

06-24-2004

Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings



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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): Wayn-Tex, Inc. 901 S. Delphine Avenue Waynesboro, Virginia <i>6.22.04</i></p> <p><input type="checkbox"/> Individual(s)      <input type="checkbox"/> Association <input type="checkbox"/> General Partnership      <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies) Name: Columbia Insurance Company Internal _____ Address: _____ Street Address: 3024 Harney Street City: Omaha State: NE Zip: 68131-3535</p> <p><input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input checked="" type="checkbox"/> Corporation-State Nebraska <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance: <input checked="" type="checkbox"/> Assignment      <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement      <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: 7/9/03</p>	<p>4. Application number(s) or registration number(s): A. Trademark Application No.(s) _____ B. Trademark Registration No.(s) 2,831,126</p> <p>Additional number(s) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: Lisa A. Iverson, Esq. Internal Address: Neal &amp; McDevitt Street Address: 1776 Ash Street City: Northfield State: IL Zip: 60093</p>	<p>6. Total number of applications and registrations involved: <span style="border: 1px solid black; padding: 2px;">1</span></p> <p>7. Total fee (37 CFR 3.41).....\$ 40.00 <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: _____</p> <p style="text-align: right; font-size: small;">OPR/FINANCE JUN 22 AM 7:07</p>
<b>DO NOT USE THIS SPACE</b>	
<p>9. Signature. _____ Lisa A. Iverson Name of Person Signing</p> <p style="text-align: center;"><i>Lisa A. Iverson</i> _____ Signature</p> <p style="text-align: right;">_____ 6/17/04 Date</p> <p style="text-align: right;"><span style="border: 1px solid black; padding: 2px;">9</span></p> <p style="text-align: center; font-size: x-small;">Total number of pages including cover sheet, attachments, and document:</p>	

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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## AGREEMENT

This Agreement ("Agreement") is made and entered into this 9<sup>TH</sup> day of July, 2003, by Columbia Insurance Company ("COLUMBIA"), a corporation organized and existing under the laws of the State of Nebraska; Shaw Industries Group, Inc. ("SHAW"), a corporation organized and existing under the laws of the State of Georgia; and Wayn-Tex, Inc. ("WAYN-TEX"), a corporation organized and existing under the laws of the State of Delaware.

## RECITALS

WHEREAS, since at least as early as December 1997 SHAW has continuously used the trademark STALOK in connection with carpet backing;

WHEREAS, SHAW was granted United States Trademark Registration No. 2,226,678 STALOK for carpet backing, issued February 23, 1999;

WHEREAS, effective January 1, 2003, SHAW assigned all of its right, title and interest in and to the mark STALOK and Registration No. 2,226,678 to COLUMBIA and was granted a non-exclusive license to use the mark STALOK;

WHEREAS, in May, 2000, WAYN-TEX began using the trademark STABILOK in connection with primary carpet backing;

WHEREAS, WAYN-TEX owns United States Trademark Application Serial No. 76/081368 for the mark STABILOK for primary carpet backing, filed June 29, 2000; and

WHEREAS, the parties hereto desire to avoid any possible confusion in the marketplace by entering into this Agreement;

NOW THEREFORE, in consideration of the promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Definitions.** For purposes of this Agreement the terms shall have the definitions set forth below or as set forth in the recitals.

a. "The STALOK Mark" shall mean the mark STALOK, whether in block letters, stylized letters or logo form, including the mark shown in United States Trademark Registration No. 2,226,678.

b. "The STABILOK Mark" shall mean the mark STABILOK, whether in block letters, stylized letters or logo form, including the mark shown in United States Trademark Application Serial No. 76/081368.

c. "WAYN-TEX's Goods" shall mean primary carpet backing.

