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UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA

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Division: Tampa

CLERK, U.S. DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA, FLORIDA

HARDY WAY, LLC

Plaintiff,

v.

CASE NO.: 8:10cv230-T-23EAS.

A.J. NAILS, INC. AND JOHNNY P.
TRAN,

Defendants.

COMPLAINT

Plaintiff, HARDY WAY, LLC, by and through its undersigned counsel, hereby sues Defendants, A.J. NAILS, INC. and JOHNNY P. TRAN, and alleges:

JURISDICTION AND VENUE

1. This is an action for infringement under the trademark laws of the United States, 15 U.S.C. §§1051-1127, for common law unfair competition and violation of Florida statutes. Jurisdiction is expressly conferred on this Court by 15 U.S.C. §1121 and 28 U.S.C. §1338(a). This Court also has jurisdiction over all other claims herein in accordance with 28 U.S.C. §1332(a) and from the fact that this is a civil action between citizens of different states in which the value of the matter in controversy exceeds the sum of Seventy-Five thousand dollars (\$75,000.00), exclusive of interest and costs, jurisdiction being conferred in accordance with 28 U.S.C. §1332. This Court has supplemental jurisdiction over state law claims, pursuant to 28 U.S.C. §1367, as Plaintiff's Florida statutory and common law claims are substantially related to the claims within this Court's original jurisdiction and are an inextricable part of the instant case. Venue is proper in this judicial district pursuant to 28 U.S.C. §1391(b).

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T053698

2. Defendant, A.J. NAILS, INC. (“A.J. Nails”) is a Florida corporation with its principal place of business located at 4220 Bee Ridge Road, Sarasota, Florida 34233, has committed the acts which are the subject of this Complaint within this District, and has maintained a place of business within this District at all times material hereto.

3. Defendant, JOHNNY P. TRAN (“Tran”), an individual who is *sui juris*, resides in this District and directs and controls the activities of Defendant, A.J. Nails, including the infringing and illegal activities which are the subject of this Complaint.

THE PARTIES

4. Plaintiff, HARDY WAY, LLC (“Plaintiff”) is a limited liability company organized and existing under the laws of the State of Delaware, with an office and place of business at 1450 Broadway, 3rd Floor, New York, New York 10018.

5. Plaintiff and its predecessors have been developing, marketing, and licensing a variety of consumer goods including apparel, shoes, hats, eyewear, jewelry, beverages, home goods, skateboards, snowboards, mobile digital content, fragrances, tanning products, toys, computer supplies, umbrellas, and limited edition Smart Cars since at least as early as 2002. Plaintiff’s merchandise is sold internationally and throughout the United States, including the state of Florida.

FACTS COMMON TO ALL COUNTS

6. Hardy Way, LLC is the worldwide owner of the trademarks ED HARDY and various stylized and composite marks comprising the ED HARDY trademark and assorted design components (hereinafter collectively, the “ED HARDY Trademarks”).

7. Among the various trademark registrations owned worldwide, Plaintiff is the owner of the following U.S. Trademark Registrations:

Word/Mark	Reg. No.	Reg. Date	Int. Class
Ed Hardy	3,600,285	3/31/2009	5 18 21 32 35
Ed Hardy (Stylized)	3,141,658	9/12/2006	25
Ed Hardy	3,135,603	8/29/2006	14 25
Don Ed Hardy	3,124,710	8/1/2006	25
Ed Hardy (Stylized)	3,654,597	7/14/2009	14
Ed Hardy	3,654,747	7/14/2009	9
Ed Hardy	3,637,447	6/16/2009	5 12 27
Ed Hardy (Stylized)	3,655,472	7/14/2009	3
Ed Hardy	3,632,302	6/2/2009	9

Copies of Plaintiff's U.S. Trademark Registrations can be seen on the website www.USPTO.gov.

8. Since 2002, Plaintiff and its predecessor have developed, marketed, and licensed a variety of consumer goods bearing the ED HARDY Trademarks, as described in Paragraph 5, above. There are currently more than 46 licenses for products bearing the ED HARDY Trademarks.

9. In less than 10 years, ED HARDY-branded products have come to be internationally recognized for their trendy style combined with cutting edge and distinctive tattoo art.

