

JUDGE KAPLAN

09 CV 8329

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

COACH SERVICES, INC., a Maryland Corporation,

Plaintiff,

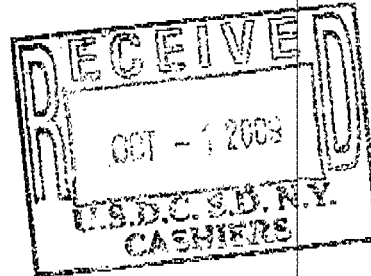
-vs-

TARGET CORPORATION, a Minnesota Corporation; DOES 1-10, inclusive,

Defendants.

Civil Action No.

COMPLAINT FOR DAMAGES
[DEMAND FOR JURY TRIAL]



Plaintiff Coach Services, Inc. for its claims against Defendant Target Corporation respectfully allege as follows:

JURISDICTION AND VENUE

1. Plaintiff filed this action against Defendant for trade dress infringement and unfair competition pursuant to Section 43(a) of the Lanham Act. This Court has subject matter jurisdiction over said claims pursuant to 28 U.S.C. 1331.

2. This Court has personal jurisdiction over Defendant because Defendant conducts business and operates retail stores in the Southern District of New York.

3. This action arises out of wrongful acts, including advertising, offering for sale, selling and distributing products by Defendant within this judicial district. Venue is proper in this district pursuant to 28 U.S.C. §1391 because the claims asserted arise in this district.

THE PARTIES

4. Plaintiff Coach Services, Inc. is a corporation organized and existing under the laws of the state of Maryland with an office and principal place of business in New York, New York.

5. Upon information and belief, Defendant Target Corporation is a corporation organized and existing under the laws of the state of Minnesota.

6. Plaintiff is unaware of the names and true capacities of Defendants, whether individual, corporate and/or partnership entities, named herein as DOES 1 through 10, inclusive, and therefore sues them by their fictitious names. Plaintiff will seek leave to amend this complaint when their true names and capacities are ascertained. Plaintiff is informed and believes and based thereon alleges that said Defendants and DOES 1 through 10, inclusive, are in some manner responsible for the wrongs alleged herein, and that at all times referenced each was the agent and servant of the other Defendants and was acting within the course and scope of said agency and employment.

7. Plaintiff is informed and believe, and based thereon allege, that at all relevant times herein, Defendant and DOES 1 through 10, inclusive, knew or reasonably should have known of the acts and behavior alleged herein and the damages caused thereby, and by their inaction ratified and encouraged such acts and behavior. Plaintiff further alleges that Defendant and DOES 1 through 10, inclusive, have a non-delegable duty to prevent or cause such acts and the behavior described herein, which duty Defendant and DOES 1 though 10, inclusive, failed and/or refused to perform.

NATURE OF ACTION

8. This is an action at law and equity for trade dress infringement, dilution, injury to business reputation, unfair competition, and deceptive trade practices, arising under the Lanham Act, 15 U.S.C. §§ 1051, et seq.; and for injury to business reputation under New York General Business Law § 360-1; and for common law unfair competition.

ALLEGATIONS COMMON TO ALL CAUSES OF ACTION

9. Coach was founded more than sixty years ago as a family-run workshop in a Manhattan loft. Since that time, Coach has been engaged in the manufacture, marketing, and sale of fine leather and mixed material products including handbags, wallets, travel cases, briefcases, planners and diaries, leather goods, watches, eyewear, footwear, apparel, and accessories.

10. Coach Services, Inc., Coach, Inc.'s wholly owned subsidiary, is the worldwide owner of the trademark "COACH" and various composite trademarks and assorted design components ("Coach Marks").

A. Coach's "ERGO" Designs

11. In 2008, Coach launched its "ERGO" Collection of handbags ("ERGO Designs"). Attached hereto and incorporated herein as **Exhibit 1** is a photograph of Coach's ERGO Foldover handbag.