2. **Assignment Of The STABILOK Mark As Used In Connection With WAYN-TEX's Goods.** WAYN-TEX hereby agrees to assign the STABILOK Mark, as used in connection with Wayn-Tex's Goods in the United States, and U. S. Trademark Application Serial No. 76/081368, together with the goodwill symbolized by the STABILOK mark, to COLUMBIA. WAYN-TEX agrees to execute the Trademark Assignment attached hereto as Appendix A. WAYN-TEX will, upon final execution of this Agreement, provide to COLUMBIA all documents necessary to prove the chain of title to the mark STABILOK and U.S. Trademark Application Serial No. 76/081368. WAYN-TEX further agrees to provide and execute any further documents that may be necessary for COLUMBIA to perfect its rights in and to the mark STABILOK and to prosecute U.S. Trademark Application Serial No. 76/081368 and to maintain any resulting registration. SHAW and COLUMBIA agree to timely file all documents required for prosecution of U.S. Trademark Application Serial No. 76/081368 with the United States Patent & Trademark Office and to maintain any resulting registration in full force and effect so long as WAYN-TEX is using the STABILOK Mark.

3. **Royalty-Free License.** COLUMBIA hereby grants WAYN-TEX a royalty free exclusive license to use the STABILOK Mark in connection with WAYN-TEX's Goods in the United States ("License") for a period of ten (10) years. This License shall be renewable at the sole option of WAYN-TEX for subsequent periods of ten (10) years without the need for additional consideration. In order to renew the License, WAYN-TEX shall, prior to the expiration of the then-current period, notify COLUMBIA and SHAW in writing of WAYN-TEX's intention to renew for an additional ten-year period.

a. **Assignability And Binding Effect.** This License can only be assigned with the written consent of all parties, said consent not to be unreasonably withheld, and it shall be binding upon and inure to the benefit of the parties and, upon such assignment, their successors and assigns.

b. **Quality Control.** WAYN-TEX acknowledges the importance to SHAW and COLUMBIA of the goodwill associated with the STABILOK Mark and the importance of maintaining high, uniform standards of quality in the products sold under the STABILOK Mark. WAYN-TEX therefore agrees to maintain standards of quality established by COLUMBIA from time to time and to use the mark STABILOK as instructed by COLUMBIA from time to time. It is hereby expressly agreed that WAYN-TEX's current quality level and method of use of the mark STABILOK is acceptable and conforms to COLUMBIA's standards of quality. COLUMBIA has the right to request specimens of WAYN-TEX's uses of the STABILOK Mark and to request samples of the products sold under the STABILOK Mark throughout the term of this License to insure compliance with the terms of this License. WAYN-TEX will, upon final execution of this Agreement, provide to COLUMBIA all documents containing WAYN-TEX's written quality control procedures and/or policies.

c. **Ownership Of Mark.** WAYN-TEX hereby acknowledges that, pursuant to the Assignment attached to this Agreement, COLUMBIA is the owner of the STABILOK Mark as used in connection with WAYN-TEX's Goods, that WAYN-TEX's right to use the mark STABILOK is derived solely from this License and that all use of the mark STABILOK by WAYN-TEX and any goodwill established thereby shall inure to the benefit of COLUMBIA. WAYN-TEX also recognizes that COLUMBIA is the owner of Registration No. 2,226,678 for the mark STALOK and that this License does not give WAYN-TEX any right or license to use the STALOK Mark.

d. **Term And Termination.**

i. This License shall remain in force for the periods set forth above unless terminated by COLUMBIA upon a material breach by WAYN-TEX if COLUMBIA gives WAYN-TEX thirty (30) days written notice and the material breach has not been cured to COLUMBIA's satisfaction during said thirty (30) days. By way of example, but not limitation, WAYN-TEX's failure to maintain quality standards as set forth by COLUMBIA pursuant to this License shall constitute a material breach.

ii. This License shall be terminated if WAYN-TEX abandons use of the mark STABILOK within the meaning of the Lanham Act (15 U.S.C. §1127). Upon termination under this subsection, all rights granted hereunder shall immediately cease and WAYN-TEX shall have no further right to use the mark STABILOK.

e. **Relationship Of The Parties.** Nothing contained in this Agreement shall be construed to imply a franchise, joint venture, partnership or principal/agent relationship among the parties.

f. **Use By SHAW And COLUMBIA.** SHAW and COLUMBIA agree that they will not use, or license others to use, the STABILOK Mark during the term of this License.

g. **Infringements.** COLUMBIA shall, in the first instance, have the right, but not the obligation, to take action at its own expense against third party infringements, including past infringements, of the STABILOK Mark. WAYN-TEX shall immediately notify SHAW and COLUMBIA of any infringement of the STABILOK Mark, and COLUMBIA shall have the exclusive right to take action for a period of thirty (30) days from the date COLUMBIA is notified of such infringement ("COLUMBIA Decision Period"). If COLUMBIA does not take action by the close of the COLUMBIA Decision Period, WAYN-TEX shall have the right to take action in its own name, in its sole discretion and at its sole expense. The parties agree to cooperate with each other in any actions taken by either COLUMBIA or WAYN-TEX pursuant to this paragraph.

