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14 THE UNITED STATES DISTRICT COURT  
 15 FOR THE DISTRICT OF NEVADA

16 TIFFANY (NJ), LLC,  
 17  
 18 Plaintiff,

19 v.

20 925LY.COM, *et al.*,  
 21 Defendants.  
 22  
 23

Case No. 2:11-cv-00590-LDG-CWH

**MEMORANDUM OF POINTS AND  
 AUTHORITIES IN SUPPORT OF  
 PLAINTIFF’S SECOND *EX PARTE*  
 APPLICATION FOR ENTRY OF  
 TEMPORARY RESTRAINING ORDER  
 AND PRELIMINARY INJUNCTION**

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 Plaintiff submits this Memorandum of Points and Authorities in support of its Second *Ex*  
3 *Parte* Application for Entry of Temporary Restraining Order and Preliminary Injunction (the  
4 “Second Application for TRO”).

5 **I. INTRODUCTION AND CLAIMS**

6 Plaintiff Tiffany (NJ), LLC (“Plaintiff” or “Tiffany”) is suing Defendants 224-389, The  
7 Partnerships and Unincorporated Associations identified on Schedule “A” to Plaintiff’s Second *Ex*  
8 *Parte* Application for TRO (collectively the “Group III Defendants”), for federal trademark  
9 infringement and counterfeiting, false designation of origin, cyberpiracy, and common law unfair  
10 competition. As alleged in Tiffany’s First Amended Complaint, the Group III Defendants are  
11 promoting, advertising, distributing, offering for sale and selling counterfeit and infringing products,  
12 including, at least, jewelry, such as bracelets, necklaces, pendants, earrings and rings, cufflinks,  
13 money clips, key holders, watches, and gift boxes (the “Group III Defendants’ Goods”) bearing  
14 marks which are substantially indistinguishable from and/or colorful imitations of Tiffany’s  
15 registered trademarks, through various fully interactive commercial Internet websites operating  
16 under their partnership and/or unincorporated association names (the “Group III Subject Domain  
17 Names”).






18 The Group III Defendants’ unlawful activities have caused and will continue to cause  
19 irreparable injury to Tiffany. Among other things, the Group III Defendants have (1) deprived  
20 Tiffany of its right to determine the manner in which its trademarks are presented to the public  
21 through merchandising; (2) defrauded the public into thinking the Group III Defendants’ Goods are  
22 valuable, authorized goods of Tiffany; (3) deceived the public as to Tiffany’s sponsorship of and/or  
23 association with the Group III Defendants’ Goods and the websites through which such goods are  
24 marketed and sold; (4) wrongfully traded and capitalized on Tiffany’s reputation and goodwill and  
25 the commercial value of Tiffany’s trademarks; and (5) wrongfully damaged Tiffany’s ability to  
26 market its goods and educate consumers about its brand via the Internet in a free and fair  
27 marketplace. The Group III Defendants should not be permitted continue their unlawful activities

1 and should be enjoined.

2 **II. STATEMENT OF FACTS**

3 **A. Tiffany’s Rights**

4 Tiffany is, and at all times relevant hereto has been, the owner and/or exclusive licensee in  
5 and to the following trademarks:

6	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
7		0,023,573	September 5, 1893
8	Tiffany	0,133,063	July 6, 1920
9	TIFFANY & CO.	1,228,189	February 22, 1983
10	TIFFANY	1,228,409	February 22, 1983
11	TIFFANY & CO.	1,283,306	June 26, 1984
12	ATLAS	1,605,467	July 10, 1990
13	T & CO.	1,669,365	December 24, 1991
14		1,785,204	August 3, 1993
15	PERETTI	1,787,861	August 17, 1993
16	ELSA PERETTI	1,799,272	October 19, 1993
17		1,804,353	November 16, 1993
18	TIFFANY & CO.	1,968,614	April 16, 1996
19		2,184,128	August 25, 1998
20		2,359,351	June 20, 2000
21	TIFFANY	2,639,539	October 22, 2002
22	ATLAS	2,886,655	September 21, 2004

23 (the “Tiffany Marks”) which are registered on the Principal Register of the United States Patent and  
24 Trademark Office (International Classes 14 and 21) and are used in connection with the manufacture  
25 and distribution of one or more of the following high quality goods: jewelry, including bracelets,  
26 necklaces, pendants, earrings and rings, cufflinks, money clips, key holders, watches, and gift boxes.  
27 (Declaration of Steven Costello in Support of Plaintiff’s Second Application for Entry of Temporary  
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1 Restraining Order and Preliminary Injunction [“Costello Decl.”] ¶ 4, filed herewith; see also United  
2 States Trademark Registrations for the Tiffany Marks at issue [“Tiffany Trademark Registrations”]  
3 attached as Exhibit A to the Declaration of Steven Costello in Support of Plaintiff’s *Ex Parte*  
4 Application for Entry of Temporary Restraining Order and Preliminary Injunction [“Costello Decl.  
5 in Support of Application for TRO”] [DE 5-3], incorporated herein by reference.)<sup>1</sup> The Tiffany  
6 Marks are symbols of Tiffany’s quality, reputation, and goodwill and have never been abandoned.  
7 (Costello Decl. ¶ 7.) Moreover, Tiffany has expended substantial time, money, and other resources  
8 developing, advertising, and otherwise promoting its trademarks. (Costello Decl. ¶¶ 6, 7.)  
9 Accordingly, the Tiffany Marks qualify as famous marks as the term is used in 15 U.S.C. §  
10 1125(c)(1). (Costello Decl. ¶¶ 6, 7)

11 Furthermore, Tiffany has extensively used, advertised, and promoted its Marks in the United  
12 States in association with jewelry, including bracelets, necklaces, pendants, earrings and rings,  
13 cufflinks, money clips, key holders, watches, gift boxes, and related goods, and has carefully  
14 monitored and policed the use of its Tiffany Marks. (Costello Decl. ¶ 7.) As a result of Tiffany’s  
15 efforts, members of the consuming public readily identify products bearing the Tiffany Marks as  
16 being quality merchandise sponsored and approved by Tiffany and the Marks have achieved  
17 secondary meaning as identifiers of high quality products. (Costello Decl. ¶ 7.)

18 At all times relevant hereto, the Group III Defendants have been aware of Tiffany’s (a)  
19 ownership of the Tiffany Marks; (b) exclusive rights to use and license such Marks; and (c)  
20 substantial goodwill embodied in, and favorable recognition for, the Tiffany Marks for jewelry,  
21 including bracelets, necklaces, pendants, earrings and rings, cufflinks, money clips, key holders,  
22 watches, and gift boxes.

23 **B. Defendants Wrongfully Use the Tiffany Trademarks in Connection With the**  
24 **Promotion and Sale of Counterfeit and Infringing Goods.**

25 The Group III Defendants do not have, nor have they ever had, the right or authority to use

26 \_\_\_\_\_  
27 <sup>1</sup> Plaintiff’s *Ex Parte* Application for Entry of Temporary Restraining Order and Preliminary  
28 Injunction and all supporting declarations and exhibits attached to each, are incorporated herein by  
reference.

1 the Tiffany Marks for any purpose. (Costello Decl. ¶ 9.) However, despite their known lack of  
2 authority to do so, the Group III Defendants have been advertising, offering for sale, and/or selling,  
3 at least, jewelry, including bracelets, necklaces, pendants, earrings and rings, cufflinks, money clips,  
4 key holders, watches, and gift boxes, bearing counterfeit and infringing marks bearing marks which  
5 are substantially indistinguishable from and/or colorful imitations of the registered Tiffany Marks.  
6 (Costello Decl. ¶¶ 11-15 and Composite Exhibit A attached thereto, relevant web page captures from  
7 the Group III Defendants’ Internet websites operating under the Group III Subject Domain Names  
8 displaying the Tiffany branded items offered for sale [the “Group III Defendants’ Websites”];  
9 Declaration of Danilo Marquez in Support of Plaintiff’s Second *Ex Parte* Application for Entry of  
10 Temporary Restraining Order and Preliminary Injunction [“Marquez Decl.”] ¶ 4 and Composite  
11 Exhibit A attached thereto, relevant web page captures reflecting Tiffany branded items purchased  
12 from several of the Group III Defendants.) Moreover, given the Group III Defendants’ slavish  
13 copying of the Tiffany Marks, overall design, color scheme, and products, genuine goods bearing the  
14 Tiffany Marks and the Group III Defendants’ Goods offered for sale and sold under marks are  
15 substantially indistinguishable to consumers at the point of sale and post-sale.

