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

Proceeding	91175371
Party	Defendant D & M New World Management, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Application Nos. 78/550,279 78/550,292 Opposition No. 91175371

MEMORANDUM OF LAW IN OPPOSITION
TO OPPOSER'S MOTION FOR SUMMARY JUDGMENT

I INTRODUCTION

This is an opposition proceeding wherein opposer, Baron Henri De Cressac (the "Opposer") filed opposition to Application Serial No. 78/550,279 for the mark BARON HENRI DE CRESSAC and Application Serial No. 78/550,292 for the mark BARON HENRI DE CRESSAC PETITE CHAMPAGNE CONTROLED 1ST GROWTH PETITE CHAMPAGNE V.S VERY SPECIAL COGNAC PRODUCT OF FRANCE 750 ML EMB 16089E 40% ALC./VOL. and Design (collectively, "the Applicant's Marks") filed by D & M New World Management, Inc. (the "Applicant") for wines and distilled spirits. Applicant has denied the essential allegations of the Notice of Opposition, and Opposer has moved for Summary Judgment.

II STATEMENT OF FACTS

Applicant is a New York corporation with its principal place of business at 50 Hempstead Gardens Drive, West Hempstead, New York. Opposer, Baron Henri De Cressac, is the president of CSI International ("CSI"), a French corporation with its offices at 90 Rue de Vincennes, 33000

Bordeaux, France. Opposer and Applicant started their business relationship in the beginning of 2004, when they agreed that CSI would produce and bottle cognac, which would be imported into and sold in the United States under the Applicant's private label. After considering and rejecting several brand names, Applicant and Opposer agreed to use the name BARON HENRI DE CRESSAC. In accordance with this agreement, on January 19, 2005, Applicant filed applications for registration of the Applicant's Marks. To confirm this agreement, on April 28, 2005, Applicant and CSI entered into a written Sales Agreement (the "Agreement"), a copy of which is attached as **Lazarus Declaration Exhibit A**, including an Assignment of Trademark (the "Assignment"), a copy of which is attached as **Lazarus Declaration Exhibit B**. Opposer executed the Agreement and the Assignment. During 2005, Opposer repeatedly confirmed his consent to Applicant's registration of the Applicant's Marks. *See e.g.*, document executed by Henri De Cressac, dated May 15, 2005, attached hereto as **Lazarus Declaration Exhibit C**; e-mail by Henri De Cressac, dated September 26, 2004, attached hereto as **Lazarus Declaration Exhibit D**; document by Henri De Cressac, dated October 2, 2004, attached hereto as **Lazarus Declaration Exhibit E**.

The Agreement provided that in the event of a dispute, the parties "agree that Arbitration hereunder shall be in lieu of all other remedies and procedures, and shall be the exclusive method for resolving any disputes arising out of the Agreement". A dispute arose between Applicant and CSI, and on May 26, 2006, Applicant filed a Notice and Demand for Arbitration with the American Arbitration Association in New York, New York, commencing an arbitration (hereinafter, the "Arbitration") against CSI and alleging breach of the Agreement. **Lazarus Declaration Exhibit F.** CSI filed a response and counterclaims seeking, *inter alia*, rescission of the Agreement and the Assignment. **Lazarus Declaration Exhibit G**.

Hearings were held on March 19, 2007 through March 22, 2007. Following the hearings, the arbitrators rendered their award in writing, signed and affirmed, on April 25, 2007, April 27, 2007 and April 30, 2007 (the "Award"). A copy of the Award is attached as **Lazarus Declaration Exhibit H**. On May 17, 2007 Applicant commenced a separate proceeding to vacate the Award. Applicant's Notice of Petition to Vacate the Arbitration Award, Petition to Vacate Arbitration Award, and affirmation of Harlan M. Lazarus in Support of Petition to Vacate Arbitration Award (collectively, hereinafter, "Applicant's Petition to Vacate") are collectively annexed hereto, without exhibits, as **Lazarus Declaration Exhibit I.**

Separately from the Arbitration, on January 29, 2007, Opposer filed the Notice of Opposition instituting the present action.

III FACTS IN DISPUTE

Applicant's evidence establishes that:

- On April 28, 2005, Opposer executed the Agreement and the Assignment assigning all of its rights in the mark BARON HENRI DE CRESSAC to the Applicant.

- By filing its Petition to Vacate, Applicant effectively and timely appealed the arbitration Award which declared the Assignment to be void *ab initio*.

- The issue of Opposer's consent to Applicant's registration of the Applicant's Marks was never considered or decided by the Arbitration Panel.

- Opposer further consented to Applicant's registration of the Applicant's Marks in an e-mail, dated September 26, 2004. *See*, **Lazarus Declaration Exhibit D.**

- Opposer further consented to Applicant's registration of the Applicant's Marks in a

document by Henri De Cressac, dated October 2, 2004. *See*, **Lazarus Declaration Exhibit E.**

- Opposer confirmed his consent to Applicant's registration of the Applicant's Marks in a document dated May 15, 2005. *See*, **Lazarus Declaration Exhibit C.**

Thus, the issue of Henri De Cressac's consent to Applicant's registration of the Applicant's Marks is in dispute.

IV ARGUMENT

1 A DEFAULT JUDGEMENT SHOULD NOT BE ENTERED AGAINST APPLICANT

In accordance with TBMP §312.02, default judgment should not be entered against a defendant, for failure to file a timely answer to the complaint, when the defendant shows that (1) the delay in filing an answer was not the result of willful conduct or gross neglect on the part of the defendant, (2) the plaintiff was not substantially prejudiced by the delay, and (3) the defendant has a meritorious defense to the action. TBMP §312.02. The showing of a meritorious defense does not require an evaluation of the merits of the case. All that is required is a plausible response to the allegations in the complaint. *Id.*

The original due date for filing the Answer to the Notice of Opposition was indeed May 10, 2007. On March 1, 2007, Applicant requested an extension of time for filing the Answer due to the fact that Applicant's attorney was changing a place of business and, consequently, did not have access to documents necessary for preparing a proper response. After filing the request for extension of time and prior to the Answer's due date, Applicant's attorney telephoned the Interlocutory Attorney, Elizabeth A. Dunn, and inquired as to a status of the requested extension. The Interlocutory Attorney informed the Applicant's attorney that it would take additional time for the Board to act on the request. On March 21, 2007, without waiting for the Board's decision

on the request, Applicant filed its Answer.

In the present case, the failure to file the Answer on the original due date was clearly due to the Applicant attorney's inability to access necessary documents and Applicant's reliance on the filed request for extension of time, and was not the result of any willful conduct or gross neglect. Moreover, the eleven-day delay in the filing of the Answer could not have caused any prejudice to the Opposer, where the Opposer was put on notice of the upcoming delay by the Applicant's request and has not voiced its opposition to the extension either by formally responding to the request or telephoning the Applicant's attorney. Finally, by submitting the Answer, which was not frivolous, Applicant has adequately shown that it has a meritorious defense. Accordingly, a default judgement should not be entered.

2 OPPOSER'S MOTION FOR SUMMARY JUDGEMENT IS PREMATURE AND SHOULD BE DENIED

A. Summary Judgement Standard

Federal Rule of Civil Procedure ("Fed. R. Civ. P.") 56(c) provides that summary judgement "shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgement as a matter of law." *Celotex Corp. v. Catrett*, 477 U.S. 317, 322, 91 L. Ed. 2d 265, 106 S. Ct. 2548 (1986); *Anderson v. Liberty Lobby*, 477 U.S. 242, 91 L. Ed. 2d 202, 106 S. Ct. 2505 (1986). Summary judgement "is appropriate only 'after adequate time for discovery and upon motion, against a party who fails to make a showing sufficient to establish the existence of an element essential to that party's case, and on which that party will bear the burden of proof at trial.'" *Thornton v. Syracuse Savings Bank*, 961 F.2d 1042, 1046 (2d Cir. 1992), *quoting Celotex*, 477 U.S. at 322. "In deciding

whether to grant summary judgement, all inferences drawn from the materials submitted to the trial court are viewed in a light most favorable to the party opposing the motion. The nonmovant's allegations are taken as true and it receives the benefit of the doubt when its assertions conflict with those of the movant." *Cruden v. Bank of New York*, 957 F.2d 961, 975 (2d Cir. 1992). "Only when no reasonable trier of fact could find in favor of the moving party should summary judgement be granted." *Id.*

The burden of showing that no genuine factual dispute exists rests on the party seeking summary judgment. See, e.g., *Adickes v. S.H. Kress & Co.*, 398 U.S. 144, 157, 90 S. Ct. 1598, 1608, 26 L. Ed. 2d 142 (1970); *Chambers v. TRM Copy Centers Corp.*, 43 F.3d 29, 36 (2d Cir. 1994); *Gallo v. Prudential Residential Services, Ltd. Partnership*, 22 F.3d 1219, 1223 (2d Cir. 1994). In evaluating the record to determine whether there is a genuine issue as to any material fact, "the evidence of the non-movant is to be believed, and all justifiable inferences are to be drawn in his favor." *Anderson v. Liberty Lobby*, 477 U.S. at 255, 106 S. Ct. at 2513; *Chambers v. TRM*, 43 F.3d at 36; *Gallo v. Prudential*, 22 F.3d at 1223; *Apex Oil Co. v. DiMauro*, 822 F.2d 246, 252 (2d Cir.), cert. denied, 484 U.S. 977, 108 S. Ct. 489, 98 L. Ed. 2d 487 (1987). "If, as to the issue on which summary judgment is sought, there is any evidence in the record from any source from which a reasonable inference could be drawn in favor of the nonmoving party, summary judgment is improper." *Chambers*, 43 F.3d at 37.

For the reasons set forth below, De Cressac cannot meet this burden of proof.

B. De Cressac Consented to Applicant's Registration of the Applicant's Marks

Section 2(c) of the Lanham Act allows an applicant to register a trademark comprising a name of a particular living individual with a written consent of such individual. *15 U.S.C.*

§1052(c).

Opposer consented to Applicant's registration of the Applicant's Marks on several occasions. Specifically, on September 26, 2004, Opposer sent an e-mail to the Applicant asking the Applicant to register the Opposer's name as the trademark. *See*, **Lazarus Declaration Exhibit D**. Further, on October 2, 2004, the Opposer sent another document to the Applicant stating that the Applicant should register his name as a trademark "as soon as possible." *See*, **Lazarus Declaration Exhibit E**. Further, on April 28, 2005, Opposer executed the Agreement and the Assignment assigning all of its rights in the mark BARON HENRI DE CRESSAC to the Applicant. *See*, **Lazarus Declaration Exhibits A** and **B**. Finally, Opposer confirmed his consent to Applicant's registration of the Applicant's Marks in a document dated May 15, 2005, where he stated that "D & M New World Management, Inc. ... is the owner of the trademark BARON HENRI DE CRESSAC COGNAC." *See*, **Lazarus Declaration Exhibit C**.

In accordance with the Examiner's requirement, on June 1, 2006, Applicant has submitted the Assignment as evidence of the Opposer's written consent to the Applicant's registration of the Applicant's Marks. Because such consent was only requested by the Examiner in the 78/550,279 Application, Applicant only submitted the Assignment for this Application. On June 15, 2007, Applicant also submitted to the Trademark Office the document shown in **Lazarus Declaration Exhibit C** as a further evidence of the Opposer's consent.

Accordingly, there is sufficient evidence in the record from which a reasonable inference could be drawn in favor of Applicant. Therefore, summary judgment is improper.

C. Applications Are Not Barred by *Res Judicata*

Under the doctrine of *res judicata*, i.e., claim preclusion, a judgment on the merits in a

prior suit bars a second suit involving the same parties or their privies based on the same cause of action. *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 326 n.5, 58 L. Ed. 2d 552, 99 S. Ct. 645 (1979). As further explained by courts, there are three requirements that must be met in order to apply the doctrine of claim preclusion: "(1) whether the prior judgment was rendered by a court of competent jurisdiction; (2) whether the prior judgment was a final judgment on the merits; and (3) whether the same cause of action and the same parties or their privies were involved in both cases." *Banks v. International Union Electronic, Elec., Technical, Salaried and Machine Workers*, 390 F.3d 1049, 1052 (8th Cir. 2004).

While there is no dispute that the Arbitration involved the same parties or their privies and that the arbitration Award was rendered by a panel of competent jurisdiction, it is premature to give the Award the force of a final judgement on the merits because Applicant appealed the Award by filing a Petition to Vacate Arbitration Award. *See*, **Lazarus Declaration Exhibit I**. Moreover, Opposer failed to satisfy the third requirement of applying *res judicata* because the cause of action of the Arbitration was not the same as the cause of action in the present Opposition.

Following the arbitrators' determination of the merits of party's claims, the party may return to the court to seek limited review of the award under the criteria set forth in 9 U.S.C. §10. Accordingly, on May 17, 2007, Applicant filed the Petition to Vacate Arbitration Award asserting *inter alia* that the Award was procured by fraud and misconduct and is totally irrational. *See*, **Lazarus Declaration Exhibit I**. It is undisputed that, in certain circumstances, an arbitration award may provide a basis for precluding a subsequent federal action, where the award was not or has not yet been appealed to a reviewing court. *Burger King Corp. v. B-K of*

Kansas, Inc., 1987 U.S. Dist. LEXIS 3606. However, where the arbitration award is appealed and where the subsequent appellate decision may overturn the arbitration award, it is better to postpone the *res judicata* question pending resolution of the appeal. *Id.* at 11. Accordingly, it would be premature to give the arbitration Award full *res judicata* effect, where the Petition to Vacate this Award has not yet been considered or decided.

