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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10
11 DECKERS OUTDOOR)
CORPORATION, a Delaware)
12 Corporation,)
13 Plaintiff,)
14 v.)
15 J.C. PENNEY COMPANY, INC., a)
Delaware Corporation; and DOES 1-10,)
16 inclusive,)
17 Defendants.)

CASE NO. 14-CV-02565-ODW (MANx)
**PLAINTIFF’S FIRST AMENDED
COMPLAINT FOR DAMAGES AND
EQUITABLE RELIEF:**
1. TRADE DRESS INFRINGEMENT;
**2. FALSE DESIGNATIONS OF
ORIGIN AND FALSE
DESCRIPTIONS;**
**3. FEDERAL UNFAIR
COMPETITION;**
4. PATENT INFRINGEMENT;
**5. UNFAIR COMPETITION UNDER
CALIFORNIA COMMON LAW**

JURY TRIAL DEMANDED

23 **Plaintiff Deckers Outdoor Corporation** for its claims against **Defendant J.C.**
24 **Penney Company, Inc.**, respectfully alleges as follows:

25 **JURISDICTION AND VENUE**

26 1. Plaintiff files this action against Defendant for trade dress infringement
27 and unfair competition under the Lanham Trademark Act of 1946, 15 U.S.C. §1051 et
28 seq. (the “Lanham Act”), patent infringement arising under the patent laws of the

1 United States, and for related claims of unfair competition under the statutory and
2 common law of the state of California. This Court has subject matter jurisdiction over
3 the claims alleged in this action pursuant to 28 U.S.C. §§ 1331, 1338.

4 2. This Court has personal jurisdiction over Defendant because Defendant
5 does business within this judicial district.

6 3. This action arises out of wrongful acts by Defendant within this judicial
7 district and Plaintiff is located and has been injured in this judicial district by
8 Defendant's alleged wrongful acts. Venue is proper in this district pursuant to 28
9 U.S.C. § 1391 because the claims asserted arise in this district.

10 **THE PARTIES**

11 4. Plaintiff Deckers Outdoor Corporation ("Deckers") is a corporation
12 organized and existing under the laws of the state of Delaware with an office and
13 principal place of business in Goleta, California. Deckers designs and markets
14 footwear identified by its famous UGG® trademark and other famous trademarks.

15 5. Upon information and belief, Defendant J.C. Penney Company, Inc. ("JC
16 Penney") is a corporation duly organized and existing under the laws of the state of
17 Delaware with an office and principal place of business at 6501 Legacy Drive, Plano,
18 Texas 75024.

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

1 7. Plaintiff is informed and believes, and based thereon alleges, that at all
2 relevant times herein, Defendant and DOES 1 through 10, inclusive, knew or
3 reasonably should have known of the acts and behavior alleged herein and the damages
4 caused thereby, and by their inaction ratified and encouraged such acts and behavior.
5 Plaintiff further alleges that Defendant and DOES 1 through 10, inclusive, have a non-
6 delegable duty to prevent or not further such acts and the behavior described herein,
7 which duty Defendant and DOES 1 though 10, inclusive, failed and/or refused to
8 perform.

9 **ALLEGATIONS COMMON TO ALL CAUSES OF ACTION**

10 **A. Deckers' UGG® Brand, Bailey Button Boot Trade Dress and Bailey**
11 **Button Design Patents**

12 8. Deckers has become well known throughout the United States and
13 elsewhere as a source of high quality footwear products identified at least by its
14 UGG® brand of premium footwear.

15 9. Deckers' UGG® products are distributed and sold to consumers through
16 retailers throughout the United States at point of sale and on the Internet, including
17 through its website www.uggaustralia.com.

