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DAVID S. BRISTOL, ESQ., CSBN 163032 LAW OFFICES OF DAVID S. BRISTOL **462 STEVENS AVENUE, SUITE 102 SOLANA BEACH, CALIFORNIA 92075 Telephone Number (858) 792-1112** Facsimile Number (858) 792-1114

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TRACY R. RICHMOND, ESQ., CSBN 87088 WORDEN WILLIAMS, APC **462 STEVENS AVENUE, SUITE 102** SOLANA BEACH, CALIFORNIA 92075 **Telephone Number (858) 755-6604** Facsimile Number (858) 755-5198

Attorneys for Plaintiff, MRC GOLF, INC.

# UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

#### 13 -00000-9°CV 0 327 L RBB MRC GOLF, INC., 14 15 Plaintiff. **COMPLAINT FOR INJUNCTIVE** RELIEF AND DAMAGES BASED 16 vs. **UPON:** 17 1. False Designation Of Origin And False HIPPO GOLF COMPANY, INC. **Description In Violation Of The** 18 Defendant. Lanham Act: 2. Dilution Of Trademark In Violation Of 19 The Lanham Act; 20 3. Dilution Of Trademark In Violation Of Cal. Bus. & Prof. Code Section 14245: 21 4. Untrue And Misleading Advertising In Violation Of Cal. Bus. & Prof. Code 22 Sections 17500 And 17535; 23 5. Unfair Competition In Violation Of Cal. Bus. & Prof. Code section 17200; and 24 6. Common Law Trademark Infringement. 25 **DEMAND FOR JURY TRIAL** 26 27



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Plaintiff, MRC GOLF, INC., by and through its attorneys of record, The Law Offices of David S. Bristol, by David S. Bristol, and Worden Williams, APC, by Tracy R. Richmond, alleges as follows:

### **PARTIES**

- 1. Plaintiff, MRC GOLF, INC., aka Mitsubishi Rayon Company Golf, (hereinafter referred to as "Plaintiff") was and is at all relevant times herein a corporation organized and doing business under the laws of the State of California, with its principle place of business located at 5441 Avenida Encinas, Suite B, Carlsbad, California 92008; and a wholly owned subsidiary of Mitsubishi Rayon Co. LTD. Plaintiff is at all relevant times herein authorized to use, enforce and defend the "Mitsubishi Rayon" name marks and designs.
- 2. Plaintiff is informed and believes and thereon alleges that Defendant, HIPPO GOLF COMPANY, INC., (hereinafter referred to as "Defendant") at all times herein represented itself to be a corporation duly organized and doing business under the laws of the State of California with its principal place of business located at 2270 Cosmos Court, Suite 120, Carlsbad, California 92011.

### **JURISDICTION AND VENUE**

- 3. This action arises under the Trademark Act of 1946, 15 U.S.C. section 1051 et seq., as amended (hereinafter referred to as the "Lanham Act"). This Court has subject matter jurisdiction pursuant to 28 U.S.C. Sections 1331, 1338(a), and 15 U.S.C. Section 1121. This Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. Sections 1367 and 1338(b).
- 4. This Court has personal jurisdiction over Defendant because Defendant conducts business in interstate commerce in the United States and in this judicial district; the claims alleged herein arise from Defendant's acts and/or omissions in the United States and in this judicial district; Defendant has purposefully directed its activities to residents in the United States and in this judicial district; and Defendant's acts and/or omissions have damaged Plaintiff in the United States and in this judicial district. In addition, upon information and belief,

Defendant purports to be a California corporation with its principal place of business located at 2270 Cosmos Court, Suite 120, Carlsbad, California 92011.

