes
21 Trouble, or spelled T-r-o-u-b-l-e?

22 A If you're referring to Agnes B. as the retail
23 division?

24 Q Correct.

25 A Yes.

1 MR. CONE: And of course I object as being beyond
2 the scope of direct.

3 BY MR. DREITLER:

4 Q And what do you know about Agnes B.?

5 A It is a very small retail chain. I believe in
6 the country there are less than 20 stores, could be as
7 little as 10. It is a higher priced, you know, designer
8 label that they merchandise only with their own like --
9 their own product.

10 Q Are you aware that they filed a lawsuit against
11 Wet Seal and Arden B.?

12 A Yes.

13 Q When did you first become aware of that?

14 A Shortly after I joined the company, in March,
15 April of 2001.

16 Q Do you know how it ended?

17 A I know that we were -- we had to move forward
18 with changing our script logo to a different logo that
19 wouldn't be, in Agnes B.'s viewpoint, confusing to what
20 their logo was.

21 Q How did you learn all that?

22 A Initially because as Greg Scott, the president,
23 was making decisions on the font to use going forward and
24 even some of the operational function of changing the
25 logo, meaning it would be part of my stores'

1 responsibility to have workmen come in, et cetera, to
2 change the logos throughout the store.

3 So being aware of it at that time because we
4 were making decisions on the font, the logo itself, and
5 then the execution of changing the logo in the stores.

6 Q And has that all been changed?

7 A Yes.

8 Q So referring to Opposer's Exhibit Number 23,
9 which is a photograph of a store, I believe you said in
10 New York?

11 A Oak Street, Chicago.

12 Q Does that storefront look like that with that
13 Arden B. script today?

14 A The Arden B. logo has changed. That's the only
15 thing that has changed.

16 Q It is changed?

17 A Yes.

18 Q Has it been changed in all stores?

19 A Yes.

20 MR. DREITLER: I'm going to mark as Applicant's
21 Exhibit Number 10, Attorneys' Eyes Only, WS-001354
22 through WS-001424, and it's entitled Settlement
23 Agreement, made as of March 20, 2002.

24 MR. CONE: Are you going to leave these little
25 stickies on there?

1 MR. DREITLER: We can take them off. Just for ease
2 of looking at it, I thought that might make sense.

3 MR. CONE: That's okay. Thank you.

4 (Applicant's Exhibit 10 was marked
5 for identification, the original of which
6 was bound in a separate confidential
7 booklet.)

8 BY MR. DREITLER:

9 Q Have you ever seen this document before?

10 A No.

11 Q Would you take a look at the first page
12 numbered paragraph 2, Change of the Wet Seal Design Mark,
13 and just read it, not out loud, but just read it.

14 A Did you say to read B and C as well?

15 Q Sure.

16 A Okay.

17 Q And I think I've got a tag on the side. One is
18 Exhibit -- Exhibit C. And if you look at the page in
19 front of it, apparently it got cut off, but I would
20 assume this is Exhibit B, or intended to be Exhibit B.
21 If you'd just read it.

22 What you just told me before as far as what
23 happened, is this document consistent with what changes
24 you made or had made to your stores as a result of this
25 litigation?

1 A Yes.

2 Q And have you ceased all use of the script Arden
3 B.?

4 A Yes.

5 Q And if you would look on page -- it's 001361,
6 it's near the front. Do you see that?

7 A Uh-huh.

8 Q Do you see where it says The Wet Seal, Inc.?

9 A Yes.

10 Q Do you recognize that signature?

11 A Yes. It's Kathy Bronstein's.

12 Q Okay. And I apologize, and I'm not trying to
13 ask you the same thing to be tricky, but approximately
14 when did all the changes from the script to the block
15 occur?

16 A The majority of changes, I would say 80 percent
17 of them were completed mid 2001. The last change was
18 completed, which was the hangers, just change out all the
19 hangers, was completed by -- it was either December of
20 '01 or January of '02 at the latest. But that process
21 was the very last step.

22 Q Okay.

23 A May I take a break?

24 Q Oh, sure. Any time.

25 (Recess)

1 BY MR. DREITLER:

2 Q Are you familiar with the name Ann Cadier
3 Kim?

4 A No.

5 Q Okay. Who's the chief financial officer of Wet
6 Seal currently?

7 A It is Doug Felderman.

8 Q Do you have any idea how long he's been in that
9 job?

10 A Approximately a year.

11 Q Okay. Since you've been here February 2001,
12 have there been several CFOs?

13 A Doug is the third.

14 Q And who were the other two?

15 A Now the name is familiar. It was Ann Kim.

16 Q Okay. It is familiar?

17 A Yes.

18 Q Okay.

19 A Now in reference, yes. She was the CFO when I
20 joined the company. Without a detailed date, I would say
21 she was in that position for approximately my first two
22 years, year and a half to two years, and then Walter
23 Parks joined the company after Ann Kim left.

24 Q Okay. Do you have any idea where she went,
25 just out of curiosity?

1 A She may have gone to -- it's on the tip of my
2 tongue. It's a Southern California local company. It
3 was either Styles For Less or Tilly's. I recall knowing
4 where she went at that time but --

5 Q Okay. Did you have any interactions with
6 Ms. Kim?

7 A Occasionally, yes.

8 (Applicant's Exhibit 11 was marked
9 for identification, the original of which
10 was bound in a separate confidential
11 booklet.)

12 MR. DREITLER: I'm going to hand you what is
13 Applicant's Exhibit 11, Bate stamped WS-001344 to 1353,
14 entitled Settlement Agreement.

15 MR. CONE: And for the record, I'll object to any
16 questions about this document as being beyond the scope
17 of direct examination.

18 BY MR. DREITLER:

19 Q Take your time and --

20 A Okay.

21 Q Do you recognize that signature of Ann Kim on
22 page 1349?

23 A I cannot personally say I recognize her
24 signature.

25 Q Have you ever seen that document before?

1 A No.

2 Q Does it surprise you to learn that Wet Seal
3 agreed in 2001 that they would not use Arden B. in
4 connection with cosmetics, skin care, hair care,
5 fragrance products, eau de toilette, eau de cologne, eau
6 de parfum, parfum, body lotion, body talc and powder,
7 bath and shower gel, body oil, body soap, body wash, body
8 splash, facial moisturizer, facial wash, after-shave
9 lotion/balm, deodorants, antiperspirants and such other
10 products commonly sold in a full fragrance line of goods
11 or their packaging, or as the name of spas, salons or
12 stores specializing in the sale of cosmetics, skin care,
13 hair care or body products or services in the United
14 States?

15 A It is surprising as it's the first I've heard
16 or seen that we agreed to anything in that nature.

17 Q Okay. And if you look down below -- that was
18 1-A. If you look down to 1-B, does it surprise you to
19 learn that Wet Seal agreed in 2001 that the only way they
20 would use the Arden B. name is in the stylized format
21 that's attached as 001351 or a different and distinctly
22 stylized format not likely to cause confusion with
23 Elizabeth Arden's mark?

24 A Again, though it's the first time I've been
25 aware of that type of agreement, certainly this is

1 something that I could understand as being agreed upon.

2 Q Okay. Do you know if -- strike that.

3 Do you know if anyone at Arden B. sent the
4 proposed new current Arden B. logo to Elizabeth Arden
5 before making the change to your current format?

6 A I am not personally aware of that taking place,
7 though I would strongly believe that that would have
8 taken place.

9 MR. DREITLER: I'm sorry, have you provided us with
10 the new storefront? Because I'm looking at these and
11 this is all I've got.

12 MR. CONE: I don't know.

13 MR. DREITLER: This is WS-000071, 000074. It's
14 going to be Exhibit Number 12.

15 (Applicant's Exhibit 12 was marked
16 for identification, the original of which
17 is attached hereto.)

18 BY MR. DREITLER:

19 Q Ms. Nicholas, are you familiar with those
20 photographs?

21 A Yes. This would be the store frontage at our
22 Fashion Island, Newport Center store.

23 Q Does the storefront currently look the same way
24 as far as the signage is concerned?

25 A No, it has been changed to the new logo.

1 MR. DREITLER: I'm going to mark as Applicant's
2 Number 13 three pages identified as Fall 2002 Holiday
3 Gift Sets, Fall 2002 Arden Beauty, and Fall 2002 Arden
4 Beauty.

5 (Applicant's Exhibit 13 was marked
6 for identification, the original of which
7 is attached hereto.)

8 BY MR. DREITLER:

9 Q Am I correct that you shop all of your
10 competition as part of your job?

11 A Yes.

12 Q Which means you're probably in and out of
13 department stores as well as specialty stores on a
14 regular basis?

15 A Yes.

16 Q And you may even wander by cosmetics and
17 fragrance from time to time, would that be a fair
18 statement?

19 A Yes.

20 Q And you probably personally use cosmetics and
21 perfume, correct?

22 A I do.

23 Q Have you ever seen any of the Arden Beauty
24 products that are identified on the three pages that are
25 attached as Exhibit 13?

1 A I have.

2 Q You have?

3 A Yes.

4 Q And when did you see them?

5 A I saw them in the fall of 2002 or spring of
6 2003 upon becoming aware of this line of product.

7 Q Okay. And since you were aware of BCBG Girls
8 and -- let's see who else have we got over here.

9 A Bebe.

10 Q And bebe, and is it Anthropology?

11 A Uh-huh.

12 Q And XXI cosmetics, do you consider yourself
13 having some knowledge of the cosmetics and fragrance
14 business or the field?

15 A A general awareness and understanding of it.

16 Q Okay. And if I asked you this, I apologize,
17 but can you remember when the first time was that you
18 have heard of Elizabeth Arden cosmetics and fragrances?

19 A When I began my career at Saks Fifth Avenue and
20 Neiman Marcus.

21 Q And were they carrying Elizabeth Arden products
22 at the time?

23 A Yes. From what I recall, yes.

24 Q And just from your own knowledge, how do you --
25 what do you view Elizabeth Arden or Arden products, what

1 price points, what demographic, to the extent you know?

2 MR. CONE: Object to the form of the question.

3 THE WITNESS: Elizabeth Arden I would describe as a
4 higher-end cosmetic line, makeup as well as skin care.
5 Arden Beauty, as I became aware of it and have continued
6 to just have an acknowledgement of product, is a lower
7 price point focused on possibly more mass distribution,
8 as the retailers I see carry it currently.

9 BY MR. DREITLER:

10 Q Okay. I'm just looking at the first page on
11 number 13 where it says the price down there, suggested
12 retail, \$48.50. Would you consider that a low price
13 point?

14 A Not this price point, no.

15 Q Have you ever used any Elizabeth Arden
16 products?

17 A No.

18 Q If you know, what would you consider the age
19 group for Elizabeth Arden cosmetics?

20 A From my perception or --

21 Q From what you know.

22 A I would say the target for Elizabeth Arden
23 would be 30 to 45.

24 Q Have you always worked in -- strike that.

25 Have you ever worked in cosmetics and fragrance

1 areas?

2 A No.

3 Q Would you agree that the purpose of most
4 cosmetic and fragrance products to is make the wearer
5 more beautiful?

6 A To make them feel more beautiful, yes.

7 Q Which goes back to what I said before, I asked
8 you if you had ever heard the phrase "hope in a bottle."
9 Do you know if any other cosmetics or fragrance companies
10 use the word "beauty" as part of a brand name for their
11 products?

12 A Though it would seem like a common word to use,
13 no, I'm not aware of a specific line of product.

14 Q So you wouldn't be surprised if I told you that
15 there are over 700 federally registered trademarks for
16 cosmetics and fragrances that have the word "beauty" in
17 them?

18 A No, I would not be surprised.

19 Q Do you know who has responsibility for
20 operating the Arden B. dot com website?

21 A Currently, yes. It's a gentleman named Eric
22 King.

23 Q Eric King?

24 A Eric King, who has that responsibility for the
25 Arden B. division, and Jeffrey Gifford is the director

1 that is responsible for the central service website
2 internet focus for both divisions.

3 Q Okay. Do you list most or all of your products
4 that you sell on the Arden B. website?

5 MR. DREITLER: Object to the form of the question.

6 THE WITNESS: Most.

7 BY MR. DREITLER:

8 Q So let me rephrase that. Which products don't
9 you list on the website that you sell?

10 A No specific category of product. It is a
11 selection through, you know, choice of the department as
12 to which would sell on the website.

13 Q If I told you a search on the Arden B. website
14 for "cosmetic" comes back with nothing other than a
15 leather tote bag for \$178, would that surprise you?

16 A No.

17 Q If I told you that a search for the word
18 "fragrance" on the Arden B. website comes back with the
19 words, "Sorry, there were no products found," would that
20 surprise you?

21 A No.

22 Q If I told you that a search for the word
23 "perfume" on the Arden B. website comes back with the
24 words, "Sorry, there were no products found," would that
25 surprise you?

1 A No.

2 Q If I told you a search on the Arden B. website
3 for the word "makeup" comes back with the words, "Sorry,
4 there were no products found," would that surprise you?

5 A No.

6 Q If I told you that a search on the Arden B.
7 website for the word "mascara" comes back with, "Sorry,
8 there were no products found," would that surprise you?

9 A No.

10 Q If I told you that a search on the Arden B.
11 website for the word "foundation" comes back with,
12 "Sorry, there were no products found," would that
13 surprise you?

