

*This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).*

**STATE OF MINNESOTA
IN COURT OF APPEALS
A24-0303**

All-American Ice L.L.C.,
DBA All-American Arena Products,
Respondent,

vs.

American Arena, LLC,
Appellant.

**Filed August 19, 2024
Affirmed
Kirk, Judge***

Dakota County District Court
File No. 19HA-CV-20-3431

Timothy C. Matson, Michael T. Burke, Fox Rothschild LLP, Minneapolis, Minnesota (for respondent)

Kevin P. Hickey, Norman M. Abramson, Peggah Navab, Bassford Remele, P.A., Minneapolis, Minnesota (for appellant)

Considered and decided by Ross, Presiding Judge; Johnson, Judge; and Kirk, Judge.

* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

NONPRECEDENTIAL OPINION

KIRK, Judge

This appeal is taken from a judgment in a trademark action following this court’s previous decision affirming in part, reversing in part, and remanding to the district court. *See All-Am. Ice, L.L.C. v. Am. Arena, L.L.C.*, No. A22-1394, 2023 WL 2960746 (Minn. App. Apr. 17, 2023), *rev. denied* (Minn. July 18, 2023). Appellant challenges the district court’s decisions on remand related to treble damages, attorney fees, and injunctive relief. Because we discern no legal error or abuse of discretion in those decisions, we affirm.

FACTS

A jury found appellant American Arena, LLC (American Arena) liable for trademark infringement against respondent All-American Ice L.L.C., DBA All-American Arena Products (All-American Arena). *Id.* at *3. Through a special-verdict form, the jury awarded All-American Arena \$340,000 in actual damages and \$50,000 in profit damages.¹ *All-Am. Ice*, 2023 WL 2960746, at *3. The jury also found that American Arena’s wrongful use of the trademark “American Arena” was done with knowledge of All-American Arena’s trademark or in bad faith. *Id.*

After trial, the district court orally granted All-American Arena’s request for a permanent injunction against American Arena’s use of the trademark. *Id.* A subsequent

¹ This court’s previous decision recognized that “Minnesota law permits two types of *damages* for successful trademark-infringement claims,” and it referred to the first type of damages as profit damages and the second type as actual damages. *Id.* at *1 n.1 (emphasis added); *see* Minn. Stat. § 333.29, subd. 1 (2022). For consistency, this opinion does the same.

written order states that American Arena “is hereby permanently enjoined and restrained from any and all direct or indirect use, adoption or employment of the words American Arena as a trademark, tradename, domain name or otherwise in connection with its business operations, advertising, marketing, promotion or sale of products or services.” *Id.*

All-American Arena then moved for treble damages and attorney fees. *Id.* at *4. The district court denied All-American Arena’s request for treble damages, stating that trebling the damages “based on the facts of this case would be punitive rather than compensatory.” *Id.* The district court, relying on federal trademark law, also denied All-American Arena’s request for attorney fees, explaining that attorney fees are awarded only in the rare case that a party’s conduct is so unreasonable as to justify such an award and that American Arena’s conduct was not exceptional enough for this remedy. *Id.*

American Arena appealed, challenging the damages awards and the permanent injunction. *Id.* at *7-9. The district court issued an order granting American Arena’s request to suspend the injunction pending appeal. As a condition of suspending the injunction, the order provides that “all of [American Arena’s] external communications” and “larger format advertising” must include the following disclaimer: “We are not affiliated with All-American Arena Products.” This court’s previous decision reversed the actual-damages award, affirmed the profit-damages award, and remanded the case to the district court for reconsideration of treble damages and attorney fees and for additional findings on the injunction. *Id.* at *10.

On remand, All-American Arena again moved for treble damages and attorney fees, and it requested that the district court make additional findings on the injunction. American

Arena moved to vacate or modify the injunction. The district court issued an order enhancing the profit-damages award to \$106,656 and awarding All-American Arena \$114,440.50 in attorney fees. The order includes findings in support of the injunction. In the order, the district court determined that it lacked authority to modify the injunction and therefore denied American Arena's motion.

American Arena appeals.

DECISION

American Arena challenges the enhanced-profit damages and attorney-fees awards. Additionally, American Arena challenges the district court's denial of its motion to vacate or modify the injunction. We address each issue in turn.

I. The district court did not err by enhancing the profit-damages award and awarding attorney fees on remand.

American Arena argues that the district court lacked subject-matter jurisdiction to award enhanced-profit damages and attorney fees on remand. Alternatively, American Arena argues that All-American Arena was not entitled to those awards.