The general rule of *res judicata* applies to repetitious suits involving the same cause of action. But where the second action between the same parties is upon a different cause or demand, the principle of *res judicata* is applied much more narrowly. In this situation, the judgment in the prior action operates as an estoppel, not as to matters which might have been litigated and determined, but "only as to those matters in issue or points controverted, upon the determination of which the finding or verdict was rendered." *Cromwell v. County of Sac*, 94 U.S. 351, 353, 24 L. Ed. 195; 1876 U.S. LEXIS 1872 (1877). *And see Russell v. Place*, 94 U.S. 606, 24 L. Ed. 214; 1876 U.S. LEXIS 1916 (1877); *Southern Pacific R. Co. v. United States*, 168 U.S. 1, 48, 18 S. Ct. 18; 42 L. Ed. 355; 1897 U.S. LEXIS 1705 (1897); *Mercoid Corp. v. Mid-Continent Co.*, 320 U.S. 661, 671, 64 S. Ct. 268; 88 L. Ed. 376; 1944 U.S. LEXIS 1396 (1944).

The nature of the dispute heard by the arbitration panel was not the same as the dispute now presented to the Board. As evidenced by the D & M's Demand for Arbitration, annexed as **Lazarus Declaration Exhibit F**, and the CSI's August 16th, 2007 Answer to Demand for Arbitration and Counterclaims, annexed as **Lazarus Declaration Exhibit G**, the cause of action considered in the Arbitration was breach of the Sales Agreement, annexed as **Lazarus Declaration Exhibit A**, and validity of the Trademark Assignment schedule of the Sales Agreement, annexed as **Lazarus Declaration Exhibit B**. The issues of the ownership of the

Applicant's Marks or of Opposer's consent to Applicant's registration of the Applicant's Marks were never considered or decided by the arbitration panel. In fact, the panel specifically refused to determine whether Applicant's pending Trademark Applications should be transferred to CSI. *See*, **Lazarus Declaration Exhibit J**, pgs. 874-875 of March 22, 2007 Transcript. Accordingly, the cause of action involved in this Opposition proceeding is not swallowed by the Award issued in the Arbitration proceeding. Therefore, the parties are free to litigate points which were not at issue in the Arbitration.

Further, in order to analyze whether the two suits were based on the same cause of action, it may be necessary to determine whether, for purposes of claim preclusion, a claim for rescission of an agreement based on fraudulent inducement and misrepresentations is based on the same set of factual allegations as a petition to oppose federal registration of a mark. *See, Jet, Inc. v. Sewage Aeration Sys.*, 223 F.3d 1360, 1363 (Fed. Cir. 2000); s*ee also*, *Prochotsky v. Baker & McKenzie*, 966 F.2d 333, 335 (7th Cir. 1992); *Sanders Confectionery Prods. v. Heller Fin., Inc.*, 973 F. 2d 474, 484 (6th Cir. 1992) ("Identity of causes of action means an identity of facts creating the right action").

A set of facts which underlie a petition for opposition include, *inter alia*:

- the petitioner's belief of being injured by registration; and
- grounds upon which a mark should not be registered, including, for example, absence of a petitioner's written consent to register his name as the mark. *15 U.S.C. §1063.*

None of the above is required to establish the claim for rescission or invalidation of an agreement based on fraudulent inducement and misrepresentations. Therefore, claim preclusion cannot bar Applicant's trademark applications.

D. Applications Are Not Barred by Collateral Estoppel

Opposer has correctly identified the factors required to establish the doctrine of issue preclusion, i.e., the collateral estoppel. Specifically, to bar revisiting of issues that have been already fully litigated, four factors are required to be present:

"(1) identity of the issues in a prior proceeding;

(2) the issues were actually litigated;

(3) the determination of the issues was necessary to the resulting judgment; and,

(4) the party defending against preclusion had a full and fair opportunity to litigate the issues." *Jet, Inc.* at 1366.

There is no identity of issues between the Arbitration and the present Opposition. Specifically, the issue in the Opposition is whether Applicant had a written consent from the Opposer to register the Applicant's Marks. This issue was not present to, considered or decided by the Arbitration Panel. Instead, the Arbitration was related to the validity of the Assignment document. Moreover, as discussed in more detail above, the Assignment is not the only document where Opposer stated his consent to the Applicant's registration of the Applicant's Marks. Therefore, there is no identity of issues between the Arbitration and the present Opposition.

The issue of the Opposer's consent to the Applicant's registrations was never litigated before. Consequently, there was no determination on this issue and Applicant had no opportunity to fully litigate the issue.

Accordingly, Applications are not barred by the collateral estoppel.

V CONCLUSION

For all of the reasons discussed above and addressed in the accompanying Declaration of Harlan M. Lazarus and in the exhibits thereto, the Opposer's motion for summary judgment should be denied in all respects.

Dated: New York, New York
September 21, 2007

Respectfully submitted,

OSTROLENK, FABER, GERB & SOFFEN, LLP
Attorneys for Applicant

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TABLE OF CONTENTS

TABLE OF AUTHORITIES

Cases

Statutes

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Application Nos. 78/550,279 78/550,292 Opposition No. 91175371

DECLARATION OF HARLAN M. LAZARUS IS SUPPORT OF APPLICANT'S OPPOSITION TO OPPOSER'S MOTION FOR SUMMARY JUDGMENT

HARLAN M. LAZARUS, pursuant to 28 U.S.C. §1746, declares:

1. I am a member of the firm of Lazarus and Lazarus, P.C.

2. The law firm of Lazarus and Lazarus, P.C. was counsel for D & M New World Management, Inc., doing business as Apollo Fine Spirits ("Applicant") in the arbitration before the American Arbitration Association's International Center for Dispute resolution, captioned D&M New World Management, Inc. d/b/a/Apollo Fine Spirits v. CSI International (the "Arbitration").

3. I submit this declaration in support of Applicant's opposition to Opposer's motion for summary judgment.

4. Attached hereto as Exhibit A is a true and correct copy of the Sales Agreement between Applicant and CSI International ("CSI"), dated April 28, 2005.

5. Attached hereto as Exhibit B is a true and correct copy of the Assignment of Trademarks, dated April 28, 2005.

6. Attached hereto as Exhibit C is a true and correct copy of the document executed by Henri De Cressac, dated May 15, 2005.

7. Attached hereto as Exhibit D is a true and correct copy of the e-mail by Henri De Cressac, dated September 26, 2004.

8. Attached hereto as Exhibit E is a true and correct copy of the document by Henri De Cressac, dated October 2, 2004.

9. Attached hereto as Exhibit F is a true and correct copy of the Notice and Demand for Arbitration filed by Applicant with the American Arbitration Association.

10. Attached hereto as Exhibit G is a true and correct copy of the Answer to Demand for Arbitration and Counterclaims filed by CSI in the Arbitration.

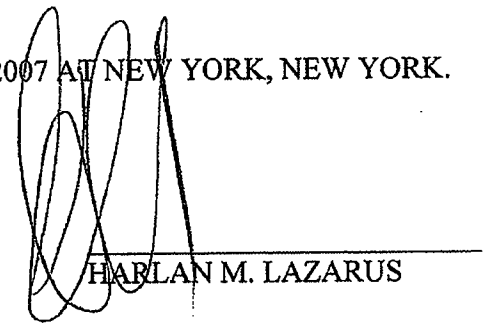
11. Attached hereto as Exhibit H is a true and correct copy of the Award issued in the Arbitration.

12. Attached hereto as Exhibit I is a true and correct copy of the Applicant's Notice of Petition to Vacate the Arbitration Award, Petition to Vacate Arbitration Award, and affirmation of Harlan M. Lazarus in Support of Petition to Vacate Arbitration Award (collectively, hereinafter, "Applicant's Petition to Vacate").

13. Attached hereto as Exhibit J is a true and correct copy of pages 874-877 of March 22, 2007 Transcript of the Arbitration.

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT.

EXECUTED ON SEPTEMBER 21, 2007 AT NEW YORK, NEW YORK.



HARLAN M. LAZARUS

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT A

SALES AGREEMENT

This Sale Agreement ("Agreement") dated march 23 2005 is made by and between D&M NEW WORLD MANAGEMENT INC. d.b.a. APOLLO FINE SPIRITS ("Buyer"), having its place of business at 50 Hemstead Garden drive West Hemstead NY 11552 and CSI International ("Seller"), having its principal place of business at 90 rue de Vincennes 33000 Bordeaux France.

WHEREAS, Seller desires to sell and Buyer desires to purchase "Baron Henri de Cressac Cognac Product as more particularly set forth on Schedule 1 to this Agreement as it may time from time to time be modified, amended, or supplemented;

NOW, THEREFORE, for the consideration stated in this Agreement, the parties hereby agree as follows:

1. SUBJECT OF THE CONTRACT

1.1. The Seller undertakes to sell, and the Buyer to receive and to pay for the Product in accordance with the provisions of this Agreement.

2. QUALITY OF GOODS

2.1 The quality of the Product shall be good quality, petite champagne Cognac, in compliance with Buyer's written Purchase Order and each document drawn by Seller in connection with the Product, including certificate of conformity and quality certificate, fit for the purposes for which the Product is intended, of even kind and quality within each delivery of Product, adequately contained, packaged and labeled, as each Purchase Order may require, and conform to the promises and affirmations of fact made on each container and label affixed by Seller to the Product or the containers, packaging or other materials within which, or in connection with which the Product is delivered ("Quality").

2.2. The packaging of Product by Seller should guarantee their safety.

3. DOCUMENTS FOR THE GOODS

3.1. For each dispatched lot of goods the Seller draws up the following documents:

a. Certificate of origin;in french

b. Certificate of conformity; in french

c. Invoice in English;

d. Specification.
e. Bill of Lading

3.2 All documents drawn by Seller in connection with the Product, including without limitation, each document described in subparagraph 3.1, above, shall be drawn in English and French

4. TERMS OF GOOD DELIVERY

4.1. Delivery basis: EX Seller's warehouse at chateaubernard, or such other location as the parties may agree to in writing.

4.2.Terms of shipping -In compliance with Buyer's Purchase Order.

4;3 The seller shall notify buyer in writing of the date upon which the product shall be delivered.

5. CLAIMS AND THE ORDER OF THEIR SETTLEMENT

5.1 Buyer shall have the right to raise a claim to as to the Quality of Product within a period of 45 days from receipt of such Product at Buyer's warehouse.

5.2 The date of making a claim is considered the date of transmittal of a claim in writing by Buyer to Seller which such claim shall be sent by Buyer to Seller in writing by an internationally recognized express mail delivery service to Seller's address as set forth in the preamble hereof. Buyer shall enclose a detailed report by an independent quality control organization with respect to such claim.

5.3. Buyer shall, upon Seller's request in writing, made by Seller upon reasonable notice to Buyer, make available for inspection at Buyer's warehouse by an independent quality control organization retained by Seller, the Product with respect to which a claim has been made by Buyer. Failure by Seller to notify Buyer within twenty days of Buyer's transmittal of a claim pursuant to the preceding paragraph of Seller's intention to inspect, or failure by Seller to inspect the Product within sixty days of Buyer's transmittal of such claim, shall forever bar Seller from contesting such claim. Seller shall within twenty days of Seller's inspection pursuant to this subparagraph provide to Buyer a detailed report of the inspection by the independent quality control organization retained by Seller to conduct such inspection.

5.4 In case parties do not resolve a claim made by Buyer pursuant to this article within ninety days of Buyer's transmittal of such claim, the claim, toghether wth reports of independent quality control organitzations retained by

each of buyer and seller , shall be resolved by arbitration pursuant to Section 9 of this Agreement.

5.6. If Seller admits that there is a valid claim concerning the quality of the Product, or fails to comply with the procedures set forth herein, then Seller shall promptly reimburse and pay or credit to Buyer the price of the Product, including all costs incurred in connection with, including handling duty and transportation from country of origin.

5.7. Buyer shall have the right to make a claim of under shipment by Seller of the quantity of Product delivered. Such a claim shall be made within a period of sixty days from Buyer's receipt of documents from Seller setting forth the delivery of Product with respect to which Buyer claims an under shipment. The date of making a claim is considered the date of transmittal of a claim in writing by Buyer to Seller which such claim shall be sent by Buyer to Seller in writing by an internationally recognized express mail delivery service to Seller's address as set forth in the preamble hereof. Buyer shall enclose a detailed report of such under shipment claim. In case of claims by Buyer for under shipment, Seller shall respond to such claims within twenty days of its receipt of such claim. If Seller admits to the claim of under shipment, Seller shall reimburse or credit Buyer the price of the Product, including all costs incurred in connection therewith, including warehousing and transportation.

