

Counterfeit Zig-Zag Products Go Up In Smoke

Linden Alschuler & Kaplan, Inc. 212-575-4545 on November 4, 2002

November 4, 2002 (Los Angeles, CA) - A Los Angeles federal district court jury sent a strong message to counterfeiters selling fake Zig-Zag cigarette rolling paper products that their illegal behavior would not be tolerated. The defendants, Downey Wholesale and Downey's owner Fidel El Shahawi, were ordered to pay \$2 million to the French maker and the U.S. distributor of Zig-Zag cigarette paper products.

Bollore S.A. of France, the French maker of Zig-Zag paper products, and its distributor, the North Atlantic Trading Co. of New York sued more than a dozen Southern California wholesalers and their executives last year when sales dropped as the counterfeit Zig-Zag papers began showing up on the California market.

Defendants used booklets, cartons and shipping case packaging that all simulated the packaging of authentic Zig-Zag products and which contained counterfeit Zig-Zag trademarks. To the average retailer, the counterfeit products appeared to be genuine Zig-Zag products. Investigators for the plaintiffs noted differences between the products sold by Defendants and authentic Zig-Zag products, the most noteworthy difference being that Defendants used an inferior cigarette paper.

The plaintiffs' attorney, Marcella Ballard, said, "The defendants' counterfeit scheme literally fizzled out. The jury sent a \$2 million message that consumers won't tolerate being duped by fake packaging and an inferior product." Ms. Ballard is an attorney in the New York office of Proskauer Rose LLP. She tried the case jointly with Lary Rappaport, a partner in the Los Angeles office of Proskauer Rose LLP.