

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
-------------------------	----------------

NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL
------------------------------	--

CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Delmonico Holdings LLC		09/01/2004	Limited Liability Company: NEW JERSEY

RECEIVING PARTY DATA	
Name:	Blair Holdings, Inc.
Street Address:	300 Creek View Road, Suite 207
City:	Newark
State/Country:	DELAWARE
Postal Code:	19711
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 1		
Property Type	Number	Word Mark
Serial Number:	76510924	BLAIR DELMONICO

CORRESPONDENCE DATA	
Fax Number:	(703)905-2500
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	703-905-2000
Email:	va-logocops@pillsburywinthrop.com
Correspondent Name:	Pillsbury Winthrop LLP
Address Line 1:	1600 Tysons Blvd.
Address Line 2:	P.O. Box 10500
Address Line 4:	McLean, VIRGINIA 22102

ATTORNEY DOCKET NUMBER:	7143/0000003
--------------------------------	--------------

NAME OF SUBMITTER:	Patrick J. Jennings, Esq.
---------------------------	---------------------------

Total Attachments: 11
source=DOC057_Page_01#page1.tif
source=DOC057_Page_02#page1.tif
source=DOC057_Page_03#page1.tif

CH \$40.00 76510924

source=DOC057_Page_04#page1.tif
source=DOC057_Page_05#page1.tif
source=DOC057_Page_06#page1.tif
source=DOC057_Page_07#page1.tif
source=DOC057_Page_08#page1.tif
source=DOC057_Page_09#page1.tif
source=DOC057_Page_10#page1.tif
source=DOC057_Page_11#page1.tif

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made by and among BLAIR CORPORATION, a Delaware corporation, BLAIR HOLDINGS, INC., a Delaware corporation, and DELMONICO HOLDINGS, LLC, a New Jersey limited liability company, as of August ___, 2004 (“Effective Date”).

W I T N E S S E T H:

WHEREAS, BLAIR CORPORATION (as defined below), is engaged in the sale and retail of men’s and women’s clothing and other merchandise throughout the United States; and

WHEREAS, BLAIR HOLDINGS, INC. has used, applied for and registered with the United States Patent and Trademark Office trademarks and service marks which feature the word “Blair”, either alone or in combination with other words, for a variety of products and services including men’s and women’s apparel, retail store services in the field of men’s and women’s apparel, mail order and retail store services in the field of clothing, home furnishings and gift wares; jewelry and other merchandise; and

WHEREAS, DELMONICO HOLDINGS, LLC (as defined below) has applied to register the mark BLAIR DELMONICO BY DAVID SALVATORE, for candles, lamp shades, watches and costume jewelry, framed pictures, leather and imitation leather products, namely, purses, home accessories, namely, cushions, Application Serial No. 76/379,792; and the mark, BLAIR DELMONICO, for retail store services featuring jewelry and other merchandise, Application Serial No. 76/510,924, and has used the mark, BLAIR DELMONICO, for retail sale of jewelry and other merchandise and retail store services featuring jewelry and other merchandise; and

WHEREAS, BLAIR CORPORATION and BLAIR HOLDINGS, INC. have opposed the application filed by DELMONICO HOLDINGS, LLC for the mark, BLAIR DELMONICO BY DAVID SALVATORE, (Opposition No. 91157003); and intend to oppose the application filed by DELMONICO HOLDINGS, LLC for the mark, BLAIR DELMONICO; and

WHEREAS, the parties each expressly deny any liability with respect to the claims and defenses that have been asserted by the other parties and desire to settle all the matters in dispute; and

WHEREAS, the parties desire to enter into this Agreement, provide for the abandonment of Application Serial No. 76/379,792; the dismissal of Opposition No. 91157003; the assignment and transfer of Application Serial No. 76/510,924; the license to the use of “Blair” by DELMONICO HOLDINGS, LLC, as described herein; the consent to the use and registration of “Delmonico” marks as described herein; and the amicable resolution of disputes among the parties.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto intending to be legally bound, hereby, agree as follows:

1. DEFINITIONS

1.1 THE BLAIR GROUP shall mean and include BLAIR CORPORATION, a Delaware corporation, BLAIR HOLDINGS, INC., a Delaware corporation, and their respective subsidiaries, divisions, and affiliated companies under any common ownership, whether currently owned or hereafter acquired.