10. All ED HARDY-branded products, and their corresponding packaging, prominently bear the ED HARDY Trademarks.

11. The design inspiration for the extensive line of ED HARDY-branded products was created by American tattoo artist Don Ed Hardy (“Ed Hardy”), also known as “the godfather of modern tattoo”, who became recognized for incorporating the Japanese tattoo aesthetic and techniques into his American style of tattoo art. Ed Hardy is also a painter and printmaker and became a master of his tattoo craft while continuing his work in the more traditional mediums of painting and drawing. With over 40 years of tattooing experience, Ed Hardy is recognized around the world for his sophistication, depth, sense of experimentation, technical brilliance and mesmerizing imagery.

12. In 1982, Ed Hardy and his wife formed Hardy Marks Publications. Under this marquee, they began publishing a five-book series titled *Tattootime*. *Tattootime* was one of several publications that served to promote and popularize tattooing to a new and wider audience base. Hardy Marks Publications thereafter continued to publish more than 20 books.

13. Ed Hardy was the curator for an exhibition titled “Pierced Hearts and True Love,” which was shown at The Drawing Center in New York in September 1995 and traveled to several other museums around the country. In 2000, he completed a 500 foot long scroll painting of 2,000 dragons in honor of the turn of the millennium and the year of the Dragon. This scroll has been exhibited at the Track 16 Gallery in Santa Monica, as well as The Museum of Contemporary Art in Denver, the Cuenca Bienal in Ecuador and the Yerba Buena Center for the Arts in San Francisco. Ed Hardy’s work is represented in the collections of The Honolulu Academy of Art and The Contemporary Museum in Honolulu, The San Francisco Fine Arts Museum, Achenbach Collection and the University of Colorado Fine Art Galleries. Today, Ed Hardy oversees and mentors tattoo artists at his San Francisco studio known as Tattoo City.

14. In 2002, Ed Hardy was approached by Ku USA, Inc. to produce a line of clothing based on his tattoo art and a license agreement was signed. Within two years, the collection had attracted great commercial interest, including the department store Saks Fifth Avenue.

15. In 2004, Christian Audigier licensed the rights to produce and sub-license ED HARDY-branded products and since then ED HARDY-branded products have become a world-wide phenomenon.

16. ED HARDY retail stores selling ED HARDY-branded products are located internationally, including in the Americas, Europe, Asia & the Middle East.

17. Celebrities such as Madonna, Britney Spears, Puff Daddy, Miley Cyrus, Eva Longoria, Jessica Alba, Heidi Klum, Jennifer Hudson, the Jonas Brothers, Larry King, T.I., and Samuel L. Jackson can all be seen wearing ED HARDY clothing. The celebrity following of ED HARDY-branded products includes more than 5,000 celebrities, athletes and musicians of all genres.

18. ED HARDY-branded apparel has also been featured in various major network shows, such as the Jon & Kate Plus 8 television show.

19. Furthermore, ED HARDY-branded apparel has been praised and recognized in numerous articles appearing in both trade publications and publications directed to the general public, including California Apparel News, L.A. Direct Magazine, Savoir French American Magazine, Statement Magazine, The New York Observer, Ocean Drive Magazine, Caras Internacional Magazine, Yahoo France, Homme Essential, Entrevue, Au Feminini, Les Echos, and Info Sbar.

20. ED HARDY-branded clothing is sold in ED HARDY boutiques throughout the United States, France, Mexico, Denmark, Korea, Japan, Thailand, Taiwan, Singapore, South

Africa, Australia, Dubai, Czech Republic, Germany, New Zealand, and Malaysia, as well as in major retail department stores such as Macy's, Nordstrom and Marshall's Clothing Company.

21. In 2008, over \$700,000,000 in ED HARDY-branded goods were sold at retail worldwide and over \$12,000,000 was spent on advertising and promoting the brand.

22. The ED HARDY Trademarks have come to identify, in the United States and throughout the world, a fashion brand known for its trendy style combined with cutting edge tattoo art designed and inspired by Ed Hardy. As a result of Plaintiff's aforesaid long and extensive use, sales, advertising, and promotion, Plaintiff's ED HARDY Trademarks have acquired world-wide fame and represent a highly valuable goodwill owned by Plaintiff.

23. Defendants, with knowledge of the widespread recognition and fame of Plaintiff's products among the relevant segment of the market, and with the specific intent to exploit that recognition and fame, have marketed and sold counterfeit copies of various ED HARDY products that bear the ED HARDY marks, as well as counterfeit products bearing the ED HARDY marks that have no authentic counterparts. Defendants intend that their ultimate purchasers believe that the Defendants' counterfeit ED HARDY products are made by Plaintiff, or that persons who see the Defendants' counterfeit ED HARDY products worn or used by Defendants' ultimate purchasers will believe that those products emanate from the Plaintiff.