18 • Some of the more widely recognized styles within the UGG® family of
19 sheepskin boots are the "Bailey Button" styles. The Bailey Button styles are
20 characterized substantially by the following primary features in combination as shown
21 below:

- 22 • Classic suede boot styling made famous by the UGG® brand;
- 23 • Overlapping of front and rear panels on the lateral side of the boot shaft;
- 24 • Curved top edges on the overlapping panels;
- 25 • Exposed fleece-type lining edging the overlapping panels and top of the
26 boot shaft; and
- 27 • One or more buttons (depending on the height of the boot) prominently
28 featured on the lateral side of the boot shaft adjacent the overlapping panels

1 (hereinafter “Bailey Button Boot Trade Dress”).



9 10. The Bailey Button Boot Trade Dress was an original design by Deckers
10 and the key elements thereof are non-functional and serve primarily to identify
11 Deckers and its UGG® brand as its source.

12 11. Since 1978, when the UGG® Brand was founded, the popularity of
13 UGG® boots has steadily grown across the nation and even the globe. The UGG®
14 Brand has always been and remains highly coveted by consumers. This commitment
15 to quality has helped to propel the UGG® Brand to its current, overwhelming level of
16 popularity and cemented its status as a luxury brand.

17 12. It has now been fourteen years since UGG® boots were first featured on
18 Oprah’s Favorite Things® in the year 2000, and Oprah emphatically declared on
19 national television how much she “LOOOOOVES her UGG boots.” The popularity of
20 UGG® Brand footwear has grown exponentially since then with celebrities including
21 Kate Hudson and Sarah Jessica Parker among myriad others regularly donning them.
22 UGG® sheepskin boots have become a high fashion luxury item and can be found on
23 fashion runways around the world.

24 13. Introduced in 2009, the Bailey Button Boot Trade Dress has continuously
25 appeared on UGG® boots, which have been featured on Deckers’ advertising and
26 promotional materials as well as in the trade publications set forth above. Deckers has
27 extensively used and promoted the Bailey Button Boot Trade Dress such that it is
28 closely identified with the UGG® brand and has gained widespread public recognition.

1 14. Deckers has spent substantial time, effort, and money in designing,
2 developing, advertising, promoting, and marketing its line of footwear embodying the
3 Bailey Button Boot Trade Dress. Deckers' efforts have been successful and Deckers
4 has sold a substantial amount of UGG® boots bearing the Bailey Button Boot Trade
5 Dress.

6 15. Due to its long use, extensive sales, and significant advertising and
7 promotional activities, Deckers' Bailey Button Boot Trade Dress has achieved
8 widespread acceptance and recognition among the consuming public and trade
9 throughout the United States.

10 16. Many of Deckers' UGG® footwear designs, including those with the
11 Bailey Button Boot Trade Dress, are also protected by design patents issued by the
12 United States Patent and Trademark Office. Design Patents for UGG® Bailey Button
13 Boot styles include, but are not limited to, U.S. Patent Nos. D599,999 for the "Bailey
14 Button Single" boot (registered on September 15, 2009) and D616,189 for the "Bailey
15 Button Triplet" boot (registered on May 25, 2010) (hereinafter "Bailey Button Design
16 Patents"). Attached hereto and incorporated herein as Exhibit 1 are true and correct
17 copies of the Bailey Button Design Patents.

18 17. Deckers is the lawful assignee of all right, title, and interest in and to the
19 Bailey Button Design Patents.

20 **B. Defendant's Infringement of the Bailey Button Boot Trade Dress and**
21 **Bailey Button Design Patents**

22 18. Upon information and belief, Defendant JC Penney is a national
23 department store retail chain engaged in the sale of various consumer products,
24 including apparel, home furnishings, and footwear.

25 19. Upon information and belief, Plaintiff hereon avers that Defendant JC
26 Penney has manufactured, designed, advertised, marketed, distributed, offered for sale,
27 and/or sold various styles of knock-off UGG boots, including those that infringe upon
28

1 Plaintiff's Bailey Button Boot Trade Dress and Bailey Button Design Patents
2 ("Infringing Products"), exemplars of which are shown in Exhibit 2 attached hereto.