A. Subject-Matter Jurisdiction

The first sub-issue raised by American Arena is whether the district court had subject-matter jurisdiction. Whether a district court has subject-matter jurisdiction is a question of law subject to de novo review. *Tischer v. Hous. & Redevelopment Auth.*, 693 N.W.2d 426, 428 (Minn. 2005).

American Arena argues that the district court lacked subject-matter jurisdiction because it "had no legal authority to re-open and reverse claims that were subject to final

judgment and not appealed.” See *Irwin v. Goodno*, 686 N.W.2d 878, 880 (Minn. App. 2004) (defining subject-matter jurisdiction to include the “authority to hear and determine the particular questions the court assumes to decide”). “[A]n order or judgment becomes final after the appellate process is terminated or the time for appeal has expired.” *State Farm Mut. Auto. Ins. Co. v. Spartz*, 588 N.W.2d 173, 175 (Minn. App. 1999), *rev. denied* (Minn. Mar. 30, 1999). “It is axiomatic that a judgment or appealable order becomes final if a timely appeal is not taken.” *Janssen v. Best & Flanagan, LLP*, 704 N.W.2d 759, 765 (Minn. 2005); see, e.g., *Carlson v. Panuska*, 555 N.W.2d 745, 746 (Minn. 1996) (“The Panuskas did not appeal the entry of the default judgment. On September 25, 1994, the time limit for appealing the judgment expired and the judgment became final.”).

After American Arena first appealed, All-American Arena did not file a notice of related appeal (NORA) challenging the district court’s denial of its requests for treble damages and attorney fees, so the judgment became final on October 17, 2022—14 days after American Arena filed a notice of appeal on October 3, 2022. See Minn. R. Civ. App. P. 104.01, subd. 4 (setting the 14-day deadline for filing a NORA); Minn. R. Civ. App. P. 106. Because “the judgment denying [All-American Arena’s] claims for attorneys’ fees and treble profits became final upon expiration of the time for appeal,” American Arena contends that “the district court had no legal authority to re-open or reevaluate those final decisions.”

All-American Arena points out that this court’s previous decision remanded the case to the district court for reconsideration of treble damages and attorney fees. This court’s previous decision provided the following remand instructions:

Accordingly, we reverse the district court's actual-damages award and affirm the district court's profit-damages award. But we are mindful that when the district court denied treble damages and attorney fees, it stated that treble damages would be punitive, rather than compensatory, and that American Arena's conduct had not risen to the level necessary to justify attorney fees. Thus we remand to allow the district court, in its discretion, to reevaluate its treble-damages and attorney-fee decision in light of our reversal of the actual-damages award, keeping in mind that damages in trademark-infringement cases are meant to be compensatory, not punitive. 15 U.S.C. § 1117(a). We do not direct the district court to take any course of action. Rather, we leave the reevaluation of treble damages and attorney fees to the district court's discretion.

All-Am. Ice, 2023 WL 2960746, at *8.

American Arena characterizes these remand instructions as “dicta,” and it asserts that they “disregard[] Rule 106 . . . by permitting the review and consideration of legal issues from a final judgment that were not subject to a notice of related appeal.” We disagree with American Arena that our remand instructions are dicta. And American Arena did not challenge our remand instructions in its petition for review to the Minnesota Supreme Court. The supreme court is the appropriate venue to address this court's authority to issue remand instructions. *See* Minn. R. Civ. App. P. 117, subd. 1(a) (“Any party seeking review of a decision of the Court of Appeals shall separately petition the Supreme Court.”).

Based on the specific instructions from this court, the district court had authority and therefore subject-matter jurisdiction to award enhanced profit damages and attorney fees on remand.

B. Merits of the Awards

The second sub-issue raised by American Arena is whether All-American Arena was entitled to the enhanced-profit-damages and attorney-fees awards. A district court's decision whether to award damages and attorney fees is reviewed for an abuse of discretion. *Robert W. Carlstrom Co. v. German Evangelical Lutheran St. Paul's Congregation*, 662 N.W.2d 168, 173-74 (Minn. App. 2003). "A district court abuses its discretion by making findings of fact that are unsupported by the evidence, misapplying the law, or delivering a decision that is against logic and the facts on record." *Woolsey v. Woolsey*, 975 N.W.2d 502, 506 (Minn. 2022) (quotation omitted). "Interpreting a statute is a question of law, which [appellate courts] review de novo." *In re Dakota Cnty.*, 866 N.W.2d 905, 909 (Minn. 2015) (construing child support statutes).

