

1
2
3
4
5
6
7
8
9
10
11
12 UNITED STATES DISTRICT COURT
13 WESTERN DISTRICT OF WASHINGTON AT TACOMA
14

15 AMERICAN AUTOMOBILE ASSOCIATION,

16
17 Plaintiff,

18 v.
19

20 AAA INSURANCE INC.,
21

22 Defendant.
23
24
25

NO.

COMPLAINT FOR TRADEMARK
INFRINGEMENT, UNFAIR
COMPETITION AND UNFAIR
BUSINESS PRACTICES

26 Plaintiff American Automobile Association ("AAA") brings this Complaint for monetary
27 damages and injunctive and other relief against Defendant AAA Insurance Inc. AAA alleges as
28 follows:
29
30
31

32 NATURE OF ACTION
33

34 1. This is an action for trademark infringement, false designation of origin, and
35 unfair competition, in violation of sections 32(1) and (2) and 43(a) of the Lanham Act, 15 U.S.C.
36 §§ 1114(1)-(2), 1125(a) (2000); for dilution of AAA's trademarks in violation of section 43(c) of
37 the Lanham Act, 15 U.S.C.A. § 1125(c); and for unfair competition and unfair business practices
38 in violation of the Washington Consumer Protection Act, RCW § 19.86.020. AAA seeks an
39 injunction prohibiting Defendant from using in commerce Plaintiff's "AAA" trademarks. In
40
41
42
43
44
45

COMPLAINT FOR TRADEMARK INFRINGEMENT,
UNFAIR COMPETITION AND UNFAIR BUSINESS
PRACTICES- 1
No.

GORDON TILDEN THOMAS & CORDELL LLP
1001 Fourth Avenue, Suite 4000
Seattle, WA 98154
Phone (206) 467-6477
Fax (206) 467-6292

1 addition, and pursuant to section 35 of the Lanham Act, 15 U.S.C. § 1117, and RSW §19.86.140,
2
3 AAA seeks compensatory damages, Defendant's profits from the violations alleged, civil
4
5 penalties and AAA's costs and attorneys' fees incurred in bringing this action.
6

7 2. AAA has owned the relevant "AAA" trademarks (collectively, "AAA Marks") for
8
9 decades and has achieved considerable name recognition and goodwill in them.
10

11 3. AAA neither has authorized nor consented to Defendant's use of the AAA Marks
12
13 in commerce. Defendant registered and uses the trade name "AAA Insurance Inc." with full
14
15 knowledge that AAA has not authorized it to do so. Such use of the AAA Marks has caused and
16
17 causes confusion among the public because consumers believe that Defendant is associated,
18
19 affiliated, or connected with AAA, or that AAA has sponsored, authorized, approved, or
20
21 endorsed Defendant's business or products.
22

23 4. Defendant's use of the AAA Marks also has diminished the ability of AAA's
24
25 famous and distinctive AAA Marks to identify and distinguish the products and services
26
27 provided under those trademarks by AAA and its affiliated local clubs. Defendant, thus, has
28
29 diluted the distinctive quality of the AAA Marks.
30

31 5. Defendant thus has made unauthorized commercial use of the AAA Marks in the
32
33 United States, and in Washington, to its benefit and to the detriment of AAA and the public, in
34
35 violation of the laws identified above.
36

37 PARTIES

38
39 6. Plaintiff AAA is a not-for-profit non-stock corporation organized and existing
40
41 under the laws of the State of Connecticut. AAA has its principal place of business in Heathrow,
42
43 Florida. AAA provides its more than 50 million members with a wide variety of automobile
44
45

1 repair and emergency services and certification and rating of various services throughout the
2 United States, including in Washington.
3
4

5 7. On information and belief, Defendant AAA Insurance Inc. is a Washington
6 corporation with its principal place of business located at 1119 Pacific Ave., Tacoma,
7 Washington 98402.
8
9

10 11 **JURISDICTION AND VENUE**

12 8. This Court has subject matter jurisdiction under section 39 of the Lanham Act, 15
13 U.S.C. § 1121 (2000); 28 U.S.C. § 1331 (2000); 28 U.S.C. § 1338 (2000), and 28 U.S.C.
14 § 1367(a) (2000).
15
16
17

18 9. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) (2000).
19 On information and belief, Defendant is a corporation subject to personal jurisdiction in and,
20 therefore, resides in this judicial district; and a substantial part of the events giving rise to the
21 claims occurred in this judicial district.
22
23
24
25

