

Edgar Filing: INNOVO GROUP INC - Form 8-K

Innovo Inc., executed a letter agreement, attached hereto and incorporated herein by reference as Exhibit 10.1 to this Current Report on Form 8-K, with IP Holdings LLC, the assignee of the Bongo(R) mark to provide for the early termination of its license for bags and small leather/pvc goods bearing the Bongo(R) mark. The parties mutually agreed to the early termination of the license agreement to be effective as of December 31, 2004. In addition, the parties agreed to a reduced royalty rate of two and one-half percent of net sales instead of the five percent royalty rate in the original license agreement for product shipped between August 1, 2004 and December 31, 2004. Innovo will continue to pay a two percent advertising royalty on net sales, but has no further obligation to contribute money to produce product samples, fees or for the participation of staff members in all brand events and tradeshow. Both parties will be absolved of all other contractual matters as of December 31, 2004.

ITEM 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On September 3, 2004, Patricia Anderson, the Registrant's President and a member of its Board of Directors, resigned as President and Director effective as of close of business on September 3, 2004, to pursue other interests.

On September 3, 2004, the Registrant's Board of Directors appointed Marc B. Crossman, the Registrant's Chief Financial Officer and a member of its Board of Directors, to the position of President, in addition to his other positions.

On September 8, 2004, the Registrant issued a press release, which is attached hereto and incorporated herein by reference as Exhibit 99.1 to this Current Report on Form 8-K, regarding the resignation of Ms. Anderson and the subsequent appointment of Mr. Crossman to fill the position of President of Innovo Group Inc.

ITEM 9.01 Financial Statements and Exhibits

(c) Exhibits.

Exhibit

| Exhibit Number | Description |
|----------------|--|
| Exhibit 10.1 | Letter Agreement between IP Holdings LLC and Innovo Inc. |
| Exhibit 99.1 | Press Release dated September 8, 2004 |