3 20. Upon information and belief, Defendant JC Penney may have sold
4 products in addition to those depicted in Exhibit 2 which infringe upon Plaintiff's
5 Bailey Button Boot Trade Dress and Bailey Button Design Patents. Plaintiff may seek
6 leave to amend as additional information becomes available through discovery.

7 21. Upon information and belief, Defendant JC Penney operates over 1,100
8 J.C. Penney retail stores nationwide, including within this judicial district.

9 Furthermore, consumers nationwide can purchase goods, including Infringing
10 Products, from JC Penney through its website - www.jcpenney.com.

11 22. Deckers has not granted a license or any other form of permission to
12 Defendant with respect to the Bailey Button Boot Trade Dress and/or the Bailey
13 Button Design Patents.

14 23. Given the widespread popularity and recognition of Deckers' Bailey
15 Button styles, Plaintiff avers and hereon alleges that Defendant had knowledge of
16 Deckers' rights to the Bailey Button Boot Trade Dress and its Bailey Button Design
17 Patents thereto and has intentionally utilized said Bailey Button styles on its own brand
18 of products in an effort to pass them off as if they originated, are associated with, are
19 affiliated with, are sponsored by, are authorized by, and/or are approved by Deckers.

20 24. Deckers is informed and believes and hereon alleges that Defendant is a
21 competitor and has copied Deckers' Bailey Button Boot Trade Dress and/or Bailey
22 Button Design Patents in an effort to exploit Deckers' reputation in the market.

23 25. Deckers is informed and believes and hereon alleges that Defendant has
24 acted in bad faith and that Defendant's acts have misled and confused and were
25 intended to cause confusion, or to cause mistake, or to deceive as to the affiliation,
26 connection, or association of Defendant's Infringing Products with Deckers, or as to
27 the origin, sponsorship, or approval of Defendant's Infringing Products by Deckers.

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1 26. Deckers is informed and believes and hereon alleges that Defendant has
2 continued its infringing activities since being put on notice of Deckers’ rights to the
3 Bailey Button Boot Trade Dress and Bailey Button Design Patents.

4 **FIRST CLAIM FOR RELIEF**
5 **(Trade Dress Infringement)**

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

8 28. Elements of Plaintiff’s Bailey Button Boot Trade Dress are nonfunctional
9 and its inherently distinctive quality has achieved a high degree of consumer
10 recognition and serves to identify Plaintiff as the source of high-quality goods.

11 29. The Bailey Button Boot Trade Dress is of such a unique and unusual
12 quality that a customer would immediately rely on said design to differentiate the
13 source of goods.

14 30. Furthermore, the Bailey Button Boot Trade Dress has been featured in
15 connection with various celebrities, has received a large volume of unsolicited media
16 attention, and has graced the pages of many popular magazines nationwide and
17 internationally.

18 31. The Infringing Products produced, distributed, advertised and offered for
19 sale by Defendant bear nearly identical reproductions of the Bailey Button Boot Trade
20 Dress, such as to cause a likelihood of confusion as to the source, sponsorship or
21 approval of Defendant’s products.

22 32. Defendant’s unauthorized use of Plaintiff’s Bailey Button Boot Trade
23 Dress on its merchandise in interstate commerce and advertising relating to same
24 constitutes false designation of origin and a false representation that the goods and
25 services are manufactured, offered, sponsored, authorized, licensed by or otherwise
26 connected with Plaintiff or come from the same source as Plaintiff’s goods when, in
27 fact, they do not.

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1 33. Defendant's use of Plaintiff's Bailey Button Boot Trade Dress is without
2 Plaintiff's permission or authority and in total disregard of Plaintiff's rights to control
3 its trademarks.

4 34. Defendant's use of Plaintiff's Bailey Button Boot Trade Dress is likely to
5 lead to and result in confusion, mistake or deception, and is likely to cause the public
6 to believe that Defendant's products are produced, sponsored, authorized, or licensed
7 by or that are otherwise connected or affiliated with Plaintiff, all to the detriment of
8 Plaintiff.

9 35. Plaintiff has no adequate remedy at law.