16 As part of its ongoing investigation regarding the sale of counterfeit and infringing products,  
17 Tiffany retained Danilo Marquez of Investigative Consultants, a licensed private investigative firm,  
18 to investigate the promotion and sale of counterfeit and infringing Tiffany branded products by the  
19 Group III Defendants. (Costello Decl. ¶ 10; Marquez Decl. ¶ 3.) Marquez accessed the Group III  
20 Defendants’ fully interactive commercial Internet websites operating under the Group III Subject  
21 Domain Names tiffany-accessories.com, tiffanyco-outlet.com, tiffanyjewelryoutlet.com,  
22 tiffanyreplica-outlet.com, and tiffany-replicas.com, placed orders for the purchase of various Tiffany  
23 branded products, and requested each product be shipped to his address in Las Vegas, Nevada.<sup>2</sup>

24 \_\_\_\_\_  
25 <sup>2</sup> Although each website accessed by Marquez agreed to ship his purchase to Las Vegas, Nevada,  
26 Marquez’s purchase from tiffany-accessories.com was erroneously shipped to Colorado, rather than  
27 the Las Vegas, Nevada address Marquez provided. Marquez attempted to resolve this issue with the  
28 seller; however, he never received a refund or the Tiffany branded pendant he purchased from  
tiffany-accessories.com. See Marquez Decl. ¶ 4. True and correct redacted copies of Marquez’s  
email messages with the seller on this issue are attached to the Marquez Decl. as Composite Exhibit

1 (Marquez Decl. ¶ 4 and Composite Exhibit A thereto.) The detailed web page listings and images of  
 2 the Tiffany branded goods purchased by Investigator Marquez from several of the Group III  
 3 Defendants' websites were inspected by Tiffany's representative, Steven Costello, who determined  
 4 the products to be non-genuine Tiffany products. (Costello Decl. ¶¶ 11, 12, 15.) Mr. Costello also  
 5 reviewed and visually inspected the Group III Defendants' Websites, as well as items bearing the  
 6 Tiffany Marks offered for sale by the Group III Defendants via their Internet websites operating  
 7 under the Group III Subject Domain Names, and likewise determined the products were not genuine  
 8 Tiffany goods. (Costello Decl. ¶¶ 13-15 and Composite Exhibit B thereto, summary comparison  
 9 table illustrating examples of the Group III Defendants' infringement of the Tiffany Marks.)

10 Section 45 of the Lanham Act defines a "counterfeit" as "a spurious mark which is identical  
 11 with, or substantially indistinguishable from, a registered mark." 15 U.S.C. § 1127. Also, using the  
 12 "ocular test" of direct comparison, courts have found that even marks which are slightly modified  
 13 from the registered marks copied are to be considered counterfeit marks. See Fimab-Finanziaria  
 14 Maglificio vs. Helio Import/Export, Inc., 601 F. Supp. 1, 2 (S.D. Fla. 1983). A comparison of the  
 15 Tiffany Marks at issue to the marks used by the Group III Defendants in connection with the  
 16 promotion and sale of the Group III Defendants' Goods reveals the obvious counterfeit and  
 17 infringing nature of the Group III Defendants' Goods. (Compare Tiffany's Trademarks Registrations  
 18 [Exhibit A to the Costello Decl. in Support of Application for TRO, DE 5-3] with the Group III  
 19 Defendants' Websites [Composite Exhibit A to the Costello Decl.] and the detailed webpage listings  
 20 and images of the Tiffany branded goods purchased by Investigator Marquez [Composite Exhibit A  
 21 to the Marquez Decl.].) The Group III Defendants' Goods bearing counterfeits and infringements of  
 22 the Tiffany Marks are being promoted, advertised, offered for sale and sold by the Group III  
 23 Defendants to consumers in this Judicial District and throughout the United States. (Marquez  
 24 Declaration ¶ 4 and Composite Exhibit A attached thereto; Costello Decl. ¶¶ 11-15 and Composite  
 25 Exhibit A attached thereto, the Group III Defendants' Websites.) The Group III Defendants are

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 "B."

1 making substantial sums of money by preying upon their purchasers and members of the general  
2 public, many of whom have no knowledge the Group III Defendants are defrauding them through  
3 the sale of worthless counterfeit and/or infringing goods. The Group III Defendants are also falsely  
4 representing to consumers and the trade that their counterfeit and infringing goods are genuine,  
5 authentic, endorsed, and authorized by Tiffany. Ultimately, the Group III Defendants' Internet-based  
6 websites amount to nothing more than illegal operations infringing on the intellectual property rights  
7 of Tiffany and others. The Group III Subject Domain Names are used as the common names of the  
8 Group III Defendants and are themselves a substantial part of the means by which the Group III  
9 Defendants further their scheme and cause harm to Tiffany.

10 **C. Defendants Unfairly Compete with Tiffany Through Search Engine**  
11 **Optimization Strategies Using Counterfeits and Infringements of the Tiffany**  
12 **Marks.**

13 Genuine Tiffany branded goods are widely legitimately advertised, promoted, offered for  
14 sale, and discussed by Tiffany, its authorized distributors, and unrelated third parties via the Internet.  
15 (Costello Decl. ¶ 16.) Over the course of the past five years, visibility on the Internet, particularly  
16 via Internet search engines such as Google, Yahoo!, and Bing, has become increasingly important to  
17 Tiffany's overall marketing and consumer education efforts. (Costello Decl. ¶ 17.) Thus, Tiffany  
18 expends significant monetary resources on Internet marketing and consumer education regarding its  
19 products, including search engine optimization ("SEO") strategies, which allow Tiffany, its  
20 authorized accounts, and others to fairly educate consumers about the value associated with the  
21 Tiffany brand and the goods sold thereunder. (*Id.*)

22 SEO is a now common marketing process whereby a company or individual legitimately  
23 designs, supports, structures, and phrases Internet content in order to enhance a website's profile for  
24 search engines over a variety of search terms. SEO essentially describes the process of steps  
25 undertaken by a website owner to ensure that, in response to a specific search phrase or phrases, the  
26 owner's website appears in the results returned by an Internet search engine such as Google, Yahoo!,  
27 or Bing. According to one estimate, in 2008, advertisers spent approximately eleven billion dollars  
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1 on advertising with search engines, reflecting the sheer economic power of the industry. As a result,  
2 the SEO industry has arisen to assist website owners in improving their rankings in search engine  
3 results, thereby essentially securing search engines' role as a gatekeeper and driver of the online  
4 economy.<sup>3</sup>

5 The rise of the importance of SEO marketing practices has not been lost on those, such as the  
6 Group III Defendants herein, engaged in the illegal business of selling counterfeit and infringing  
7 branded goods. To the contrary, counterfeiters and infringers, such as the Group III Defendants, have  
8 embraced the SEO concept and are concurrently leveraging it to cause greater and more significant  
9 harm to brand owners, including Tiffany. By the combination of their actions, the Group III  
10 Defendants are causing concurrent and indivisible harm to Tiffany by (i) depriving Tiffany, its  
11 authorized distributors and other non-infringing third parties (Example: Tiffany fan websites) of the  
12 ability to fairly compete for space within search engine results, (ii) causing an overall degradation of  
13 the value of the goodwill associated with the Tiffany Marks, and (iii) unjustly increasing Tiffany's  
14 overall cost to market its brand, its goods and educate consumers about its products via the Internet.  
15 (Costello Decl. ¶¶ 17-18.) The Group III Defendants, each of whom is aware of the activities of the  
16 others, are combining the force of their actions in order to cause concurrent and indivisible harm to  
17 Tiffany and consumers. (Costello Decl. ¶¶ 18-19.) By engaging in SEO strategies based upon an  
18 illegal use of the Tiffany Marks, the Group III Defendants are obliterating the otherwise open and  
19 available marketplace space in which Tiffany has the right to fairly market its goods and associated  
20 message. Specifically, the Group III Defendants use unauthorized counterfeits and infringements of  
21 Tiffany's name and trademarks within the content, anchor text and/or meta tags of their websites in  
22 order to attract the automated eye of various search engines crawling the Internet looking for  
23 websites relevant to consumer searches for Tiffany related goods and information. (See id. ¶ 18.)  
24 Meaningful search engine results page space is akin to real estate – there is only so much of it  
25 available. Thus, website operators such as Tiffany and the Group III Defendants spend substantial

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27 <sup>3</sup> Viva R. Moffat, [Regulating Search](#), 22 *Harv. J.L. & Tech.* 475, 481-82 (Spring, 2009) (footnotes  
28 omitted).