Minnesota's trademark statutes were adopted in 1959 and patterned closely after relevant provisions of the federal Lanham Trademark Act. *Minneapolis Co. v. Normandin*, 338 N.W.2d 18, 22 n.5 (Minn. 1983); *see also* 15 U.S.C. §§ 1051-1127 (2018). When these provisions overlap, Minnesota courts often refer to federal caselaw for guidance. *See Minneapolis*, 338 N.W.2d at 22 n.5.

i. The Enhanced-Profit-Damages Award

Under federal trademark law, "[i]n assessing damages the court may enter judgment, according to the circumstances of the case, for any sum above the amount found as actual damages, not exceeding three times such amount." 15 U.S.C. § 1117(a). "The statute permits a court to award up to three times the plaintiff's 'actual damages' only; this language does not apply to an award of defendant's profits." *Nutting v. RAM Sw., Inc.*, 69

F. App'x 454, 458 (Fed. Cir. 2003) (quoting 15 U.S.C. § 1117(a)); *see also Thompson v. Haynes*, 305 F.3d 1369, 1380 (Fed. Cir. 2002). Damages in trademark-infringement cases “shall constitute compensation and not a penalty.” 15 U.S.C. § 1117(a). Minnesota law states:

The court, in its discretion, may enter judgment for an amount not to exceed three times the profits and damages and reasonable attorneys’ fees of the prevailing party if the court finds the other party committed the wrongful acts with knowledge or in bad faith or otherwise as according to the circumstances of the case.

Minn. Stat. § 333.29, subd. 1.

American Arena argues that a Minnesota court cannot award enhanced-profit damages under Minnesota trademark law because “there is no basis to support Minnesota trademark law leading to the exact opposite result as federal law when the two are substantively the same.” All-American Arena argues that the district court correctly “recognized that the plain text of Minn. Stat. § 333.29, subd. 1, permitted it to award up to three times the profit damages.”

Appellate courts interpret a statute according to its plain and ordinary meaning. *Dakota Cnty.*, 866 N.W.2d at 909. Section 333.29 plainly permits a court to award up to three times the defendant’s “profits.” Minn. Stat. § 333.29, subd. 1. Therefore, the district court did not err by awarding enhanced profit damages absent an abuse of discretion.

In enhancing the profit-damages award, the district court determined that the award did not sufficiently compensate All-American Arena for American Arena’s conduct, noting:

The jury's profits award, which focused on the period 2021 through the first quarter of 2022, is insufficient to compensate [All-American Arena] for [American Arena's] ongoing conduct. More specifically, this award does not compensate [All-American Arena] for the 17-month period from the second quarter of 2022 through August 2023, wherein [American Arena] chose to continue operating as American Arena, at first in violation of the injunction, and later in violation of the Stay/Suspend Order, when it failed to use the disclaimer on external communications.

American Arena argues that “[t]he district court’s reliance on purported ‘violations’ of the permanent injunction to reverse its decision and impose punitive relief is clear error” because the injunction was stayed during the period in which the district court found that American Arena was in violation of it. American Arena’s argument is unpersuasive because the district court distinguished between American Arena’s violations of the injunction and its violations of the order suspending the injunction. Specifically, the district court stated:

[American Arena] does not dispute that it has continued to use the American Arena trademark, tradename and domain name following trial, after entry of the injunction, and—following entry of the Stay/Suspend Order—without the required disclaimer.

Through August 2023, [American Arena] has continued to benefit by its use of the confusingly similar American Arena trademark, tradename and domain name, in violation of the injunction or, effective November 11, 2022, in violation of the Stay/Suspend Order.

American Arena also argues that its violations of the order suspending the injunction were excusable because the parties “reached an agreement that in lieu of the disclaimer, [American Arena] would begin transitioning back to its original name of ‘Minnesota Ice.’” While the district court acknowledged that American Arena claimed that it had reached

such an agreement with All-American Arena, the district court noted that American Arena never moved to vacate the order suspending the injunction. Because that order provides that American Arena must include the disclaimer on its external communications, the district court did not abuse its discretion by finding that American Arena violated the order when it failed to do so. Therefore, American Arena does not satisfy its burden of showing that the district court abused its discretion by awarding enhanced-profit damages.

ii. The Attorney-Fees Award

Under federal trademark law, “[t]he court in exceptional cases may award reasonable attorney fees to the prevailing party.” 15 U.S.C. § 1117(a); *see also Aromatique, Inc. v. Gold Seal, Inc.*, 28 F.3d 863, 877 (8th Cir. 1994) (defining an exceptional case); *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 572 U.S. 545, 554 (2014) (same). Minnesota law states that “[t]he court, in its discretion, may” award “reasonable attorneys’ fees of the prevailing party if the court finds the other party committed the wrongful acts with knowledge or in bad faith or otherwise as according to the circumstances of the case.” Minn. Stat. § 333.29, subd. 1.