24. In June of 2009, agents of the Sarasota County Sherriff's Office effectuated a seizure of counterfeit ED HARDY shirts, shorts and pants from Defendants' place of business. Those counterfeit items are currently in the possession of the Sarasota County Sherriff's Office.

25. All conditions precedent to this action have occurred, been performed, or have been waived by Defendants.

COUNT I

TRADEMARK INFRINGEMENT – 15 U.S.C. § 1114(1)

26. Plaintiff realleges and incorporates the allegations set forth in paragraphs 1–25 above.

27. Plaintiff is the owner of federal trademark registrations for the above-described ED HARDY trademarks.

28. Defendants, with full knowledge of Plaintiff’s federally registered ED HARDY trademarks, have knowingly and willfully infringed upon Plaintiff’s trademarks by using and modifying Plaintiff’s marks for use in Defendants’ enterprise. Defendants’ use and modification of Plaintiff’s trademarks in a manner that is confusingly similar to Plaintiff’s registered marks, without the consent or authorization of Plaintiff, constitutes intentional infringement. Defendants’ unauthorized use and alteration of Plaintiff’s registered trademarks is likely to cause confusion and mistake in the minds of the consuming public, and in particular, falsely creates the impression that goods offered by Defendants are authorized, sponsored, or approved by Plaintiff, when in fact they are not and have never been.

29. By reason of Defendants’ use of marks confusingly similar to Plaintiff’s registered trademarks, Defendants have infringed upon Plaintiff’s rights in the registered marks.

30. The good will and favorable reputation existing in Plaintiff’s marks is a valuable asset belonging to Plaintiff which does not lend itself to exact quantification but has substantial monetary value. The acts complained of herein have caused Plaintiff harm, and has the potential for inflicting substantially greater injury to Plaintiff’s trademarks and good will.

31. Plaintiff has suffered and continues to suffer irreparable harm and damage as a result of Defendants’ conduct set forth above, including a lessening of the good will residing in

Plaintiff's trademarks.

32. Defendants will, unless preliminarily and permanently enjoined, continue to act in the unlawful manner complained of herein, to Plaintiff's irreparable harm. Plaintiff does not have an adequate remedy at law to compensate it for the injuries suffered and threatened as a result of Defendants' conduct.

COUNT II

FALSE DESIGNATION OF ORIGIN – 15 U.S.C. § 1125(a)

33. Plaintiff realleges and incorporates the allegations set forth in paragraphs 1–25 above.

34. The ED HARDY trademarks are valuable assets belonging to Plaintiff. Defendants, with knowledge of Plaintiff's rights and interest in the ED HARDY marks, have improperly sought to exploit the goodwill associated with the ED HARDY marks, while engaging in competitive activities under which Defendants offer goods identical to those offered by Plaintiff under the ED HARDY marks.

35. Defendants have used the ED HARDY marks, or modifications thereof, in commerce, in connection with goods or services sold, marketed, distributed, and offered, and thus contain false designations of origin, and false and misleading descriptions of fact and false or misleading misrepresentations of fact, including the use of Plaintiff's distinctive marks and indicators of origin in a manner which is likely to cause confusion, mistake or deception, as to affiliation, connection, or association between Plaintiff and Defendants, or as to the origin, sponsorship, or approval of Defendants' goods or services by Plaintiff. Defendants' conduct misrepresents the nature, characteristics and qualities of the services and products offered by Defendants in a manner which is likely to cause confusion with the consuming public.

Defendants have undertaken this conduct with full knowledge of the falsities of such designations of origin to the detriment of Plaintiff.

36. As a result of the Defendants' false designations of origin and other misrepresentations of fact, Defendants are in violation of Section 43(a) of the Lanham Act. Plaintiff has suffered, and is continuing to suffer, irreparable harm and damage as a result of Defendants' activities alleged herein, including a lessening of the goodwill residing in the ED HARDY trademarks as an indicator of origin from Plaintiff.

37. Defendants will, unless preliminarily and permanently enjoined, continue to act in the unlawful manner complained of herein to Plaintiff's irreparable harm.

38. Plaintiff has no adequate remedy at law to compensate it for injuries suffered and threatened as a result of Defendants' continuing improper conduct.