1 sums of money incorporating concepts and popular search terms, such as the Tiffany Marks, into  
 2 their website content in order to be seen by the search engines and returned as part of relevant search  
 3 results across an array of search phrases. (See id. at ¶¶ 17-18.) The primary difference between what  
 4 Tiffany and the Group III Defendants are doing, of course, is that Tiffany is doing so through the  
 5 legal use of its trademarks, in which it has made a substantial economic investment, and the Group  
 6 III Defendants are doing so through subterfuge and illegal behavior, including counterfeiting and  
 7 infringement of the Tiffany Marks.

8 For purposes of this Motion, Tiffany does not contend that it or any other third party has the  
 9 exclusive right to appear in any particular location in the results of any search engine across any  
 10 particular array of search terms. However, Tiffany does contend that it has the right to fairly compete  
 11 for such search engine results space unfettered by unfair competition stemming from an illegal use  
 12 of Tiffany's trademarks. Tiffany's right to fairly compete for the best Internet real estate and its  
 13 reputation are being trampled by the combined efforts of the Group III Defendants. In short, Tiffany,  
 14 its trademark rights and associated goodwill are suffering death by 1,000 cuts. While each Group III  
 15 Defendants' actions alone causes harm to Tiffany, the combined force and effect of the Group III  
 16 Defendants' overall actions is causing the single, indivisible harm of the erosion of the goodwill  
 17 associated with the Tiffany Marks and the denial of Tiffany's right to fairly compete in the Internet  
 18 marketplace reflected in search engine results.

### 19 **III. ARGUMENT**

#### 20 **A. A Temporary Restraining Order is Essential to Prevent Immediate Injury.**

21 Rule 65(b) of the Federal Rules of Civil Procedure provides, in part, that a temporary  
 22 restraining order may be granted without written or oral notice to the opposing party or that party's  
 23 counsel where "it clearly appears from the specific facts shown by affidavit . . . that immediate and  
 24 irreparable injury, loss, or damage will result to the applicant before the adverse party or that party's  
 25 attorney can be heard in opposition." Moreover, temporary restraining orders are available on an *ex*  
 26 *parte* basis when notice is provided and there is a threat of intervening irreparable harm before the  
 27 preliminary injunction may be heard. FED.R.CIV.P. 65(b). Tiffany will provide notice to the Group  
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1 III Defendants by the only means available, via e-mail to the known e-mail addresses provided by  
2 the Group III Defendants to the registrars of record for the respective domain names.<sup>4</sup> (See  
3 Declaration of Stephen M. Gaffigan in Support of Plaintiff’s Second Application for Entry of  
4 Temporary Restraining Order and Preliminary Injunction [“Gaffigan Decl.”] ¶ 4, filed herewith.) As  
5 demonstrated herein, such irreparable and immediate injury will result to Tiffany if the Group III  
6 Defendants’ wrongful activities are not immediately stopped by the issuance of a temporary  
7 restraining order.

8 The Group III Defendants herein fraudulently promote, advertise, offer to sell and sell  
9 substantial quantities of goods bearing counterfeits and infringements of the Tiffany Marks via the  
10 Internet websites operating under, at least, the Group III Subject Domain Names. By their actions,  
11 the Group III Defendants are creating a false association in the minds of consumers between the  
12 Group III Defendants and Tiffany. Specifically, the Group III Defendants are wrongfully using  
13 counterfeits and infringements of the Tiffany Marks to promote and attract customers to their  
14 website businesses. Counterfeit and infringements of the Tiffany Marks are being used by the Group  
15 III Defendants to increase traffic to their illegal businesses which offer consumers a variety of  
16 counterfeit and infringing goods, including Tiffany branded goods. The entry of a temporary  
17 restraining order would serve to immediately stop the Group III Defendants from benefiting from  
18 their wrongful use of the Tiffany Marks and preserve the status quo until such time as a hearing can  
19 be held. Thus, a temporary restraining order is appropriate. In re Vuitton et Fils, S.A., 606 F.2d 1, 4

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21 <sup>4</sup> Plaintiff’s proposed Temporary Restraining Order provides that Plaintiff shall provide a copy of the  
22 Order by email to the registrar of record for each of the Subject Domain Names, so that the registrars  
23 may, in turn, notify their registrants of the provisions of the Order including the locking of the  
24 domain names. (See Gaffigan Decl. ¶ 4 and Composite Exhibit B attached thereto.) Moreover,  
25 Plaintiff’s proposed Temporary Restraining Order provides that Plaintiff shall serve the Application  
26 and supporting documents and Temporary Restraining Order on the Defendants via e-mail to the  
27 known e-mail addresses provided by the Defendants to the registrars responsible for their respective  
28 domain names. (See id.) As the Ninth Circuit has held in the context of a lawsuit challenging online  
trademark infringement, e-mail notice is often the most reasonable way of assuring that foreign  
defendant domain name owners receive notice. See Rio Properties, Inc. v. Rio International  
Interlink, 284 F.3d 1007, 1017 (9th Cir. 2002); see also Popular Enterprises, LLC v. WEB COM  
Media Group, 225 F.R.D. 560, 563 (E.D. Tenn. 2004).

1 (2d Cir. 1979) (holding that *ex parte* temporary restraining orders are indispensable to the  
2 commencement of an action when they are the sole method of preserving a state of affairs in which  
3 the court can provide effective final relief); see also Louis Vuitton Malletier, S.A. v.  
4 1854louisvuitton.com, Case 2:11-cv-00738-PMP-RJJ (D. Nev. May 13, 2011) (Order granting *Ex*  
5 *Parte* Application for Temporary Restraining Order).

6 In the absence of a temporary restraining order, the Group III Defendants can and, based  
7 upon Tiffany's past experience, will significantly alter the status quo before the Court can determine  
8 the parties' respective rights. Specifically, the Internet websites at issue are under the complete  
9 control of the Group III Defendants. Thus, the Group III Defendants have the ability to modify  
10 registration data and content, change hosts and, most importantly, redirect traffic to other websites  
11 they control. (Gaffigan Decl. ¶ 5.) Moreover, the Group III Defendants operate Internet websites  
12 which they optimize for the sale of counterfeit and infringing Tiffany merchandise. The optimization  
13 process provides the Group III Defendants with their power to unfairly compete with Tiffany by  
14 catapulting the illegal and infringing websites into search engine results. All of that optimization  
15 power, which has been built through the illegal use of the Tiffany Marks, can easily be transferred to  
16 a new domain name in a matter of minutes through what is known as a redirect. (See id.) In the  
17 circumstances present in this case, the Group III Defendants could use a redirect to push new traffic  
18 from the Group III Subject Domain Names to new domains not yet identified. (See id. at ¶¶ 6, 7.)  
19 The result would be to slingshot the new domains to the top of the search engine results pages by  
20 leveraging the Internet traffic to the domains in suit which was built through the illegal use of the  
21 Tiffany Marks. (See id.) In short, the Group III Defendants would completely erase the status quo by  
22 transferring all of the benefits of their prior illegal activities to new websites. (See id.)