10 36. In light of the foregoing, Plaintiff is entitled to injunctive relief
11 prohibiting Defendant from using Plaintiff's Bailey Button Boot Trade Dress, or any
12 designs confusingly similar thereto, and to recover all damages, including attorneys'
13 fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages
14 obtained by Defendant as a result of its infringing acts alleged above in an amount not
15 yet known, as well as the costs of this action.

16 **SECOND CLAIM FOR RELIEF**

17 **(False Designations of Origin and False Descriptions)**

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

20 38. Elements of Plaintiff's Bailey Button Boot Trade Dress are nonfunctional
21 and their inherently distinctive quality has achieved a high degree of consumer
22 recognition and serves to identify Plaintiff as the source of high-quality goods.

23 39. The Infringing Products produced, distributed, advertised and offered for
24 sale by Defendant bear exact and/or confusingly similar reproductions of the Bailey
25 Button Boot Trade Dress elements, such as to cause a likelihood of confusion between
26 Defendant's products and Plaintiff's products.

27 40. The design of Defendant's Infringing Products is substantially the same as
28 Plaintiff's Bailey Button Boot Trade Dress.

1 41. Defendant's unauthorized use of Plaintiff's Bailey Button Boot Trade
2 Dress on merchandise in interstate commerce and advertising relating to same
3 constitutes false designation of origin and a false representation that the goods are
4 manufactured, offered, sponsored, authorized, licensed by or otherwise connected with
5 Plaintiff or come from the same source as Plaintiff's goods when, in fact, they do not.

6 42. Defendant's use of Plaintiff's Bailey Button Boot Trade Dress is without
7 Plaintiff's permission or authority and in total disregard of Plaintiff's rights to control
8 its intellectual property.

9 43. Defendant's activities are likely to lead to and result in confusion, mistake
10 or deception, and are likely to cause the public to believe that Plaintiff has produced,
11 sponsored, authorized, licensed or is otherwise connected or affiliated with
12 Defendant's commercial and business activities, all to the detriment of Plaintiff.

13 44. Plaintiff has no adequate remedy at law.

14 45. In light of the foregoing, Plaintiff is entitled to injunctive relief
15 prohibiting Defendant from using Plaintiff's Bailey Button Boot Trade Dress, or any
16 designs confusingly similar thereto, and to recover all damages, including attorneys'
17 fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages
18 obtained by Defendant as a result of its infringing acts alleged above in an amount not
19 yet known, as well as the costs of this action.

20 **THIRD CLAIM FOR RELIEF**

21 **(Federal Unfair Competition)**

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

24 47. Plaintiff owns all rights, title, and interest in and to the Bailey Button
25 Boot Trade Dress.

26 48. Plaintiff's Bailey Button Boot Trade Dress is nationally recognized,
27 including within the Central District of California, as being affixed to goods and
28 merchandise of the highest quality and coming from Plaintiff.

1 49. The Infringing Products produced, distributed, advertised and offered for
2 sale by Defendant bear exact reproductions of the Bailey Button Boot Trade Dress
3 elements, such as to cause a likelihood of confusion between Defendant's products and
4 Plaintiff's products.

5 50. Defendant's unauthorized use of Plaintiff's Bailey Button Boot Trade
6 Dress on merchandise that do not meet Plaintiff's standards of quality in interstate
7 commerce and advertising relating to same constitutes false designation of origin and a
8 false representation that the goods and services are manufactured, offered, sponsored,
9 authorized, licensed by or otherwise connected with Plaintiff or come from the same
10 source as Plaintiff's goods and are of the same quality as that assured by Plaintiff's
11 Bailey Button Boot Trade Dress.

12 51. Defendant's use of Plaintiff's Bailey Button Boot Trade Dress elements is
13 without Plaintiff's permission or authority and in total disregard of Plaintiff's rights to
14 control its trade dress and designs.