5. Venue is proper in this judicial district pursuant to 28 U.S.C. Sections 1391 and 1400.

### PLAINTIFF'S WORLD RENOWNED NAME AND PRODUCTS

- 6. For more than ten (10) years Plaintiff and/or its predecessors in interest, have been engaged in the interstate and worldwide manufacture and sale of high quality federally protected and trademarked golf club shafts including but not limited to the Diamana, Bassara, Fubuki and Javlnfx series names, all of which, have been and are identified and branded with Plaintiff's world renowned name "Mitsubishi Rayon." These high quality golf club shafts are recognized throughout the world as being premier golf club shafts in the industry and are widely used by the top professional golfers in the world.
- 7. Plaintiff invests a considerable portion of its multi-million dollar annual budget in the advertisement and promotion of its high quality and well-known golf club shafts throughout the United States and the world, having the general purchasing public as its target market. For such purposes, Plaintiff carefully selects exclusive, highly trained and highly profiled distributors in different territories throughout the United States and the world, to sell its golf club shafts under its world renowned name "Mitsubishi Rayon."
- 8. As a result of the superior quality, distinctive and attractive designs of Plaintiff's golf club shafts, all of which are identified and branded with Plaintiff's world renowned name "Mitsubishi Rayon," Plaintiff has enjoyed enormous commercial success within the United and throughout the world.
- 9. Further, as a result of the superior quality, distinctive and attractive designs of Plaintiff's golf club shafts, Plaintiff has come to be known and recognized by the purchasing public in the United States and throughout the world as having excellent-quality manufactured goods originating from Plaintiff. Accordingly, the business and goodwill associated with Plaintiff's name "Mitsubishi Rayon," are of incalculable value to Plaintiff.

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10. During the months immediately preceding the filing of this action, Defendant has been and continues to be engaged in the manufacturing, importation, sale and distribution of golf club shafts which, while of considerably inferior quality, closely imitate Plaintiff's products, and bear an infringing, counterfeit, or substantially indistinguishable mark under the name of "Mitsubishi Rayon."

- 11. Further, Defendant has stated and continues to state publicly and within Defendant's brochures and catalogues that Defendant has obtained for sale special proprietary golf club shafts of Plaintiff and has introduced and sold those counterfeit products to the public within the State of California, the continental United States, and throughout the world. (See, Exhibit "1," which is a true and correct copy of Defendant's 2008 sales catalog which wrongly and falsely list at pages 04 15, 20, and 31, that Defendant's golf club shafts are made by and/or contain material produced by Plaintiff.)
- Upon information and belief, Defendant has also marketed the above-described 12. counterfeit golf club shafts to all golfers regardless of skill level, including but not limited to professional golfers, amateur golfers, weekend golfers, and beginning golfers. information and belief, Defendant also promotes, and continues to promote, the above-described counterfeit golf club shafts on an internet website at www.hippo-golf.com, and places advertisements within other internet websites which include, but are not limited to: Onlinegolf.com, Thefind.com, ToysRus.com, SportsAuthority.com, Amazon.com, InnovativeGolfGear.com, TheGinkamos.com. MCSports.com, ReadyGolf.com, RockBottomGolf.com, Modell's.com, DunhamsSports.com, FogdogSports.com, TeamStore.com, CBSSports.com, ProGolf.com, OlympiaSports.com, GIJoes.com, Golfsmith.com, Joe'sSports.com, VegasGolfPros.com, Golfio.com, IznadGolf.com, InTheHoleGolf.com, Mortongolf.com, SwingSomeWhere.com, PeacockGolfClubs.com, BirdieGolf.com, UltimateSportsStore.com, Nowell's.com, NevadaBobsProGolfShop.com, LencoGolf/HippoGolfOutlet.com, GolfBayWarehouse.com, Blind9Golf.com.

SportsChalet.com, Costco.com, Golferswarehouse.com, Shopwiki.com, BHMGolf.com, Mortongolfsales.com, Golfalot.com, Golfjoy.com, Overstock.com, Onyxmdrewards.com, Golfersavvy.com, PriceGrabber.com, Worldgolf.com, Readygolf.com, and Golf-Zona.com, all of which wrongly and falsely advertise that Defendant has obtained for sale special proprietary golf club shafts made by and/or containing material produced by Plaintiff for Defendant. On information and belief, through these advertisements, and commercial contacts in California, including this judicial district, and throughout the United States and the world, Defendant sells golf club shafts to the public for profit.