23 Moreover, federal courts have long recognized that civil actions against counterfeiters –  
24 whose very businesses are built around the deliberate misappropriation of rights and property  
25 belonging to others – present special challenges that justify proceeding on an *ex parte* basis. Time  
26 Warner Enter. Co. v. Does #1-2, 876 F. Supp. 407, 410-11 (E.D.N.Y. 1994) (compiling cases and  
27 noting, “[w]here plaintiffs have shown that a danger exists of destroying or transferring infringing  
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1 goods, courts in this Circuit have not hesitated to grant *ex parte* orders under either the Lanham Act  
 2 or the Copyright Act.”); see also Louis Vuitton Malletier, S.A. v. 1854louisvuitton.com, Case 2:11-  
 3 cv-00738-PMP-RJJ (D. Nev. May 13, 2011) (Order granting *Ex Parte* Application for Temporary  
 4 Restraining Order); Columbia Pictures Indus., Inc. v. Jasso, 927 F. Supp 1075, 1077 (N.D. Ill. 1996)  
 5 (observing that “proceedings against those who deliberately traffic in infringing merchandise are  
 6 often useless if notice is given to the infringers”). This Court should prevent an injustice from  
 7 occurring by issuing a temporary restraining order which precludes the Group III Defendants from  
 8 continuing to display their infringing content via the websites operating under the Group III Subject  
 9 Domain Names and which, after allowing an opportunity for objections, temporarily places control  
 10 of the websites in the hands of the Court. Only such an order will prevent ongoing irreparable harm  
 11 and maintain the status quo.

12 **B. Standard for Temporary Restraining Order and Preliminary Injunction.**

13 The standard for obtaining a temporary restraining order and the standard for obtaining a  
 14 preliminary injunction are the same. Quiroga v. Chen, 735 F. Supp. 2d 1226, 1228 (D. Nev. 2010)  
 15 (citing Cal. Indep. Sys. Operator Corp. v. Reliant Energy Servs., Inc., 181 F. Supp. 2d 1111, 1126  
 16 (E.D. Cal. 2001)). In order to obtain an injunction in the Ninth Circuit, Tiffany must establish: (1) it  
 17 is likely to succeed on the merits, (2) it is likely to suffer irreparable harm in the absence of  
 18 preliminary relief, (3) the balance of equities tips in its favor, and (4) an injunction is in the public  
 19 interest. Stormans, Inc. v. Selecky, 586 F.3d 1109, 1127 (9th Cir. 2009) (citing Winter v. Natural  
 20 Res. Def. Council, Inc., 555 U.S. 7, 20, 129 S. Ct. 365, 374 (2008)). Tiffany’s evidence establishes  
 21 all of the relevant factors. Accordingly, injunctive relief is appropriate.

22 **1. Probability of Success on the Merits of Tiffany’s Claims.**

23 **a) Plaintiff Will Likely Succeed on its Counterfeiting and**  
 24 **Infringement Claim.**

25 Title 15 U.S.C. §1114 provides liability for trademark infringement if, without the consent of  
 26 the registrant, a defendant uses "in commerce any reproduction, counterfeit, copy, or colorable  
 27 imitation of a registered mark: which is likely to cause confusion, or to cause mistake, or to  
 28

1 deceive." Tiffany must demonstrate (1) ownership of the marks at issue; (2) the Group III  
2 Defendants' use of the marks is without authorization from Tiffany; and (3) the Group III  
3 Defendants' use is likely to cause confusion, mistake, or deception as to the source, affiliation, or  
4 sponsorship of the Group III Defendants' Goods. See 15 U.S.C. § 1114(1). Tiffany's evidence  
5 submitted herewith satisfies the three requirements of 15 U.S.C. § 1114.

6 The first two elements of Tiffany's trademark infringement claim are easily met. The Tiffany  
7 Marks are owned or exclusively licensed by Tiffany and are registered on the Principal Register of  
8 the United Patent and Trademark Office. (See Tiffany Trademark Registrations attached as Exhibit  
9 A to the Costello Decl. in Support of Application for TRO, DE 5-3.) Moreover, the Group III  
10 Defendants do not have, nor have they ever had, the right or authority to use the Tiffany Marks.  
11 (Costello Decl. ¶ 9.)

12 The Ninth Circuit sets forth eight factors to be weighed in determining the third element,  
13 likelihood of confusion. See AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341, 348-49 (9th Cir. 1979),  
14 abrogated in part on other grounds as stated in Mattel, Inc. v. Walking Mountain Prods., 353 F.3d  
15 792, 810, n. 19 (9th Cir. 2003). The eight Sleekcraft factors are: (1) strength of the mark; (2)  
16 proximity of the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5) marketing  
17 channels used; (6) type of goods and degree of care likely to be exercised by a purchaser; (7)  
18 defendants' intent in selecting the mark; and (8) likelihood of expansion of the product lines. See  
19 also KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc., 408 F.3d 596, 608 (9th Cir. 2005).  
20 The eight factors listed are to be weighed and balanced, and no particular factor is dispositive.

#### 21 (1) Strength of Plaintiff's Marks.

22 "The stronger a mark—meaning the more likely it is to be remembered and associated in the  
23 public mind with the mark's owner—the greater the protection it is accorded by the trademark laws."  
24 Network Automation, Inc. v. Advanced Systems Concepts, Inc., 638 F.3d 1137, 1149 (9th Cir. 2011)  
25 quoting Brookfield Commc'ns, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1058 (9th Cir.  
26 1999). Strength is measured both in terms of conceptual strength, the trademark's inherent  
27 distinctiveness on the spectrum of protectability, and in terms of commercial strength, which is

1 based on actual marketplace recognition. See id. Although part of a mark may be weak, the mark as  
 2 a whole may be strong. See Fruit of the Loom, Inc. v. Girouard, 994 F.2d 1359, 1362 (9th Cir.  
 3 1993) (noting that although the word “Fruit” was not in and of itself a strong mark, the phrase “Fruit  
 4 of the Loom” was). The spectrum of protectability and strength for trademarks is divided into four  
 5 primary types of designations: (1) coined, fanciful or arbitrary; (2) suggestive; (3) descriptive; and  
 6 (4) generic. See Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 112 S. Ct. 2753, 120 L.Ed.2d  
 7 615 (1992). Arbitrary or fanciful marks are the strongest. Moreover, arbitrary/fanciful and  
 8 suggestive marks are deemed inherently distinctive and entitled to protection. (See id.) It cannot be  
 9 seriously disputed that the Tiffany Marks are strong, arbitrary and fanciful marks. (Costello Decl. ¶¶  
 10 4-7; Exhibit A to the Costello Decl. in Support of Application for TRO, DE 5-3, Tiffany Trademark  
 11 Registrations.)

12 In addition to their inherent strength, the Tiffany Marks have also acquired secondary  
 13 meaning.<sup>5</sup> Tiffany has expended substantial time, labor, skill, and expense in developing,  
 14 advertising, and promoting the Tiffany Marks. (Costello Decl. ¶¶ 6, 7.) The Tiffany Marks enjoy  
 15 widespread recognition and are each prominent in the minds of the consuming public. (Costello  
 16 Decl. ¶ 7.) Indeed, Tiffany products bearing the Tiffany Marks are among the best selling luxury  
 17 goods in the United States. (Costello Decl. ¶ 6.)

## 18 (2) Proximity of the Goods.

19 Although each of the Group III Defendants is not selling all of the same types of products as  
 20 the others, they are each promoting, offering for sale and/or selling at least some of the same type of  
 21 goods Tiffany sells, i.e., jewelry, including bracelets, necklaces, pendants, earrings and rings,  
 22 cufflinks, money clips, key holders, watches, and gift boxes. (Costello Decl. ¶¶ 4-5 and Composite  
 23 Exhibit A attached thereto, the Group III Defendants’ Websites.) The fact that the Group III  
 24 Defendants are selling the same type of goods as those sold by Tiffany is one of the three most  
 25

26 <sup>5</sup> All of the Tiffany Registrations are incontestable and therefore conclusively presumed to have  
 27 secondary meaning. Miss World (UK) Ltd. v. Miss Am. Pageants, Inc., 856 F.2d 1445, 1448, n. 4  
 28 (9th Cir. 1988) abrogated on other grounds as recognized in Eclipse Assoc. Ltd. v. Data Gen. Corp.,  
 894 F.2d 1114, 1116, n. 1 (9th Cir. 1990).

1 important factors to be considered in the likelihood of confusion analysis. See GoTo.Com, Inc. v.  
2 Walt Disney Co., 202 F.3d at 1055 (“related goods are generally more likely than unrelated goods to  
3 confuse the public as to the producers of the goods”) (quoting Brookfield Commc'ns, Inc., 174 F.3d  
4 136 (9th Cir. 1999)).