14 A No.

15 Q If I told you that a search on the Arden B.
16 website for the word "lip" comes back, "Sorry, there were
17 no products found," would that surprise you?

18 A No.

19 Q If I told you that a search on the Arden B.
20 website for the word "nail" comes back with the words,
21 "Sorry, there were no products found," would that
22 surprise you?

23 A No.

24 Q Isn't it common practice for clothing companies
25 and designer houses of clothing to shorten their names to

1 use the surname or last name on their products?

2 A I could not make that statement confidently.

3 Q If I said to you "Boss," what would you think
4 of?

5 A Hugo Boss.

6 Q If I said "Klein," what would you think of?

7 A I would think of Calvin Klein, but I'm not
8 aware that there's a collection with just the name
9 Klein.

10 Q If I said the word "Karan" to you or "Karan,"
11 what would you think of?

12 A I would think of Donna Karan, but again, not
13 aware that there's a collection just Karan.

14 Q If I said the word "Lauder" to you, what would
15 you think of?

16 A Este Lauder, but not aware that there's a
17 collection just Lauder.

18 Q If I said the word "Givenchy" to you, who would
19 you think of?

20 A Givenchy.

21 Q He had a first name, didn't he?

22 Isn't it common that a lot of fashion houses
23 abbreviate and use the last name of the founder?

24 MR. CONE: Objection. Asked and answered.

25

1 BY MR. DREITLER:

2 Q Do you know if it's common that the same thing
3 holds true in cosmetics business?

4 MR. CONE: Object to the form of the question.

5 BY MR. DREITLER:

6 Q Do cosmetic companies tend to use the last name
7 of the company on the --

8 A I'm not familiar with the use of just a new
9 line using just the last name, no.

10 Q If I said "Armani," who would you think of?

11 A Giorgio.

12 Q Giorgio Armani?

13 A Yeah.

14 MR. DREITLER: Why don't you give me about five
15 minutes and let me see if we can come close to --

16 MR. CONE: Okay. Go off the record?

17 (Pause in the proceedings)

18 BY MR. DREITLER:

19 Q Okay. You previously testified that companies
20 such as bebe, BCBGirls, Anthropology, and XXI all sell
21 cosmetics products, correct?

22 A Perfumes generally, yes.

23 Q Perfumes, okay. And after looking at the
24 agreement between Wet Seal and Elizabeth Arden, you now
25 understand why Wet Seal and Arden B. does not sell

1 cosmetics and perfumes; is that correct?

2 A I do understand the agreement at that time,
3 yes.

4 MR. CONE: That's it? Okay.

5
6 FURTHER EXAMINATION

7 BY MR. CONE:

8 Q Let me ask you, you mentioned that you were
9 aware of sales of Arden Beauty products. Do you know
10 what stores they are currently being sold in?

11 A I know that they are currently being sold in
12 Robinsons-May, JC Penneys and WalMart.

13 Q When you looked at Applicant's Exhibit Number
14 13 and the price points of the Arden Beauty products
15 reflected in Applicant's Exhibit Number 13, is that the
16 price points at which they're being sold today?

17 A No. Last evening I was able to see that a gift
18 set of three products was selling for 29.50 at WalMart.

19 Q Thank you.

20 MR. CONE: No further questions.

21
22 FURTHER EXAMINATION

23 BY MR. DREITLER:

24 Q Just one follow-up. You stated that Elizabeth
25 Arden products are sold at Robinsons-May, JC Penneys, and

1 WalMart; is that correct?

2 A The Arden Beauty products.

3 Q The Elizabeth Arden products are not sold at
4 any Arden B. stores, are they?

5 A No.

6 Q Thank you.

7 MR. CONE: Thank you.

8 We wanted to do something before we go off the
9 record about the exhibits.

10 MR. DREITLER: Yes.

11 MR. CONE: A couple of points. I know you have one
12 point.

13 Some of the exhibits we have used today are
14 documents that were produced during litigation stamped
15 "Attorneys' Eyes Only," and I've asked that when the
16 court reporter puts together the package of exhibits,
17 those which contain documents stamped "Attorneys' Eyes
18 Only" be kept separate so that we can try to maintain
19 some confidentiality to these documents.

20 Is that acceptable, Counsel?

21 MR. DREITLER: That's acceptable.

22 MR. CONE: And we also agreed, to try to save
23 ourselves some trouble, that the physical exhibits which
24 are 25 through I believe 30, Opposer's Exhibits 25
25 through 30, I will take custody of those, I will get

1 photographs taken of the exhibits and we will put
2 photographs, after they have been shown to counsel for
3 the Applicant, in the record rather than try to use the
4 physical exhibits themselves.

5 Is that acceptable?

6 MR. DREITLER: That is acceptable.

7 MR. CONE: And you wanted to put in some Bates
8 numbers for your exhibits. Do you want to do that now on
9 the record?

10 MR. DREITLER: I would like to do that now on the
11 record.

12 To the extent Applicant's Exhibits 1 through 13
13 have Bate stamps on them already and they weren't so
14 identified, I would like to have the reporter place the
15 Bates numbers on them when the documents are listed.

16 Is that acceptable to you?

17 MR. CONE: In like the index of the exhibits?

18 MR. DREITLER: Correct.

19 MR. CONE: That's acceptable, certainly, if the
20 court reporter will do that.

21 MR. DREITLER: Thank you.

22 Thank you, Madam Court Reporter. Thank you,
23 indeed.

24 (Deposition concluded at 12:15 p.m.)

25

CHANGES AND SIGNATURE

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PAGE/LINE CHANGE

REASON

Pg 23	LINE 12	November 1998	INCORRECTLY Transcribed
Pg 23	line 16	November 1998	INCORRECTLY Transcribed
Pg 68	line 18	November 1998	INCORRECTLY Transcribed

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I, LAURA NICHOLAS, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed at Feothull Ranch,
California, this 8th day of March, 2005.



LAURA NICHOLAS

REPORTER'S CERTIFICATE

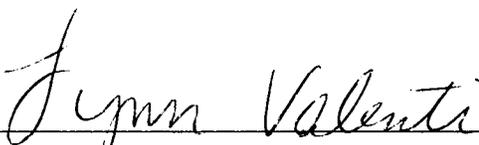
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2
3 I, LYNN E. VALENTI, CSR NO. 8061, Certified
4 Shorthand Reporter, certify:

5 That the foregoing proceedings were
6 taken before me at the time and place therein set
7 forth, at which time the witness was put under oath by
8 me;

9 That the foregoing is a true and correct
10 transcript of my shorthand notes so taken.

11 I further certify that I am not a relative or
12 employee of any attorney or of any of the parties, nor
13 financially interested in the action.

14 Dated this 22nd day of February, 2005.

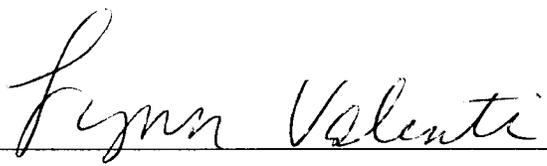
15
16 
17 _____
18 LYNN E. VALENTI, CSR No. 8061

1 REPORTER CERTIFICATION OF CERTIFIED COPY

2
3 I, LYNN E. VALENTI, CSR No. 8061, a Certified
4 Shorthand Reporter in the State of California, certify
5 that the foregoing pages 1 through 102 constitute a true
6 and correct copy of the original deposition of
7 LAURA NICHOLAS, taken on February 16, 2005.

8 I declare under penalty of perjury under the
9 laws of the State of California that the foregoing is
10 true and correct.

11 Dated this 22nd day of February, 2005.

12
13 
14 _____
15 LYNN E. VALENTI, CSR No. 8061

Sub # 30130

**OPPOSER'S
EXHIBITS 1-11,
19-23**

**IN RE:
Wet Seal
V
FD Management**

**DEPOSITION of:
Laura Nicholas
Feb. 16, 2005**



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application No. 76/372,550 ARDENBEAUTY.

THE WET SEAL, INC.,

Opposer,

v.

FD MANAGEMENT, INC.,

Applicant.

§
§
§
§
§
§
§
§

Opposition No. 91157022

NOTICE OF TAKING TESTIMONY

TO: Applicant, FD Management, Inc., by and through its counsel of record, Joseph R. Dreitler, Jones Day, 325 John H. McConnell Blvd., Ste. 600, Columbus, OH 43215-6113

PLEASE TAKE NOTICE that Opposer, The Wet Seal, Inc. will take testimony by deposition upon oral examination of Laura Nicholas, Vice President, Store Operations for Arden B. and/or one or more representatives of The Wet Seal, Inc. who may have knowledge relating to this action before a duly qualified court reporter on February 16, 2005, beginning at 9:00 a.m. at the offices of The Wet Seal, Inc., 26972 Burbank, Foothill Ranch, CA 92610. The deposition will take place before a certified shorthand reporter authorized by law to administer oaths and transcribe oral deposition testimony, and continue day to day until completed. You are invited to attend and cross-examine.

The Wet Seal, Inc., Opposer

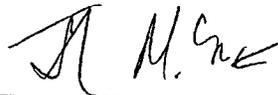
v.

FD Management, Inc., Applicant
Opposition No. 91,157022

OPPOSER'S EXHIBIT NO. 1

Dated: January 31, 2005

Respectfully submitted,



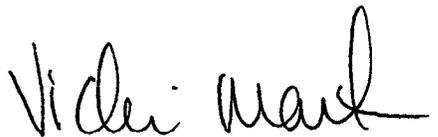
John M. Cone
AKIN GUMP STRAUSS HAUER & FELD, LLP
1700 Pacific Ave., Ste. 4100
Dallas, Texas 75201
Telephone: (214) 969-4214
Facsimile: (214) 969-4343

ATTORNEYS FOR OPPOSER
THE WET SEAL, INC.

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of January 2005, the foregoing Notice of Taking Testimony was served upon the following counsel of record for Applicant via facsimile and certified U.S. Mail:

Joseph R. Dreitler
Jones Day
325 John H. McConnell Blvd., Ste. 600
Columbus, Ohio 43215-6113





wet seal

EXPENSE AND CAPITAL EXPENDITURE
PURCHASE ORDER

64 Fairbanks • Irvine, CA 92718
(714) 583-9029 • Fax: (714) 583-0715

◀ STORE LOCATION

DATE: 9-25-97 P.O. NUMBER: 95044 PAGE NO.

VENDOR

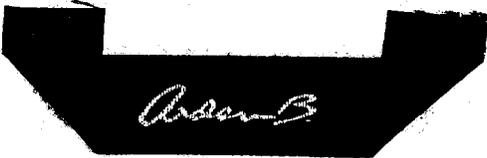
Labeltex

SHIP TO

Bill & Ship Vendor

TERMS DELIVERY DATE POINT OF ORIGIN F.O.B. POINT CONFIRMING PURCHASE ORDER

YES NO

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
min 50,000 max 100,000	AB-3 mitered arden B Arden B 	39.00	per 1000

This is a legally binding agreement. All conditions of purchase contained on the reverse side are incorporated herein by reference.

NOTES:

PRESIDENT/C.E.O. of EV.P. C.O.O.

DEPARTMENT DIRECTOR

X *[Signature]* *[Signature]* TOTAL COST

FOR CENTRAL OFFICE ACCOUNTS PAYABLE USE

F-4001

VENDOR COPY

WS 000075
The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022

OPPOSER'S EXHIBIT NO. 2



wet seal

64 Fairbanks • Irvine, CA 92718
 (714) 583-9029 • Fax: (714) 583-0715

◀ STORE LOCATION

DATE: 9-25-97 P.O. NUMBER: 95055 PAGE NO.

VENDOR

Labels

SHIP TO

Bill & Ship Vendors

TERMS DELIVERY DATE POINT OF ORIGIN F.O.B. POINT CONFIRMING PURCHASE ORDER

YES NO

QUANTITY DESCRIPTION UNIT PRICE AMOUNT

20,000 #AB-2 white
 as a LOOP
 Wht satin ground
 Black letters
 49.⁰⁰ per 1000
Arden B

35,000 #AB-2 Black
 Black satin ground
 white letters
 as a loop
Arden B

This is a legally binding agreement. All conditions of purchase contained on the reverse side are incorporated herein by reference.

NOTES: * 10/29 put on m/m 50.0 = min
 100.0 = max

PRESIDENT, C.E.O. or E.V.P./C.O.O.

DEPARTMENT DIRECTOR

X

[Signature]

[Signature]

TOTAL COST

FOR CENTRAL OFFICE ACCOUNTS PAYABLE USE

F-4001

VENDOR COPY

WS 00081
 The Wet Seal, Inc., Opposer
 v.
 FD Management, Inc., Applicant
 Opposition No. 91,157022

OPPOSER'S EXHIBIT NO. 3



Arden B
Clothing Labels

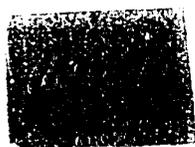


Arden B

Arden B



Arden B



The Wet Seal, Inc., Opposer
v.
FD Management, Inc., Applicant
Opposition No. 91,157022

OPPOSER'S EXHIBIT NO. 4



early fall 1998

Wet Seal



The Wet Seal, Inc., Opposer
v.