1.2 DELMONICO HOLDINGS, LLC shall mean and include DELMONICO HOLDINGS, LLC, a New Jersey limited liability company, and its subsidiaries, divisions, and

affiliated companies under any common ownership, whether currently owned or hereafter acquired.

1.3 LICENSOR shall mean and include Blair Holdings, Inc. as set forth above.

1.4 LICENSEE shall mean and include DELMONICO HOLDINGS, LLC as set forth above.

2. APPLICATION ABANDONMENT

Upon execution of this Agreement, DELMONICO HOLDINGS, LLC, will expressly abandon Application Serial No. 76/379,792 with prejudice. DELMONICO HOLDINGS, LLC, will provide THE BLAIR GROUP with proof of such filing and effectuations of abandonment as the U.S. Patent and Trademark Office may provide. This provision shall not prevent DELMONICO HOLDINGS, LLC, from using the mark, BLAIR DELMONICO BY DAVID SALVATORE, consistent with the terms of this Agreement.

3. DISMISSAL OF OPPOSITION

Upon the execution of this Agreement, THE BLAIR GROUP and DELMONICO HOLDINGS, LLC, will jointly stipulate to a dismissal of the opposition with prejudice based on the aforesaid abandonment of Serial Number 76/379,792. The parties will provide each other with proof of such filing as the U.S. Patent and Trademark Office may provide.

4. ASSIGNMENT OF APPLICATION

Upon the execution of this Agreement, DELMONICO HOLDINGS, LLC, shall assign all right, title and interest in and unto Application Serial No. 76/510,924 to BLAIR HOLDINGS, INC. in the form annexed as Attachment A. BLAIR HOLDINGS, INC. shall record said assignment with the U.S. Patent and Trademark Office and bear all costs associated with its recording.

5. LICENSE TO USE THE MARK "BLAIR DELMONICO"

BLAIR HOLDINGS, INC. hereby grants DELMONICO HOLDINGS, LLC, an exclusive renewable license to use the mark "BLAIR DELMONICO," subject to the terms and conditions hereof and set forth in a License Agreement between the parties in the form annexed as Exhibit B.

6. RETENTION OF MARKS

6.1 Other than as used as part of a composite mark containing "BLAIR DELMONICO," which is subject to the accompanying license agreement, DELMONICO HOLDINGS, LLC, may use and register any mark incorporating the elements "DELMONICO" or "DAVID SALVATORE" for any business, goods and services, subject to the terms of this Agreement and the License Agreement. The validity, value and enforceability of DELMONICO HOLDINGS, LLC's rights to the terms "DELMONICO" or "DAVID SALVATORE" are not compromised in any way by this Agreement or the License Agreement except as specified therein. Except through the License Agreement, THE BLAIR GROUP agrees not to use any mark incorporating the element "DELMONICO" or confusingly similar terms in any manner whatsoever, which, directly or indirectly, would in any material respect impair DELMONICO HOLDINGS, LLC's rights in this mark. THE BLAIR GROUP expressly consents to the use and registration of marks which incorporate the terms "DELMONICO" or "DAVID SALVATORE," either alone or in combination with other terms by DELMONICO HOLDINGS, LLC, and THE BLAIR GROUP shall cooperate with DELMONICO HOLDINGS, LLC, in connection with efforts to register marks containing the element "DELMONICO" as a feature thereof, including signing letters of consent to the use and registration of the mark if need be the case.

6.2 THE BLAIR GROUP may use and register any mark incorporating the element "BLAIR" for any business, goods and services, subject to the terms of this Agreement

and the License Agreement. The validity, value and enforceability of THE BLAIR GROUP's rights to the term "BLAIR" are not compromised in any way by this Agreement or the License agreement. DELMONICO HOLDINGS, LLC agrees not to use any mark incorporating the element "BLAIR" or confusingly similar terms in any manner whatsoever which, directly or indirectly, would in any material respect impair THE BLAIR GROUP's rights in this mark. DELMONICO HOLDINGS, LLC expressly consents to the use and registration of marks which incorporate the term "BLAIR" either alone or in combination with other terms by THE BLAIR GROUP, and DELMONICO HOLDINGS, LLC shall cooperate with THE BLAIR GROUP in connection with efforts to register marks containing the element "BLAIR" as a feature thereof, including signing letters of consent to the use and registration of the mark if need be the case.

6.3 Each party also retains all its rights to its respective marks other than those consisting of or including BLAIR and DELMONICO, respectively.