5 **(3) Similarity of the Marks.**

6 The Ninth Circuit has also expressly stated that similarity of the marks is another of the three  
7 most probative factors in the likelihood of confusion analysis. GoTo.Com, Inc., 202 F.3d at 1205.  
8 In the instant case, the Group III Defendants are using marks which are (visually and phonetically)  
9 substantially indistinguishable from and/or colorful imitations of the Tiffany Marks. (Compare  
10 Tiffany Trademark Registrations [Exhibit A to the Costello Decl. in Support of Application for  
11 TRO, DE 5-3] with the Group III Defendants’ Websites [attached as Composite Exhibit A to the  
12 Costello Decl.] and the detailed webpage listings and images of the Tiffany branded goods  
13 purchased by Investigator Marquez [Composite Exhibit A to Marquez Decl.]; see also Composite  
14 Exhibit B to the Costello Decl., summary comparison table illustrating examples of the Group III  
15 Defendants’ infringement of the Tiffany Marks.)

16 **(4) Evidence of Actual Confusion.**

17 Actual confusion is unnecessary to establish infringement since the test is likelihood of  
18 confusion. Eclipse Assoc., 894 F.2d at 1118. Indeed, the Court in Sleekcraft held “[b]ecause of the  
19 difficulty in garnering such evidence, the failure to prove instances of actual confusion is not  
20 dispositive.” Sleekcraft, 599 F.2d at 352. In this case, however, it is reasonable to infer actual  
21 confusion exists in the marketplace based upon the circumstantial evidence available. The Group III  
22 Defendants are advertising and offering to sell counterfeit and infringing goods which appear to be  
23 substantially indistinguishable from and/or colorful imitations of those sold by Tiffany. (See the  
24 Group III Defendants’ Websites attached as Composite Exhibit A to the Costello Decl. and the  
25 detailed webpage listings and images of the Tiffany branded goods purchased by Investigator  
26 Marquez attached as Composite Exhibit A to the Marquez Decl.) In some instances, the Group III  
27 Defendants’ Goods are being sold via websites operating under domain names employing the name

1 Tiffany. Even if buyers are told of the bogus nature of the Group III Defendants' Goods, other  
2 consumers viewing the Group III Defendants' Goods in a post-sale setting will obviously be  
3 confused, because they are viewing goods bearing the Tiffany Marks which undeniably creates the  
4 impression they are viewing genuine goods sold or authorized by Tiffany. Post-sale consumer  
5 confusion is ensured by the Group III Defendants' offering for sale and sale of goods bearing marks  
6 which are substantially indistinguishable from and/or colorful imitations of the Tiffany Marks. Such  
7 post-sale confusion is entirely actionable. Abercrombie & Fitch Co. v. Moose Creek, Inc., 486 F.3d  
8 629, 635 (9th Cir. 2007) (citing Karl Storz Endoscopy- Am., Inc. v. Surgical Techs., Inc., 285 F.3d  
9 848, 854 (9th Cir. 2002)); see also Acad. of Motion Picture Arts & Scis. v. Creative House  
10 Promotions, Inc., 944 F.2d 1446, 1455, 19 U.S.P.Q.2d 1491 (9th Cir. 1991) (while purchaser of  
11 OSCAR look-alike award would know it is not a genuine OSCAR, "a large secondary audience" of  
12 recipients and viewers "might conceivably assume the [Defendant's] Award was somehow  
13 associated with the Oscar;" infringement found).

14 **(5) Marketing Channels Used.**

15 Convergent marketing channels increase the likelihood of confusion. Sleekcraft, 599 F.2d at  
16 353. Both Tiffany and the Group III Defendants sell, distribute, and advertise their products using at  
17 least one of the same marketing channels, the Internet, in the same geographical distribution areas,  
18 including the United States. (Costello Decl. ¶¶ 5-6; Marquez Decl. ¶ 4; and the Group III  
19 Defendants' Websites attached as Composite Exhibit A to the Costello Decl.) Thus the conditions of  
20 purchase for both parties are unmistakably identical. Moreover, both target the same general  
21 customers, and as such, Tiffany is directly competing with the Group III Defendants' Goods.

22 **(6) Type of Goods and Degree of Care Likely to Be Exercised**  
23 **By Purchaser.**

24 The standard used by courts in assessing the likelihood of confusion of the public is not of an  
25 expert, but rather the "typical buyer exercising ordinary caution." Sleekcraft, 599 F.2d at 353. When  
26 reviewing this factor, the most important consideration is generally price. Consumer confusion is  
27 likely to occur from paying similar prices for counterfeit and infringing goods, because consumers  
28

1 may reasonably suspect that those goods have a common origin or that they are somehow related to  
2 the genuine goods. Although consumers are generally expected to be more careful when selecting  
3 goods at high prices, see e.g., Nova Wines, Inc. v. Adler Fels Winery, LLC, 467 F. Supp. 2d 965,  
4 981 (N.D. Cal. 2006), the law is nevertheless designed to protect the purchasing public, including  
5 “the ignorant, the inexperienced, and the gullible.” Stork Rest. v. Sahati, 166 F.2d 348, 359 (9th Cir.  
6 1948); Florence Mfg. Co. v. J.C. Dowd & Co., 178 F. 73 (2d Cir. 1910) (stating that the law protects  
7 “the ignorant, the unthinking, and the credulous, who, in making purchases, do not stop to analyze,  
8 but are governed by appearance and general impressions.”).

9 Despite the fact that the Group III Defendants’ counterfeit and infringing goods are generally  
10 priced lower than genuine Tiffany goods, even a detailed analysis of the Group III Defendants’  
11 finished counterfeit and infringing products by a consumer in a post-sale setting may not reveal they  
12 are discernible from Tiffany’s genuine goods, since the counterfeit and infringing marks being used  
13 by the Group III Defendants are substantially indistinguishable from and/or colorful imitations of the  
14 Tiffany Marks. (Compare Tiffany Trademark Registrations [Exhibit A to the Costello Decl. in  
15 Support of Application for TRO, DE 5-3] with the Group III Defendants’ Websites [attached as  
16 Composite Exhibit A to the Costello Decl.] and the detailed webpage listings and images of the  
17 Tiffany branded goods purchased by Investigator Marquez [Composite Exhibit A to Marquez  
18 Decl.]

#### 19 (7) Defendants’ Intent in Selecting the Marks.

20 The Ninth Circuit has held that “[w]hen an alleged infringer knowingly adopts a Mark  
21 similar to another’s, courts will presume an intent to deceive the public.” Official Airline Guides,  
22 Inc. v. Goss, 6 F.3d 1385, 1394 (9th Cir. 1993); see also E. & J. Gallo Winery v. Gallo Cattle Co.,  
23 967 F.2d 1280, 1293 (9th Cir. 1992). In a case of clear-cut copying such as this, it is appropriate to  
24 infer the Group III Defendants intended to benefit from Tiffany’s reputation, to the detriment of  
25 Tiffany. See Interstellar Starship Serv. Ltd. v. Epix, Inc., 184 F.3d 1107, 1111 (9th Cir. 1999), cert.  
26 denied, 528 U.S. 1155, 120 S. Ct. 1161, 145 L. Ed.2d 1073 (2000) (“Adopting a designation with  
27 knowledge of its trademark status permits a presumption of intent to deceive. [...] In turn, intent to  
28

1 deceive is strong evidence of a likelihood of confusion."); see also Acad. of Motion Picture Arts &  
 2 Scis., 944 F.2d at 1456. The Group III Defendants obviously adopted the Tiffany Marks with the  
 3 intention of reaping the benefits of Tiffany's world-famous reputation and for the purpose of  
 4 defrauding the public. In fact, many of the Group III Defendants' websites contain open admissions  
 5 that the goods offered for sale thereon are "replica," "knockoff" and/or "fake." (See generally, the  
 6 Group III Defendants' Websites attached as Composite Exhibit A to Costello Decl.) At a bare  
 7 minimum, the Group III Defendants acted with willful blindness or with reckless disregard for  
 8 Tiffany's trademark rights. See Microsoft Corp. v. E & M Internet Bookstore, Inc., C 06-06707  
 9 WHA, 2008 WL 191346, at \*3 (N.D. Cal. Jan. 22, 2008) (trademark infringement can be deemed  
 10 willful where defendants acted with "willful blindness.") The Group III Defendants cannot seriously  
 11 contend they did not intend to reap the benefits of Tiffany's world-famous reputation for the purpose  
 12 of defrauding the public.