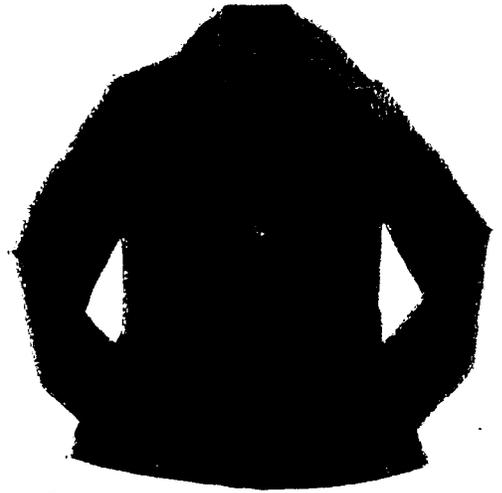
FD Management, Inc., Applicant
Opposition No. 91,157022

WS 000308

OPPOSER'S EXHIBIT NO. 5

TOLL FREE ORDERING: 1.800.508.8700
FREE D.J. BAG ON ORDERS OVER \$100

ABSOLUTE Arden B.



(D) ARDEN B. SHIRT JACKET. D260210 - \$46.00



(E) PINSTRIPE FLORAL EMBROIDERED TANK.
D260199 - \$34.00

←←← this page

- (A) ZIP FRONT HOODED JACKET
Grey long sleeve 2 pocket zip front knit jacket with hood. Poly / rayon / spandex. 21" length. Sizes: S-M-L. By Arden B. D260214 - \$40.00

- (B) SHORT SLEEVE V NECK
Short sleeve v-neck tee. Colors: red, olive, white and black. Acrylic / spandex. 20" length. Sizes: S-M-L. By Blue Asphalt. D260227 - \$12.00

- (C) GANGSTER STRIPE TROUSER SKIRT
Grey zip front clean closure vertical stripe knit trouser skirt with slit back. 39" length. Poly / rayon / spandex. Sizes: S-M-L. By Arden B. D530146 - \$36.00

→→→ opposite page

- (D) ARDEN B. SHIRT JACKET
Grey long sleeve 2 pocket button front shirt jacket. 100% polyester. 24" length. Sizes: S-M-L. By Arden B. D260210 - \$46.00
- (E) PINSTRIPE FLORAL EMBROIDERED TANK
Burgundy sleeveless v-neck floral tank with horizontal pinstripes and side embroidery. Poly / rayon / spandex. 19" length. Sizes: S-M-L. By Arden B. D260199 - \$34.00

- (F) DOUBLE SLIT SKIRT
Clean front, zip back, short grey skirt with double side slits. 100% polyester. 15" length. Sizes: XS-S-M-L. By Arden B. D530139 - \$28.00

≥ necklaces see page 19.
≥ shoes see page 12

WS 000309



D E

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Arden B.

WS 000310

TOLL FREE ORDERING: 1.800.508.8700
FREE D.J. BAG ON ORDERS OVER \$100

ABSOLUTE Arden B.



(C) FLORAL GRID TOP. D260200 — \$36.00



(F) VINE FLOCKED MESH TOP. D260224 — \$34.00

SEE THIS PAGE

(A) ROSE PRINT TOP

3/4 sleeve burgundy boat neck tee with trim at neck. Silver rose all over design. 100% nylon. 20 1/2" length. Sizes: S-M-L. By Arden B. D260213 — \$30.00

(B) CUFFED CAPRI PANT

2 pocket grey cuffed capri pant. Zip fly with no closer. Poly / rayon / spandex. 29" inseam. Sizes: 1-11. By Arden B. D530138 — \$52.00

SEE OPPOSITE PAGE

(C) FLORAL GRID TOP

Burgundy 13 1/2" sleeve with wide scoop neck top. Grey flower grid design. Poly / spandex. 19 1/2" length. Sizes: S-M-L. By Arden B. D260200 — \$36.00

(F) VINE FLOCKED MESH TOP

Wide scoop mesh top in burgundy. Flocked sleeve. Solid sheer mesh back. Nylon / spandex. 19 1/2" length. Sizes: S-M-L. By Arden B. D260224 — \$34.00

(D) PINSTRIPE STRETCH SKIRT

Clean front zip back grey with white pinstripe straight skirt. Poly / rayon / spandex. 17 1/2" length. Sizes: 1-11. By Arden B. D530136 — \$38.00

(G) PINSTRIPE CAPRI CUFF PANT

Black with white pinstripes zip fly cuffed capri pant. Rayon / nylon / poly. 28" inseam. Sizes 1-11. By Arden B. D530137 — \$48.00

(E) CABLE KNIT TIGHTS

Cable knit tights in black or burgundy. Cotton / lycra. Sizes: S-M-L. D960362 — \$9.00

≥ necklaces see page 19.
≥ shoes see page 16.



Arden B.

WS 000312

TOLL FREE ORDERING: 1.800.508.8700
FREE D.J. BAG ON ORDERS OVER \$100

ABSOLUTE Arden B.



222 TURTLE NECK

(A) CUFFED SLEEVE SHIRT
Butter cream 3/4 roll cuffed sleeve.
Hidden button front placket with
seam detail. Poly / cotton. 22" len.
Sizes: S-M-L. By Arden B.
D260212 - \$34.00

(B) STRETCH DENIM PEDDLE PUSHER
Dark rinse stretch denim double
snap tab over 2 pocket peddle pusher
with 4" slit at leg opening.
Cotton / spandex. 26 1/2" inseam.
Sizes: 1-11. By Arden B.
D530144 - \$34.00

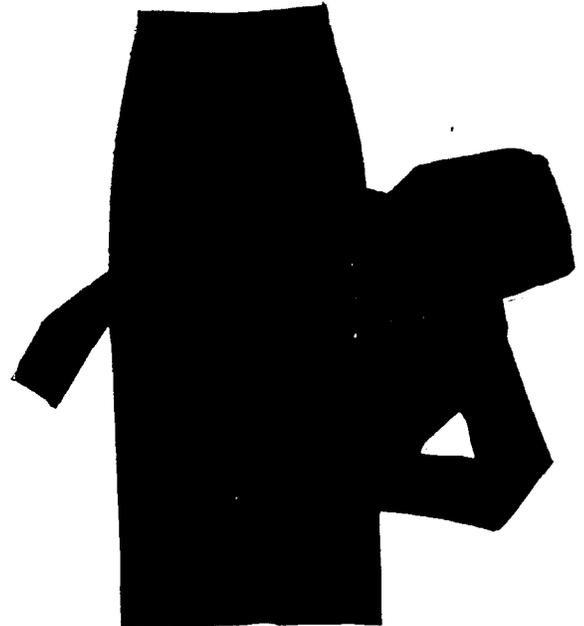
222 ZIP FRONT HOODED JACKET

(C) ZIP FRONT HOODED JACKET
Navy long sleeve zip front 2 pocket
hooded stretch jacket.
Rayon / poly / spandex. 21" length.
Sizes: S-M-L. By Arden B.
D260216 - \$40.00

(D) SHORT SLEEVE V-NECK
Short sleeve v-neck tee.
Colors: red, olive, white and black.
Acrylic / spandex. 20" length.
Sizes: S-M-L. By Blue Asphalt.
D260227 - \$12.00

(E) STRETCH TROUSER SKIRT
Long navy zip front back slit trouser
skirt. Rayon / poly / spandex.
40" length. Sizes: S-M-L. By Arden B.
D530147 - \$36.00

≥ necklaces see page 19.
≥ shoes see page 12.



(C) ZIP FRONT HOODED JACKET. D260216 - \$40.00

(E) STRETCH TROUSER SKIRT. D530147 - \$36.00

WS 000313



Order B

WS 000314

TOLL FREE ORDERING: 1.800.501.8700
FREE D.J. BAG ON ORDERS OVER \$100

ABSOLUTE Arden B.



(B) SHIMMER TOP WITH STRAPS.
D260197 — \$26.00

(E) STRETCH DENIM CARGO PANT.
D530140 — \$46.00

(A) STRETCH DENIM JACKET
Dark rinse stretch denim long sleeve 2 pocket jacket with contrast stitching, six snap front closer and snap closer pockets. Cotton / spandex. 17 1/2" length. Sizes: S-M-L. By Arden B. D260211 — \$58.00

(B) SHIMMER TOP WITH STRAPS
Red spaghetti strap shimmer knit top with front seam detail. Poly / nylon / spandex. 19 1/2" length. Sizes: S-M-L. By Arden B. D260197 — \$26.00

(C) LEOPARD PRINT SKIRT
Brown leopard print double layered skirt with solid red lining. Clean front with zip back mid calf length. 100% poly. 27" length. Sizes: 1-11. By Arden B. D530143 — \$38.00

(D) BOHEMIAN DESIGN TOP
Brick red 13 1/2" cuff sleeve v-neck top with circle screen pattern. 100% cotton. 21 1/2" length. Sizes: S-M-L. By Arden B. D260201 — \$32.00

(E) STRETCH DENIM CARGO PANT
One button zip fly stretch denim cargo pant with 1 side cargo pocket. Cotton / spandex. 32" inseam. Sizes: 1-11. By Arden B. D530140 — \$46.00

For best results, use measuring tape. Be sure to make use of the D.J. Bag included in the order form. You'll save 10% on orders over \$100. The first time.