- 13. For purposes of passing-off the above-described infringing golf club shafts, bearing blatant imitations of Plaintiff's name, trademarks and designs, Defendant has used Plaintiff's name, "Mitsubishi Rayon," in order to further prompt the unsuspecting consumer in the belief that the imitations originate from Plaintiff.
- 14. The above-described inferior quality golf club shafts bearing infringing and counterfeit reproductions of Plaintiff's name, "Mitsubishi Rayon," trademarks and designs are also being sold and distributed by Defendant at prices considerably lower than those offered by Plaintiff for its original trademarked golf club shafts.
- 15. Defendant is not licensed nor authorized by Plaintiff to manufacture, import, distribute, offer for sale, or sell golf club shafts or any other merchandise bearing Plaintiff's name, "Mitsubishi Rayon," trademarks or designs or any colorable or substantially indistinguishable imitations thereof.
- 16. Defendant's involvement in such unauthorized activities has been willful and deliberate, with full knowledge of the existence, and in total disregard of, Plaintiff's federally protected intellectual property rights.
- 17. Defendant's activities have been intentionally addressed at attempting to palm off and ride on Plaintiff's well established goodwill and commercial success and reputation of the "Mitsubishi Rayon" name, trademarks and designs as actually used and marketed by Plaintiff.

- 18. Defendant's use of colorable imitations of Plaintiff's name, "Mitsubishi Rayon," trademarks and designs are spurious marks likely to deceive and capable of and/or actually causing confusion and/or mistake in the minds of the purchasing public, and particularly, falsely creating the impression that the goods sold by Defendant are made, authorized, sponsored, and/or approved by Plaintiff, when in fact, they are not.
- 19. Defendant's unauthorized use of the "Mitsubishi Rayon" name, trademarks, and designs dilutes the importance of Plaintiff's world famous name, trademarks and designs and severely and irreparably damages Plaintiff's outstanding commercial goodwill and reputation.
- 20. As a result of the above-described infringing and/or counterfeiting activities, Defendant has generated substantial profits, to which they are not legally entitled.
- 21. As a result of the above-described infringing and/or counterfeiting activities on the part of Defendant, Plaintiff has been irreparably damaged.
- 22. Unless Defendant is enjoined from further engaging in the infringing and/or counterfeiting activities complained of herein, for which Plaintiff has already suffered considerable and irreparable harm, Plaintiff will continue to suffer increased irreparable injury to its goodwill, commercial reputation and decrease in sales of its well-known original products.
- 23. Plaintiff has no other adequate remedy at law or equity to preclude Defendant from continuing its infringing and/or counterfeiting activities.
- 24. The damages suffered and being suffered by Plaintiff as a result of Defendant's activities are presently incalculable, and, subject to a subsequent accounting include, but are not limited to, three (3) times Plaintiff's losses, Defendant's profits, statutory damages, attorneys' fees, costs and expenses.

#### **COUNT I**

- (For False Designation Of Origin And False Descriptions In Violation Of The Lanham Act Section 43(a), 15 U.S.C. Section 1125(a))
- 25. Plaintiff incorporates by reference and re-alleges each and every allegation contained in Paragraphs 1 through 24, inclusive, as though set forth herein.

- 26. Defendant's use of Plaintiff's name "Mitsubishi Rayon," marks and/or designs on Defendant's golf club shafts are counterfeit as defined by the Trademark Act of 1946, as amended, 15 U.S.C. Section 1116 et seq., in that such use of Plaintiff's name "Mitsubishi Rayon," marks and/or designs constitute spurious or substantially indistinguishable reproductions of Plaintiff's federally registered trademarks for the identically goods, to those which are sold or offered for sale by Defendant.
- 27. Defendant's illegal acts have been and are being committed with the purpose and/or intent of appropriating and exploiting Plaintiff's name "Mitsubishi Rayon," marks, designs, trademarks, well-established goodwill and commercial reputation, by "palming-off" Defendant's products as those of Plaintiff.
- 28. Defendant, by selling its infringing and/or counterfeit products at prices far below those of Plaintiff, have seriously damaged Plaintiff's commercial reputation and goodwill, thereby decreasing the demand for Plaintiff's products, while also, seriously injuring Plaintiff's reputation.
- 29. Defendant's unauthorized use in interstate commerce of the names, marks and/or designs of Plaintiff's name "Mitsubishi Rayon," mark and/or designs in the commercial advertising or promotion of Defendant's goods, is likely to cause and has caused confusion, mistake, and/or deception as to the origin, sponsorship, or approval of Defendant's goods by Plaintiff.
- 30. Defendant's unauthorized use in interstate commerce of the name, mark and/or designs of Plaintiff's name "Mitsubishi Rayon," mark and/or designs in the commercial advertising or promotion of Defendant's goods, is likely to cause and has caused confusion, mistake, and/or deception as to the affiliation, connection, or association of Defendant with Plaintiff.
- 31. Defendant has made false designation of origin, false or misleading descriptions of fact, and/or false or misleading representations of fact, which are likely to cause and have caused confusion, mistake, and/or deception as to the origin, sponsorship, or approval of

Defendant's goods by Plaintiff.