6. PRELIMINARY COORDINATION OF ORDERS

6.1. Between the date of this Agreement and the 23rd of day of September 2006 (the "Term"), Buyer shall purchase, and Seller shall sell, approximately 250,000 bottles containing Product. For the purpose of production and delivery planning the parties agree on a preliminary delivery schedule as set forth in Schedule 7.1 hereof. The parties shall, on a monthly basis, confer with respect to the quantity, assortment, and timing of deliveries anticipated by Buyer for the next succeeding month.

6.2. Notwithstanding anything to the contrary herein, no delivery of Product shall be made by Seller to Buyer unless and until Buyer shall have issued a written Purchase Order to Seller setting forth the quantity of Product ordered, and the date such Product. Seller, within two days of receipt of Buyer's Purchase Order, shall confirm in writing the Purchase Order, or make, in writing, proposed alterations to it, which such alterations shall be accepted or rejected by Buyer within two days of Buyers receipt of Seller's writing setting forth the proposed alterations.

7. CONDITIONS OF PAYMENT

7.1. Payment for the goods is made by the Buyer in Euro in accordance with the terms of this Agreement.

7.2. Form of payment:

a) First orders (approximately 90 000 bottles) : 30% of the purchase price shall be paid by Buyer to Seller upon Seller's notification to Buyer in writing that the Product is ready for delivery in compliance with Buyer's Purchase Order. The balance of the purchase price shall be paid by Buyer to Seller within sixty (60) days of bill of lading.

b) All Subsequent containers: 100% of the purchase price shall be paid by Buyer to Seller within Ninety (90) days bill of landing from seller warehouse. In the future both parties shall discuss this point .

7.3.Seller guarantees that the agreed price of the Product as set forth on Schedule 7.3 Shall not be increased until expiration of 36 months from the buyers receipt, at the buyer wharehousse The price of product may be increase only if seller's shall by reference to available public information establish to buyer's reasonable satisfaction an industry wide increase in the cost of production product.

8. CONFIDENTIALITY AND PROPERTY RIGHTS

8.1. Confidentiality. Each party acknowledges that it and its employees, agents or representatives may, during the term of this Agreement, be exposed to or acquire information which is proprietary and/or confidential to the other party. Any and all information of any form obtained by a receiving party or its employees, agents and representatives during the term of this Agreement shall be deemed to be confidential and proprietary information of the disclosing party. The receiving party agrees to hold such information in strict confidence and not to disclose such information to third parties or to use such information for any purposes whatsoever other than what may be necessary to perform any obligations under this Agreement and to advise each of its employees, agents and representatives of their obligations to keep such information confidential. Notwithstanding, receiving party's obligation of confidentiality hereunder shall not apply to any information:

(a) which, at the time of disclosure, is publicly available or in public knowledge;

(b) which, at the time disclosure, lawfully becomes party of the public knowledge through publications or otherwise, but through no fault of the receiving party;

(c) acquired by the receiving party from a third party from a third party who has a right to disclose such information.

8.2. Publicity. Each party may refer to the existence of this Agreement and the name of the other party in any press release, advertising, marketing or any other related materials with prior written consent, not to be unreasonably withheld or delayed.

8.3. Trademark Ownership. Buyer and Seller shall, simultaneously herewith, enter into and execute that certain trademark assignment agreement, a copy of which is annexed hereto as Schedule 8;3

8.4. Auxiliary Ownership. Buyer shall own all rights to the molds and labels produced for the goods Baron Henri de Cressac Cognac and as long as D&M New world management and CSI International are in completes agreement. At the time of signing present agreement, seller will transfer to buyer all information regarding bottles and labels production.

8.5 Sales of product .CSI international has the right to sale all items Baron Henri de Cressac Cognac without Domestic American Market. In the other market than domestic American Market D&M new world Management is agree to give to CSI International all information like address, telephones number, contact name .

9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1 This Agreement shall be governed and construed by in accordance with the laws of the State of New York applicable to agreements entirely made and performed in the State of New York.

9.2. In the event of any dispute, controversy or claim arise between Seller and Buyer, the parties agree to first promptly meet, and each agrees to use to their best efforts to reasonably resolve the dispute without resort to arbitration. In the event the parties are unable to resolve each dispute, controversy or claim, the parties agree such dispute shall be submitted to binding arbitration ("Arbitration") in the New York, New York regional office of the American Arbitration Association, before a panel of three arbitrators selected in accordance with the Commercial Arbitration Rules and procedures of the American Arbitration Association. Any and all disputes shall be submitted to Arbitration hereunder within one (1) year from the date the dispute first arose or shall be forever barred. Seller and Buyer agree that Arbitration hereunder shall be in lieu of all other remedies and procedures, and shall be the exclusive method for resolving any disputes arising out of this Agreement. Any arbitration, action, suit or proceeding arising out of or relating to this Agreement may, among such other methods allowed by law, be commenced by delivering the notice, process or other mailing by internationally recognized express mail service to the party at the address set forth in the preamble hereof. Any such delivery shall be deemed to have the same force and effect as personal service. The prevailing party in any arbitration, action, suit or proceeding arising under or relating to this Agreement shall be entitled to recover from the other its attorneys' fees (in addition to its

costs and expenses) incurred in connection therewith. This parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to arbitration pursuant to this Agreement.

9.3. All communications and evidence during the course of any arbitration, including the hearing of the proceedings shall be in English language and shall be kept confidential by the parties.

9.4. The provisions of this Section 9 shall not prevent either party from seeking interim injunctive relief pending resolution of a dispute provided that any such request shall be made first to the arbitrators appointed pursuant to this Agreement, or, in the event that such Arbitrators are not appointed at the date of such request, the parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to such request.

10. FORCE MAJEURE

10.1. Except for each party's obligations under this Agreement to protect the other's Confidential Information and for payment obligations, neither party shall be liable for delay or failure to perform its obligations nor shall either party be held to have breached any of its obligation hereunder by reason of any delay or failure, if such delay or failure is due to any acts of God or of the public enemy, acts of any state or local government or agency in either its sovereign or contractual capacity, fires, floods, unusual severe weather, or other circumstances beyond the party's reasonable control.

10.2 The party which does not have the responsibility to execute duly its engagements in case of force-majeure conditions, must immediately within a period of seven days, inform about it to the other party. Not informing the other party about the appearance of the force-majeure conditions will deprive it of the right to refer to them in connection with non-execution of the contract engagements.

11. ENTIRE AGREEMENT

11.1. This Agreement, together with the Specifications and all Exhibits attached hereto, supersedes all prior agreements, arrangements, representations, warranties and undertakings between the parties and constitutes the entire understanding between the parties relating to the subject matter hereof.

12. ASSIGNMENT

12.1. Parties may not assign or otherwise transfer their right and obligations stated in the Agreement, whether in whole or in part, without the prior written consent of the non-assigning party, except that a party may assign the Agreement to any entity that acquires all or substantially all of the assets of the assigning party, or to a successor in a merger or acquisition of the assigning party, provided that the non-assigning party is given prior written notice of such assignment and such acquiring or surviving entity agrees to be bound by all of the terms and conditions of this Agreement.

13. NOTICES

13.1. The parties have to inform each other immediately, not later than three (3) days of any changes of telephone faxes, e-mails, addresses and so on, as well as of the change of management or ownership in the executive body of the company.

LEGAL ADDRESSES AND REQUISITES OF THE PARTIES

SELLER:

CSI INTERNATIONAL
Direct Wine and Spirits
90 rue de Vincennes
33000 BordeauxFrance
FDA Number 15280484034

Bank Adress:

Bank BAMI bordeaux
IBAN FR 76.1795.900036.51288021701.29
Swift BAMY FR 22
From USA: EBA

BUYER:

D&M NEW WORLD MANAGEMENT, INC.
D/B/A APOLLO FINE SPIRITS
50 HEMPSTEAD GARDENS DRIVE
WEST HEMPSTEAD, NEW YORK U.S.A.

Bank requisites:

CHASE MANHATTAN BANK
1722 AVENUE
BROOKLYN, NEW YORK 11229
SWIFT: CHASUS 333
ACCT# 086069961665
General Manager

15. AMENDMENTS TO THE AGREEMENT

15.1. No addition to or modification or waiver of any provision of this Agreement shall be binding upon the parties unless made by written instrument signed by a duly authorized representative of each of the parties.

16. HEADINGS

16.1. Headings are included in this Agreement for convenience only and are not to be taken into account in the construction hereof.

17. SEVERABILITY

17.1. If any provision of this Agreement becomes invalid or unenforceable such provision shall be severed and the remaining terms, and conditions and provisions of this Agreement shall continue to be valid to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth ab9ove.

D&M NEW WORLD MANAGEMENT INC.

D/B/A APOLLO FINE SPIRITS

Date: APRIL 28 2005

By: _____

Dalia Kohler, President

Address: 50 Hempstead Gardens Drive
West Hempstead, New York
USA

CSI
INTERNATIONAL

Date: 28/04/05

By: _____

Henri de Cressac, President

Address: 90 rue Vincennes
33000
Bordeaux, France
E-mail:

cressacus@aol.com
<mailto:cressacus@aol.com>
E-mail: apollo@hotmail.com <mailto:apollo@hotmail.com>

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT B

C-9

ASSIGNMENT OF TRADEMARK

This Assignment of Trademark (the "Assignment") is made and entered on April 28, 2005, by and between CSI INTERNATIONAL ("Assignor") and D&M NEW WORLD MANAGEMENT INC ("Assignee") (collectively referred to as the "Parties").

Whereas, Assignor is the sole owner of the Mark BARON HENRI DE CRESSAC Cognac. (the "Mark"); and

Whereas, Assignor wishes to assign the Mark to Assignee.

Now, Therefore, for valuable consideration, receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. ASSIGNMENT: Assignor hereby absolutely, unconditionally and irrevocably assigns, sells and transfers to Assignee, free of all royalties for the full term of trademark, and thereafter, including all extensions or renewals all of Assignor's rights, title and interest in and to the Mark, and the good will associated therwith, including, but not limited to: (i) all rights under trademark and any registrations and trademark applications relating thereto and (ii) all income, royalties or claims relating to the Mark due on or after the date of this Assignment. Such assignment of trademark is in perpetuity throughout the world and for whatever purpose. During the term hereof, Assignee shall have the sole and exclusive right to use, produce, publish, disseminate and dispose of the Mark.

2. ASSIGNOR'S REPRESENTATIONS: Assignor represents and warrants that he is the sole owner of the Mark, and has all rights, title and interest in and to the Mark and the power to enter into this Assignment. Assignor further represents and warrants that the rights transferred in this Assignment are free of lien, encumbrance or adverse claim, including without limitation any claim, demand, or cause of action for trademark infringement, infringement, unfair competition or intellectual property misappropriation of any kind.

3. CONTINUING OBLIGATIONS: Assignor agrees to reasonably assist Assignee, upon request, in the perfection of the assignment, including the execution and delivery of any additional documents that are appropriate and necessary for perfection.

4. BINDING EFFECT: The covenants and conditions contained in this Assignment shall apply to and bind the Parties and their heirs, legal representatives, successors and permitted assigns.

5. GOVERNING LAW: This Assignment shall be governed by and construed in accordance with the laws of the State of New York.

6. INTEGRATION: This Assignment supersedes all prior representations and agreements, if any, between the parties. This Assigment contains the entire and only understanding between the parties hereto. It may not be altered, amended or extinguished, except by a writing which expressly refers to this Assignment and which is signed subsequent to the execution of this Assignment by the party or parties to any such alteration, amendment or extinguishment, or their successors-in-interest.

7. SEVERABILITY: If any term, provision, covenant or condition of this Assigment is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, imparted or invalidated.

8. BINDING EFFECT: This Assigment shall be binding upon and inure to the benefit of Assignor and Assignee their respective heirs, executors, administrators, assigns, successors in interest, predecessors in interest and anyone claiming by, through or under any one of them.

9. INDEMNIFCATION: Assignor agrees to and does hereby indemnify, save and hold Assignee and its successors, assigns, privies, and licensees harmless of and from any and all liability, loss, damage, cost and expense (including legal expenses and attorney fees) arising our of or connected with any breach or alleged breach of this Assignment or any claim which is inconsistent with any of the warranties, representations or agreements made by Assignor in this Assignment, including, without limitation, any claim brought against Assignor, its successor, assigns, privies and licensees for infringement, unfair competition, intellectual property misappropriation or similar claim, and Assignor agrees to reimburse Assignee on demand for any payment made or incurred by Assignee with respect to the foregoing. Assignee may take such action as it deems necessary, either in Assignor's name or in its own name, against any person to protect all rights and interests acquired by Assignee hereunder. Assignor shall, at Assignee's request, cooperate fully with Assignee in any controversy that may arise or litigation that may be brought concerning any rights and interests obtained by Assignee hereunder. Assignee shall have the right, in its absolute discretion, to employ attorneys and to institute or defend any action or proceeding and to take any other proper steps to protect the rights, title and interest of Assignee in and to the Mark assigned hereunder and every portion thereof. Assignee shall also have the right, in its absolute discretion, to settle, compromise or satisfy any judgment that may be rendered, or resolve or dispose of in any other manner, any claim, matter, action or proceeding.