12. The ERGO Designs are distinctive and nonfunctional.

13. Coach has achieved high sales volume from the ERGO Designs. As such, the Ergo Designs and the goodwill associated therewith are valuable assets of Coach.

14. Coach has expended millions of dollars in advertising, promoting, and marketing the ERGO Designs.

15. Various celebrities have been known to use handbags from Coach's ERGO Collection.

16. Due to Coach's extensive sales, and significant advertising and promotional activities, the ERGO Designs have achieved widespread acceptance and recognition among the consuming public and the trade throughout the United States. The arbitrary and distinctive ERGO Designs identify Coach as the source/origin of the goods on which it appears.

B. Coach's Signature Patchwork Designs

17. Amongst the many Coach Marks, one of the most well known and recognized mark is Coach's Signature "C" logo. Coach has used the Signature "C" logo in association with the sale of goods since as early as 2001. The Signature "C" logo was first registered at the U.S. Patent and Trademark Office on September 24, 2002. Registrations for the Signature "C" logo include, but are not limited to U.S. Reg. Nos. 2,626,565; 2,822,318; and 2,832,589.

18. In 2008, Coach introduced its Signature Patchwork line of handbags, which consisted of overlays of patches in different fabrics and designs combined with patches of fabric consisting of repetitions of the Signature "C" logo ("Signature Patchwork

Designs”) Attached hereto and incorporated herein as **Exhibit 2** are photographs of Coach handbags bearing the Signature Patchwork Designs.

19. Coach’s Signature Patchwork Designs are distinctive and nonfunctional.

20. Coach has achieved high sales volume from the Signature Patchwork Designs. As such, the Signature Patchwork Designs and the goodwill associated therewith are valuable assets of Coach.

21. Coach has expended millions of dollars in advertising, promoting, and marketing the Signature Patchwork Designs.

22. Due to Coach’s extensive sales, and significant advertising and promotional activities, the Signature Patchwork Designs have achieved widespread acceptance and recognition among the consuming public and the trade throughout the United States. The arbitrary and distinctive Signature Patchwork Designs identify Coach as the source/origin of the goods on which it appears.

C. Target’s Infringement of Coach’s Designs

23. In or around the summer of 2009, Coach discovered that Target had been advertising, distributing, offering for sale, and/or selling handbags bearing exact and/or confusingly similar reproductions of Coach’s ERGO Designs and Signature Patchwork Designs. Attached hereto and incorporated herein as **Exhibit 3** are photographs of the products at issue obtained from Target.

24. Target is not authorized by Coach to manufacture, distribute, advertise, offer for sale, and/or sell merchandise bearing the ERGO Designs or the Signature Patchwork Designs or designs confusingly similar thereto.

FIRST CLAIM FOR RELIEF

(Trade Dress Infringement – 15 U.S.C. § 1125(a))

25. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.

26. Coach’s ERGO Designs and Signature Patchwork Designs are nonfunctional and their inherently distinctive quality have achieved a high degree of consumer recognition and serve to identify Coach as the source of high quality goods.

27. Defendant's unauthorized use of Coach's ERGO Designs and Signature Patchwork Designs on its merchandise in interstate commerce and advertising relating to same constitutes false designation of origin and a false representation that the goods and services are manufactured, offered, sponsored, authorized, licensed by or otherwise connected with Plaintiff or come from the same source as Plaintiff's goods when in fact they do not.

28. Defendant's use of Coach's ERGO Designs and Signature Patchwork Designs is without Plaintiff's permission or authority and in total disregard of Plaintiff's rights to control its trademarks.

29. Defendant's use of Coach's ERGO Designs and Signature Patchwork Designs are likely to lead to and result in confusion, mistake or deception, and are likely to cause the public to believe that Plaintiff has produced, sponsored, authorized, licensed or is otherwise connected or affiliated with Defendant's commercial and business activities, all to the detriment of Plaintiff.