4. **Construction And Release.** This Agreement shall be construed and interpreted in accordance with the Lanham Act (15 U. S. C. § 1051 et seq.) and laws of the State of Georgia. This Agreement constitutes the entire agreement between the parties hereto, and it supersedes any prior agreements or understandings relating to the subject matter hereof. There are no agreements, covenants, conditions or limitations of this Agreement that are not expressly stated herein. Further, the parties hereto agree that this Agreement may not be amended or changed in any way except by a written instrument signed by each of the parties hereto. This Agreement resolves and settles all disputed claims and the parties hereto do hereby release each other from any and all claims, including any damages or attorneys fees relating to the STABILOK Mark and the STALOK Mark up to and including the date of this Agreement. Nothing herein or related hereto shall constitute, be construed as, or be deemed to be an admission of fault, confusing similarity, liability or wrongdoing of any kind. This Agreement shall only apply to the United States.

5. **Recitals And Headings.** The recitals set forth above shall be deemed to be incorporated within this Agreement as if fully set forth therein, and this Agreement shall be interpreted in light of such recitals; however, the captions and headings contained herein are for convenient reference only and are not a part hereof.

6. **Execution.** This Agreement may be executed by each of the parties hereto in separate counterparts and have the same force and effect as if it had been executed as a single document.

7. **Notices.** Any notices required or permitted under the terms of this Agreement must be given in writing by overnight mail courier to the party to be notified at the address stated below or at such other address as is furnished in writing to the notifying party:

WAYN-TEX, INC.

901 S. Delphine Avenue  
Waynesboro, Virginia 22980  
Attn: Mr. W. Durwood Knight

with copy to:

Katherine S. Chang, Esq.  
Hunton & Williams  
200 Park Avenue  
New York, New York 10166-0136

SHAW INDUSTRIES GROUP, INC.

616 East Walnut Avenue  
Dalton, Georgia 30722

with copy to:

Susan Somers Neal, Esq.  
Neal & McDevitt  
1603 Orrington Avenue, Suite 2000  
Evanston, Illinois 60201

COLUMBIA INSURANCE COMPANY

3024 Harney Street  
Omaha, Nebraska 68131-3535  
Attn.: Brennan Neville, Esq.

8. **Invalid Provisions.** If any provision of this Agreement is held to be illegal, invalid or unenforceable under any law, rule or regulation, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, unlawful or unenforceable provision had never comprised a part hereof. The remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, unlawful or unenforceable provision by its severance.

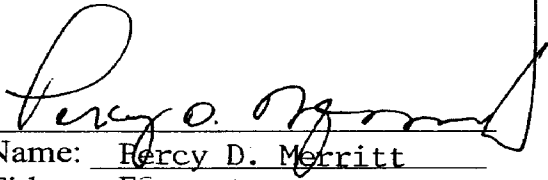
THE PARTIES ACKNOWLEDGE that the individuals signing below are duly authorized to bind the corporate parties for whom they have signed.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the dates set forth below.

SHAW INDUSTRIES GROUP, INC.

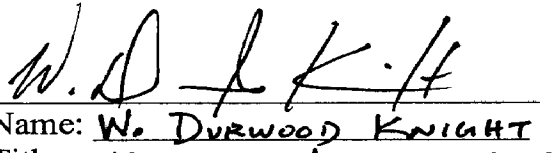
WAYN-TEX, INC

By:



Name: Percy D. Merritt  
Title: Executive Vice-President  
Date: June 25, 2003


By:



Name: W. Durwood Knight  
Title: VP SALES & MARKETING  
Date: 7/9/03

COLUMBIA INSURANCE COMPANY

By:



Name: Forest N. Katter  
Title: Senior Vice President  
Date: June 2, 2003