7. WARRANTIES

Delmonico Holdings, LLC warrants and represents that:

- (i) it has the right and authority to enter this Agreement and assign Application Serial No. 76/510,924 as provided in Section 4. of this Agreement;
- (ii) there are no other assignments, consents or agreements with any third party in conflict with this Agreement;
- (iii) it has no actual knowledge that the mark set forth in Application Serial No. 76/510,924 infringes any valid right of any third party;
- (iv) it has no actual knowledge that the mark set forth in Application Serial No. 76/510,924 is infringed by any third party;
- (v) Application Serial No. 76/510,924 and the mark set forth therein are free and clear of any and all security interests or other encumbrances;

(vi) to the best of its knowledge, the mark set forth in Application Serial No. 76/510,924 is valid, subsisting and enforceable;

(vii) there are no judgments invalidating or impairing the validity of the mark set forth in Application Serial No. 76/510,924; and,

(viii) there are no past, pending or threatened claims, suits or proceedings involving the mark set forth in Application Serial No. 76/510,924.

8. MAINTENANCE AND ENFORCEMENT

DELMONICO HOLDINGS, LLC, shall have the right, at its expense, but not the obligation, to enforce its rights to the use of the name, BLAIR DELMONICO against third parties or any mark containing the element “DELMONICO” against third parties.

DELMONICO HOLDINGS, LLC shall notify THE BLAIR GROUP of any litigation between DELMONICO HOLDINGS, LLC and any third party that involves the mark, BLAIR DELMONICO, or the element “DELMONICO” in any way. THE BLAIR GROUP shall have the right to participate and be represented in any such litigation by its own counsel at its own expense. In cases where the third party is using or applying to register BLAIR or any confusingly similar term as part of the name or mark in controversy, BLAIR HOLDINGS, INC. shall at its option have control of the litigation, which will be at its expense.

9. FOREIGN RIGHTS

9.1 United States, Canada and Mexico

(a) Pursuant to the License Agreement, Blair Holdings, Inc. shall be the owner and licensor of BLAIR DELMONICO in the United States as of the Effective Date.

(b) THE BLAIR GROUP shall be the owner and licensor of BLAIR DELMONICO in Canada and Mexico at such time as DELMONICO HOLDINGS LLC uses

BLAIR DELMONICO in said country or countries, and the further provisions of the License Agreement shall apply.

9.2 Other Countries

For countries other than the United States, Canada or Mexico, the first of the parties to apply to register BLAIR DELMONICO in such country shall be the owner of the mark there. DELMONICO HOLDINGS LLC shall give notice in writing to THE BLAIR GROUP of any such application. Should THE BLAIR GROUP be the first applicant, the accompanying License Agreement shall govern the parties' relations regarding the use of the mark "BLAIR DELMONICO" in those countries. Ownership of the BLAIR DELMONICO mark in such foreign jurisdiction shall not impede THE BLAIR GROUP's right to source BLAIR brand merchandise from such jurisdiction or Delmonico Holdings, LLC's right to source DELMONICO brand merchandise from such jurisdiction.

10. NOTICE OF SALE

In the event that a party or parties to this Agreement is sold or acquired, or merges with another entity or otherwise conveys or transfers any of its rights or obligations under this Agreement, the purchaser(s) or transferee as the case may be, shall agree in advance in writing to be bound by all of the terms and conditions of and shall have the rights provided for in this Agreement and the accompanying License Agreement. Prior to the execution of any instrument of sale or transfer, written notice of intent to execute same shall be given by each party to the others, and no such sale or transfer shall be valid unless written agreement to be bound hereby has been procured and delivered to all parties. The same requirements apply to any assignee, transferee or other successor in interest of any party to this Settlement Agreement or the License Agreement.

11. RELEASE BY THE BLAIR GROUP

Contingent upon compliance by DELMONICO HOLDINGS LLC with the terms of this Agreement, THE BLAIR GROUP, for itself and its past, present and future predecessors, successors, parents, subsidiaries, affiliates, assigns, licensees, and transferees, hereby releases DELMONICO HOLDINGS LLC, and its past, present and future directors, officers, agents, employees, predecessors, successors, parents, subsidiaries, affiliates, assigns, licensees, transferees and attorneys from any and all past claims, liabilities, demands, causes of action, costs, expenses and attorneys' fees, known or unknown, up to the Effective Date, arising out of or relating to the subject matter of this Agreement and the appended Trademark License Agreement.