- 32. Defendant has made false designation of origin, false or misleading descriptions of fact, and/or false or misleading representations of fact, which are likely to cause and have caused confusion, mistake, and/or deception as to the affiliation, connection, or association of Defendant with Plaintiff.
- 33. Defendant has made false designation of origin, false or misleading descriptions of fact, and/or false or misleading representations of fact in commercial advertising or promotion, which misrepresents the nature, characteristics, or qualities of Defendant's golf club shafts.
- 34. Defendant's actions are likely to deceive, and upon information and belief, have deceived consumers into the mistaken belief that the goods of Defendant are products of Plaintiff and/or that Plaintiff and Defendant are in some way associated or affiliated with each other, all to Plaintiff's substantial damage.
- 35. Defendant, through the advertising tactics set forth and referenced above, have caused certain advertisements to be disseminated throughout the English speaking world, in golf publications and on the Internet, concerning the sale of Defendant's golf club shafts to the golfing public.
- 36. Defendant's advertisements, as attached hereto within Exhibit "1," and referenced above, are likely to create and, upon information and belief, have created a likelihood of confusion on the part of consumers of golf equipment. This confusion arises from Defendant's use of trademarks incorporating Plaintiff's name "Mitsubishi Rayon," mark and/or designs, and from Defendant's references in advertising that Plaintiff makes a special, exclusive golf shaft just for Defendant's use within its golf clubs.
- 37. Upon information and belief, Defendant's advertisements and press releases for its products which incorporate Plaintiff's name "Mitsubishi Rayon," mark and/or designs, were intentionally designed and calculated by Defendant to create an association in the minds of consumers between Defendant and Plaintiff. Upon information and belief, Defendant wanted

potential purchasers to believe, erroneously, that Plaintiff endorsed and/or made Defendant's golf club shafts or that Plaintiff has some connection or affiliation with Defendant.

- 38. Defendant's acts constitute unfair competition, false adverting, false designation of origin, false or misleading descriptions of fact, and false or misleading representation of fact, in violation of section 43(a) of the Lanham Act, 15 U.S.C. Section 1125(a).
- 39. As a direct and proximate result of Defendant's illegal activities, Plaintiff has suffered and continues to suffer considerable financial and irreparable harm, and unless Defendant is immediately precluded from continuing its wrongful acts, such harm, which is already irreparable, will increase.
- 40. Defendant, through its illegal, infringing acts, has made substantial profits, to which Defendant is not legally entitled.
- 41. Plaintiff has no adequate remedy at law to preclude Defendant from continuing its willful infringing activities.
- 42. Plaintiff further has suffered and will continue to suffer substantial damages by reason of Defendant's acts as alleged above, and Plaintiff is entitled to also recover from Defendant the damages sustained as a result of Defendant's acts.

### **COUNT II**

# (For Trademark Dilution In Violation Of Lanham Act Section 43(c), 15 U.S. C. Section 1125(c))

- 43. Plaintiff incorporates by reference and re-alleges each and every allegation contained in Paragraphs 1 through 42, inclusive, as though set forth herein.
- 44. Defendant's use in commerce of Plaintiff's world renowned name "Mitsubishi Rayon," mark and/or designs in connection with the promotion, advertising and offering of Defendant's goods for sale, which use began after Plaintiff's name, "Mitsubishi Rayon," mark and/or designs had become famous trademarks, has caused the dilution of the distinctive quality of Plaintiff's name, "Mitsubishi Rayon," mark and/or designs.
  - 45. Defendant's use of Plaintiff's world famous name, "Mitsubishi Rayon," mark

COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES

already irreparable, will increase.

- 54. Defendant, through its illegal, infringing acts, has made substantial profits, to which Defendant is not legally entitled.
- 55. Plaintiff has no adequate remedy at law to preclude Defendant from continuing its willful infringing activities.
- 56. Plaintiff further has suffered and will continue to suffer substantial damages by reason of Defendant's acts as alleged above, and Plaintiff is entitled to also recover from Defendant the damages sustained as a result of Defendant's acts.