COUNT III

TRADEMARK DILUTION – 15 U.S.C. § 1125(c)

39. Plaintiff realleges and incorporates the allegations set forth in paragraphs 1–25 above.

40. As set forth above, Plaintiff is the owner and senior user of the above-described ED HARDY marks.

41. The ED HARDY marks are distinctive, unique, valuable, well-known, and famous.

42. Defendants' conduct as set forth above is likely to injure the reputation enjoyed by the ED HARDY marks.

43. Defendants' intentional and knowing misuse of the ED HARDY marks as described above has diluted the distinctive quality, fame, reputation, and value associated with

ED HARDY marks, and/or has otherwise tarnished the image of the ED HARDY marks.

44. Defendants have willfully engaged in their illegal conduct with the intent to trade upon the reputation and good will of Plaintiff, and to cause dilution of the famous ED HARDY marks.

45. As a result of Defendants' improper conduct and dilution of the ED HARDY marks, Defendants are in violation of Section 43(c) of the Lanham Act. Plaintiff has suffered, and is continuing to suffer, irreparable harm and damage as a result of Defendants' activities alleged herein, including a lessening of the good will residing in the ED HARDY marks.

46. Defendants will, unless preliminarily and permanently enjoined, continue to act in the unlawful manner complained of herein to Plaintiff's irreparable harm.

47. Plaintiff has no adequate remedy at law to compensate for injuries suffered and threatened as a result of Defendants' continuing improper conduct.

COUNT IV

COMMON LAW UNFAIR COMPETITION

48. Plaintiff realleges and incorporates the allegations set forth in paragraphs 1-25 above.

49. Defendants' actions of infringement upon the ED HARDY marks for use in its competing enterprise, constitutes unlawful competition and unfair trade practice in that Defendants are attempting to palm off the goods or services which it sells or offers for sale as those of Plaintiff, and otherwise seeks to misappropriate and capitalize upon the goodwill residing in the ED HARDY marks.

50. Plaintiff has suffered and continues to suffer irreparable harm and damage as a result of Defendants' conduct, including a diversion of customers from Plaintiff to Defendants,

and a lessening of the goodwill residing in the ED HARDY marks.

51. Defendants will, unless preliminarily and permanently enjoined, continue to act in the unlawful manner complained of herein to Plaintiff's irreparable harm. Plaintiff has no adequate remedy at law to compensate it for injuries suffered and threatened as a result of Defendants' conduct.

COUNT V

**VIOLATION OF FLORIDA'S DECEPTIVE AND
UNFAIR TRADE PRACTICES ACT**

52. Plaintiff realleges and incorporates the allegations set forth in paragraph 1-25 above.

53. This claim arises under Fla. Stat. §501.201 et seq. based upon the above alleged wrong doing, Defendants have violated Florida Statute §501.204 by using unfair methods of competition in the conduct of trade or commerce by: deceptively using and copying the ED HARDY marks; engaging in unfair and deceptive acts which diminish the value of goods or services sold and offered by Plaintiff and purchased by consumers in the market place; marketing Defendants' products or services as if they were affiliated with, approved by, sponsored, or authorized by Plaintiff; passing off Defendants' products to consumers as if they were Plaintiff's products; and misleading the public as to the nature and quality of Defendants' products by improperly suggesting a relationship with Plaintiff.

54. Plaintiff has suffered, and continues to suffer irreparable harm and damage as a result of Defendants' conduct alleged above, including a lessening of the good will residing in the ED HARDY marks.

55. Defendants will, unless preliminarily and permanently restrained and enjoined, continue to act in a lawful manner complained of herein, to Plaintiff's irreparable harm.

56. Plaintiff has no adequate remedy at law to compensate it for injuries suffered and threatened as a result of Defendants' conduct.

WHEREFORE, Plaintiff, HARDY WAY, LLC, respectfully requests that the Court grant it the following relief:

(a) Preliminary and permanent injunctive relief enjoining Defendants, their officers, directors, owners, agents, servants, employees, attorneys, representatives, successors and assigns, and all other persons, firms, or entities acting in concert or participation with Defendants from selling, displaying, manufacturing, marketing, possessing or otherwise attempting to pass-off any product as a genuine ED HARDY product;

(b) Judgment for compensatory and actual damages under the Lanham Act, Florida's Deceptive and Unfair Trade Practices Act and common law, and treble damages for Defendants' counterfeiting and intentional infringement.

(c) An award of pre-judgment interest, attorney's fees, and reasonable costs incurred in connection with this case; and

(d) Such other relief as the Court deems just and proper.

DATED this 19th day of January 2010.

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