Here, the district court found that the underlying case was not exceptional “so as to qualify for an award of attorney’s fees under federal law.” The district court nonetheless awarded attorney fees based on “the plain language of Minn. Stat. § 333.29, subd. 1,” reasoning that the jury found that American Arena’s wrongful use of the trademark was done with knowledge of All-American Arena’s trademark or in bad faith.

American Arena argues that attorney fees under Minnesota trademark law follow the federal standard of being reserved for exceptional cases because the remedies for

infringement “overlap.” All-American Arena argues that Minnesota courts are not limited to awarding reasonable attorney fees only in exceptional cases because section 333.29 “does not contain an ‘exceptional cases’ standard.”

American Arena’s interpretation would add language to section 333.29 that the legislature omitted. Because appellate courts cannot add language to a statute, the “exceptional cases” standard does not apply. *See Firefighters Union Loc. 4725 v. City of Brainerd*, 934 N.W.2d 101, 109 (Minn. 2019) (“[W]e cannot add language to a statute; rather, we must apply the plain language of the statute as written.” (quotation omitted)). Therefore, American Arena does not satisfy its burden of showing that the district court erred by awarding attorney fees.

In conclusion, the district court did not err by enhancing the profit-damages award and awarding attorney fees on remand.

II. The district court did not err by denying American Arena’s motion to vacate or modify the permanent injunction.

American Arena argues that the district court erred by concluding that it could not reconsider the appropriate scope of injunctive relief. Additionally, American Arena argues that the district court’s findings do not support the permanent injunction.

A. Scope of Review on Remand

The first sub-issue raised by American Arena concerns the proper scope of review on remand. “On remand, a district court must execute an appellate court’s mandate strictly according to its terms and lacks power to alter, amend, or modify that mandate.” *Johnson v. Princeton Pub. Utils. Comm’n*, 899 N.W.2d 860, 868 (Minn. App. 2017)

(quotation omitted); *see also Halverson v. Vill. of Deerwood*, 322 N.W.2d 761, 766 (Minn. 1982). But “[w]hen the [district] court receives no specific directions as to how it should proceed in fulfilling the remanding court’s order, the [district] court has discretion . . . to proceed in any manner not inconsistent with the remand order.” *Duffey v. Duffey*, 432 N.W.2d 473, 476 (Minn. App. 1988). “Appellate courts review a district court’s compliance with remand instructions under the deferential abuse of discretion standard.” *Janssen*, 704 N.W.2d at 763.

This court’s previous decision provided the following remand instructions:

Because we affirm the jury’s decision that American Arena is liable for trademark infringement, the district court was authorized by statute to issue an injunction at its discretion. But given the lack of any explanation or findings by the district court regarding the scope of the injunction, there is not enough analysis for this court to conduct a proper appellate review and determine whether the district court has abused its discretion in the breadth of its injunctive relief. Accordingly, we remand for additional findings without reversing the injunction.

All-Am. Ice, 2023 WL 2960746, at *9 (citations and footnote omitted). The district court concluded that, according to these remand instructions, it was “limited . . . to entering findings on, as opposed to modifying, the injunction.” Accordingly, the district court concluded that it could not “grant [American Arena’s] motion to modify the injunction” and therefore denied the motion.

American Arena argues that the district court erred because there was “no basis for the district court’s refusal to consider the motion to vacate, modify or clarify the permanent injunction.” Even assuming the district court erred in determining that it lacked authority to modify the injunction, any such error is harmless. The district court clearly believed that

a basis for injunctive relief still existed, and it made sufficient findings to support the injunction. Furthermore, American Arena retains the option of seeking modification of the injunction in the future.

B. Merits of the Injunction

The second sub-issue raised by American Arena is whether the district court's findings support the permanent injunction. The decision on whether to issue an injunction generally rests within the sound discretion of the district court, and its choice will not be disturbed on appeal unless, based upon the whole record, it has abused its discretion. *St. Jude Med., Inc. v. Carter*, 913 N.W.2d 678, 684 (Minn. 2018).

i. Caselaw

As this court's previous decision explained, the district court was authorized by statute to issue an injunction at its discretion. *All-Am. Ice*, 2023 WL 2960746, at *9; *see* Minn. Stat. § 333.29, subd. 1 (providing that an owner of a mark registered under Minnesota trademark law may sue “to enjoin the manufacture, use, display, or sale of any counterfeits or imitations of the mark, and a court of competent jurisdiction may grant injunctions to restrain the manufacture, use, display, or sale as the court considers just and reasonable”). A party seeking a permanent injunction must show that (1) “any remedy at law would be inadequate” and (2) “an injunction is necessary to prevent great and irreparable injury.” *Carter*, 913 N.W.2d at 683 (quotation omitted). American Arena challenges both requirements for the issuance of the injunction.