15 52. Defendant's activities are likely to lead to and result in confusion, mistake
16 or deception, and are likely to cause the public to believe that Plaintiff has produced,
17 sponsored, authorized, licensed or is otherwise connected or affiliated with
18 Defendant's commercial and business activities, all to the detriment of Plaintiff.

19 53. Upon information and belief, Defendant's acts are deliberate and intended
20 to confuse the public as to the source of Defendant's goods or services and to injure
21 Plaintiff and reap the benefits of the good will associated with Plaintiff's Bailey Button
22 Boot Trade Dress.

23 54. As a direct and proximate result of Defendant's willful and unlawful
24 conduct, Plaintiff has been injured and will continue to suffer injury to its business and
25 reputation unless Defendant is restrained by this Court from infringing on Plaintiff's
26 Bailey Button Boot Trade Dress.

27 55. Plaintiff has no adequate remedy at law.
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1 56. In light of the foregoing, Plaintiff is entitled to injunctive relief
2 prohibiting Defendant from using Plaintiff’s Bailey Button Boot Trade Dress, or any
3 designs confusingly similar thereto, and to recover all damages, including attorneys’
4 fees, that Plaintiff has sustained and will sustain, and all gains, profits and advantages
5 obtained by Defendant as a result of its infringing acts alleged above in an amount not
6 yet known, as well as the costs of this action.

7 **FOURTH CLAIM FOR RELIEF**

8 **(Patent Infringement – 35 U.S.C. § 271)**

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

11 58. Plaintiff Deckers Outdoor Corporation is the owner by assignment of all
12 right, title and interest in and to the Bailey Button Design Patents.

13 59. Defendant has knowingly and intentionally manufactured, caused to be
14 produced, distributed, advertised, marketed, offered for sale, and/or sold footwear that
15 is substantially similar to the Bailey Button Design Patents in direct violation of 35
16 U.S.C. § 271.

17 60. Defendant’s use of the Bailey Button Design Patents is without Plaintiff’s
18 permission or authority and is in total disregard of Plaintiff’s right to control its
19 intellectual property.

20 61. As a direct and proximate result of Defendant’s infringing conduct,
21 Plaintiff has been injured and will continue to suffer injury to its business and
22 reputation unless Defendant is restrained by this Court from infringing Plaintiff’s
23 Bailey Button Design Patents.

24 62. Defendant’s acts have damaged and will continue to damage Plaintiff, and
25 Plaintiff has no adequate remedy at law.

26 63. **On information and belief, Defendant’s acts herein complained of**
27 **constitute willful acts and intentional infringement** of the Bailey Button Design
28 Patents.

1 on Plaintiff's goodwill associated therewith for Defendant's own pecuniary gain.
2 Plaintiff has expended substantial time, resources and effort to obtain an excellent
3 reputation for the Plaintiff brand. As a result of Plaintiff's efforts, Defendant is now
4 unjustly enriched and is benefiting from property rights that rightfully belong to
5 Plaintiff.

6 71. Defendant's unauthorized use of Plaintiff's Bailey Button Boot Trade
7 Dress and Bailey Button Design Patents has caused and is likely to cause confusion as
8 to the source of Defendant's products, all to the detriment of Plaintiff.

9 72. Defendant's acts are willful, deliberate, and intended to confuse the public
10 and to injure Plaintiff.

11 73. Plaintiff has no adequate remedy at law to compensate it fully for the
12 damages that have been caused and which will continue to be caused by Defendant's
13 infringing conduct, unless it is enjoined by this Court.

14 74. The conduct herein complained of was extreme, outrageous, and was
15 inflicted on Plaintiff in reckless disregard of Plaintiff's rights. Said conduct was
16 despicable and harmful to Plaintiff and as such supports an award of exemplary and
17 punitive damages in an amount sufficient to punish and make an example of
18 Defendant, and to deter it from similar such conduct in the future.