≥ necklaces see pages 18

WS 000315

Arden B



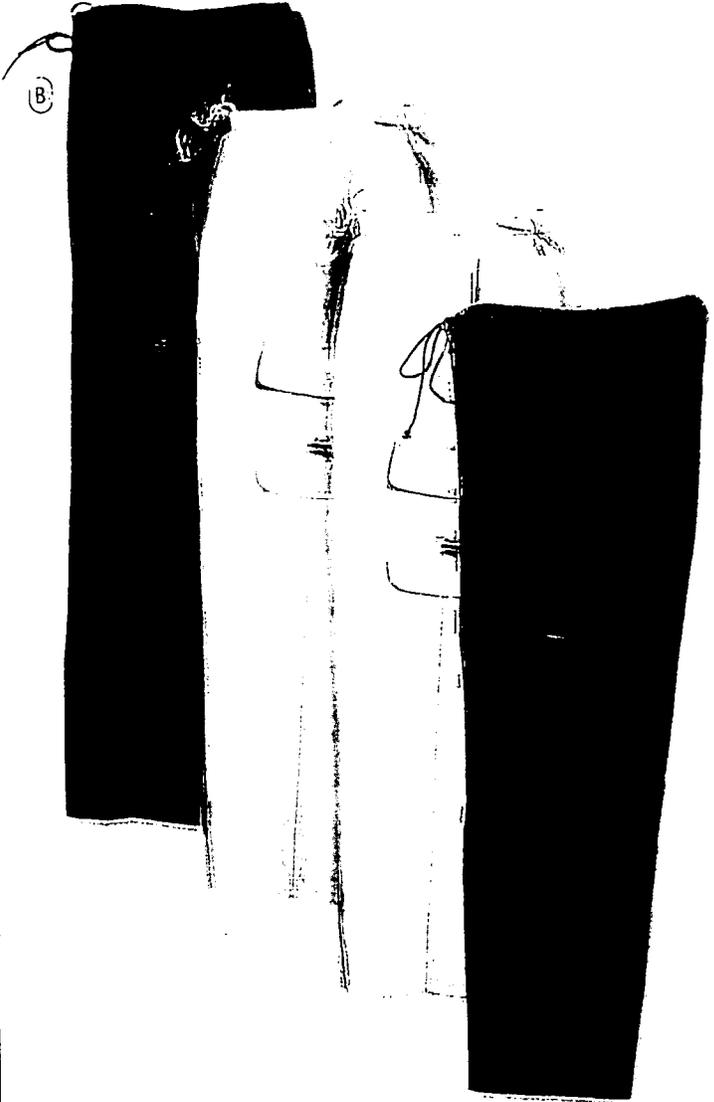
D

E

WS 000316

drawstring

CARGOS



wet seal

4580 Eighth Street North
St. Cloud, MN 56395-2006

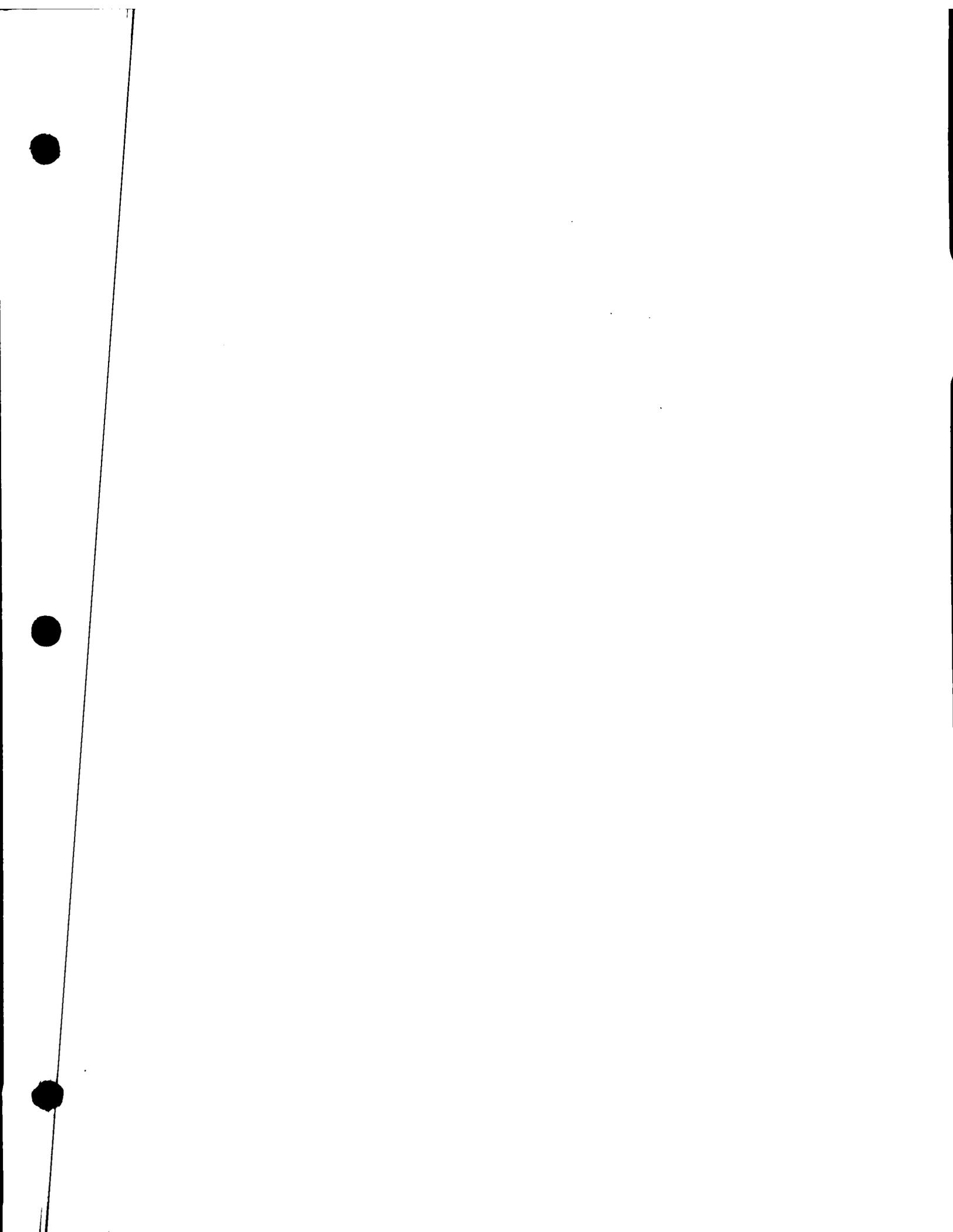
BULK RATE
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6 8 5 5

- (A) **COOKIN CHEST STRIPE SWEATER**
Long sleeve v-neck sweater with stripes across chest and arms. Charcoal grey. 100% acrylic. 22" length. Sizes: S-M-L. By Suburban. D260183 - \$36.00
- (B) **UNION BAY DRAWSTRING CARGO PANT**
Loose fit cargo pant in 100% cotton twill. Colors: samuch green, army khaki, light khaki, and blue check. 32" inseam. Sizes: S-M-L. By Union Bay. Spinach green, army khaki, light khaki. B530086 - \$44.00
Blue check. D530116 - \$44.00

WS 000317



wet seal



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**HOLIDAY 1998
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The Wet Seal, Inc., Opposer
v.

WS 000292

FD Management, Inc., Applicant
Opposition No. 91,157022

OPPOSER'S EXHIBIT NO. 6

FORMULA X

risir



- (A)** FORMULA X LUREX
TUBE DRESS
Strapless above the knee tube
dress in red lurex with a zippe
back. Acetate / lurex.
27 1/2" length. Sizes: 1-11.
D890058 - \$42.00
- (B)** FORMULA X SHEER MATTE
JERSEY HOODED TOP
Zip front hooded sheer matte
jersey top in black with
10" sleeve. 100% polyester.
22" length. Sizes: S-M-L
D260379 - \$36.00
- (C)** FORMULA X METALLIC
TUBE TOP
Silver/black metallic tube top.
Cotton / spandex.
11 1/2" length. One size fits all.
D260384 - \$18.00
Catalog exclusive!
- (D)** FORMULA X LUREX
MENSWEAR PANT
One button belt loop lurex
menswear pant in black and :
Poly / rayon / lurex / spandex.
32" inseam. Sizes: 1-11.
D530167 - \$46.00
Catalog exclusive!
- (E)** FORMULA X GLITTER TOP
Sleeveless glitter top with fric
lining in black and silver.
Nylon / spandex. 20" length.
Sizes: S-M-L.
D260371 - \$28.00
- (F)** FORMULA X LUREX MINI S
Front side slit lurex mini skirt
silver. Poly / spandex. 15" leng
Sizes: S-M-L.
D530158 - \$26.00

WS 000293

SCAR'S



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WS 000294

call my **AGENT**

(A) ENR FAUX FUR COLLAR ANGORA SWEATER. Long sleeves. 2x2 rib, half placket sweater in black. Silk/nylon/angora. 21 1/2" length. Sizes: S-M-L. By ENR for Evolution. Importer: D260333 — \$36.00. Catalog exclusive!

(B) STRETCH SATEEN MINI SKIRT. Back zip stretch sateen mini skirt in black or red. Rayon/cotton/spandex. 12" length. Sizes: 1-11. By Meow Genes. D530191 — \$26.00. Catalog exclusive!

(C) FORMULA X DEEP V-TOP. Shiny satin deep v with 3/4 sleeves in gold, burgundy or black. Nylon/spandex. 20" length. Sizes: S-M-L. D260375 — \$24.00

(D) PLEASURE SWELL DENIM MINI SKIRT. Dark denim mini skirt with flame stitch on back pockets. 100% cotton. 15" length. Sizes: S-M-L. By Pleasure Swell. D530195 — \$26.00

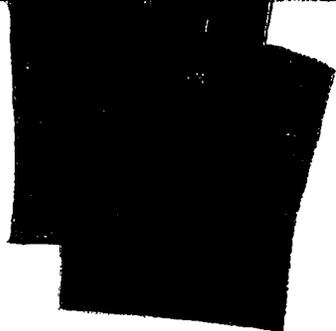
(E) FORMULA X SEQUIN TUBE TOP. Sequin tube top in silver and black. 11" length. One size fits all. D260383 — \$36.00. Catalog exclusive!

(F) STRETCH DENIM PANT. Stretch denim boot cut pant with lurex butterfly embroidery on back pockets. Two pockets and zipper on front. 100% cotton. 32" inseam. Sizes: 1-11. By Meow Genes. D530194 — \$44.00. Catalog exclusive!

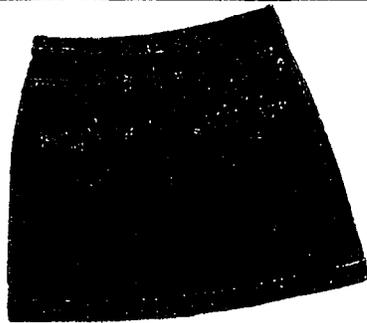
shoes see page 17.
necklace see page 17.
urse see page 17.

(B) STRETCH SATEEN MINI SKIRT
D530191 — \$26.00

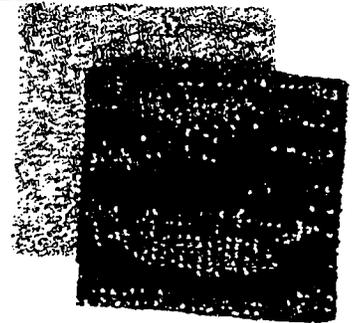
WS 000295



C) FORMULA X DEEP V-TOP
D260375 - \$24.00



D) PLEASURE SWELL DENIM MINI SKIRT
D530195 - \$26.00



E) FORMULA X SEQUIN TUBE TOP
D260383 - \$36.00

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WS 000296



VELVET

A VELVET SLEEVES

Long sleeve velvet wrap. Poly / spandex.
 Sizes: S-M-L. By ENR for Evolution.
 D260410 - \$26.00

B FORMULA X GLITTER CAMI

Sleeveless cami in black with metallic.
 Acetate / lycra / spandex. 20" length. Sizes: S-M-L.
 D260400 - \$22.00

C VELVET "DANGEROUS" SKIRT

Front slit velvet skirt in black. Poly / spandex.
 15" length. Sizes: S-M-L. By ENR for Evolution.
 D530181 - \$25.00

D ENR LONG VELVET DRESS

Deep V-neck long velvet dress with front slit
 in black. Poly / spandex. 54 1/2" length.
 Sizes: S-M-L. By ENR for Evolution.
 D890056 - \$54.00. Catalog exclusive!

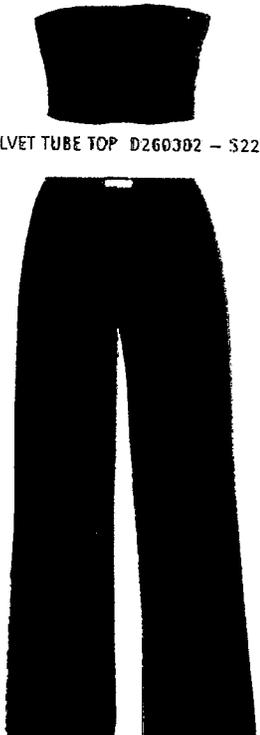
E ENR VELVET TUBE TOP

Black velvet tube top. Poly / spandex. 11" length.
 Sizes: S-M-L. By ENR for Evolution.
 D260382 - \$22.00

F ENR VELVET PULL-ON PANT

Black velvet tube-top pull-on pant. Poly / spandex.
 32" inseam. Sizes: S-M-L. By ENR for Evolution.
 D530177 - \$39.00

E ENR VELVET TUBE TOP D260382 - \$22.00



F ENR VELVET PULL-ON PANT D530177 - \$39.00

a **NIGHT** to remember

(A) **FORMULA X FAUX FUR TRIM SWEATER.** Long sleeve v-neck sweater in black with burgundy/black faux fur trim around collar and sleeves. Hook and eye closure at the top. 100% cotton. 19" length. Sizes: S-M-L. D260355 - \$42.00

(B) **ENR SPAGHETTI STRAP DRESS** Sleeveless midcalf dress in stretch iridescent burgundy. Poly/rayon/spandex. 44" length. Sizes: 1-11. By ENR for Evolution. D890057 - \$46.00

(C) **ENR STRETCH IRIDESCENT SHIRT JACKET.** Long sleeve one button jacket in iridescent burgundy. Poly/rayon/spandex. 25" length. Sizes: S-M-L. By ENR for Evolution. D260373 - \$42.00
Catalog exclusive!

(D) **ENR STRETCH SATEEN PANT** Zip fly front straight leg pant with belt loops. Polyester/spandex. 32" inseam. Sizes: 1-11. By ENR for Evolution. D530168 - \$36.00

≥ shoes see page 11.

≥ necklaces see page 11.

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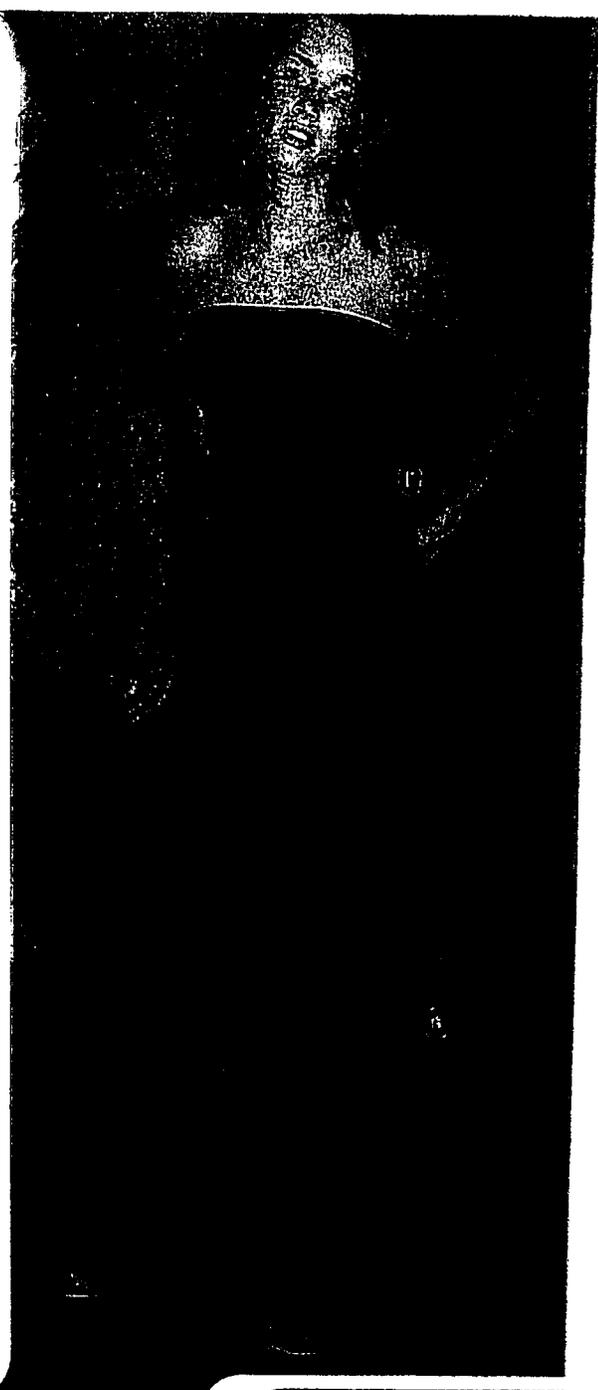
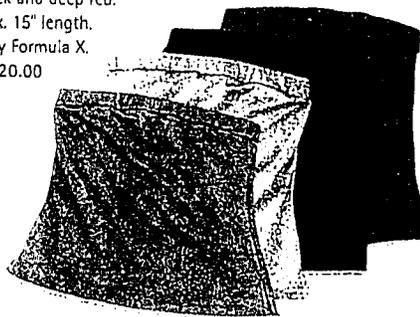
WS 000298



- E TART ROSE EMBROIDERED DRESS**
Sleeveless above the knee v-back burgundy dress with a black overlay that has 4 embroidered long stem roses. 100% polyester. 34" length. Sizes: 1-11. By Tart. D890063 — \$68.00
Catalog exclusive!