10. JURISDICTION: Assignor and Assignee consent to the sole and exclusive jurisdiction of the Courts of the State of New York, County of New York and the United States District Court for the Southern District of New York in connection with any disputes arising out of or relating to this Assignment and further consent and agree that any notice, process or service, including notice, process or service of or relating to the commencement of an action, suit or proceeding arising out of or relating to this Assignment may be delivered to the party subject thereof by certified mail return receipt

requested, or by any nationally or internationally recognized overnight mail courier, including the United States Postal service.

11. **MISCELLANEOUS:** As used in this Assignment, the masculine, feminine or neuter gender, or the singular or plural number, shall be deemed to include the others, whenever the text so indicates. Captions and paragraph headings are inserted solely for convenience and shall not be deemed to restrict or limit the meaning of the text. The language of all parts of this Assignment shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties.

12. **AUTHORITY:** Each of the signatories to this Assignment warrants that he or she has the authority to sign on behalf of the party to this Assignment and that no other signature is required.

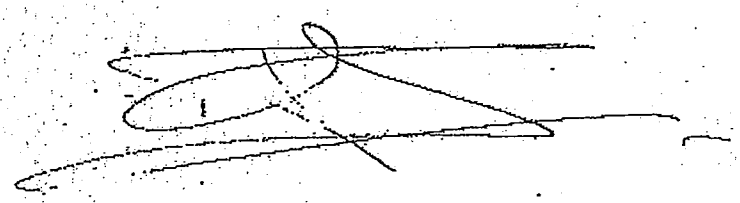
13. **TERMS READ AND UNDERSTOOD:** The Parties to this Assignment hereby certify that they have read all of the terms of the foregoing Assignment, have conferred with counsel pertaining to same, or have had the full opportunity to do so, and fully understand all of the terms hereof, and the Parties hereby acknowledge and represent that they enter into this Assignment of their own free will and not from any representation, commitment, promise, pressure or duress from any other Party

IN WITNESS WHEREOF, the Parties have caused this Assignment to be executed the day and year first above written.

ASSIGNOR:

CSI INTERNATIONAL _____

HENRI DE CRESSAC _____
(Name)
PRESIDENT _____
(Position, if applicable)



ASSIGNEE:

D&M NEW WORLD MANAGEMENT

DALIA KOHLER
(Name)
PRESIDENT
(Position, if applicable)

000257

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT C

C-35(I)

BARON HENRI de CRESSAC

Office of Baron Henri de Cressac

Bordeaux le 15/05/2005

D & M New World Management, Inc., dba Apollo Fine Spirits, located at 50 Hempstead Gardens Drive, West Hempstead, NY 11552, is the owner of the Trademark, "Baron Henri de Cressac Cognac" and C.S.I. Located at 90 rue de Vincennes Bordeaux France is the producer and bottler of this cognac.

Sincerely,

Henri de Cressac

Président

CSI International
Direct Wines & Spirits
90, rue de Vincennes - 33000 Bordeaux France
cressacus@aol.com Tél. (33) 668.236.225 Fax (33) 556.988.346

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT D

C-35(B)

Sujet :	report
Date :	26/09/04
A :	apollows@hotmail.com
Fichier :	C:\CSI\usa\appolow\trade mark.doc (20480 octets) Téléchargement (32000 bits/s) : < 1 minute

Dalhia and Lenny

Following our last meting, I confirm the some several points.

- You must confirm :

1) Confirm the total order for the first production. Nomber of cases by each products (First 18 month)
2) Confirm the order for the first shippment.Nomber of cases by each products.
3) Confirm total of UPC code for each products.

4) Please registred the name in the trade Market. (see attached file) —

5) Read the contract and tell me the point

Friendly

Henri de Cressac
Président

CSI International
Direct Wine & Spirit
90 rue de Vincennes
33000 Bordeaux
France

tel +33.688.236.225
tel +32.477.601.494
fax + 33.556.988.346

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT E

C-35(C)

CSI International
90 rue de Vincennes
33000 Bordeaux

Email :cressacus@aol.com

tel+33.688.236.225
tel +32.477.601.494
Fax+33.556.988.346

Bordeaux le 土曜日 2 10月 2004

Contract agreement for D&M Worldwide Management Inc.

CSI International represented by Henri de Cressac give to D&M worldwide Management Apollo Wines&spirits the exclusivity for the brand name BARON HENRI de CRESSAC for all United States.

Apollo must to registried the name to the trad mark as soon as is possible.

Henri de Cressac
President CSI International

000609

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT F

AMERICAN ARBITRATION ASSOCIATION
NEW YORK CITY, NEW YORK

D&M NEW WORLD MANAGEMENT INC. *doing business as* APOLLO FINE SPIRITS	:	**A A A File No.:**
Claimant.	:	**NOTICE AND DEMAND FOR ARBITRATION**
-against-	:	
C S I INTERNATIONAL	:	
Respondent.	:	

PLEASE TAKE NOTICE that pursuant to the provisions of an agreement (the "Sales Agreement"), in writing and executed by and between D&M New World Management, Inc. doing/business/as Apollo Fine Spirits ("Claimant") and CSI International ("Respondent"), dated March 23, 2005 providing for dispute resolution at Article 9 as follows:

9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1. This Agreement shall be governed and construed by in accordance with the laws of the State of New York applicable to agreements entirely made and performed in the State of New York.

8.2. In the event of any dispute, controversy or claim arise between Seller and Buyer, the parties agree to first promptly meet, and each agrees to use to their best efforts to reasonably resolve the dispute without resort to arbitration. I n the event the parties are unable to resolve each dispute, controversy or claim, the parties agree such dispute shall be submitted to binding arbitration ("Arbitration") in the New York, New York regional office of the American Arbitration Association, before a panel of three arbitrators selected in accordance with the Commercial Arbitration Rules and procedures of the American Arbitration Association. Any and all disputes shall be submitted to Arbitration hereunder within one (1) year from the date the dispute first arose or shall be forever barred. Seller and Buyer agree that Arbitration hereunder shall be in lieu of all other remedies and procedures,

and shall be the exclusive method for resolving any disputes arising out of this Agreement. Any arbitration, action, suit or proceeding arising out of or relating to this Agreement may, among such other methods allowed by law, be commenced by delivering the notice, process or other mailing by internationally recognized express mail service to the party at the address set forth in the preamble hereof. Any such delivery shall be deemed to have the same force and effect as personal service. The prevailing party in any arbitration, action, suit or proceeding arising under or relating to this Agreement shall be entitled to recover from the other its attorneys' fees (in addition to its costs and expenses) incurred in connection therewith. This parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to arbitration pursuant to this Agreement.

8.3. All communications and evidence during the coaurse of any arbitration, including the hearing of the proceedings shall be in English language and shall be kept confidential by the parties.

8.4. The provisions of this Section 9 shall not prevent either party from seeking interim injunctive relief pending resolution of a dispute provided that any such request shall be made first to the arbitrators appointed pursuant to this Agreement, or, in the event that such Arbitrators are not appointed at the date of such request, the parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to such request.

and because after the best efforts of Claimant, including meetings with Respondent, to reasonably resolve the disputes subject hereof, have failed to resolve the issues in dispute, the undersigned Claimant intends to conduct, and demands that Respondent participate and attend, a binding arbitration of controversies arising out and relating to the Sales Agreement in New York City, New York before a panel of three arbitrators selected in accordance with the Sales Agreement and the Commercial Arbitration Rules and Procedures of the American Arbitration Association.

NATURE OF DISPUTE AND DAMAGES

Respondent has breached the Sales Agreement and by reason of such breach has caused money damages to Claimant.

Respondent's breach of the Sales Agreement includes, without limitation; a) willfully, wrongfully, and/or negligently failing to timely and properly produce and deliver or timely and properly cause the production and delivery of Product (as defined in the Sales Agreement) of the quality or quantity required by the Sales Agreement; and b) willfully, wrongfully and/or negligently failing and refusing to account for monies received by Respondent from Claimant in connection with the Sales Agreement; and c) misrepresentation of ownership, status of molds, labels and bottles related to Product.

Respondent's damages are presently undetermined but estimated to be not less than $641,059.40. See Exhibit "A" annexed hereto and made a part of this Demand for Arbitration .

Respondent is further notified that a copy of this Demand for Arbitration, to which a true and correct copy of the Sales Agreement is annexed, will be filed with the American Arbitration Association Administrator with the request that it immediately take action in accordance with the Sales Agreement, this Demand and the Commercial Arbitration Rules and procedures of the American Arbitration Association.

Unless within twenty (20) days after service of this Notice and Demand for Arbitration Respondent applies pursuant to CPLR 7503, sub c, for a stay of the arbitration, you will thereafter be precluded from objecting a valid agreement was not made or has not

been complied with, and from asserting in Court the bar of a limitation of time.

Respectfully submitted this 7th day of June, 2006.

LAZARUS & LAZARUS, P.C.
Attorneys for Claimant
D&M NEW WORLD MANAGEMENT, INC.
d/b/a APOLLO FINE SPIRITS, INC.

By: _____

HARLAN M. LAZARUS, ESQ. HML-0268
240 Madison Avenue, 8th Floor
New York, New York 10016
(212) 889-7400

TO: **C S I INTERNATIONAL**
DIRECT WINE AND SPIRITS
90 ru de VINCENNES
33000 BORDEAUX, FRANCE
FDA NUMBER 152804840-34

AMERICAN ARBITRATION ASSOCIATION
NEW YORK CITY, NEW YORK

----------X **A A A File No.:**

D&M NEW WORLD MANAGEMENT INC.
doing business as APOLLO FINE SPIRITS

Plaintiff, **AFFIDAVIT OF SERVICE**

-against-

C S I INTERNATIONAL

Defendant.

----------X

STATE OF NEW YORK)
)SS.:
COUNTY OF NEW YORK)

TRACEY A. OWENS, being duly sworn, deposes and says:

I am not a party to this action, I am over the age of 18 years and I reside in Kings County.

On June 7, 2006, I mailed a true copy of the following document: NOTICE AND DEMAND FOR ARBITRATION, by properly enclosing said document in a sealed, pre-payed wrapper, for delivery by First Class, Certified, Return Receipt Requested, and Overnight Express Mail under the exclusive care and custody of the United States Postal Service located within this City and State addressed to the following:

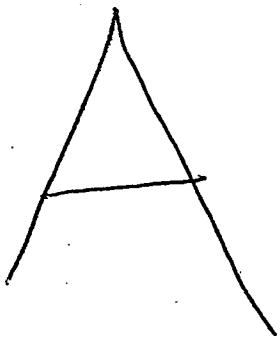
C S I INTERNATIONAL
DIRECT WINE AND SPIRITS
90 ru de VINCENNES
33000 BORDEAUX, FRANCE
FDA NUMBER 152804840-34

TRACEY A. OWENS

Sworn to before me this 7th day of June, 2006

Notary Public

HARLAN M. LAZARUS
Notary Public, State of New York
No. 31-4723982
Qualified in New York County
Commission Expires February 28, 20



BALANCE DUE TO APOLLO

PO#	INVOICE #	INVOICE DATE	EURO AMOUNT	EURO AMOUNT PAID	PRICE ERROR ADJUSTMENT
556	31032005	03/05/05	72862.44	70912.68	1949.76
MOLD	31032005	03/05/05	17000.00	17000.00	
555	32032005	05/05/05	58837.63	54005.80	4831.83
557	36032005	03/30/05	64001.33	63423.83	577.50
595	45052005	25/05/05	33971.92	33971.92	6612.28
639	60082005	05/09/005	70829.52	70829.52	0
640	59082005	05/09/05	37404.00	37404.00	0
640A	60082005	05/09/05	78256.80	78256.80	0
677	10112005	09/11/05	79510.50	73735.50	5775.00
678	11112005	11/14/05	59243.58	59243.58	0
687	12112005	09/11/05	54957.38	53799.71	1157.67
BILLING PRICE ERROR SEE PRICE LIST			626875.1	612583.34	14291.76
TOTAL BALANCE DUE TO APOLLO					**20,904.04**

COST / PAID	EURO	DOLLARS
MOLD	17000.00	
ADV/PRO	30629.17	
G/B RE-GLUING		$ 64,476.0
BOTTLE LEAKING	31147.47	
BILLING ERROR	14291.76	
CUSTOMS DUTY		14910.1
OCEAN FR		1673.2
LOSS FROFIT ON ORDERS NOT SHIPPED		60000.0
DAMEGES		500000.
	93068.40	$ 641,059.40

MOLD APOLLO PAID 50% OF THE MOLD COST **EURO 17000.00**

ADV/PRO CSI AND APOLLO AGREED ON 5% MARKATING, ADVERTISEMENT AND PROMOTION

612583.34 X 5% = EURO 30629.17

RE-GLUING GIFT BOX BARON HENRI DE CRESSAC DECANTER ARRIVE UNGLUED BECAUSE OF INSUFFICIENT CARE IN PRODUCTION
HENRI PERSONALLY SAW THE DAMAGED CALL THE MANUFACTURER AND THE OFFERED TO PAY FOR THE COST OF RE- GLUING ALL BOXES

1791 CASES X 12 BOTTLES =21492 BOTTLES X $ 3.00 A BOTTLE = $64476.00

BOTTLE LEAKING BOTTLE ARE LEAKING BECAUSE THE WRONG SIZE CORKS WERE PRODUCED FOR THE LARGER SIZED BOTTLE 1.75 LITER

		CUSTOMS DUTY	OCEAN FR
BARON HENRI DE CRESSAC V.S.	1008 BOTTLE X EURO 8.96 A BOTTLE = EURO 9031.68	2988 BTL	
BARON HENRI DE CRESSAC V.S.O.P.	936 BOTTLE X EURO 10.30 A BOTTLE = EURO 9640.80		
BARON HENRI DE CRESSAC NAPOLEON	477 BOTTLE X EURO 11.14 A BOTTLE = EURO 5313.78		
BARON HENRI DE CRESSAC X.O.	567 BOTTLE X E[illegible] 12.63 A BOTTLE = EURO 7161.21		

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT G

AMERICAN ARBITRATION ASSOCIATION
NEW YORK CITY, NEW YORK

D&M NEW WORLD MANAGEMENT INC. *doing business as* APOLLO FINE SPIRITS

Claimant,

-against-

C S I INTERNATIONAL

Respondent.