### **COUNT IV**

# (For Untrue And Misleading Advertising In Violation Of California Business And Professions Code Sections 17500 And 17535)

- 57. Plaintiff incorporates by reference each and every allegation contained in Paragraphs 1 through 56, inclusive, as though set forth herein.
- 58. Defendant's use of Plaintiff's name, "Mitsubishi Rayon," marks and/or designs in any advertising device, or by any other means whatsoever, including over the Internet, constitutes advertising done with the intent to directly or indirectly induce the public to enter into business transactions with Defendant regarding Defendant's goods.
- 59. Defendant's use of Plaintiff's name, "Mitsubishi Rayon," marks and/or designs in advertising has caused, and is likely to continue to cause, confusion and mistake, and to deceive as to the affiliation, connection or association of Defendant and Plaintiff, and as to the origin, sponsorship, or approval of Defendant's goods by Plaintiff, all to Plaintiff's harm.
- 60. In making and disseminating advertising and promotional materials as alleged herein, Defendant knew, or by the exercise of reasonable care should have known, that the statements were untrue and/or misleading and so acted in violation of California Business and Professions Code Sections 17500 and/or 17535.
- 61. As a direct and proximate result of Defendant's illegal activities, Plaintiff has suffered and continues to suffer considerable financial and irreparable harm, and unless

or dilution of the distinctiveness of Plaintiff's name, "Mitsubishi Rayon," marks, designs, symbols, labels, or forms of advertisement; and

- (f) From committing trademark infringement, trademark dilution, false advertising, false designation of origin, false descriptions, unfair competition, and/or any other act or making any other statement that infringes upon Plaintiff's name, "Mitsubishi Rayon," marks and/or designs or that constitutes an act of trademark infringement, trademark dilution, false advertising, false designation of origin, false descriptions, or unfair competition under federal law, common law, or the laws of the State of California.
- 2. Defendant be required forthwith to deliver up to Plaintiff any and all products and related materials, equipment and documents in Defendant's possession or under Defendant's control, bearing Plaintiff's name, "Mitsubishi Rayon," marks and/or designs and any infringing and/or counterfeit mark of Plaintiff, and/or a confusingly similar imitation of Plaintiff's trademarks alone, or in combination with any other word or words, design or designs, for destruction or other disposal as Plaintiff deems appropriate, and that Defendant be required to allow the U.S. Marshal, or other qualified law enforcement officers or one or more of their deputies, and/or other authorized persons assisted by one or more attorneys or agents of Plaintiff, to reasonably search for, photographs, inventory, and to segregate and seal in boxes, any and all infringing and counterfeit goods bearing Plaintiff's name, "Mitsubishi Rayon," mark and/or designs, and to deliver and make available said boxes to this Court at a hearing for determining the propriety of such ex parte equitable remedies and the issuance of a preliminary injunction;
- 3. That Defendant be required to supply Plaintiff with a complete list of entities from whom Defendant purchased and/or to whom Defendant has distributed and/or sold products falsely bearing the infringing, counterfeit, and/or colorable imitation of Plaintiff's name, "Mitsubishi Rayon," mark and/or designs;
- 4. That Defendant be required to, within thirty (30) days from service of an Order, submit to Plaintiff a detailed accounting of all sales of products bearing the infringing,

COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES

## **DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury as to all issues triable by jury.

DAVID S. BRISTOL, Attorney for Plaintiff, MRC GOLF, INC.

THE LAW OFFICES OF DAVID S. BRISTOL

WORDEN WILLIAMS, APC

TRACY R. RICHMOND, Attorney for Plaintiff, MR GOLF, INC.

### **VERIFICATION**

I, HIKARU SHIRAISHI, am the Vice President and Chief Operating Officer for the Plaintiff in the above-entitled action and I have been authorized to make this verification on Plaintiff's behalf. I have read the foregoing complaint and know the contents thereof. The same is true of my own knowledge, except as to those matters which are therein alleged upon information and belief, and as to those matters, I believe them to be true.

I, HIKARU SHIRAISHI, declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATED: February 11, 2009

HIKARU SHIRAISHI