- G ENR OTTOMAN BOOT LEG PANT**
Black pull-on knit ottoman boot leg pant. 100% polyester. 32" inseam. Sizes: S-M-L. By ENR for Evolution. D530190 — \$25.00

- F FORMULA X TIE BACK SATIN TUBE**
Shiny satin tube with tie back in burgundy, gold, silver, black and deep red. Nylon / spandex. 15" length. Sizes: S-M-L. By Formula X. D260376 — \$20.00



WS 000299



A) ARDEN B. DOUBLE-EXPOSE TOP

Double-exposed top with a double-exposed
 design. Length: 22" (approx.)
 Sizes: S-M-L
 DZ60244 - \$110.00
 Catalog exclusive!

ARDEN B. STRETCH TANGLED SKIRT

Stretch fabric with a tangled design and
 unique cut. Length: 22" (approx.)
 Sizes: S-M-L
 DZ60247 - \$100.00
 Catalog exclusive!

B) ARDEN B. SQUARED-NECK SWEATSHIRT

Wickaway sweatshirt with a
 Rayon/Cotton/Spandex 100% blend.
 Sizes: S-M-L
 DZ60247 - \$100.00
 Catalog exclusive!

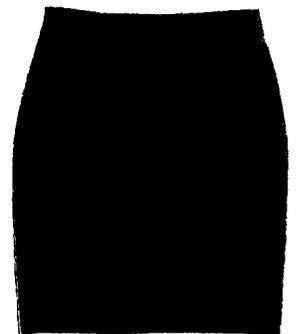
ARDEN B. DUSTY-ROSE STRETCH SKIRT

Stretch fabric with a dusty-rose
 and purple design. Length: 22" (approx.)
 Sizes: S-M-L
 DZ60245 - \$100.00
 Catalog exclusive!



C) ARDEN B. OFF-THE-SHOULDER TOP

DZ60393 - \$34.00



C) ARDEN B. STRETCH SKIRT

D530106 - \$38.00

...starting now!
 dare to B.

(C) **ARDEN B. OFF-THE-SHOULDER TOP**
Sleeveless black round neck top in stretch
Bengaline Rayon/poly/spandex.
18 1/2" length. Sizes: S-M-L.
D260393 - \$34.00
Catalog exclusive!

ARDEN B. STRETCH SKIRT
Knee length slim fit stretch Bengaline
skirt in black with zipper back.
Rayon/poly/spandex. 21" length.
Sizes: 1-11.
D530186 - \$38.00
Catalog exclusive!

(D) **ARDEN B. V-NECK VELVET SHIRT**
3/4 sleeve black velvet shirt.
Polyester/spandex. 20" length.
Sizes: S-M-L.
D260363 - \$34.00
Catalog exclusive!

ARDEN B. FLOCK PRINT SKIRT
Grey knee length skirt with beautiful
black floral flocking. Rayon/acetate.
24" length. Sizes: 1-11.
D530156 - \$44.00
Catalog exclusive!

2 necklaces see page 17.

2 purses see page 17.

2 slims see page 17.

(C)

(D)

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11

WS 000301



(A) ARDEN B. V-NECK LACE TOP. 3/4 sleeve stretch top in burgundy with mylar lace. Nylon/metallic. 18" length. Sizes: S-M-L. D260395 - \$38.00

ARDEN B. STRETCH SHIRT JACKET. Button front 3/4 sleeve jacket in crossdye charcoal/black. Poly/nylon/spandex. 22" length. Sizes: S-M-L. D260342 - \$60.00

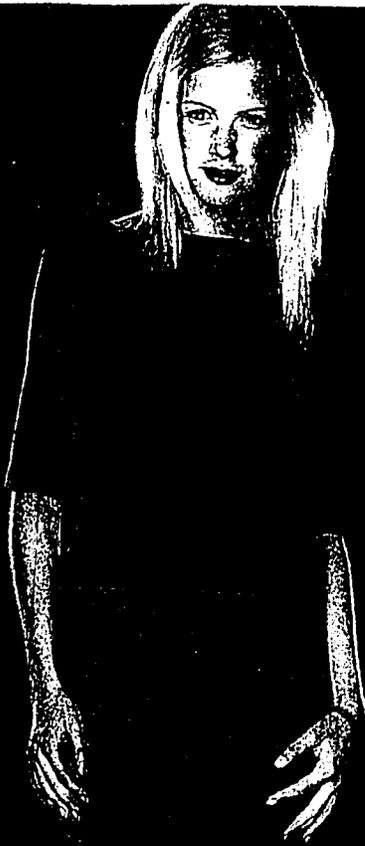
ARDEN B. STRETCH TROUSER SKIRT. Short trouser skirt in crossdye charcoal/black with zip front. Poly/nylon/spandex. 17" length. Sizes: 1-11. D530152 - \$45.00

(B) ARDEN B. VELVET EMBROIDERED TOP. 3/4 sleeve crossdye black/burgundy velvet boat neck floral embroidered top. Poly/nylon/spandex. 21" length. Sizes: S-M-L. D260401 - \$44.00. Catalog exclusive!

ARDEN B. DRAWSTRING VELVET SKIRT. Below the knee skirt in crossdye burgundy/black velvet with side slits. Elastic waist with drawstring. Poly/spandex. 27" length. Sizes: S-M-L. D530188 - \$38.00. Catalog exclusive!



B. stunning



C ARDEN B. FLORAL GRID TOP
Burgundy 13 1/2" sleeve with
wide scoop neck top.
Grey flower grid design.
Poly/spandex. 19 1/2" length.
Sizes: S-M-L.
D260200 - \$36.00

ARDEN B. STRETCH COIN
POCKET PANT. Flat front
crosshatch charcoal/black pant
with one coin pocket and zip
fly. Poly/nylon/spandex.
31 1/2" inseam. Sizes: 1-11.
D530154 - \$34.00

D ARDEN B. SHIRT JACKET
Grey long sleeve two pocket
button front shirt jacket.
100% polyester. 24" length.
Sizes: S-M-L.
D260210 - \$46.00

ARDEN B. FLORAL
EMBROIDERED TANK
Burgundy 3/4 length 1/2 neck
faded tank with floral
embroidery and silver sequin dots.
Poly/nylon/spandex.
16" length. Sizes: S-M-L.
D260196 - \$34.00
Catalog exclusive

ARDEN B. DOUBLE SLIT
SKIRT. Clean front, zip back,
short grey skirt. 4 1/2 double
slit skirt. 100% polyester.
16" inseam. Sizes: S-M-L.
D530138 - \$28.00

2 necklaces see page 11.
2 shoes see page 11.



B. fabulous



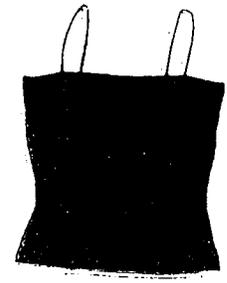
222 opposite page

E ARDEN B. ROSE EMBROIDERED DRESS
 Sleeveless side split knee length dress with
 rose embroidery on back, with button detail
 across front. 100% polyester.
 39" length. Sizes: 1-11
 D260031 - \$56.00

F ARDEN B. SHEER MATTE JERSEY SHIRT
 Long sleeve button front shirt in black
 with button detail. 100% polyester.
 22" length. Sizes: S-M-L
 D260076 - \$35.00

G ARDEN B. STRETCH CAMI
 Spaghetti strap, trim neck, camisole style.
 Poly/spandex. 20 1/2" length.
 Sizes: S-M-L
 D260084 - \$23.00

H ARDEN B. CHIFFON SKIRT
 Knee length two-tone chiffon skirt over
 duster lining in black, with elastic waist
 band. 100% polyester. Sizes: S-M-L
 D260087 - \$34.00

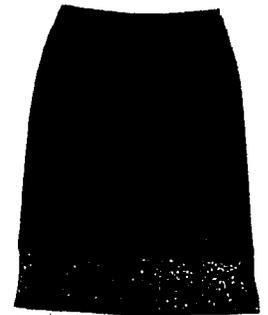


C SHIMMER TOP WITH STRAPS
 D260197 - \$26.00

222 opposite page



F SHEER MATTE JERSEY SHIRT
 D260378 - \$35.00



H ARDEN B. CHIFFON SKIRT
 D530187 - \$34.00

A ARDEN B. LACE OVERLAY DRESS
 Sleeveless knee length dress with black floral
 lace over a red lining. Rayon/poly.
 39" length. Sizes: 1-11. D890062 - \$56.00

B ARDEN B. SHEER MATTE JERSEY DUSTER
 Long sleeve button front sheer duster in black.
 100% polyester. 50 1/2" length. Sizes: S-M-L.
 D260392 - \$54.00 Catalog exclusive!

C ARDEN B. SHIMMER TOP WITH STRAPS
 Red spaghetti strap shimmer knit top with front
 seam detail. Poly/nylon/spandex. 19 1/2" length.
 Sizes: S-M-L. D260197 - \$26.00

D ARDEN B. ZIP FRONT PANT
 Stretch clean front zip pant in black.
 Nylon/poly/spandex. 30 1/2" inseam.
 Sizes: 1-11. D530185 - \$44.00 Catalog exclusive!

B. alluring

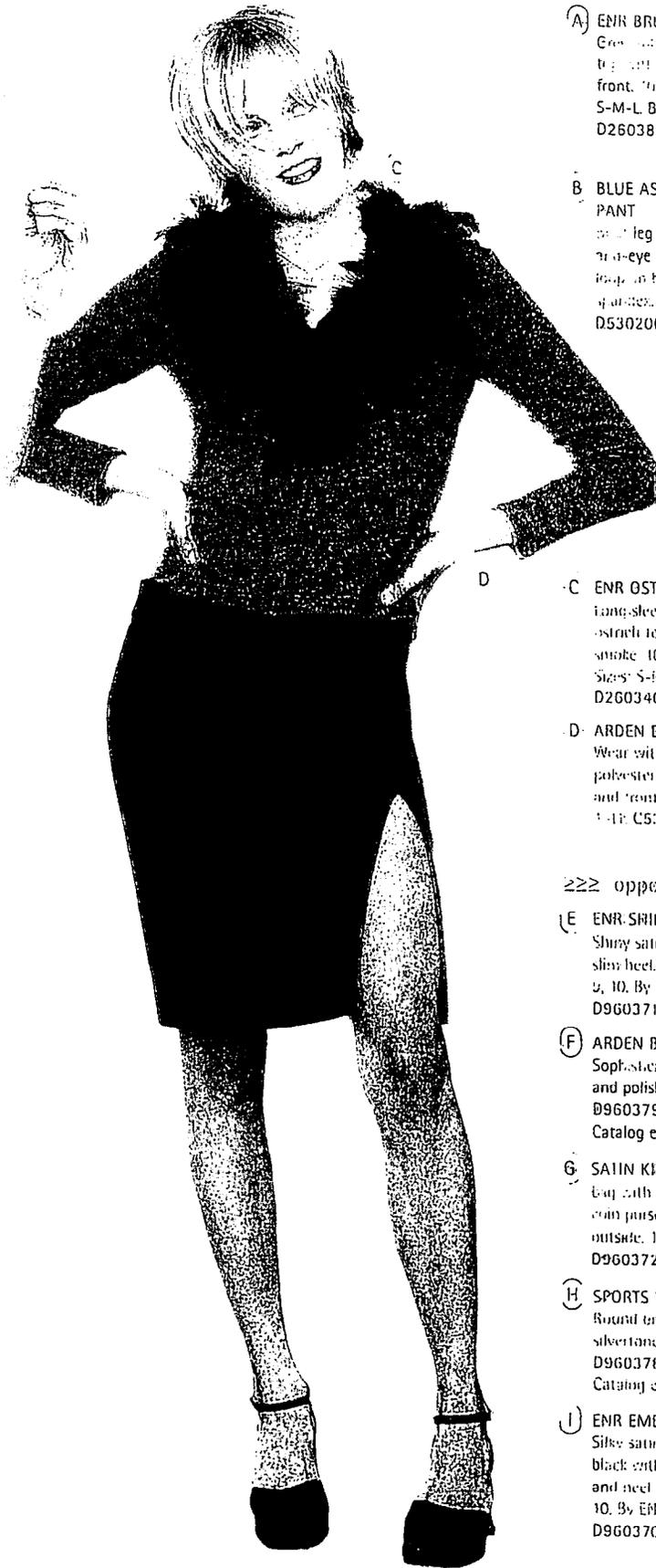
F G H

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15

WS 000305



A) ENR BRUSHED ACRYLIC TOP
 Crew neck, ribbed, with ribbed
 long-sleeve cuffs and ribbed
 front. 100% acrylic. 20" length.
 S-M-L. By ENR for Evolution.
 D260387 - \$30.00

B) BLUE ASPHALT STRETCH TAILOR PANT
 Tailor leg pant with hidden
 drawstring waistband and
 button fly. Available in black or grey. Cotton/
 spandex. 31" inseam. Sizes S-M-L.
 D530200 - \$34.00

C) ENR OSTRICH FEATHER CARDIGAN
 Long-sleeve v-front cardigan
 with ostrich feather around collar.
 100% acrylic. 20 1/2" length.
 Sizes S-M-L. By ENR for Evolution.
 D260340 - ~~\$44~~ NOW \$34

D) ARDEN B. BLACK STRETCH SKIRT
 Wear with it everything. Blue
 polyester/spandex skirt with
 side seam and front seam. 20" length.
 Sizes S-M-L. C53009X - \$35.00

=== opposite page

E) ENR SHIMMERY SATIN MARY JANE
 Shiny satin mary jane in black
 with 4 1/2" heel. Sizes 5-10.
 By ENR for Evolution.
 D960371 - \$39.00

F) ARDEN B. WATCH
 Sophisticated round face with
 and polished silver-tone detail.
 D960379 - \$24.00
 Catalog exclusive!