30. Plaintiff has no adequate remedy at law.

31. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Coach's ERGO Designs and Signature Patchwork Designs, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

SECOND CLAIM FOR RELIEF

(Trademark Dilution 15 U.S.C. § 1125(c))

32. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.

33. Coach's ERGO Designs and Signature Patchwork Designs are "famous" within the meaning of the Lanham Act.

34. Defendant has used in commerce in connection with the sale of their products confusingly similar reproductions of Coach's ERGO Designs and Signature Patchwork Designs.

35 Defendant's acts are likely to cause, and most likely have caused, confusion or mistake as to the affiliation, connection, or association between Defendant and Plaintiff, or as to the origin, sponsorship, or approval of said infringing goods.

36. Defendant's acts described above have diluted and continue to dilute Plaintiff's unique and distinctive trademarks. These acts violate the Lanham Act, have injured and, unless immediately restrained, will continue to injure Plaintiff, causing damage to Plaintiff in an amount to be determined at trial, as well as irreparable injury to Plaintiff's goodwill and reputation associated with the value of Plaintiff's trademarks.

37. Upon information and belief, Defendant's unlawful actions began long after Coach's ERGO Designs and Signature Patchwork Designs became famous.

38. Upon information and belief, Defendant acted knowingly, deliberately and willfully with the intent to trade on Plaintiff's reputation and to dilute Coach's ERGO Designs and Signature Patchwork Designs. Defendant's conduct is willful, wanton and egregious.

39. Plaintiff has no adequate remedy at law to compensate it fully for the damages that have been caused and which will continue to be caused by Defendant's unlawful acts, unless they are enjoined by this Court.

40. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Coach's ERGO Designs and Signature Patchwork Designs, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

THIRD CLAIM FOR RELIEF

(Unfair Competition)

41. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.

42. Coach's ERGO Designs and Signature Patchwork Designs are nonfunctional and their inherently distinctive quality have achieved a high degree of consumer recognition and serve to identify Coach as the source of high quality goods.

43. Defendant's use of Coach's ERGO Designs and Signature Patchwork Designs are likely to lead to and result in confusion, mistake or deception, and are likely to cause the public to believe that Plaintiff has produced, sponsored, authorized, licensed or is otherwise connected or affiliated with Defendant's commercial and business activities, all to the detriment of Plaintiff.

44. Defendant's unauthorized use of Coach's ERGO Designs and Signature Patchwork Designs on its merchandise in interstate commerce and advertising relating to same constitutes false designation of origin and a false representation that the goods and services are manufactured, offered, sponsored, authorized, licensed by or otherwise connected with Plaintiff or come from the same source as Plaintiff's goods when in fact they do not.

45. Defendant's activities have caused, and unless enjoined by this Court, will continue to cause a likelihood of confusion and deception of members of the trade and public and, additionally, injury to Plaintiff's goodwill and reputation as symbolized by the ERGO Designs and Signature Patchwork Designs.

46. Upon information and belief, Defendant acted knowingly, deliberately and willfully with the intent to trade on Plaintiff's reputation and to dilute Coach's ERGO Designs and Signature Patchwork Designs. Defendant's conduct is willful, wanton and egregious.

47. Plaintiff has no adequate remedy at law to compensate it fully for the damages that have been caused and which will continue to be caused by Defendant's unlawful acts, unless they are enjoined by this Court.

48. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Coach's ERGO Designs and Signature Patchwork Designs, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

FOURTH CLAIM FOR RELIEF

(Injury to Business Reputation – NY General Business Law § 360-1)

49. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.

50. Due to Coach's extensive sales, and significant advertising and promotional activities, the ERGO Designs and Signature Patchwork Designs have achieved widespread acceptance and recognition among the consuming public and the trade throughout the United States.

51. The arbitrary and distinctive ERGO Designs and Signature Patchwork Designs identify Coach as the source/origin of the goods on which it appears.

52. Defendant has caused and will continue to cause irreparable injury to Plaintiff's good will and business reputation, in violation of New York, General Business Law § 360-1 (2003).

53. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Coach's ERGO Designs and Signature Patchwork Designs, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

FIFTH CLAIM FOR RELIEF

(Common Law Trade Dress Infringement and Unfair Competition)

54. Plaintiff incorporates herein by reference the averments of the preceding paragraphs as though fully set forth herein.

55. Defendant's acts constitute common law trade dress infringement and unfair competition, and have caused and will continue to cause, unless restrained by this Court, a likelihood of confusion to the irreparable injury of Plaintiff.

56. Upon information and belief, Defendant acted knowingly, deliberately and willfully with the intent to trade on Plaintiff's reputation and to dilute Coach's ERGO Designs and Signature Patchwork Designs. Defendant's conduct is willful, wanton and egregious.

57. In light of the foregoing, Plaintiff is entitled to injunctive relief prohibiting Defendant from using Coach's ERGO Designs and Signature Patchwork Designs, and to recover all damages, including attorneys' fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained by Defendant as a result of their infringing acts alleged above in an amount not yet known, and the costs of this action.

58. The conduct herein complained of was extreme, outrageous, fraudulent, and was inflicted on Plaintiff in reckless disregard of Plaintiff's rights. Said conduct was despicable and harmful to Plaintiff and as such supports an award of exemplary and punitive damages in an amount sufficient to punish and make an example of the Defendants and to deter them from similar such conduct in the future.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Coach Services, Inc. respectfully prays that this Court enter judgment in its favor and against Defendant Target Corporation as follows:

A. Defendant, its agents, servants, employees, officers, associates, attorneys, and all persons acting by, through, or in concert with any of them, are hereby temporarily, preliminarily, and permanently enjoined from using any of Coach's ERGO Designs and Signature Patchwork Designs or any other designs which are identical and/or confusingly similar thereto, including, but not limited to:

(a) committing any other act which falsely represents or which has the effect of falsely representing that the goods and services of Defendant is licensed by, authorized by, offered by, produced by, sponsored by, or in any other way associated with Plaintiff;

(b) otherwise infringing Plaintiff's registered and common law family of Coach Marks and designs;

(c) otherwise diluting Plaintiff's family of Coach Marks and designs;
and

(d) unfairly competing with Plaintiff.

B. Awarding actual damages suffered by Plaintiff as a result of Defendant's acts;

C. Ordering an accounting and disgorgement by Defendants of all gains, profits and advantages derived from their wrongful acts pursuant to 15 U.S.C. § 1117(a);

D. Awarding Plaintiff all of Defendant's profits and all damages sustained by Plaintiff as a result of Defendant's wrongful acts, and such other compensatory damages as the Court determines to be fair and appropriate pursuant to 15 U.S.C. § 1117(a);

E. Awarding treble damages in the amount of Defendant's profits or Plaintiff's damages, whichever is greater, for willful infringement pursuant to 15 U.S.C. § 1117(b);

F. Awarding applicable interest, costs, disbursements and attorneys' fees, pursuant to 15 U.S.C. § 1117(b);

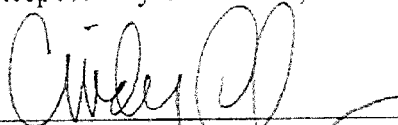
G. Awarding Plaintiff statutory damages pursuant to 15 U.S.C. § 1117(c);

H. Awarding Plaintiff punitive damages in connection with its claims under New York state law;

I. Awarding Plaintiff such other and further relief as the Court deems just and proper.

Dated: September 28, 2009
Los Angeles, California

Respectfully Submitted,



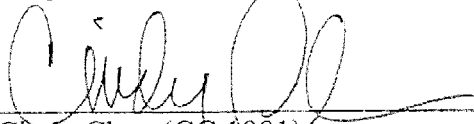
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DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff Coach Services, Inc. hereby demands a trial by jury of all claims in this litigation.

Dated: September 28, 2009
Los Angeles, California

Respectfully Submitted,



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