12. RELEASE BY DELMONICO HOLDINGS LLC

Contingent upon compliance by THE BLAIR GROUP with the terms of this Agreement, DELMONICO HOLDINGS LLC, for itself and its past, present and future predecessors, successors, parents, subsidiaries, affiliates, assigns, licensees, and transferees, hereby releases THE BLAIR GROUP, and its past, present and future directors, officers, agents, employees, predecessors, successors, parents, subsidiaries, affiliates, assigns, licensees, transferees and attorneys from any and all past claims, liabilities, demands, causes of action, costs, expenses and attorneys' fees, known or unknown, up to the Effective Date arising out of or relating to the subject matter of this Agreement.

13. GENERAL PROVISIONS

13.1 Governing Law: This Agreement shall be governed by and construed and enforced in accordance with the substantive laws of the State of Pennsylvania without regard to conflict of laws principles. The parties expressly consent to exclusive venue and jurisdiction of the courts in a United States District Court in the Western District of Pennsylvania.

13.2 Further Assurances: The parties shall at their own cost and expense (except as expressly provided for herein) execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to carry out the intent and purposes of this Agreement.

13.3 Severability: If any provision of this Agreement is held to be invalid or unenforceable for any reason the remaining provisions will continue in full force without being impaired or invalidated in any way.

13.4 No Waiver: A waiver of any breach of any provision of this Agreement shall not be deemed a waiver of any repetition of such breach or in any manner affect any other terms or conditions of this Agreement.

13.5 Amendments and Modifications: No addition to or change in the terms of this Agreement will be effective or binding on either party unless reduced to writing and executed by both parties.

13.6 Headings: Section headings have been included in this Agreement merely for convenience or reference. They are not to be considered part of, or to be used in interpreting, this Agreement.

13.7 Independent Contractors: The parties to this Agreement are independent contractors, and no agency, partnership, joint venture or employee-employer relationship is intended or created by this Agreement. Neither party shall have the power to obligate or bind the other party.

13.8 Notices: Any notices or other written communications required by or made pursuant to the terms of this Agreement shall be transmitted by facsimile, overnight

courier, or such other means as will provide the sender with a written confirmation of receipt to the following addresses:

Laura Gleason
BLAIR HOLDINGS, INC.
300 Creek View Road, Suite 207
Newark, DE 19711

Anne Benson
BLAIR CORPORATION
220 Hickory
Warren, PA 16366

DELMONICO HOLDINGS LLC
66 Sterling Avenue
Weehawken, NJ 07087

and

Michael P. Barnes, Esq.
35 Burlington Rd.
Tenafly, NJ 07670

Each party shall notify the others in writing promptly of any change of address.

13.9 Expenses: Each party will bear its own costs in connection with the opposition proceeding and the preparation of this Agreement and the License Agreement.

13.10 Authority: The parties represent and warrant that they have the full authority to enter into this Agreement. This Agreement shall be binding upon each parties' assignees and successors in interest as permitted herein and in the License Agreement.

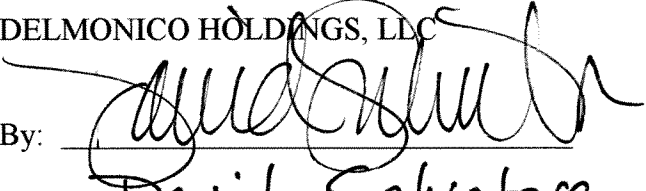
13.11 Counterparts: This Agreement may be executed in counterparts, including facsimile counterparts, each of which shall be deemed an original and all of which taken together shall constitute one agreement.

13.12 Entire Agreement: This Agreement constitutes the entire agreement and understanding among the parties superseding all previous understandings and agreements and can be amended only in writing executed by the parties.

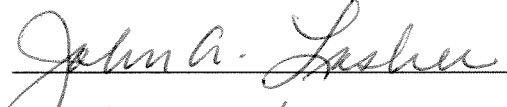
IN WITNESS WHEREOF, the parties hereto have executed this Settlement

Agreement as of the date first above written.


DELMONICO HOLDINGS, LLC

By: 
Name: David Salvatore
Title: President
Date: 9/1/04

BLAIR HOLDINGS, INC.

By: 
Name: John A. Lasher
Title: President
Date: August 12, 2004

BLAIR CORPORATION

By: 
Name: John A. Lasher
Title: Vice President
Date: August 12, 2004