G) SATIN KISSLOCK BAG Black
 bag with a small attached
 coin purse inside and kisslock
 outside. 100% polyester. 3 1/2"
 D960372 - \$24.00

H) SPORTS WATCH
 Round case face sports water
 silver-tone. By Rumors.
 D960378 - \$24.00
 Catalog exclusive!

I) ENR EMBROIDERED MARY JANE
 Silky satin dressy mary jane in
 black with floral embroidery
 and heel. 3 1/2" heel. Sizes 5-10.
 By ENR for Evolution.
 D960370 - \$39.00

(A) BENT BAR SHOT BEAD NECKLACE.
 Silvertone. Adjustable length.
 D960340 - \$9.00

BLACK CRYSTAL ROUND NECKLACE
 Black crystals in a row attached to
 silvertone beaded rings. Adjustable
 16 1/2" length.
 D960388 - \$9.00

BENT BAR RHINESTONE NECKLACE
 Clear rhinestones. Adjustable.
 14 1/2" length.
 D960389 - \$10.00

(B) COMB TOOTH HEAD BAND.
 Black with small beads.
 D960336 - \$6.00

(C) 3-COLOR BUTTERFLY NECKLACE.
 Three butterfly charms on 3 tones
 connected on a chain. Adjustable.
 15" length.
 D960380 - \$14.00
 Catalog exclusive!

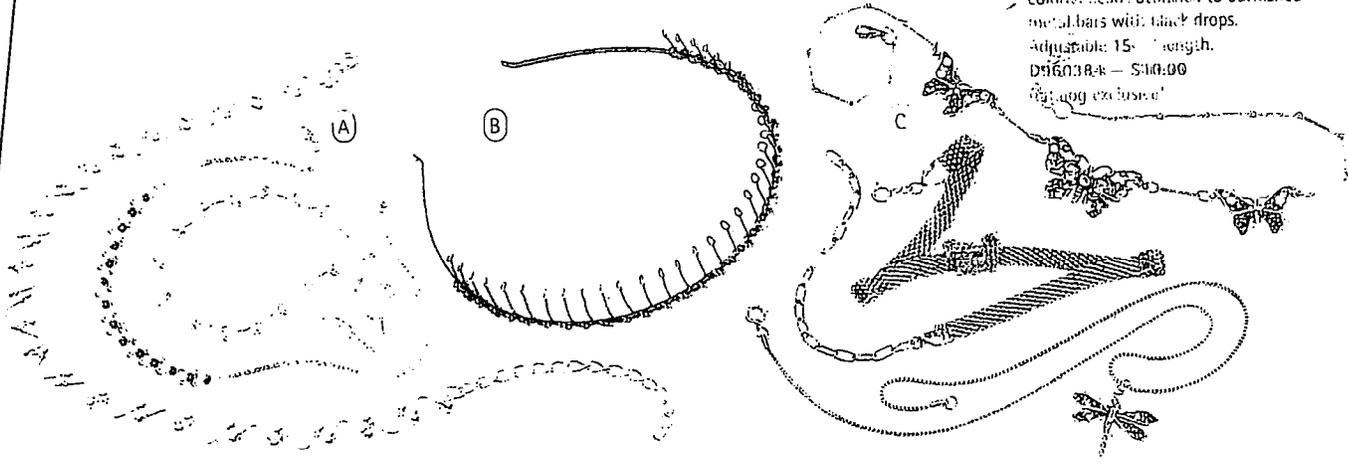
BUTTERFLY MESH CHOKER
 In silvertone. Adjustable. 15" length.
 D960320 - \$10.00

DRAGONFLY NECKLACE.
 Silvertone with clear rhinestones.
 15" length. D960325 - \$10.00

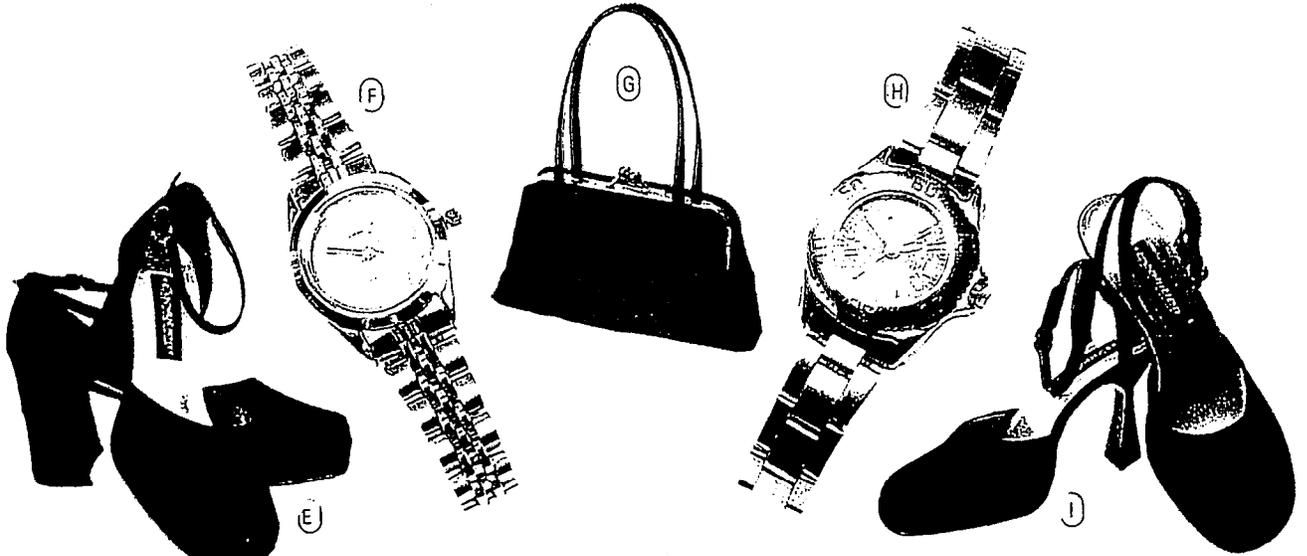
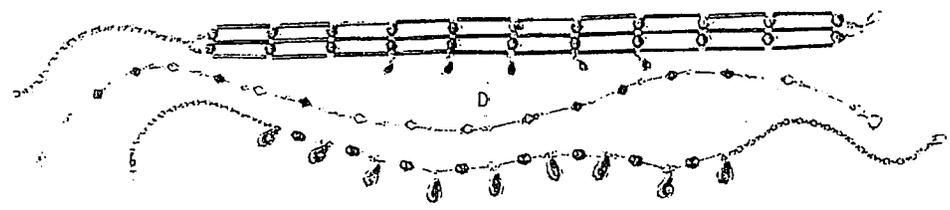
(D) TRIPLE BAR-BEADED CHOKER
 Three silvertone metal bars that connect
 to form a choker with 5 garnet drops.
 Adjustable length.
 D960381 - \$14.00
 Catalog exclusive!

GARNET CRYSTAL SLIDER NECKLACE
 Garnet and clear crystal beads attached
 to burnished metal bars. 15 1/2" length.
 D960386 - \$12.00
 Catalog exclusive!

GARNET DROP NECKLACE. Garnet
 covered beads attached to burnished
 metal bars with black drops.
 Adjustable. 15" length.
 D960384 - \$10.00
 Catalog exclusive!



ALL DRESSED UP



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WS 000307

FORMULA X

risir



- (A) **FORMULA X LUREX TUBE DRESS**
Strapless above the knee tube dress in red lurex with a zippe back. Acetate / lurex. 27 1/2" length. Sizes: 1-11. D890058 — \$42.00
- (B) **FORMULA X SHEER MATTE JERSEY HOODED TOP**
Zip front hooded sheer matte jersey top in black with 10" sleeve. 100% polyester. 22" length. Sizes: S-M-L. D260379 — \$36.00
- (C) **FORMULA X METALLIC TUBE TOP**
Silver/black metallic tube top. Cotton / spandex. 11 1/2" length. One size fits all. D260384 — \$18.00
Catalog exclusive!
- (D) **FORMULA X LUREX MENSWEAR PANT**
One button belt loop lurex menswear pant in black and : Poly / rayon / lurex / spandex. 32" inseam. Sizes: 1-11. D530167 — \$46.00
Catalog exclusive!
- (E) **FORMULA X GLITTER TOP**
Sleeveless glitter top with frc lining in black and silver. Nylon / spandex. 20" length. Sizes: S-M-L. D260371 — \$28.00
- (F) **FORMULA X LUREX MINI S**
Front side slit lurex mini skirt silver. Poly / spandex. 15" len: Sizes: S-M-L. D530158 — \$26.00

WS 000293

SCARS



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WS 000294

call my AGENT

(A) ENR FAUX FUR COLLAR ANGORA SWEATER. Long sleeve 2x2 rib, half placket sweater in black. Silk/nylon/angora. 21 1/2" length. Sizes: S-M-L. By ENR for Evolution. Importer: D260333 — \$36.00 Catalog exclusive!

(B) STRETCH SATEEN MINI SKIRT Back zip stretch sateen mini skirt in black or red. Rayon/cotton/spandex. 12" length. Sizes: 1-11. By Meow Genes. D530191 — \$26.00 Catalog exclusive!

(C) FORMULA X DEEP V-TOP Shiny satin deep v with 3/4 sleeves in gold, burgundy or black. Nylon/spandex. 20" length. Sizes: S-M-L D260375 — \$24.00

(D) PLEASURE SWELL DENIM MINI SKIRT Dark denim mini skirt with flame stitch on back pockets. 100% cotton. 15" length. Sizes: S-M-L. By Pleasure Swell. D530195 — \$26.00

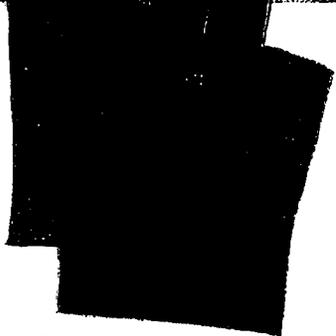
(E) FORMULA X SEQUIN TUBE TOP Sequin tube top in silver and black. 11" length. One size fits all. D260383 — \$36.00 Catalog exclusive!

(F) STRETCH DENIM PANT Stretch denim boot cut pant with lurex butterfly embroidery on bac pockets. Two pockets and zipper on front. 100% cotton. 32" inseam. Sizes: 1-11. By Meow Genes. D530194 — \$44.00 Catalog exclusive!

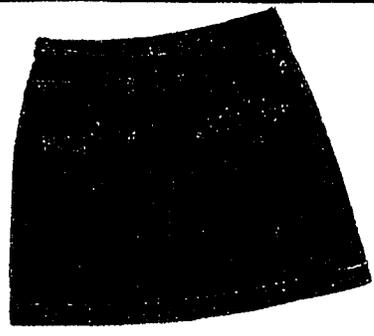
▷ shoes see page 17.
▷ necklace see page 17.
▷ purse see page 17.