13 **(8) Likelihood of Expansion of the Product Lines.**

14 Tiffany already distributes goods, specifically, jewelry, including bracelets, necklaces,  
 15 pendants, earrings and rings, cufflinks, money clips, key holders, watches, and gift boxes, which are  
 16 substantially indistinguishable, except in quality, to those being sold and offered for sale by the  
 17 Group III Defendants. (See Tiffany Trademark Registrations [Exhibit A to the Costello Decl. in  
 18 Support of Application for TRO, DE 5-3] with the Group III Defendants' Websites [attached as  
 19 Composite Exhibit A to the Costello Decl.] and the detailed webpage listings and images of the  
 20 Tiffany branded goods purchased by Investigator Marquez [Composite Exhibit A to Marquez  
 21 Decl.].) Since the Group III Defendants are already directly competing with Tiffany by promoting  
 22 and selling the aforementioned counterfeit and infringing goods, analysis of this factor is  
 23 unnecessary. See Nova Wines, 467 F. Supp. 2d at 982.

24 It is abundantly clear the eight (8) Sleekcraft factors weigh overwhelmingly in Tiffany's  
 25 favor. Tiffany has, therefore, shown a probability of success on the merits of its trademark  
 26 counterfeiting and infringement claim.

1                                   **b) Plaintiff is Likely to Succeed on its False Designation of Origin**  
2                                   **Claim.**

3           As with trademark infringement claims, the test for liability for false designation of origin  
4 under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), is also whether the public is likely to  
5 be deceived or confused by the similarity of the marks at issue. Smith v. Chanel, Inc., 402 F.2d 562,  
6 565 (9th Cir. 1968). As noted by the Ninth Circuit, “[w]hether we call the violation infringement,  
7 unfair competition or false designation of origin, the test is identical “is there a ‘likelihood of  
8 confusion?’” New West Corp. v. NYM Co. of California, Inc., 595 F.2d 1194, 1201 (9th Cir. 1979);  
9 see also ACI Int’l Inc. v. Adidas- Salomon AG, 359 F. Supp. 2d 918, 921 (C.D. Cal. 2005) (“The  
10 ultimate test for unfair competition is exactly the same as for federal trademark infringement.”).  
11 Therefore, because Tiffany has established the merits of its trademark counterfeiting and  
12 infringement claims against the Group III Defendants, a likelihood of success is also shown as to  
13 Tiffany’s federal false designation of origin pursuant to Section 43(a) of the Lanham Act.

14                                   **c) Plaintiff is Likely to Succeed on its Cyberpiracy Claim.**

15           The Anticybersquatting Consumer Protect Act (“ACPA”) protects the owner of a distinctive  
16 or famous trademark from another's bad faith intent to profit from the trademark owner's mark by  
17 registering or using a domain name which is identical or confusingly similar to, or dilutive of, the  
18 trademark owner's mark without regard to the goods or services of the parties. 15 U.S.C. § 1125(d).  
19 To prevail under 15 U.S.C. § 1125(d), a plaintiff must prove that a defendant “(1) registers, uses, or  
20 traffics in a domain name, that (2) is identical or confusingly similar to a distinctive or famous  
21 trademark, with (3) bad faith intent to profit from the trademark.” Verizon California Inc. v.  
22 OnlineNIC Inc., No. C 08-2832 JF (RS), 2008 WL 5352022, at \*2 (N.D. Cal. Dec. 19, 2008); see  
23 also 15 U.S.C. § 1125(d). Tiffany’s evidence submitted herewith satisfies the requirements of 15  
24 U.S.C. § 1125(d).

25           As reflected on Schedule A to Plaintiff’s Second Application for TRO, various Group III  
26 Defendants have registered, at least, one hundred fifty-three (153) domain names, which are nearly  
27 identical and/or confusingly similar to several of the Tiffany Marks at issue. The domain names  
28

1 incorporate several of the “Tiffany” Marks in their entirety surrounded by descriptive or generic  
2 terms, rendering the names nearly identical as compared to Tiffany’s trademarks. See  
3 DaimlerChrysler v. The Net Inc., 388 F.3d 201, 205-06 (6th Cir. 2004) (“Courts generally have held  
4 that a domain name that incorporates a trademark is ‘confusingly similar to’ that mark if ‘consumers  
5 might think that [the domain name] is used, approved, or permitted’ by the mark holder.”) quoting  
6 Ford Motor Co. v. Greatdomains.Com, Inc., 177 F. Supp. 2d 635, 641 (E.D. Mich. 2001) quoting  
7 Harrods Ltd. v. Sixty Internet Domain Names, 157 F. Supp. 2d 658, 677 (E.D. Va.2001), aff’d in  
8 part, rev’d in part, 302 F.3d 214 (4th Cir. 2002); Victoria's Cyber Secret Ltd. P’ship v. V Secret  
9 Catalogue, Inc., 161 F. Supp. 2d 1339, 1351 (S.D. Fla. 2001) (“taking of an identical copy of  
10 another's famous and distinctive trademark for use as a domain name creates a presumption of  
11 confusion among Internet users as a matter of law.”). Moreover, Courts have found that slight  
12 differences between domain names and registered marks, such as the addition of minor or generic  
13 words to the disputed domain names are irrelevant.” See Ford Motor Co., 177 F. Supp. 2d at 642  
14 (holding “unless words or letters added to the plaintiff’s mark within the domain name clearly  
15 distinguish it from the plaintiff’s usage, allegations that a domain name incorporates a protected  
16 mark generally will suffice”); Harrods Ltd., 157 F. Supp. 2d at 677 (finding domain names adding  
17 descriptive or generic terms like “shipping” and “store” to the “Harrods” mark confusingly similar).

18 As to the issue of bad faith, the ACPA lists of nine factors for courts to consider in  
19 determining whether a domain name has been registered or used in “bad faith” with an intent to  
20 profit from a mark in registering or using the mark in a domain name. See 15 U.S.C. § 1125(d)  
21 (1)(B)(i); Interstellar Starship Services, Ltd., 304 F.3d at 946-47. The nine factors are not meant to  
22 be exclusive and the Court may consider all relevant factors in making a determination of bad faith.  
23 See Interstellar Starship Services, Ltd., 304 F.3d at 946-47 (factors are not meant to be an exclusive  
24 list; instead, “the most important grounds for finding bad faith are ‘the unique circumstances of the  
25 case, which do not fit neatly into the specific factors enumerated by Congress’”). Ultimately, each  
26 factor addresses whether “the defendant’s use of the disputed domain name is legitimate – i.e., for  
27 some purpose other than simply to profit from the value of the trademark.” Ford Motor Co., 177 F.

1 Supp. 2d at 642. An examination of the relevant bad faith factors compels the conclusion that the  
2 Group III Defendants' registration and use of the pirated domain names violates 15 U.S.C. §  
3 1125(d).

4 The first two factors, § 1125(d)(1)(B)(I) and (III), are clearly present inasmuch as the Group  
5 III Defendants have no rights in the Tiffany Marks, and the Group III Defendants have never used  
6 those Marks in connection with a bona fide, that is, non-infringing, offering of goods or services.  
7 Moreover, Tiffany has used at least two of the relevant Tiffany Marks in commerce since long  
8 before Internet domain names existed at all. (See Tiffany Trademark Registrations attached as  
9 Exhibit A to the Costello Decl. in Support of Application for TRO, DE 5-3.) Thus, the first and third  
10 statutory factors weigh heavily in favor of Tiffany.

11 Additionally, as discussed above, the Group III Defendants have clearly intentionally  
12 incorporated the Tiffany Marks in their domain names to divert consumers looking for Tiffany's  
13 website to their own websites for commercial gain. Such consumers are likely to be confused as to  
14 the source and sponsorship of the Group III Defendants' Websites and mistakenly believe the  
15 websites are endorsed by and/or affiliated with Tiffany. This is especially true in light of the fact the  
16 Group III Defendants' Websites are offering for sale counterfeit and infringing Tiffany goods.  
17 (Costello Decl. ¶¶ 11-15 and the Group III Defendants' Websites attached as Composite Exhibit A  
18 thereto; Marquez Decl. ¶ 4 and Composite Exhibit A attached thereto.) Clearly, the Group III  
19 Defendants' use is anything but a bona fide noncommercial or fair use of the Tiffany Marks. In fact,  
20 the Group III Defendants' registration of domain names in order to sell and offer for sale counterfeit  
21 and infringing Tiffany goods, knowing the domain names are identical or confusingly similar to  
22 Tiffany's indisputably famous and distinctive marks, ensured a likelihood of confusion among  
23 consumers. See House Judiciary Committee Report on H.R. 3028, H.R. Rep. No. 106-412 p. 13  
24 (October 25, 1999) ("The more distinctive or famous a mark has become, the more likely the owner  
25 of that mark is deserving of the relief available under this act."). Thus, the fourth, fifth, and ninth  
26 statutory factors also weigh in favor of Tiffany, and Tiffany has shown a likelihood of success on the  
27 merits of its cyberpiracy claim.