AAA File No.

ANSWER TO DEMAND FOR ARBITRATION AND COUNTERCLAIMS

As and for its Answer to the Demand for Arbitration of D&M New World Management Inc., d/b/a Apollo Fine Spirits ("D&M") and its counterclaims against D&M herein, respondent, CSI International ("CSI"), by its undersigned attorneys, hereby states as follows:

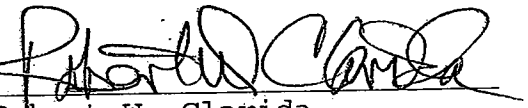
CSI denies the allegations that it has breached the Sales Agreement. CSI has delivered all goods required of it, at the quality and specifications required under the Sales Agreement and as directed by D&M; CSI has not misrepresented ownership of labels, bottles or molds under the Sales Agreement; and CSI has properly accounted for all funds and goods under the Sales Agreement. CSI therefore asks that D&M take nothing on its asserted claims.

CSI hereby counterclaims against D&M, and prays for an Award herein, as follows: (a) D&M fraudulently induced CSI to enter into the Sales Agreement and the scheduled Assignment of Trademark; (b) D&M's misrepresentations were relied upon by CSI and induced CSI to enter into the Sales Agreement and the scheduled Assignment of Trademark, to the detriment of CSI; (c) D&M failed to pay CSI for the goods sold and delivered under the Sales Agreement; and (d) D&M caused CSI to incur expenses under Sales Agreement, such as the acquisition of the raw materials to complete the shipments, upon reliance that D&M would fulfill its obligations, which D&M did not.

Accordingly, CSI hereby seeks a rescission of the Sales Agreement, including the scheduled Assignment of Trademark, and an award in quantum meruit for goods sold and delivered and/or damages and lost profits, of an amount to be determined but no less than $385,440.35.

Respectfully submitted this 16th Day of August, 2006.

COWAN, LIEBOWITZ & LATMAN, P.C.

By: 

Robert W. Clarida
Jason D. Sanders
1133 Avenue of the Americas
New York, New York 10036-6799
(212) 790-9200
Attorneys for Respondent CSI International

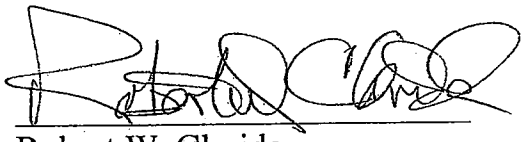
TO: Harlan Lazarus, Esq.
Lazarus & Lazarus , P.C.
240 Madison Avenue
New York, NY 10016

Carmen Gia
International Case Manager
International Center for Dispute Resolution
1633 Broadway
New York, NY 10019

CERTIFICATE OF SERVICE

I certify that on August 16, 2006 I served the foregoing ANSWER TO DEMAND FOR ARBITRATION AND COUNTERCLAIMS by causing a true copy thereof be served on the following counsel by hand delivery:

Harlan Lazarus, Esq.
Lazarus & Lazarus, P.C.
240 Madison Avenue
New York, New York 10016
Counsel for Claimant



Robert W. Clarida

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT H

INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION
International Arbitration Tribunal

In the Matter of the Arbitration between

Re: 50 155 T 00263 06
D & M New World Management, Inc.
d/b/a Apollo \Fine Spirits, Inc.
vs
C S I International Direct Wine And Spirits

AWARD OF ARBITRATORS

WE, THE UNDERSIGNED ARBITRATORS, having been designated in accordance with the arbitration agreement entered into between the above-named parties and dated April 28, 2005, and having been duly sworn, and having conducted hearings on March 19, 2007 through March 22, 2007, and having duly heard and considered the oral and documentary proofs and allegations of the Parties, and considered the pre-hearing memoranda and post-hearing proposed awards submitted by the parties, and confirmed on the record the claims dropped by the parties, and the Parties having agreed to a non-reasoned award as noted in Preliminary Hearing and Scheduling Order #1, do hereby AWARD as follows:

(A) As to Claimant's CLAIMS

1. Claimant's claim for breach by Respondent of the parties' Sales Agreement executed April 28, 2005 ("Sales Agreement") for failure to produce products is denied.

2. Claimant's claim for breach by Respondent of the Sales Agreement for misrepresentations of ownership of the molds and labels is denied.

3. Claimant's claim for breach by Respondent of the Sales Agreement for providing leaky bottles is granted.

4. Claimant's claim for recovery of advertising costs is denied.

5. Claimant's claim for recovery of lost profits is denied.

6. Claimant's claim for recovery of costs of the molds is denied.

7. Claimant's claim for recovery of costs of the dummy bottles is denied.

8. Claimant's claim for recovery of attorneys' fees and costs is denied.

9. In accordance with the above, within thirty (30) days of transmittal of this Award to the Parties, Respondent shall pay to Claimant as money damages in Euros the sum of 41,406.62 plus 6,832.10 interest from June 15, 2005 to April 15, 2007, totaling 48,238.72 Euros.

(B) As to Respondent's COUNTERCLAIMS

1. The Panel declares that the alleged assignment of the mark BARON HENRI DE CRESSAC COGNAC through the purported Assignment of Trademark executed April 28, 2005 is void ab initio.

2. Respondent's counterclaim for breach of the Sales Agreement for failure to pay for products and for unpaid invoices is granted.

3. Respondent's counterclaim for lost profits is granted.

4. Respondent's counterclaim for costs of inventory is granted in part.

5. The Panel declares that Claimant has no rights to the molds and labels for the trademark BARON HENRI DE CRESSAC COGNAC pursuant to the Sales Agreement.

6. In accordance with the above, within thirty (30) days from the date of transmittal of this Award to the Parties, Claimant shall pay to Respondent as money damages in Euros the following amounts, in each case plus interest at the rate of 9% from March 15, 2006 to April 15, 2007:

a) 112,015.45 plus 10,921.51 interest totaling 122,936.96 Euros for its claim for unpaid invoices.

b) 53,152 plus 5182.32 interest totaling 58,334.32 Euros for its claim for lost profits.

c) 112,253.70 plus 10,944.73 interest totaling 123,198.43 Euros for its claim for recovery of inventory costs.

7. Within thirty (30) days from the date of transmittal of this Award to the Parties, Claimant shall pay Respondent $96,000.00 for attorneys' fees and $10,263.45 for costs totaling $106,263.45.

(C) The administrative fees and expenses of the International Centre for Dispute Resolution (ICDR) totaling FOURTEEN THOUSAND FIVE HUNDRED DOLLARS AND ZERO CENTS ($14,500.00) shall be borne sixty-seven percent (67%) by Claimant and thirty-three percent (33%) by Respondent. Therefore, Claimant shall reimburse Respondent the sum of ONE THOUSAND TWO HUNDRED FIFTEEN DOLLARS AND ZERO CENTS ($1,215.00).

The compensation and expenses of the Arbitrators totaling ONE HUNDRED THOUSAND THIRTY SEVEN DOLLARS AND FIFTY CENTS ($100,037.50) shall be borne sixty-seven percent (67%) by Claimant and thirty-three percent (33%) by Respondent. Therefore, Claimant shall reimburse Respondent the sum of SEVENTEEN THOUSAND FIFTEEN DOLLARS AND THIRTY FIVE CENTS ($17,015.35), representing that portion of said fees and expenses in excess of the apportioned costs previously incurred by Respondent upon demonstration that these incurred costs have been paid.

(D) This Award is in full settlement of all claims and counterclaims submitted to this Arbitration. All claims and counterclaims not expressly granted herein are hereby denied.

We hereby certify that, for the purposes of Article 1 of the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards, this Final Award was made in New York, New York.

Date: 4/27/07

Roslyn S. Harrison, Panel Chair

Date: 4/25/07

Kyle-Beth Hilfer

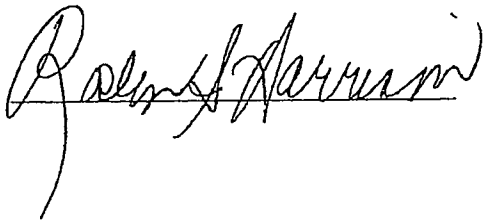
Date: 4/30/07

Carroll E. Neesemann

State of New Jersey
County of Union

I, Roslyn S. Harrison do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/27/07
Date

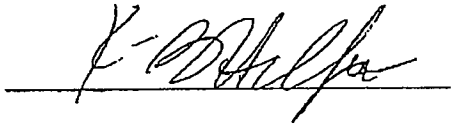


State of New York

County of Westchester

I, Kyle-Beth Hilfer do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/25/07
Date



State of New York

County of New York

I, Carroll E. Neesman do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/30/07
Date

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT I

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

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In re the Application of

Index No.

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

NOTICE OF VERIFIED PETITION TO VACATE ARBITRATION AWARD

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
Vacating An Arbitration Award.

----------X

PLEASE TAKE NOTICE that upon the annexed Verified Petition of D&M New World Management, Inc., doing business as Apollo Fine Spirits ("Apollo"), dated May 17, 2007, the Affirmation of Harlan M. Lazarus, Esq., dated May 17, 2007 and the exhibits thereto, the accompanying Memorandum of Law, the award of the Arbitrators, Roslyn S. Harrison, Kyle-Beth Hilfer and Carroll E. Neesemann, in the arbitration proceeding between Apollo and CSI International ("CSI"), signed and affirmed on April 25, 2007, April 27, 2007 and April 30, 2007 (the "Award") and duly served on Apollo and CSI on May 1, 2007, the sales agreement executed by the parties on April 28, 2005 (the "Agreement"), which includes an agreement to arbitrate, and upon all other papers and proceedings heretofore had herein, Apollo will make an application to this Court at the Motion Submission Part, Room 130, at the Courthouse located at 60 Centre Street, New York, New York, on May 31, 2007 at 9:30 a.m., or as soon thereafter as counsel may be heard for an order:

1. Vacating the Award of the Arbitrators pursuant to CPLR 7511 on the grounds the Award (a) was procured by fraud and misconduct; (b) is totally irrational; and (c) provides for, in effect, an award of punitive damages;

2. Granting such other and further relief as may be just and proper together with the costs of this application.

Pursuant to CPLR 2214(b), an answer and supporting affidavits, if any, shall be served at least seven (7) days before the return date of this Petition.

Dated: New York, New York
May 17, 2007

LAZARUS & LAZARUS, P.C.

By: _____

Harlan M. Lazarus, Esq.
Gilbert A. Lazarus, Esq.
240 Madison Avenue, 8th. Flr.
New York, New York, 10016
212-889-7400
Attorneys for Petitioner D&M New World Management, Inc., doing business as Apollo Fine Spirits

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------X

In re the Application of

Index No.

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
Vacating An Arbitration Award.

----------X

NOTICE OF VERIFIED PETITION TO VACATE ARBITRATION AWARD

LAZARUS & LAZARUS, P.C.
ATTORNEYS FOR THE PETITIONER, D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS
240 MADISON AVENUE-8TH. FLR.
NEW YORK, NEW YORK, 10016
212-889-7400

To

Service of a copy of the within is hereby admitted.

Dated:.....

Attorney(s) for .....

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------X

In re the Application of

Index No.

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

VERIFIED PETITION
TO VACATE
ARBITRATION AWARD

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
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----------X

PETITIONER, D&M New World Management, Inc., doing business as Apollo Fine Spirits, respectfully alleges:

1. Petitioner, D&M New World Management, Inc., doing business as Apollo Fine Spirits ("Apollo") is a New York corporation with its principal place of business at 50 Hempstead Gardens Drive, West Hempstead, New York.

2. Upon information and belief, Respondent, CSI International ("CSI"), is a French corporation with its offices at 90 Rue de Vincennes, 33000 Bordeaux, France.

3. On April 28, 2007, Apollo and CSI entered into a written Sales Agreement including an assignment of trademark (the "Agreement"), a copy of which is attached as Exhibit "A". The Agreement provided that in the event of a dispute, the parties "agree that Arbitration hereunder shall be in lieu of all other remedies and procedures, and shall be the exclusive method for resolving any disputes arising out of the Agreement".

4. The Agreement further provided that the courts, whether Federal or State,

located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to arbitration pursuant to this Agreement.

5. A dispute arose between Apollo and CSI, and on May 26, 2006, Apollo filed a Notice and Demand for Arbitration with the American Arbitration Association in New York, New York, commencing an arbitration against CSI regarding the Agreement. CSI filed a response and counterclaims.