(B) STRETCH SATEEN MINI SKIRT
D530191 — \$26.00

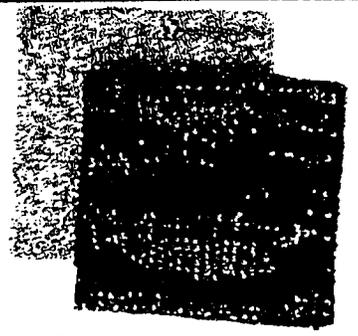
WS 000295



C) FORMULA X DEEP V-TOP
D260375 - \$24.00



D) PLEASURE SWELL DENIM MINI SKIRT
D530195 - \$26.00



E) FORMULA X SEQUIN TUBE TOP
D260383 - \$36.00

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WS 000296



VELVET

A VELVET SLEEVES

Long sleeve velvet wrap. Poly / spandex.
 Sizes: S-M-L. By ENR for Evolution.
 D260410 - \$26.00

B FORMULA X GLITTER CAMI

Sleeveless cami in black/red metallic.
 Acetate/nylon / spandex. 20" length. Sizes: S-M-L.
 D260400 - \$22.00

C VELVET "DANGEROUS" SKIRT

Front slit velvet skirt in black. Poly / spandex.
 15" length. Sizes: S-M-L. By ENR for Evolution.
 D530181 - \$25.00

D ENR LONG VELVET DRESS

Deep V-neck long velvet dress with front slit
 in black. Poly / spandex. 54 1/2" length.
 Sizes: S-M-L. By ENR for Evolution.
 D890056 - \$54.00. Catalog exclusive!

E ENR VELVET TUBE TOP

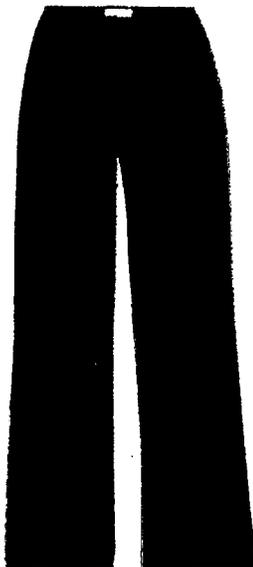
Black velvet tube top. Poly / spandex. 10" length.
 Sizes: S-M-L. By ENR for Evolution.
 D260382 - \$22.00

F ENR VELVET PULL-ON PANT

Black velvet pull-on pant leg pant. Poly / spandex.
 32" inseam. Sizes: S-M-L. By ENR for Evolution.
 D530177 - \$39.00



E ENR VELVET TUBE TOP D260382 - \$22.00



F ENR VELVET PULL-ON PANT D530177 - \$39.00

6

WS 000297

a NIGHT to remember

(A) FORMULA X FAUX FUR TRIM SWEATER. Long sleeve v-neck sweater in black with burgundy/black faux fur trim around collar and sleeves. Hook and eye closure at the top. 100% cotton. 19" length. Sizes: S-M-L. D260355 - \$42.00

(B) ENR SPAGHETTI STRAP DRESS. Sleeveless midcalf dress in stretch iridescent burgundy. Poly/rayon/spandex. 44" length. Sizes: 1-11. By ENR for Evolution. D890057 - \$46.00

(C) ENR STRETCH IRIDESCENT SHIRT JACKET. Long sleeve one button jacket in iridescent burgundy. Poly/rayon/spandex. 25" length. Sizes: S-M-L. By ENR for Evolution. D260373 - \$42.00. Catalog exclusive!

(D) ENR STRETCH SATEEN PANT. Zip fly front straight leg pant with belt loops. Polyester/spandex. 32" inseam. Sizes: 1-11. By ENR for Evolution. D530168 - \$36.00

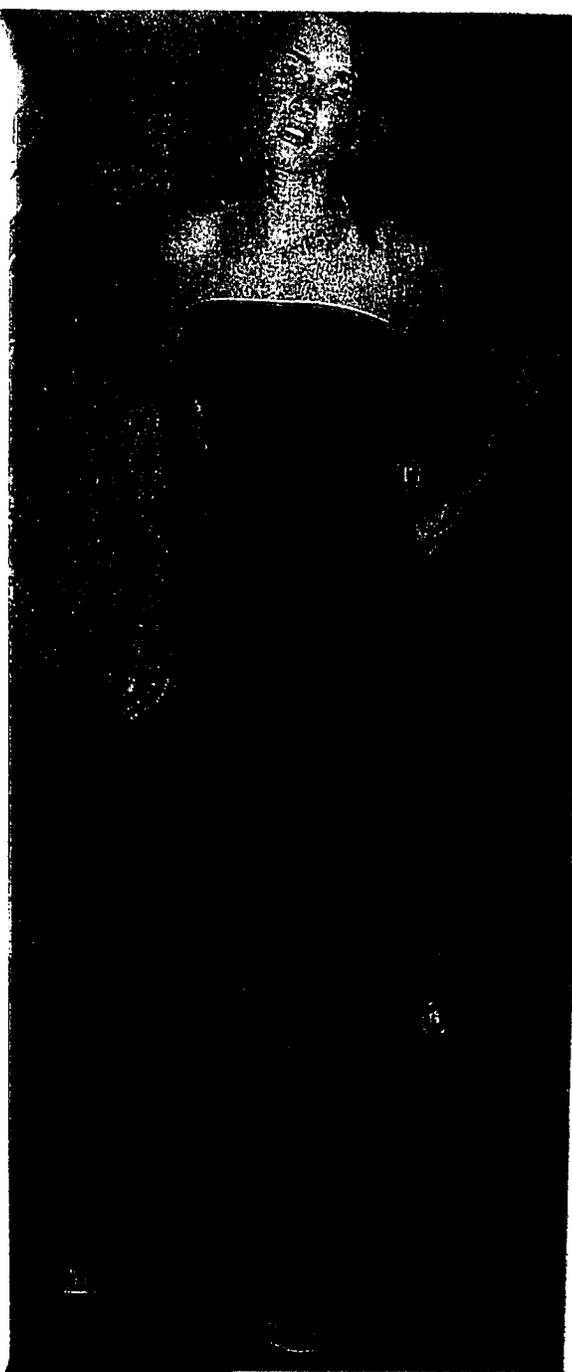
≥ shoes see page 11.

≥ necklaces see page 11.

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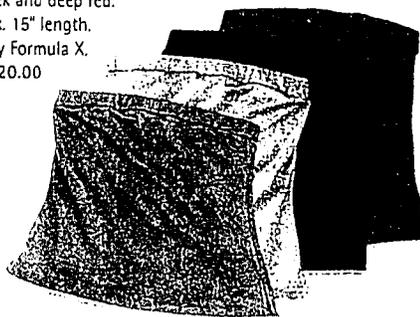
WS 000298



(E) TART ROSE EMBROIDERED DRESS
Sleeveless above the knee v-back
burgundy dress with a black overlay that
has 4 embroidered long stem roses.
100% polyester. 34" length.
Sizes: 1-11. By Tart.
D890063 — \$68.00
Catalog exclusive!

(G) ENR OTTOMAN BOOT LEG PANT
Black pull-on knit ottoman boot leg pant.
100% polyester. 32" inseam. Sizes: S-M-L.
By ENR for Evolution.
D530190 — \$25.00

(F) FORMULA X TIE BACK SATIN TUBE
Shiny satin tube with tie back in burgundy,
gold, silver, black and deep red.
Nylon / spandex. 15" length.
Sizes: S-M-L. By Formula X.
D260376 — \$20.00



WS 000299



A ARDEN B. DOUBLE-EXPOSE SKIRT
 100% stretch fabric, double exposure print
 Length: 23 1/2" (to hem)
 Sizes: S-M-L
 D260344 - \$38.00
 (Waist: open)

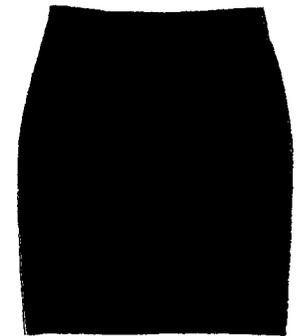
ARDEN B. STRETCH FAMILIAR SKIRT
 100% stretch fabric, familiar print
 Length: 23 1/2" (to hem)
 Sizes: S-M-L
 D260347 - \$38.00
 (Waist: open)

B ARDEN B. SQUARE-NECK SWEATERS
 100% stretch fabric, crew neck
 Length: 23 1/2" (to hem)
 Sizes: S-M-L
 D260347 - \$38.00
 (Waist: closed)

ARDEN B. DINESTRING, STRETCH SKIRT
 100% stretch fabric, dinestring print
 Length: 23 1/2" (to hem)
 Sizes: S-M-L
 D260345 - \$38.00
 (Waist: open)



C ARDEN B. OFF-THE-SHOULDER TOP
 D260393 - \$34.00



C ARDEN B. STRETCH SKIRT
 D530186 - \$38.00

...starting now!
 dare to B.

(C) ARDEN B. OFF-THE-SHOULDER TOP
Sleeveless black round neck top in stretch
Bengaline. Rayon/poly/spandex.
18 1/2" length. Sizes: S-M-L.
D260393 - \$34.00
Catalog exclusive!

ARDEN B. STRETCH SKIRT
Knee length slim fit stretch Bengaline
skirt in black with zipper back.
Rayon/poly/spandex. 21" length.
Sizes: 1-11.
D530186 - \$38.00
Catalog exclusive!

(J) ARDEN B. V-NECK VELVET SHIRT
3/4 sleeve black velvet shirt.
Polyester/spandex. 20" length.
Sizes: S-M-L.
D260365 - \$34.00
Catalog exclusive!

ARDEN B. FLOCK PRINT SKIRT
Grey knee length skirt with beautiful
black floral flocking. Rayon/acetate.
24" length. Sizes: 1-11.
D530156 - \$44.00
Catalog exclusive!

2 neckties see page 17.
2 purses see page 17.
2 slims see page 17.

(C)

(D)

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11

WS 000301



(A) ARDEN B. V-NECK LACE TOP. 3/4 sleeve stretch top in burgundy with mylar lace. Nylon/metallic. 18" length. Sizes: S-M-L. D260395 - \$38.00

ARDEN B. STRETCH SHIRT JACKET. Button front 3/4 sleeve jacket in crossdye charcoal/black. Poly/nylon/spandex. 22" length. Sizes: S-M-L. D260342 - \$60.00

ARDEN B. STRETCH TROUSER SKIRT. Short trouser skirt in crossdye charcoal/black with zip front. Poly/nylon/spandex. 17" length. Sizes: 1-11. D530152 - \$45.00

(B) ARDEN B. VELVET EMBROIDERED TOP. 3/4 sleeve crossdye black/burgundy velvet boat neck floral embroidered top. Poly/nylon/spandex. 21" length. Sizes: S-M-L. D260401 - \$44.00. Catalog exclusive!

ARDEN B. DRAWSTRING VELVET SKIRT. Below the knee skirt in crossdye burgundy/black velvet with side slits. Elastic waist with drawstring. Poly/spandex. 27" length. Sizes: S-M-L. D530188 - \$38.00. Catalog exclusive!

B. stunning



C **ARDEN B. FLORAL GRID TOP**
Burgundy 1 1/2" sleeve with wide scoop neck top. Grey flower grid design. Poly/spandex. 19 1/2" length. Sizes: S-M-L. D260200 - \$36.00

ARDEN B. STRETCH COIN POCKET PANT Flat front crossdye charcoal/black pant with one coin pocket and zip fly. Poly/rayon/spandex. 31 1/2" inseam. Sizes: 1-11. D53G154 - \$34.00

D **ARDEN B. SHIRT JACKET**
Grey long sleeve two pocket button front shirt jacket. 100% rayon. 24" length. Sizes: S-M-L. D260210 - \$46.00

ARDEN B. FLORAL EMBROIDERED TANK
Burgundy three bias neck floral tank with horizontal pleats and floral embroidery. Poly/rayon/spandex. 19" length. Sizes: S-M-L. D260195 - \$34.00
Catalog ref: 21111

ARDEN B. DOUBLE SLIT SKIRT Clean front, zip back, short grey skirt with double side slit. 100% rayon. 16" inseam. Sizes: XS-S-M-L. D530195 - \$28.00

2 neck sizes see page 11.
2 inseam sizes see page 11.



B. fabulous



A ARDEN B. LACE OVERLAY DRESS
Sleeveless knee length dress with black floral lace over a red lining. Rayon/poly. 39" length. Sizes: 1-11. D890062 - \$56.00

B ARDEN B. SHEER MATTE JERSEY DUSTER
Long sleeve button front sheer duster in black. 100% polyester. 50 1/2" length. Sizes: S-M-L. D260392 - \$54.00 Catalog exclusive!

C ARDEN B. SHIMMER TOP WITH STRAPS
Red spaghetti strap shimmer knit top with front seam detail. Poly/nylon/spandex. 19 1/2" length. Sizes: S-M-L. D260197 - \$26.00

D ARDEN B. ZIP FRONT PANT
Stretch clean front zip pant in black. Nylon/poly/spandex. 30 1/2" inseam. Sizes: 1-11. D530185 - \$44.00 Catalog exclusive!