1                                    **d) Plaintiff is Likely to Succeed on its Common Law Unfair**  
 2                                    **Competition Claim.**

3                    “The test for false designation under the Lanham Act, as well as the common-law and  
 4 statutory unfair competition claims, is whether there was a ‘likelihood of confusion.’” See Walter v.  
 5 Mattel, Inc., 210 F.3d 1108, 1111 (9th Cir. 2000) (holding modified on other grounds, Survivor  
 6 Media, Inc. v. Survivor Productions, 406 F.3d 625, 631 (9th Cir. 2005)); citing Cleary v. News  
 7 Corp., 30 F.3d 1255 (9th Cir. 1994) (“This Circuit has consistently held that state common law  
 8 claims of unfair competition [ ] are “substantially congruent” to claims made under the Lanham  
 9 Act”) citing Academy of Motion Picture Arts & Sciences v. Creative House Promotions, Inc., 944  
 10 F.2d 1446, 1457 (9th Cir.1991) (citing Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175, 1178  
 11 (9th Cir.1988) (holding that under both [unfair competition claims and trademark infringement  
 12 claims], the “ultimate test” is “whether the public is likely to be deceived or confused by the  
 13 similarity of the marks”) (internal quotations omitted)). As demonstrated *supra*, Tiffany has  
 14 established there is a likelihood of confusion regarding the Group III Defendants use of the Tiffany  
 15 Marks on their counterfeit and infringing products. Accordingly, Tiffany is also likely to succeed on  
 16 the merits of its common law unfair competition claim.

17                                    **2. Tiffany is Suffering Irreparable Injury.**

18                    As demonstrated above, a likelihood of consumer confusion exists herein, because the Group  
 19 III Defendants are engaged in continuous counterfeiting activities using spurious designations, which  
 20 are substantially indistinguishable from and/or colorful imitations of the Tiffany Marks. Thus,  
 21 Tiffany continues to suffer irreparable injury to its reputation and goodwill for as long as the Group  
 22 III Defendants are allowed to continue their counterfeiting and false association activities. (Costello  
 23 Decl. ¶ 19.)

24                                    **3. The Balance of Hardship Tips Sharply in Tiffany’s Favor.**

25                    Tiffany has expended substantial time, money and other resources to develop the quality,  
 26 reputation and goodwill associated with the Tiffany Marks and the genuine goods sold under such  
 27 Marks. (Costello Decl. ¶¶ 6, 7.) Should the Group III Defendants be permitted to continue their trade  
 28

1 in counterfeit and infringing goods using the Tiffany Marks, Tiffany will suffer substantial losses  
2 and damage to its reputation. To the contrary, the Group III Defendants will suffer no legitimate  
3 hardship in the event a temporary restraining order and a preliminary injunction are issued, because  
4 the Group III Defendants have neither the legal or equitable right to engage in their present  
5 counterfeiting and false association activities nor the right to deprive Tiffany of its right to fairly  
6 compete in the Internet marketplace.

7 **4. The Relief Sought Serves the Public Interest.**

8 The Group III Defendants are engaging in criminal activities and are directly defrauding the  
9 consuming public by palming off the Group III Defendants' Goods as genuine goods of Tiffany.  
10 Moreover, the Group III Defendants are falsely identifying Tiffany as the origin of such goods. The  
11 public has an interest in not being misled as to the origin, source or sponsorship of trademarked  
12 products. See e.g., U.S. Olympic Committee v. Xclusive Leisure & Hospitality Ltd., No. C 08-03514  
13 JSW, 2008 WL 3971120, at \*10 (N.D. Cal. Aug. 25, 2008); see also Phillip Morris USA Inc. v.  
14 Shalabi, 352 F. Supp. 2d 1067, 1075 (C.D. Cal. 2004) (citing Inwood Labs., Inc. v. Ives Labs. Inc.,  
15 456 U.S. 844, 854 n.14, 102 S.Ct. 2182, 72 L.Ed.2d 606 (1982) ("It is well established that  
16 trademark law protects not only the private interests of the trademark owner but also the public's  
17 interest in not being confused by the infringing products.")).

18 **C. The Equitable Relief Sought is Appropriate.**

19 The Lanham Act authorizes courts to issue injunctive relief "according to principles of equity  
20 and upon such terms as the court may deem reasonable, to prevent the violation of any right of the  
21 registrant of a mark ..." 15 U.S.C. § 1116(a).

22 **1. A Temporary Restraining Order Immediately Enjoining Defendants'**  
23 **Unauthorized and Illegal Use of the Tiffany Marks is Appropriate.**

24 Tiffany requests an order requiring the Group III Defendants immediately cease all use of the  
25 Tiffany Marks, or substantially similar marks, including on or in connection with all Internet  
26 websites and domain names owned and operated, or controlled by them. Such relief is necessary to  
27 stop the ongoing harm to Tiffany's marks and goodwill and to prevent the Group III Defendants  
28

1 from continuing to benefit from the increased traffic to their operations created by their illegal use of  
2 the Tiffany Marks. This Court and others have authorized immediate injunctive relief in cases  
3 involving the unauthorized use of trademarks. See e.g., Louis Vuitton Malletier, S.A. v.  
4 1854louisvuitton.com, Case 2:11-cv-00738-PMP-RJJ (D. Nev. May 13, 2011) (Order granting *Ex*  
5 *Parte* Application for Temporary Restraining Order); Chanel, Inc. v. The Unincorporated  
6 Partnerships and Associations, et al., Case No. 2:10-cv-02684-BBD-dkv (W.D. Tenn. Nov. 1, 2010);  
7 Kraft Foods Holdings, Inc. v. Helm, 205 F. Supp. 2d 942, 956 (N.D. Ill. 2002) (granting preliminary  
8 injunction requiring defendant "immediately" to remove all references to version of plaintiffs mark,  
9 including removing all references "from any metatags, metanames, or any other keywords on his  
10 websites); Ford Motor Co. v. Lapertosa, 126 F. Supp. 2d 463, 467-68 (E.D. Mich. 2001) (defendant  
11 enjoined from "using in any way the Internet domain name "fordrecalls.com").

12 **2. Entry of an Order Prohibiting Transfer of the Domain Names During the**  
13 **Pendency of this Action is Appropriate.**

14 To preserve the status quo, Tiffany seeks an order temporarily modifying control of and  
15 prohibiting the Group III Defendants from transferring the Group III Subject Domain Names to other  
16 parties. Under the operating rules of domain name registrars, defendants involved in domain name  
17 litigation easily can, and often will, change the ownership of a domain name and thereby frustrate  
18 the court's ability to provide relief to the plaintiff. (Gaffigan Decl. ¶ 7.) Moreover, defendants can  
19 and often do modify website content to thwart discovery and redirect traffic to thwart effective  
20 injunctive relief. (Gaffigan Decl. ¶¶ 5-7, and Composite Exhibit C attached thereto, examples of  
21 aforementioned redirection.) Accordingly, to preserve the status quo and ensure the possibility of  
22 eventual effective relief, courts in trademark cases involving domain names regularly grant such  
23 relief. See e.g., Louis Vuitton Malletier, S.A. v. 1854louisvuitton.com, Case 2:11-cv-00738-PMP-  
24 RJJ (D. Nev. May 13, 2011) (prohibiting the defendant from transferring domain names during  
25 pendency or until further Order of the Court); Iconix, Inc. v. Tokuda, 457 F. Supp. 2d 969,  
26 1004 (N.D. Cal. 2006) (prohibiting defendants "from using, selling, licensing, or transferring the  
27 domain name"). Here, an interim order prohibiting the Group III Defendants from transferring the  
28

1 Group III Subject Domain Names poses no burden on them, preserves the status quo, and ensures  
2 that this Court, after fully hearing the merits of this action, will be able to afford Tiffany full relief.