American Arena first disputes whether All-American Arena showed the lack of an adequate legal remedy. American Arena contends that All-American Arena's remedies at

law for actual damages and profit damages would have been adequate. All-American Arena contends that “there is no adequate legal remedy to prevent [American Arena’s] continued use of the infringing mark.”

The district court determined that “there is no adequate legal remedy for [American Arena’s] ongoing conduct.” The district court described that conduct as follows:

[American Arena] had the choice of whether or not to continue to operate as American Arena post-trial, in anticipation of its appeal, and after appeal. [American Arena] elected to continue operating as American Arena, at times in violation of the injunction and at times in violation of the Stay/Suspend Order by failing to use the required disclaimer.

As the district court noted, “[American Arena] does not dispute that it has continued to use the American Arena trademark, tradename and domain name following trial, after entry of the injunction, and—following entry of the Stay/Suspend Order—without the required disclaimer.” The record supports the district court’s finding that All-American Arena showed the lack of an adequate legal remedy.

Second, American Arena disputes whether All-American Arena showed that an injunction is necessary to prevent great and irreparable injury. American Arena contends that “[t]here is no risk of ‘ongoing’ irreparable harm” because any consumer confusion either occurred several years ago or remained speculative and because American Arena will change its name. All-American Arena contends that a threat of irreparable harm exists because the jury found that “American Arena’s subsequent use of the trademark American Arena create[d] a likelihood of confusion or mistake on the part of ice arena operators and vendors as to the source of [All-American Arena’s] or [American Arena’s] goods.” *See*

Warner Bros. Ent., Inc. v. X One X Prods., 840 F.3d 971, 982 (8th Cir. 2016) (stating, in a trademark-infringement action, that “a finding that likelihood of confusion exists results in a presumption that a threat of irreparable harm exists”).

The district court determined that “[American Arena’s] ongoing conduct,” articulated above, “has created threatened injury that is real, substantial and irreparable.” The district court further determined that “[w]ithout a permanent injunction, the harm inflicted by [American Arena’s] knowing and bad faith trademark infringement will continue without redress.” If irreparable harm can be inferred from a finding of a breach of the covenant not to compete or not to disclose trade secrets, *Cherne Indus., Inc. v. Grounds & Assocs., Inc.*, 278 N.W.2d 81, 92 (Minn. 1979), it can be inferred from a finding of trademark infringement. The record supports the district court’s finding that All-American Arena showed that an injunction is necessary to prevent great and irreparable injury.

ii. Minnesota Rule of Civil Procedure 65.04

Minnesota Rule of Civil Procedure 65.04 provides: “Every order granting an injunction . . . shall set forth the reasons for its issuance; shall be specific in terms; [and] shall describe in reasonable detail, and not by reference to the complaint or other document, the act or acts sought to be restrained.” The district court’s order granting the permanent injunction states that American Arena “is hereby permanently enjoined and restrained from any and all direct or indirect use, adoption or employment of the words American Arena as a trademark, tradename, domain name or otherwise in connection with its business operations, advertising, marketing, promotion or sale of products or services.” *All-Am. Ice*, 2023 WL 2960746, at *3.

American Arena characterizes the injunction as “[o]verly broad injunctive relief that includes any use of the words American arena,” and it asserts that the injunction “is not sufficiently specific under Rule 65.04.” But rule 65.04 merely requires that the order specifically state its terms, and the district court’s order complies with this requirement by clearly specifying its terms.

iii. Federal Law

Finally, American Arena argues that the injunction is so broad as to enjoin nontrademark uses of American Arena, including to describe its business, which it asserts a Minnesota court cannot do under federal trademark law. We reject the premise of American Arena’s argument. Enjoining use of American Arena “as a trademark, tradename, domain name or otherwise in connection with . . . business operations, advertising, marketing, promotion or sale of products or services” is not an injunction against nontrademark use to describe the business as an American arena construction company.

In conclusion, the district court did not err by denying American Arena’s motion to vacate or modify the permanent injunction.

Affirmed.