6. Thereafter, in accordance with the rules of the American Arbitration Association, a panel of arbitrators was designated as follows: Roslyn S. Harrison, Kyle-Beth Hilder and Carroll E. Neesemann. Hearings were held on March 19, 2007 through March 22, 2007.

7. Following the hearings, the arbitrators rendered their award in writing, signed and affirmed, on April 25, 2007, April 27, 2007 and April 30, 2007 (the "Award"). A copy of the Award is attached as Exhibit B.

8. The American Arbitration Association served a copy of the Award on Apollo and CSI on May 1, 2007.

9. This Petition has been brought within ninety (90) days after the delivery of the Award.

WHEREFORE, Petitioner demands that a judgment be entered herein vacating the Award and that Petitioner have such other and further relief as the Court may deem proper.

Dated: New York, New York
May 17, 2007

LAZARUS & LAZARUS, P.C.

By: _____

Harlan M. Lazarus, Esq.
Gilbert A. Lazarus, Esq.
240 Madison Avenue, 8th. Flr.
New York, New York, 10016
212-889-7400
Attorney for Petitioner, D&M New World Management, Inc., doing business as Apollo Fine Spirits

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------X

In re the Application of Index No.

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
Vacating An Arbitration Award.

----------X

STATE OF NEW YORK)
)ss.:
COUNTY OF NEW YORK)

VERIFICATION

Gilbert A. Lazarus, being sworn, states:

1. I am the attorney for the Petitioner, D&M New World Management, Inc., doing business as Apollo Fine Spirits in this action and my office is located at 240 Madison Avenue, 8th Flr., New York, New York 10016, which is within the County of New York. This verification is made by me because the Petitioner does not reside within the County of New York, which is the county where I have my office.

2. I have read the foregoing Verified Petition and know its contents. The Petitioner's Verified Petition is true to my knowledge, except as to matters alleged on information and belief, and as to those matters, I believe it to be true.

3. The sources of my information and grounds of my belief as to all matters in the foregoing Verified Petition not stated to be made upon my knowledge are as

follows: the file provided by the Petitioner and the files maintained by Lazarus & Lazarus, P.C.

Dated: New York, New York
May 17, 2007

Gilbert A. Lazarus, Esq.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------X

In re the Application of

Index No.

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
Vacating An Arbitration Award.

----------X

VERIFIED PETITION TO VACATE ARBITRATION AWARD

LAZARUS & LAZARUS, P.C.
ATTORNEYS FOR THE PETITIONER, D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS
240 MADISON AVENUE-8TH. FLR.
NEW YORK, NEW YORK, 10016
212-889-7400

To

Service of a copy of the within is hereby admitted.

Dated: .....

Attorney(s) for .....

Exhibit A

SALES AGREEMENT

This Sale Agreement ("Agreement") dated march 23 2005 is made by and between D&M NEW WORLD MANAGEMENT INC. d.b.a. APOLLO FINE SPIRITS ("Buyer"), having its place of business at 50 Hemstead Garden drive West Hemstead NY 11552 and CSI International ("Seller"), having its principal place of business at 90 rue de Vincennes 33000 Bordeaux France.

WHEREAS, Seller desires to sell and Buyer desires to purchase "Baron Henri de Cressac Cognac Product as more particularly set forth on Schedule 1 to this Agreement as it may time from time to time be modified, amended, or supplemented;

NOW, THEREFORE, for the consideration stated in this Agreement, the parties hereby agree as follows:

1. SUBJECT OF THE CONTRACT

1.1. The Seller undertakes to sell, and the Buyer to receive and to pay for the Product in accordance with the provisions of this Agreement.

2. QUALITY OF GOODS

2.1 The quality of the Product shall be good quality, petite champagne Cognac, in compliance with Buyer's written Purchase Order and each document drawn by Seller in connection with the Product, including certificate of conformity and quality certificate, fit for the purposes for which the Product is intended, of even kind and quality within each delivery of Product, adequately contained, packaged and labeled, as each Purchase Order may require, and conform to the promises and affirmations of fact made on each container and label affixed by Seller to the Product or the containers, packaging or other materials within which, or in connection with which the Product is delivered ("Quality").

2.2. The packaging of Product by Seller should guarantee their safety.

3. DOCUMENTS FOR THE GOODS

3.1. For each dispatched lot of goods the Seller draws up the following documents:

a. Certificate of origin;in french

b. Certificate of conformity; in french

c. Invoice in English;

d. Specification.
e. Bill of Lading

3.2 All documents drawn by Seller in connection with the Product, including without limitation, each document described in subparagraph 3.1, above, shall be drawn in English and French

4. TERMS OF GOOD DELIVERY

4.1. Delivery basis: EX Seller's warehouse at chateaubernard, or such other location as the parties may agree to in writing.

4.2. Terms of shipping -In compliance with Buyer's Purchase Order.

4;3 The seller shall notify buyer in writing of the date upon which the product shall be delivered.

5. CLAIMS AND THE ORDER OF THEIR SETTLEMENT

5.1 Buyer shall have the right to raise a claim to as to the Quality of Product within a period of 45 days from receipt of such Product at Buyer's warehouse.

5.2 The date of making a claim is considered the date of transmittal of a claim in writing by Buyer to Seller which such claim shall be sent by Buyer to Seller in writing by an internationally recognized express mail delivery service to Seller's address as set forth in the preamble hereof. Buyer shall enclose a detailed report by an independent quality control organization with respect to such claim.

5.3. Buyer shall, upon Seller's request in writing, made by Seller upon reasonable notice to Buyer, make available for inspection at Buyer's warehouse by an independent quality control organization retained by Seller, the Product with respect to which a claim has been made by Buyer. Failure by Seller to notify Buyer within twenty days of Buyer's transmittal of a claim pursuant to the preceding paragraph of Seller's intention to inspect, or failure by Seller to inspect the Product within sixty days of Buyer's transmittal of such claim, shall forever bar Seller from contesting such claim. Seller shall within twenty days of Seller's inspection pursuant to this subparagraph provide to Buyer a detailed report of the inspection by the independent quality control organization retained by Seller to conduct such inspection.

5.4 In case parties do not resolve a claim made by Buyer pursuant to this article within ninety days of Buyer's transmittal of such claim, the claim, toghether wth reports of independent quality control organitzations retained by

each of buyer and seller , shall be resolved by arbitration pursuant to Section 9 of this Agreement.

5.6. If Seller admits that there is a valid claim concerning the quality of the Product, or fails to comply with the procedures set forth herein, then Seller shall promptly reimburse and pay or credit to Buyer the price of the Product, including all costs incurred in connection with, including handling duty and transportation from country of origin.

5.7. Buyer shall have the right to make a claim of under shipment by Seller of the quantity of Product delivered. Such a claim shall be made within a period of sixty days from Buyer's receipt of documents from Seller setting forth the delivery of Product with respect to which Buyer claims an under shipment. The date of making a claim is considered the date of transmittal of a claim in writing by Buyer to Seller which such claim shall be sent by Buyer to Seller in writing by an internationally recognized express mail delivery service to Seller's address as set forth in the preamble hereof. Buyer shall enclose a detailed report of such under shipment claim. In case of claims by Buyer for under shipment, Seller shall respond to such claims within twenty days of its receipt of such claim. If Seller admits to the claim of under shipment, Seller shall reimburse or credit Buyer the price of the Product, including all costs incurred in connection therewith, including warehousing and transportation.

6. PRELIMINARY COORDINATION OF ORDERS

6.1. Between the date of this Agreement and the 23rd of day of September 2006 (the "Term"), Buyer shall purchase, and Seller shall sell, approximately 250,000 bottles containing Product. For the purpose of production and delivery planning the parties agree on a preliminary delivery schedule as set forth in Schedule 7.1 hereof. The parties shall, on a monthly basis, confer with respect to the quantity, assortment, and timing of deliveries anticipated by Buyer for the next succeeding month.

6.2. Notwithstanding anything to the contrary herein, no delivery of Product shall be made by Seller to Buyer unless and until Buyer shall have issued a written Purchase Order to Seller setting forth the quantity of Product ordered, and the date such Product. Seller, within two days of receipt of Buyer's Purchase Order, shall confirm in writing the Purchase Order, or make, in writing, proposed alterations to it, which such alterations shall be accepted or rejected by Buyer within two days of Buyers receipt of Seller's writing setting forth the proposed alterations.

7. CONDITIONS OF PAYMENT

7.1. Payment for the goods is made by the Buyer in Euro in accordance with the terms of this Agreement.

7.2. Form of payment:

a) First orders (approximately 90 000 bottles) : 30% of the purchase price shall be paid by Buyer to Seller upon Seller's notification to Buyer in writing that the Product is ready for delivery in compliance with Buyer's Purchase Order. The balance of the purchase price shall be paid by Buyer to Seller within sixty (60) days of bill of lading.

b) All Subsequent containers: 100% of the purchase price shall be paid by Buyer to Seller within Ninety (90) days bill of landing from seller warehouse. In the future both parties shall discuss this point .

7.3. Seller guarantees that the agreed price of the Product as set forth on Schedule 7.3 Shall not be increased until expiration of 36 months from the buyers receipt, at the buyer wharehousse The price of product may be increase only if seller's shall by reference to available public information establish to buyer's reasonable satisfaction an industry wide increase in the cost of production product.

8. CONFIDENTIALITY AND PROPERTY RIGHTS

8.1. Confidentiality. Each party acknowledges that it and its employees, agents or representatives may, during the term of this Agreement, be exposed to or acquire information which is proprietary and/or confidential to the other party. Any and all information of any form obtained by a receiving party or its employees, agents and representatives during the term of this Agreement shall be deemed to be confidential and proprietary information of the disclosing party. The receiving party agrees to hold such information in strict confidence and not to disclose such information to third parties or to use such information for any purposes whatsoever other than what may be necessary to perform any obligations under this Agreement and to advise each of its employees, agents and representatives of their obligations to keep such information confidential. Notwithstanding, receiving party's obligation of confidentiality hereunder shall not apply to any information:

(a) which, at the time of disclosure, is publicly available or in public knowledge;

(b) which, at the time disclosure, lawfully becomes party of the public knowledge through publications or otherwise, but through no fault of the receiving party;

(c) acquired by the receiving party from a third party from a third party who has a right to disclose such information.

8.2. Publicity. Each party may refer to the existence of this Agreement and the name of the other party in any press release, advertising, marketing or any other related materials with prior written consent, not to be unreasonably withheld or delayed.

8.3. Trademark Ownership. Buyer and Seller shall, simultaneously herewith, enter into and execute that certain trademark assignment agreement, a copy of which is annexed hereto as Schedule 8;3

8.4. Auxiliary Ownership. Buyer shall own all rights to the molds and labels produced for the goods Baron Henri de Cressac Cognac and as long as D&M New world management and CSI International are in completes agreement. At the time of signing present agreement, seller will transfer to buyer all information regarding bottles and labels production.

8.5 Sales of product .CSI international has the right to sale all items Baron Henri de Cressac Cognac without Domestic American Market. In the other market than domestic American Market D&M new world Management is agree to give to CSI International all information like address, telephones number, contact name .

9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1 This Agreement shall be governed and construed by in accordance with the laws of the State of New York applicable to agreements entirely made and performed in the State of New York.

9.2. In the event of any dispute, controversy or claim arise between Seller and Buyer, the parties agree to first promptly meet, and each agrees to use to their best efforts to reasonably resolve the dispute without resort to arbitration. In the event the parties are unable to resolve each dispute, controversy or claim, the parties agree such dispute shall be submitted to binding arbitration ("Arbitration") in the New York, New York regional office of the American Arbitration Association, before a panel of three arbitrators selected in accordance with the Commercial Arbitration Rules and procedures of the American Arbitration Association. Any and all disputes shall be submitted to Arbitration hereunder within one (1) year from the date the dispute first arose or shall be forever barred. Seller and Buyer agree that Arbitration hereunder shall be in lieu of all other remedies and procedures, and shall be the exclusive method for resolving any disputes arising out of this Agreement. Any arbitration, action, suit or proceeding arising out of or relating to this Agreement may, among such other methods allowed by law, be commenced by delivering the notice, process or other mailing by internationally recognized express mail service to the party at the address set forth in the preamble hereof. Any such delivery shall be deemed to have the same force and effect as personal service. The prevailing party in any arbitration, action, suit or proceeding arising under or relating to this Agreement shall be entitled to recover from the other its attorneys' fees (in addition to its

costs and expenses) incurred in connection therewith. This parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to arbitration pursuant to this Agreement.

9.3. All communications and evidence during the course of any arbitration, including the hearing of the proceedings shall be in English language and shall be kept confidential by the parties.

9.4. The provisions of this Section 9 shall not prevent either party from seeking interim injunctive relief pending resolution of a dispute provided that any such request shall be made first to the arbitrators appointed pursuant to this Agreement, or, in the event that such Arbitrators are not appointed at the date of such request, the parties hereby agree that the courts, whether Federal or State, located in New York County, New York shall have exclusive jurisdiction of all cases and controversies arising under or relating to such request.