3 Because the domain name Registrars exercise effective control over whether domain names  
4 can be transferred, the Lanham Act explicitly provides for Registrars to deposit domain name  
5 certificates with the court, thereby recognizing the court's control over the domain names. See 15  
6 U.S.C. § 1114(2)(D); 15 U.S.C. § 1125(d)(2)(C); Philip Morris USA, Inc. v. Otamedia Ltd., 331 F.  
7 Supp. 2d 228, 230 (S.D.N.Y. 2004) (affirming registrar's decision to deposit certificate with court  
8 where registrant used web site to make infringing sales); see also Toys "R" Us, Inc. v. Akkaoui, No.  
9 C 96-3381 CW, 1996 WL 772709, at \*4 (N.D. Cal. Oct. 29, 1996) (noting that registrar, by  
10 delivering certificate to the Court, had "delegated complete control regarding the disposition of the  
11 registration and use of the domain name"). By this mechanism, the parties, and this Court, are  
12 assured that the ownership of the domain names will not change while the action is proceeding.  
13 Accordingly, Tiffany is also seeking an interim order requiring the Group III Defendants' registrars  
14 for the Group III Subject Domain Names to deposit domain name certificates with the Court.

15 **3. Entry of an Order Modifying Control, Redirecting, and Disabling the**  
16 **Subject Domain Names is Appropriate.**

17 In domain name trademark cases, this court and many other have recognized that an interim  
18 order redirecting, transferring, disabling, or canceling the offending domain names often may be the  
19 only means of affording plaintiff interim relief that avoids irreparable harm. See e.g., Tiffany (NJ),  
20 LLC v. 925ly.com, Case No. 2:11-cv-00590-LDG-GWF (DE 12) (D. Nev. May 11, 2011)  
21 (temporary restraining order issued ordering that the top-level domain (TLD) Registry for the  
22 domain change the registrar of record to a holding account with the United States based Registrar  
23 GoDaddy.com, Inc.; also ordering that the Registrar set the domains to redirect to plaintiff's  
24 publication website and thereafter placing domain on lock status, preventing the modification or  
25 deletion of the domain by the registrar or the defendant); Louis Vuitton Malletier, S.A. v.  
26 1854louisvuitton.com, Case 2:11-cv-00738-PMP-RJJ (D. Nev. May 13, 2011) (same); Bottega  
27 Veneta Intern. v. Pan, Case No. 10-62334-CIV, (S.D. Fla. Dec. 9, 2010) (same); Bd. of Directors of

1 Sapphire Bay Condominiums West v. Simpson, 129 Fed. Appx. 711, 712, 715 (3rd Cir. 2005)  
 2 (affirming District Court's grant of the preliminary injunction ordering defendant to "cancel his  
 3 registration of the domain name and refrain from using the name, or any derivative thereof, for any  
 4 Web site under his ownership or substantial control"); Ford Motor Company v. Lapertosa, 126 F.  
 5 Supp. 2d at 468 (preliminary injunction issued ordering the transfer of the domain name at issue to  
 6 plaintiff pending resolution on the merits).<sup>6</sup>

7 Accordingly, in order to disable and redirect the Group III Subject Domain Names, Tiffany  
 8 requests the Court enter an order (i) requiring the registrars of record to lock the Group III Subject  
 9 Domain Names, (ii) allowing the Group III Defendants forty eight (48) hours to file a written  
 10 objection with the Court after notice to their registrars and (iii) requiring the Registries which  
 11 maintain the Top Level Domain ("TLD") Zone files for the Group III Subject Domain Names to  
 12 change the registrar of record for the Group III Subject Domain Names to a holding account with the  
 13 United States based Registrar GoDaddy.com, Inc., where they will be held in trust for the Court  
 14 during the pendency of this action and set to automatically redirect to  
 15 <http://www.servingnotice.com/off/index.html>.<sup>7</sup> Upon such redirection, a copy of all of the pleadings,

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 17 <sup>6</sup> See also Chanel, Inc. v. Qi, Case No. 3:11-cv-00362-CRB (N.D. Cal. Jan. 27, 2011) (temporary  
 18 restraining order entered ordering that the top-level domain (TLD) Registries for the domains change  
 19 the registrar of record to a holding account with the United States based Registrar GoDaddy.com,  
 20 Inc.; also ordering that the Registrar set the domains to redirect to plaintiff's publication website and  
 21 thereafter placing domains on lock status, preventing the modification or deletion of the domains by  
 the registrars or the defendant); Louis Vuitton Malletier, S.A. v. Li, Case 0:11-cv-60611-WPD (S.D.  
 Fla. March 28, 2011) (same); Abercrombie & Fitch Trading Co v. Wu, Case 11-cv-00042-MSD-  
 TEM (E.D. Va. Jan. 21, 2011) (same); Gucci America, Inc. v. Ling, Case 2:10-cv-00591-MSD-DEM  
 (E.D. Va. Dec. 23, 2010) (same); Chanel, Inc. v Does 1 -172, Case No. 2:10-cv-02684-BBD-dkv  
 (W.D. Tenn. November 1, 2010) (same).

22 <sup>7</sup> Such relief regarding a change of registrars was most recently granted in this matter on May 11,  
 23 2011 (DE 12) and in Louis Vuitton Malletier, S.A. v. 1854louisvuitton.com, Case 2:11-cv-00738-  
 PMP-RJJ (D. Nev. May 13, 2011); Bottega Veneta International, S.A.R.L., v. Pan, Case No. 10-  
 24 62334-CIV, (S.D. Fla. Dec. 9, 2010); Louis Vuitton Malletier, S.A. v. Li, Case 0:11-cv-60611-WPD  
 (S.D. Fla. March 28, 2011); Chanel, Inc. v. Qi, Case No. 3:11-cv-00362-CRB (N.D. Cal. Jan. 27,  
 25 2011); Abercrombie & Fitch Trading Co v. Wu, Case 11-cv-00042-MSD-TEM (E.D. Va. Jan. 21,  
 2011) (same); Gucci America, Inc. v. Ling, Case 2:10-cv-00591-MSD-DEM (E.D. Va. Dec. 23,  
 2010) (same); Chanel, Inc. v Does 1 -172, Case No. 2:10-cv-02684-BBD-dkv (W.D. Tenn.  
 26 November 1, 2010) (same). (See <http://www.servingnotice.com/off/index.html>;  
 27 <http://www.servingnotice.com/ofn/index.html>; <http://servingnotice.com/pan/index.html>;  
<http://servingnotice.com/li2/index.html>; <http://servingnotice.com/qi/index.html>;  
 28 <http://servingnotice.com/wu/index.html>; <http://servingnotice.com/ling/index.html>; and  
<http://servingnotice.com/oft/index.html>.)

1 other documents and Court orders issued in this matter will be immediately visible to the Group III  
2 Defendants the moment they type any of their own domain names into their web browser. The  
3 Group III Subject Domain Names would remain in the legal ownership of the Group III Defendants,  
4 but they would no longer be able to display the infringing and counterfeit website content at issue in  
5 this matter. Rather, they would serve as the single most effective means of notifying the Group III  
6 Defendants of the pendency of this action and the relief sought by Tiffany and affording them and  
7 any other interested parties with an opportunity to present objections.

8 **D. A Bond Should Secure the Injunctive Relief.**

9 Because of the strong and unequivocal nature of Tiffany's evidence of counterfeiting and  
10 infringement, false designation of origin, unfair competition, and cyberpiracy, Tiffany respectfully  
11 requests this Court require Tiffany to maintain its previously posted bond of twenty thousand dollars  
12 (\$20,000.00). The posting of security upon issuance of a temporary restraining order or preliminary  
13 injunction is vested in the Court's sound discretion. FED.R.CIV.P. 65(c).

14 **IV. CONCLUSION**

15 In view of the foregoing, Plaintiff respectfully requests this Court enter a temporary  
16 restraining order as to the Group III Defendants in the form submitted herewith and set a hearing  
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1 regarding Tiffany's preliminary injunction before the expiration of the temporary restraining order.

2 Dated: September 16<sup>th</sup>, 2011.

Respectfully submitted,

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