19 75. In light of the foregoing, Plaintiff is entitled to injunctive relief
20 prohibiting Defendant from infringing the Bailey Button Boot Trade Dress and Bailey
21 Button Design Patents, and to recover all damages, including attorneys' fees, that
22 Plaintiff has sustained and will sustain, and all gains, profits and advantages obtained
23 by Defendant as a result of its infringing acts alleged above in an amount not yet
24 known, and the costs of this action.

25 **PRAYER FOR RELIEF**

26 WHEREFORE, Plaintiff Deckers Outdoor Corporation respectfully prays for
27 judgment against Defendant, as follows:

1 1. A Judgment that Defendant has infringed Deckers' Bailey Button Design
2 Patents in violation of 35 U.S.C. § 271 as well as Deckers' Bailey Button Boot Trade
3 Dress in violation of 15 U.S.C. § 1125 and that Defendant's infringement was willful;

4 2. An order granting temporary, preliminary and permanent injunctive relief
5 restraining and enjoining Defendant, its agents, servants, employees, officers,
6 associates, attorneys, and all persons acting by, through, or in concert with any of
7 them, are hereby temporarily, preliminarily, and permanently enjoined from using
8 Plaintiff's Bailey Button Boot Trade Dress, or any designs confusingly similar thereto,
9 including, but not limited to:

10 a. manufacturing, importing, advertising, marketing, promoting,
11 supplying, distributing, offering for sale, or selling the Infringing Products or any other
12 products which bear Plaintiff's Bailey Button Boot Trade Dress or any designs
13 confusingly similar thereto and/or products bearing designs that infringe upon the
14 Bailey Button Design Patents and/or the overall appearance thereof;

15 b. engaging in any other activity constituting unfair competition with
16 Plaintiff, or acts and practices that deceive consumers, the public, and/or trade,
17 including without limitation, the use of designations and design elements used or
18 owned by or associated with Plaintiff; and

19 c. committing any other act which falsely represents or which has the
20 effect of falsely representing that the goods and services of Defendant is licensed by,
21 authorized by, offered by, produced by, sponsored by, or in any other way associated
22 with Plaintiff;

23 3. Ordering Defendant to recall from any distributors and retailers and to
24 deliver to Plaintiff for destruction or other disposition all remaining inventory of all
25 Infringing Products and related items, including all advertisements, promotional and
26 marketing materials therefore, as well as means of making same;

27
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1 4. Ordering Defendant to file with this Court and serve on Plaintiff within
2 thirty (30) days after entry of the injunction a report in writing, under oath setting forth
3 in detail the manner and form in which Defendant has complied with the injunction;

4 5. Ordering an accounting by Defendant of all gains, profits and advantages
5 derived from its wrongful acts;

6 6. Awarding Plaintiff all of Defendant's profits and all damages sustained by
7 Plaintiff as a result of Defendant's wrongful acts, and such other compensatory
8 damages as the Court determines to be fair and appropriate;

9 7. Increasing the damages up to three times the amount found or assessed
10 under 35 U.S.C. § 284;

11 8. Awarding treble damages in the amount of Defendant's profits or
12 Plaintiff's damages, whichever is greater, for willful infringement;

13 9. Finding that this is an exceptional case under 35 U.S.C. § 285 and 15
14 U.S.C. § 1117 and awarding attorneys' fees there under;

15 10. Awarding applicable interest, costs, disbursements and attorneys' fees;

16 11. Awarding Plaintiff's punitive damages in connection with its claims under
17 California law; and

18 12. Such other relief as may be just and proper.

19
20 Dated: July 2, 2014

BLAKELY LAW GROUP

21
22 By: /s/ Cindy Chan

Brent H. Blakely

Cindy Chan

Attorneys for Plaintiff

Deckers Outdoor Corporation

DEMAND FOR JURY TRIAL

Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure, Plaintiff Deckers Outdoor Corporation hereby demands a trial by jury as to all claims in this litigation.

Dated: July 2, 2014 BLAKELY LAW GROUP

By: /s/ Cindy Chan
Brent H. Blakely
Cindy Chan
*Attorneys for Plaintiff
Deckers Outdoor Corporation*

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