10. FORCE MAJEURE

10.1. Except for each party's obligations under this Agreement to protect the other's Confidential Information and for payment obligations, neither party shall be liable for delay or failure to perform its obligations nor shall either party be held to have breached any of its obligation hereunder by reason of any delay or failure, if such delay or failure is due to any acts of God or of the public enemy, acts of any state or local government or agency in either its sovereign or contractual capacity, fires, floods, unusual severe weather, or other circumstances beyond the party's reasonable control.

10.2 The party which does not have the responsibility to execute duly its engagements in case of force-majeure conditions, must immediately within a period of seven days, inform about it to the other party. Not informing the other party about the appearance of the force-majeure conditions will deprive it of the right to refer to them in connection with non-execution of the contract engagements.

11. ENTIRE AGREEMENT

11.1. This Agreement, together with the Specifications and all Exhibits attached hereto, supersedes all prior agreements, arrangements, representations, warranties and undertakings between the parties and constitutes the entire understanding between the parties relating to the subject matter hereof.

12. ASSIGNMENT

12.1. Parties may not assign or otherwise transfer their right and obligations stated in the Agreement, whether in whole or in part, without the prior written consent of the non-assigning party, except that a party may assign the Agreement to any entity that acquires all or substantially all of the assets of the assigning party, or to a successor in a merger or acquisition of the assigning party, provided that the non-assigning party is given prior written notice of such assignment and such acquiring or surviving entity agrees to be bound by all of the terms and conditions of this Agreement.

13. NOTICES

13.1. The parties have to inform each other immediately, not later than three (3) days of any changes of telephone faxes, e-mails, addresses and so on, as well as of the change of management or ownership in the executive body of the company.

LEGAL ADDRESSES AND REQUISITES OF THE PARTIES

SELLER:

CSI INTERNATIONAL
Direct Wine and Spirits
90 rue de Vincennes
33000 BordeauxFrance
FDA Number 15280484034

Bank Adress:

Bank BAMI bordeaux
IBAN FR 76.1795.900036.51288021701.29
Swift BAMY FR 22
From USA: EBA

BUYER:

D&M NEW WORLD MANAGEMENT, INC.
D/B/A APOLLO FINE SPIRITS
50 HEMPSTEAD GARDENS DRIVE
WEST HEMPSTEAD, NEW YORK U.S.A.

Bank requisites:

CHASE MANHATTAN BANK
1722 AVENUE
BROOKLYN, NEW YORK 11229
SWIFT: CHASUS 333
ACCT# 086069961665
General Manager

15. AMENDMENTS TO THE AGREEMENT

15.1. No addition to or modification or waiver of any provision of this Agreement shall be binding upon the parties unless made by written instrument signed by a duly authorized representative of each of the parties.

16. HEADINGS

16.1. Headings are included in this Agreement for convenience only and are not to be taken into account in the construction hereof.

17. SEVERABILITY

17.1. If any provision of this Agreement becomes invalid or unenforceable such provision shall be severed and the remaining terms, and conditions and provisions of this Agreement shall continue to be valid to the fullest extent permitted by law.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

D&M NEW WORLD MANAGEMENT INC.

D/B/A APOLLO FINE SPIRITS

Date: APRIL 28, 2005

By: _____

Dalia Kohler, President

Address: 50 Hempstead Gardens Drive
West Hempstead, New York
USA

CSI INTERNATIONAL

Date: 28/04/05

By: _____

Henri de Cressac, President

Address: 90 rue Vincennes
33000
Bordeaux, France
E-mail:

000275

cressacus@aol.com
<mailto:cressacus@aol.com>

E-mail: apollo@hotmail.com <mailto:apollo@hotmail.com>

Exhibit B

INTERNATIONAL CENTRE FOR DISPUTE RESOLUTION
International Arbitration Tribunal

In the Matter of the Arbitration between

Re: 50 155 T 00263 06
D & M New World Management, Inc.
d/b/a Apollo \Fine Spirits, Inc.
vs
C S I International Direct Wine And Spirits

AWARD OF ARBITRATORS

WE, THE UNDERSIGNED ARBITRATORS, having been designated in accordance with the arbitration agreement entered into between the above-named parties and dated April 28, 2005, and having been duly sworn, and having conducted hearings on March 19, 2007 through March 22, 2007, and having duly heard and considered the oral and documentary proofs and allegations of the Parties, and considered the pre-hearing memoranda and post-hearing proposed awards submitted by the parties, and confirmed on the record the claims dropped by the parties, and the Parties having agreed to a non-reasoned award as noted in Preliminary Hearing and Scheduling Order #1, do hereby AWARD as follows:

(A) As to Claimant's CLAIMS

1. Claimant's claim for breach by Respondent of the parties' Sales Agreement executed April 28, 2005 ("Sales Agreement") for failure to produce products is denied.

2. Claimant's claim for breach by Respondent of the Sales Agreement for misrepresentations of ownership of the molds and labels is denied.

3. Claimant's claim for breach by Respondent of the Sales Agreement for providing leaky bottles is granted.

4. Claimant's claim for recovery of advertising costs is denied.

5. Claimant's claim for recovery of lost profits is denied.

6. Claimant's claim for recovery of costs of the molds is denied.

7. Claimant's claim for recovery of costs of the dummy bottles is denied.

8. Claimant's claim for recovery of attorneys' fees and costs is denied.

9. In accordance with the above, within thirty (30) days of transmittal of this Award to the Parties, Respondent shall pay to Claimant as money damages in Euros the sum of 41,406.62 plus 6,832.10 interest from June 15, 2005 to April 15, 2007, totaling 48,238.72 Euros.

(B) As to Respondent's COUNTERCLAIMS

1. The Panel declares that the alleged assignment of the mark BARON HENRI DE CRESSAC COGNAC through the purported Assignment of Trademark executed April 28, 2005 is void ab initio.

2. Respondent's counterclaim for breach of the Sales Agreement for failure to pay for products and for unpaid invoices is granted.

3. Respondent's counterclaim for lost profits is granted.

4. Respondent's counterclaim for costs of inventory is granted in part.

5. The Panel declares that Claimant has no rights to the molds and labels for the trademark BARON HENRI DE CRESSAC COGNAC pursuant to the Sales Agreement.

6. In accordance with the above, within thirty (30) days from the date of transmittal of this Award to the Parties, Claimant shall pay to Respondent as money damages in Euros the following amounts, in each case plus interest at the rate of 9% from March 15, 2006 to April 15, 2007:

a) 112,015.45 plus 10,921.51 interest totaling 122,936.96 Euros for its claim for unpaid invoices.

b) 53,152 plus 5182.32 interest totaling 58,334.32 Euros for its claim for lost profits.

c) 112,253.70 plus 10,944.73 interest totaling 123,198.43 Euros for its claim for recovery of inventory costs.

7. Within thirty (30) days from the date of transmittal of this Award to the Parties, Claimant shall pay Respondent $96,000.00 for attorneys' fees and $10,263.45 for costs totaling $106,263.45.

(C) The administrative fees and expenses of the International Centre for Dispute Resolution (ICDR) totaling FOURTEEN THOUSAND FIVE HUNDRED DOLLARS AND ZERO CENTS ($14,500.00) shall be borne sixty-seven percent (67%) by Claimant and thirty-three percent (33%) by Respondent. Therefore, Claimant shall reimburse Respondent the sum of ONE THOUSAND TWO HUNDRED FIFTEEN DOLLARS AND ZERO CENTS ($1,215.00).

The compensation and expenses of the Arbitrators totaling ONE HUNDRED THOUSAND THIRTY SEVEN DOLLARS AND FIFTY CENTS ($100,037.50) shall be borne sixty-seven percent (67%) by Claimant and thirty-three percent (33%) by Respondent. Therefore, Claimant shall reimburse Respondent the sum of SEVENTEEN THOUSAND FIFTEEN DOLLARS AND THIRTY FIVE CENTS ($17,015.35), representing that portion of said fees and expenses in excess of the apportioned costs previously incurred by Respondent upon demonstration that these incurred costs have been paid.

(D) This Award is in full settlement of all claims and counterclaims submitted to this Arbitration. All claims and counterclaims not expressly granted herein are hereby denied.

We hereby certify that, for the purposes of Article 1 of the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards, this Final Award was made in New York, New York.

Date: 4/27/07

Roslyn S. Harrison, Panel Chair

Date: 4/25/07

Kyle-Beth Hilfer

Date: 4/30/07

Carroll E. Neesemann

State of New Jersey
County of Union

I, Roslyn S. Harrison do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/27/07
Date

Roslyn S. Harrison

State of New York

County of Westchester

I, Kyle-Beth Hilfer do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/25/07
Date

K-B Hilfer

State of New York

County of New York

I, Carroll E. Freeman do hereby affirm upon my oath as Arbitrator that I am the individual described in and who executed this instrument, which is my Award.

4/30/07
Date

Carroll E. Freeman

COPY

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----------X

In re the Application of

Index No. 07-601665

D&M NEW WORLD MANAGEMENT, INC.,
doing business as APOLLO FINE SPIRITS,

Petitioner,

-against-

CSI INTERNATIONAL

Respondent.

For an Order Pursuant to CPLR Article 75
Vacating An Arbitration Award.

----------X

Harlan M. Lazarus, an attorney at law, affirms the following to be true under penalties of perjury:

1. I am a member of the firm of Lazarus and Lazarus, P.C., attorneys for Petitioner D&M New World Management, Inc., doing business as Apollo Fine Spirits ("Apollo") and I submit this Affirmation in Support of the Verified Petition of Apollo to vacate an Arbitration Award (the "Award") rendered, inter alia, in favor of CSI International ("CSI") .

2. I was counsel to Apollo at the Arbitration Hearings subject hereof.

3. A copy of the Award is annexed as **Exhibit "A"** to the Petition.

4. The Award should not be confirmed; and the Motion to vacate the Award granted.

5. The Award should not be confirmed because CSI's principal and sole witness, Henri De Cressac ("De Cressac"), together with CSI's counsel are

guilty of misconduct. De Cressac repeatedly perjured himself before the Arbitrators. De Cressac's perjury, which CSI's counsel knew or should have known of, tainted the entire arbitration proceedings and poisoned the Award.

6. The Award should not be confirmed because upon Apollo's exposure to the Arbitrator of De Cressac's perjury, and after the close of testimony, the Arbitrators requested an "explanation" as to CSI's perjurious testimony, which such "explanation" was given, over the objection of Apollo, in the form of the unsworn testimony of CSI's counsel, with respect to which Apollo was not provided an opportunity to cross examine. This was misconduct on the part of the Arbitrators.

7. The misconduct of the De Cressac, the Arbitrators, and counsel to CSI requires that this Court vacate the Award.

8. Alternatively, the Award as rendered, insofar as it ignores De Cressac's perjury and other writings signed by De Cressac is irrational.

9. The dispute between Apollo and CSI arises out of Sales Agreement wherein Apollo was the purchaser of certain cognac and CSI the Seller. The award is further irrational and/ or punitive in that the Award requires Apollo pay CSI for "inventory" (in particular, bottles) which CSI is not required to deliver.

THE SALES AGREEMENT AND TRADEMARK ASSIGNMENT

10. A copy of the Sales Agreement underlying the dispute between Apollo and CSI and containing the pertinent arbitration clause is annexed as **Exhibit "B"**.

11. The Sales Agreement, as its name infers, was exactly that: an agreement wherein Apollo agreed to purchase certain product from CSI, in

particular, cognac.

12. The Sales Agreement at paragraph 8.3 set forth:

"8.3 Trademark Ownership. Buyer [Apollo] and Seller [CSI] shall simultaneously herewith, enter into and execute that certain trademark assignment agreement, a copy of which is annexed hereto as Schedule 8.3"

13. The Trademark Assignment Agreement (the "Assignment") is annexed as **Exhibit "C".**

14. In the broadest possible terms, the Assignment "assigned" in perpetuity" all of CSI's right, title and interest in a "mark", "Baron Henri De Cressac Cognac" (the "Mark") to Apollo "absolutely, unconditionally and irrevocably".

15. Each of the Sales Agreement and Trademark Assignment are signed by De Cressac for CSI.

16. It is with respect to the assignment of the Mark that De Cressac, committed perjury.

THE DEMAND FOR ARBITRATION AND RELATED PLEADINGS AND CSI'S PERJURED TESTIMONY AND CLAIMS OF FRAUDULENT INDUCEMENT

17. A copy of Apollo's Demand for Arbitration (the "Demand") is annexed as **Exhibit "D".**

18. A copy of CSI's August 16th, 2007 Answer to Demand for Arbitration and Counterclaims ("CSI Answer") is annexed as **Exhibit "E".**

19. CSI's Exhibit C Answer, at page 2, sets forth, " a) [Apollo] fraudulently induced CSI to enter into the Sales Agreement and the scheduled Assignment of Trademark ; b) [Apollo's] misrepresentations were relied upon by

CSI and induced CSI to enter into the Sales Agreement and the scheduled Assignment of Trademark, to the detriment of CSI..."

20. On October 27, 2006, CSI filed "Respondent's First Amended Statement of Defenses and Counterclaim"("Respondent's Amended Statement") . A copy is annexed as **Exhibit "F".**

21. Respondent's Amended Statement set forth at Section III, "Moreover, the testimony and documents will show, further, that [Apollo] fraudulently induced CSI to execute the Sales Agreement and the incorporated Trademark Assignment through false representations that the Trademark Assignment would not deprive Henri de Cressac of the right to use how own name as a mark. CSI executed the Sales Agreement and incorporated Trademark Assignment in reliance on those representations to its detriment."