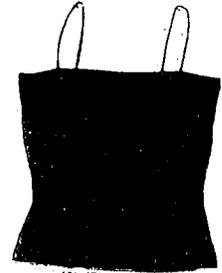
222 opposite page

E ARDEN B. ROSE-EMBROIDERED DRESS
Sleeveless midlength knee length empire waist dress in black with rose embroidery. rayon/linen. 110% polyester. 39" length. Sizes: 1-11. D1100031 - \$56.00

F ARDEN B. SHEER MATTE JERSEY SHIRT
Long sleeve button front shirt in black with ribbed trim. Buttons. 100% polyester. 22" length. Sizes: S-M-L. D2100076 - \$18.00

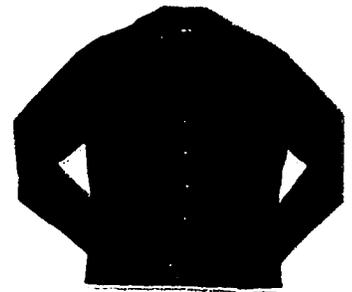
G ARDEN B. STRETCH CAMI
Spaghetti strap tier neck cami in white. Rayon/spandex. 20 1/2" length. Sizes: S-M-L. D2100094 - \$23.00

H ARDEN B. CHIFFON SKIRT
Knee length two-in-one chiffon skirt over duster. Made in black with elastic waistband. 100% polyester. Sizes: S-M-L. D2100077 - \$34.00

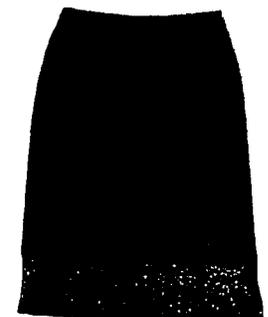


C SHIMMER TOP WITH STRAPS.
D260197 - \$26.00

222 opposite page



F SHEER MATTE JERSEY SHIRT
D260378 - \$35.00



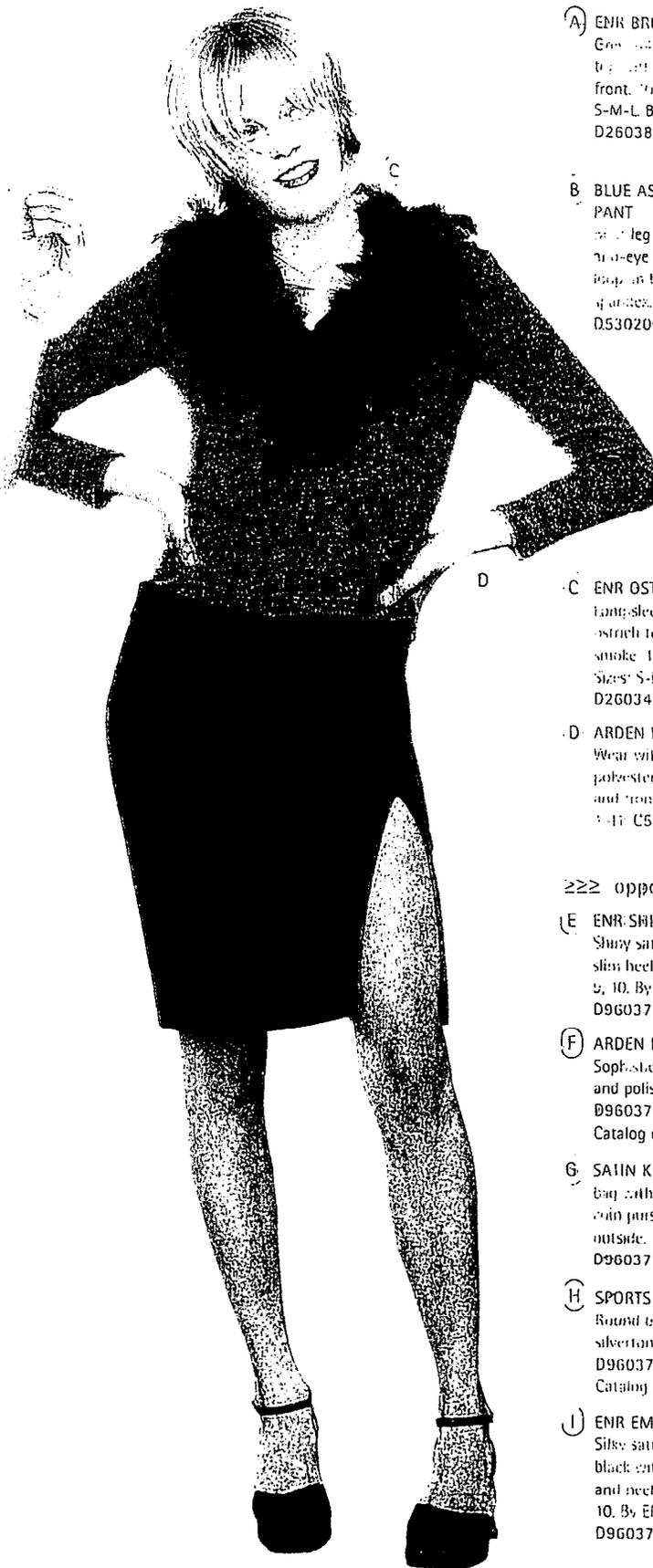
H ARDEN B. CHIFFON SKIRT
D530187 - \$34.00

B. alluring

F G H

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WS 000305



A) ENR BRUSHED ACRYLIC TOP
 Crew neck, ribbed cuffs and hem.
 100% acrylic. 20" length.
 Front. 17" x 17" (approx). 20" length.
 S-M-L. By ENR for Evolution.
 D260387 - \$30.00

B) BLUE ASPHALT STRETCH TAILORED PANT
 1/2" leg pant with hidden
 1/2" eye wide waistband and
 1/2" inseam. Cotton/
 spandex. 11" inseam. Sizes S-M-L
 D530200 - \$34.00

C) ENR OSTRICH FEATHER CARDIGAN
 Long sleeve v-front cardigan
 ostrich feather around collar.
 100% acrylic. 20 1/2" length.
 Sizes S-M-L. By ENR for Evolution.
 D260340 - ~~\$48~~ NOW \$34

D) ARDEN B. BLACK STRETCH SKIRT
 Wear with it everything. Black
 polyester/spandex skirt with
 and front seaming. 20" length.
 11" D53009X - \$35.00

222 opposite page

E) ENR SHIMMERY SATIN MARY JANE
 Shiny satin mary jane in black
 slim heel. 4 1/2" heel. Sizes 5-
 10. By ENR for Evolution.
 D960371 - \$39.00

F) ARDEN B. WATCH.
 Sophisticated round face with
 and polished silver-tone detail.
 D960379 - \$24.00
 Catalog exclusive!

G) SATIN KISSLOCK BAG. Black
 bag with a small attached
 twin purse inside and kisslock
 outside. 100% polyester. 3 1/2"
 D960372 - \$24.00

H) SPORTS WATCH
 Round tone face sports watch
 silver-tone. By Rumors
 D960378 - \$24.00
 Catalog exclusive!

I) ENR EMBROIDERED MARY JANE
 Silky satin dress mary jane in
 black with floral embroidery
 and heel. 4 1/2" heel. Sizes 5-
 10. By ENR for Evolution.
 D960370 - \$39.00

(A) BENT BAR SHOT BEAD NECKLACE.
 Silvertone. Adjustable. 15" length.
 D960340 - \$9.00

BLACK CRYSTAL ROUND NECKLACE
 Black crystals in a row attached to
 silvertone beaded ring. Adjustable.
 16 1/2" length.
 D960388 - \$9.00

BENT BAR RHINESTONE NECKLACE
 Clear rhinestones. Adjustable.
 14 1/2" length.
 D960389 - \$10.00

(B) COMB TOOTH HEAD BAND.
 Black with small beads.
 D960336 - \$6.00

(C) 3-COLOR BUTTERFLY NECKLACE.
 Three butterfly charms with rhinestones
 connected on a chain. Adjustable.
 15" length.
 D960380 - \$14.00
 Catalog exclusive!

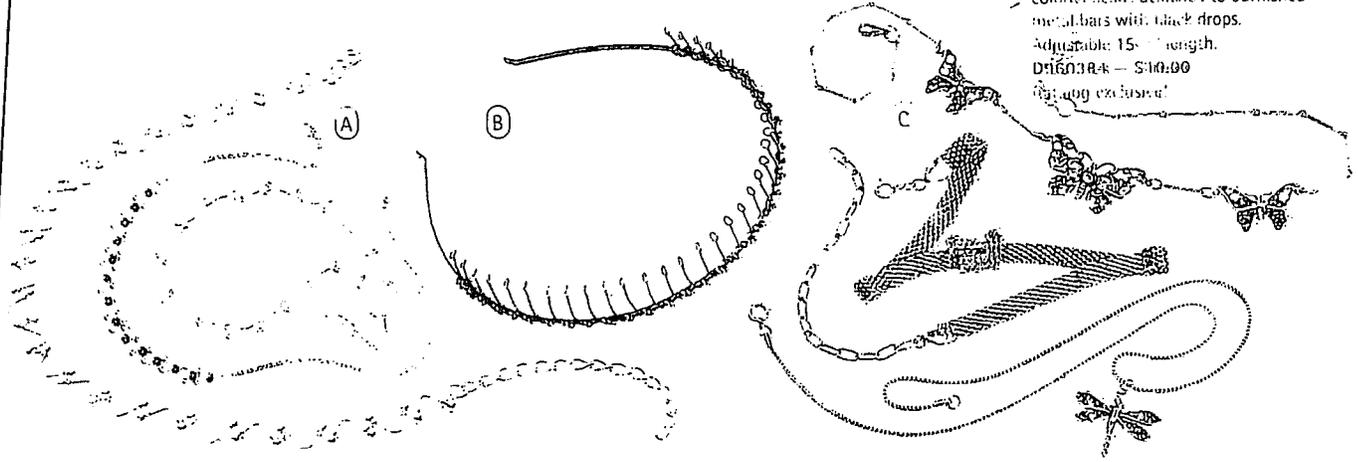
BUTTERFLY MESH CHOKER
 In silvertone. Adjustable. 15" length.
 D960320 - \$10.00

DRAGONFLY NECKLACE
 Silvertone with clear rhinestones.
 15" length. D960325 - \$10.00

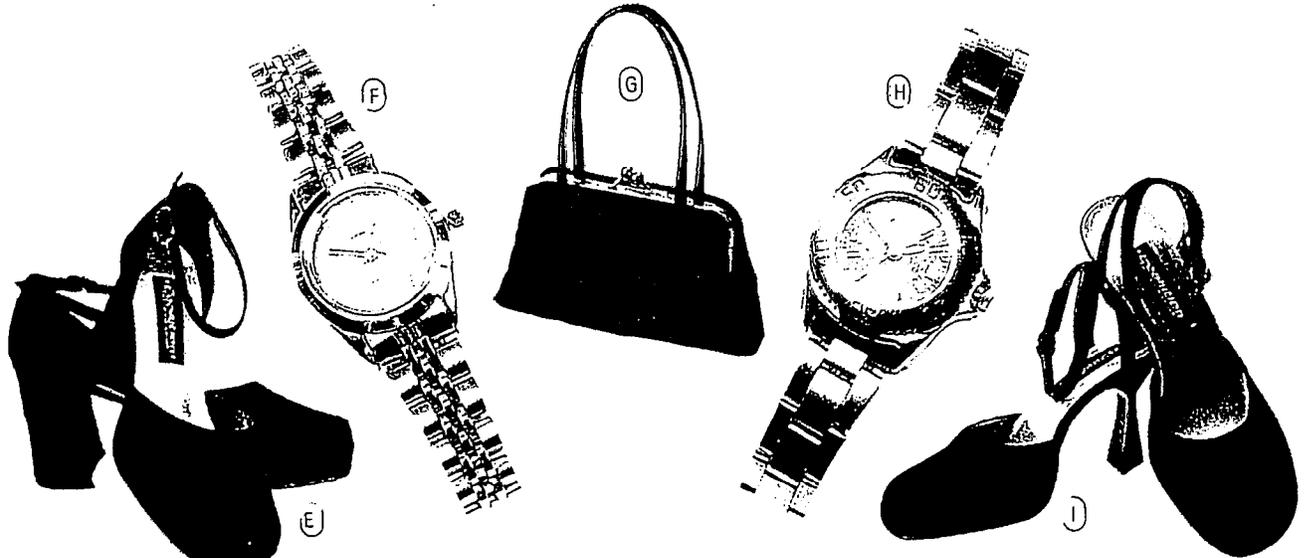
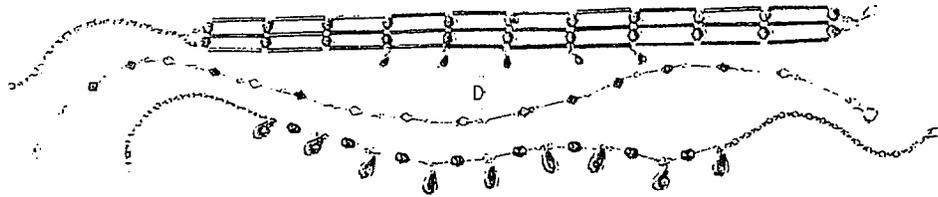
(D) TRIPLE BAR-BEADED CHOKER
 Three rows of black bars that connect
 to form a choker with 5 garnet drops.
 Adjustable. 15" length.
 D960381 - \$14.00
 Catalog exclusive!

GARNET CRYSTAL SLIDER NECKLACE
 Garnet and clear crystal beads attached
 to burnished metal bars. 15 1/2" length.
 D960386 - \$12.00
 Catalog exclusive!

GARNET DROP NECKLACE. Garnet
 corner beads attached to burnished
 metal bars with black drops.
 Adjustable. 15" length.
 D960384 - \$10.00
 Catalog exclusive!



ALL DRESSED UP



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WS 000307





BULKY DOCUMENTS

(Exceeds 300 pages)

Proceeding/Serial No: 9157.022

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Part 1 of 3