22. Respondent's counsel commented extensively on the Trademark Assignment in counsel's opening statement. See **Exhibit "G"** , pgs. 25-41 of the March 19th, 2007 Transcript (3/19 Transcript).

23. At pages, 29, and with respect to the Trademark Assignment, CSI's counsel presented, "Right after signing of this agreement [the Sales Agreement]...after it had been executed, [Apollo] hands Mr. de Cressac a form, a form [Apollo] never [underscore supplied] before that day...never before [underscore supplied] had they shown this form. They handed Mr. de Cressac a form. Even though the sales agreement had been exchanged extensively, nowhere in all these communications, nowhere in all these letters, in all these emails had this form [the Trademark Assignment] been disclosed. [underscore supplied].

24. At page 33, CSI's counsel presented "As the prior negotiations

made clear, as the language of the Sales Agreement, which was chosen by the parties, extensively negotiated by the parties, there had never [underscore supplied] been discussion of a Trademark Assignment, much less perpetual."

25. On CSI's direct case, at page 550 – 551 of the March 21st, 2007 Transcript (3/21 Transcript) , upon CSI's counsel's inquiry,

"Q: Prior to the day of the signing the agreement [the Sales Agreement] had you ever seen this document before?

A: I saw it when they gave me the other document that was preceding it.

Q: Prior to the day of signing the agreement?

A: No.

A copy of the cited pages is annexed as **Exhibit "H"**.

26. Upon inquiry of an Arbitrator, and at pages 712 - 713 of the March 22, 2007 Transcript (3/22 Transcript), De Cressac was asked the following questions and gave the following answers,

"Q: When you looked at [the Sales Agreement] did you notice that paragraph 8.3 [titled "Trademark Ownership" contemplates the parties agreeing to a separate document?

A: No.
Q: When did you first realize a second document was contemplated?

A: Okay. I didn't know about it until they gave me the document that day and that it was a formality."

A copy of the cited pages is annexed as **Exhibit "I"**.

27. Referring to an "annotated" version of the Trademark Assignment Agreement, annexed as **Exhibit "J"** , and again upon the inquiry of an Arbitrator, De Cressac testified, at page 715 of the 3/22 Transcript,

"Q: When did you first see this document?

A: In the office of [Apollo] on the date of the signing the Sales Agreement which was the 20th of April, 2005.

A copy of the cited pages is annexed as **Exhibit "K"**.

28. But De Cressac throughout the arbitration hearings De Cressac lied in all respects concerning his lack of prior knowledge of the Trademark Assignment.

29. De Cressac's perjury is proved by a pleading filed by CSI's counsel in the Arbitration proceedings months before the Arbitration hearings and brought to the attention of the arbitrators after the close of testimony, during Apollo's summation.

30. The pleading was signed by De Cressac's counsel (who, with trial

counsel, attended all arbitration hearings but did not conduct the hearing for CSI).

31. Each of CSI's counsel knew or should have known of De Cressac's perjury, but neither counsel restrained De Cressac. Each allowed the perjury to continue.

32. A copy of the pleading in question, dated November 14th, 2006, titled "Respondent's Response To Preliminary Hearing and Scheduling Order # 4" ("Respondent's Response") is annexed as **Exhibit "L"**.

33. Respondent's Response specifically sets forth that De Cressac had previously been sent and had seen a draft trademark assignment "schedule".

34. Respondent's Response flatly contradicts De Cressac's testimony

and CSI's counsel's argument that De Cressac had no prior knowledge of a trademark assignment.

34. Respondent's Response impugns all De Cresac's testimony and CSI argument that De Cressac first realized a second document (the Trademark Assignment) was contemplated only on the day De Cressac signed the Trademark Assignment.

35. Respondent's Response specifically acknowledges that De Cressac was fully aware of the Trademark Assignment document prior to De Cressac's execution.

36. Respondent's Response sets forth the Trademark Assignment executed by De Cressac "differed materially from the draft schedule [the Trademark Assignment is referred to at paragraph 8.3 in the Sales Agreement as *Schedule 8.3.*] he had previously been sent."

37. De Cressac's admission that the trademark assignment schedule De Cressac was shown on the date of execution "differed materially" from a previously sent draft proves De Cressac's prior knowledge of the Trademark Assignment component and schedule to the Sales Agreement in advance of De Cressac's execution. Respondent's Response acknowledges that such a document had *previously been sent.*

38. De Cressac's pleading admission demonstrate De Cressac's perjury.

39. De Cressac's perjury was brought to the attention of the Arbitrators during Apollo's summation. See 3/22 Transcript at pgs 840-858, annexed as **Exhibit "M"**, in particular 840 850.

40. So startling was the contrast between Respondent's Response, and

the entirety of CSI's perjured presentation concerning the Trademark Assignment that immediately following Apollo's summation, an Arbitrator (at 3/22 page 858) asked "what CSI" had to say about Respondent's Response.

41. Apollo objected to the Arbitrator's inquiry in that the proceedings were "closed"; but the objection was brushed aside, "Go ahead and object. I want to know what the response is."

42. With and upon the colloquy that immediately followed (3/22 at 858-860), CSI's and its counsel's misconduct in presenting a claim upon perjured testimony, was compounded by the misconduct of the Arbitrators.

43. Over Apollo's objection, CSI's counsel was allowed to give unsworn testimony purporting to explain the obvious perjury, with respect to which Apollo was never given the opportunity to cross examine.

44. CSI's perjury was misconduct.

45. CSI's counsel's unsworn testimony given after the presentation of evidence was closed, over Apollo's objection was misconduct, as was the failure of the Arbitrators to allow Apollo to cross examine CSI's counsel.

46. The Arbitrators request and receipt of CSI's counsel's unsworn testimony over Apollo's objection was misconduct.

47. Upon disclosure of the perjury that portion of the award that determined that the executed Trademark Assignment was "void ab initio" is either or both a) the product of the Arbitrators' misconduct in requesting, allowing and receiving, over Apollo's objection, after the close of testimony, the unsworn explanation of CSI's counsel as to De Cressac's perjury ; or b) the fraudulently procured product of CSI and CSI's counsel's presentation of perjured

testimony to the Arbitrators.

48. Even if the admission of the perjured testimony is not misconduct (it is), the Award's determination that the Trademark Assignment is "void ab initio" nonetheless should be vacated as irrational. De Cressac's fraudulent inducement claim was predicated on De Cressac's fabricated "tale" of first having learned of the trademark assignment on the date of De Cressac's execution.

49. Apollo's unequivocal demonstration of De Cressac's perjury, Respondent's Response, during summation, renders the Arbitrators' adoption of De Cressac's fraudulent inducement argument irrational.

50. De Cressac admitted seeing and reading the Trademark Assignment before he signed it. See Footnote 1 below. The Trademark Assignment as signed (which De Cressac saw in draft prior to signing) contains a final paragraph ("13") denominated"Terms Read and Understood".

51. Paragraph 13, which appears immediately above De Cressac's signature, sets forth in no uncertain terms that De Cressac "certifies" to his having read and understood the Trademark Assignment and that the same is entered into of "their own free will and not from any representation, commitment, promise, pressure or duress from any other Party."

52. In rendering an Award providing that the Trademark Assignment was "void ab initio" the Arbitrators necessarily ignored De Cressac's testimony and certification as set forth in paragraph 13 of the Trademark Assignment.

53. The perjury by De Cressac, the presentation of such by CSI's counsel, and the Arbitrators conduct in relation thereto dictates that the Arbitration Award be vacated as either having been procured by fraud and

misconduct or as irrational. [1]

54. The Sales Agreement provided for the terms and conditions of Apollo's purchase and receipt of the Cognac from CSI.

55. As part of CSI's First Amended Statement of Defenses and Counterclaim, a copy of which is attached as **Exhibit "F"**. CSI sought damages pre-purchased raw materials (bottles) for fulfillment under the Sales Agreement (hereinafter, the "Inventory").

56. While the Award provides for Apollo to pay CSI for the Inventory, the Award omits only direction that the Inventory be delivered to Apollo. [2]

Dated: New York, New York
May 17, 2007

Harlan M. Lazarus, Esq.

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[1] The significance of De Cressac's purported lack of familiarity with English is of no moment. See **Exhibit "N"**, Apollo's Pre-Hearing Brief, Point A " The Ownership of the Trademark" wherein binding legal precedent was presented to the Arbitrators concerning the, inter alia, lack of significance of a claim of illiteracy in connection with execution of agreements. Morever, there is no dispute that De Cressac read the annotated draft Trademark Assignment and Trademark Assignment before De Cressac signed the Trademark Assignment. See **Exhibit "O"**, page 720-730 of 3/22 Transcript where on inquiry of an Arbitrator De Cressac admitted same. See also, **Exhibit "P"** pages 641-644 of the March 21, 2007 Transcript, wherein De Cressac acknowledged that as early as March 22, 2006, De Cressac had read paragraph 8.3 of a draft of the Sales Agreement concerning the Trademark.

[2] On pages 862 to 863, copies of which are attached as **Exhibit "Q"**, in colloquy with the Arbitrator's Respondent's counsel confirms the Inventory is in Italy: "Q: Just because you raise this, in terms of in 128 - no, in 127 the inventory in Italy is just bottles?" A: Yes.

T/5065-2

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

BARON HENRI DE CRESSAC, Opposer, v. D & M NEW WORLD MANAGEMENT, INC., Applicant.	Submitted in Support of Applicant's Opposition to Opposer's Motion for Summary Judgment Opposition No. 91175371

LAZARUS DECLARATION

EXHIBIT J

PROCEEDINGS

brief, this is the first time, we didn't have another conference call.

In your brief for the first time you asked for trademark filings to be transferred. We find this to be a very late request. And are uninclined to accept it. It was not mentioned anywhere in any of the documents in any of the pleadings until a legal brief. A legal brief doesn't seem to be the appropriate place to request some kind of relief.

MR. SANDERS: I can speak to the lateness of this. It was during the proceeding in discovery when I realized D&M had started to file trademark applications in Europe based on the U.S. application. I became concerned about those filings in Europe.

So, that request is aimed at those.

MS. HILFER: I don't think it says trademark filings, that would include the American trademark filings.

MS. HARRISON: We are not in a position to rule about the trademark filings in Europe at all anyway.

PROCEEDINGS

MR. SANDERS: I withdraw that.

MS. HARRISON: You withdraw it as to the U.S. as well?

MR. SANDERS: Transfer of trademark filings?

MS. HARRISON: Right.

MR. SANDERS: Yes.

MS. HARRISON: Okay.

MS. HILFER: The only thing that is left on my list, I wasn't sure if it was a new claim, I don't have your brief in front of me.

MR. SANDERS: The legal brief?

MS. HILFER: Yes. Can I have that for one minute?

MR. SANDERS: Sure.

MS. HILFER: In provision 2 --

MR. SANDERS: Now you have me at a disadvantage.

MS. HILFER: I'll read it to you. Roman II you write "D&M claims regarding CSI's alleged failure to supply the quantity and quality requested cannot stand." In subparagraph A, "If the Sales Agreement is void,

PROCEEDINGS

then the invoices act agreements to which D&M assented."

You go on to talk about something that is similar to delay and latches, something like that. You don't use that word latches.

MR. SANDERS: Okay.

MS. HILFER: We are not discussing whether the Sales Agreement is void. So I believe that goes -- that is not a separate request.

MR. SANDERS: To the extent the Panel throws everything out.

MS. HILFER: You haven't asked us to throw out the Sales Agreement.

MR. SANDERS: Then that's fine. Then that is withdrawn.

MS. HILFER: Fine. Thank you. That is everything that is on my list.

MS. HARRISON: What about lost profits?

MS. HILFER: I mentioned that. I have that.

MS. HARRISON: I don't think so.

MR. SANDERS: We are certainly

PROCEEDINGS

seeking lost profits.

MS. HILFER: That is damages related to the breach.

MS. HARRISON: Right. Which you didn't mention.

MS. HILFER: So, in your draft awards we're not looking for anything more than what you are looking for from us. You did not pay us to do a reasoned award, no one has requested a reasoned award. We don't want you to draft reasoned awards. This is not argument in any way. There is no reasons to be given. It is just simply a draft award.

You can go claim by claim, counterclaim by counterclaim and say what you want us to say about it. And what damages, if any, you want, if there are declarations there is obviously no damages. Whatever you want from us.

MR. SANDERS: Okay.

MS. HILFER: I would imagine it wouldn't be more than a page or so.

MR. LAZARUS: With respect to, you know, it gets tricky because is it acceptable

CERTIFICATE OF SERVICE

It is hereby certified that a copy of the foregoing **APPLICANT'S OPPOSITION TO OPPOSER'S MOTION FOR SUMMARY JUDGMENT** was served upon counsel for Opposer this 21st day of September, 2007 by First-Class mail, postage prepaid, addressed as follows:

Jason D. Sanders, Esq.
COWAN, LIEBOWITZ & LATMAN, P.C.
1133 Avenue of the Americas
New York, New York 10036-6799

Anna Vishev
Anna Vishev