26 27 **FACTS ENTITLING AAA TO RELIEF**

28 **A. AAA's Widespread and Substantial Use of Its Registered AAA Marks**

29 10. AAA has used its AAA Marks widely, continuously, and for decades to identify
30 itself and its automobile club services—including insurance services—and to distinguish those
31 services from services provided by others.
32
33
34
35

36 11. AAA has registered with the United States Patent and Trademark Office more
37 than one hundred of its trademarks, including:
38
39

- 40 a. U.S. Service Mark Registration No. 829,265 for the mark "AAA," registered May
41 23, 1967, for "automobile association services."
42
43
44
45

- 1 b. U.S. Service Mark Registration No. 2,158,654 for the mark "AAA," registered
2
3 May 19, 1998, for "Adjusting and collecting insurance damage claims" and
4
5 "insurance brokerage services."
6
7 c. U.S. Service Mark Registration No. 1,568,799 for the mark "AAA Guaranteed
8
9 Life," registered November 28, 1989, for "Life insurance underwriting services."
10
11 d. U.S. Service Mark Registration No. 1,101,726 for the mark "AAA Life Insurance
12
13 Company," registered September 5, 1978, for "Underwriting of life and accident
14
15 insurance."
16

17 12. Many of the AAA Marks have been used continuously for at least five years since
18
19 their registration, and have thus become "incontestable" under section 15 of the Lanham Act, 15
20
21 U.S.C. § 1065 (2000), thereby constituting conclusive and independent evidence of AAA's
22
23 exclusive right to use such AAA Marks in commerce in connection with those products and
24
25 services.
26

27 13. Only those businesses that are part of AAA's network of affiliates and approved
28
29 service providers are authorized to use or display the AAA Marks. Consequently, AAA members
30
31 and the public have come to trust and believe that entities displaying the AAA Marks are
32
33 affiliated with, or endorsed or approved by, AAA and that they satisfy AAA's high standards for
34
35 quality and reliability.
36

37 14. AAA enjoys a tremendous amount of goodwill and name recognition as a result
38
39 of its use of the AAA Marks and its extensive advertising and promotion of the AAA Marks in
40
41 Washington and throughout the United States.
42
43
44
45

1 15. The AAA Marks are distinctive: consumers and members of the public recognize
2
3 that goods and services marketed under the AAA Marks originate, are approved or endorsed by,
4
5 or are affiliated with, AAA.
6

7 16. As a result of their widespread use and recognition, the AAA Marks have become
8
9 assets of substantial value and goodwill as distinguishing symbols of AAA and the services it
10
11 offers. Indeed, the AAA Marks have become famous for the services offered by AAA, and the
12
13 public has come to associate the "AAA" name with trustworthy service and advice.
14

15 **B. Defendant's Unlawful Use of the AAA Marks**
16

17 17. On information and belief, Defendant uses as its name "AAA Insurance Inc.,"
18
19 which prominently includes the AAA Marks.
20

21 18. To advertise to and solicit consumers and the public, Defendant has caused to be
22
23 placed on the Internet and in publications distributed in this state advertisements for the services
24
25 it offers that prominently display the AAA Marks.
26

27 19. On information and belief, Defendant has registered the domain name
28
29 aaainsure.com. Further, to communicate with and solicit consumers and the public, Defendant
30
31 uses email addresses in the form of "[name]@aaainsure.com."
32

33 20. Defendant uses the AAA Marks in commerce without authorization from AAA to
34
35 do so.
36

37 21. Defendant's infringing use of the AAA Marks in connection with its business is
38
39 likely to confuse and mislead consumers into believing that the services offered by Defendant are
40
41 approved, provided, endorsed, or rated by AAA, which they are not, and into believing that
42
43 Defendant's services are currently rated positively by AAA and meet AAA's high standards.
44
45

1 22. On information and belief, Defendant's infringing use of the AAA Marks has
2
3 caused actual confusion among consumers who call Defendant seeking insurance services.
4

5 23. On information and belief, Defendant has acted and used the AAA Marks with
6
7 actual knowledge of AAA's longstanding and widespread use of the AAA Marks, as well as with
8
9 actual knowledge that Defendant is not authorized to use the AAA Marks.
10

11 24. Defendant's use of the AAA Marks has substantially harmed AAA, the AAA
12
13 Marks, the goodwill associated with the AAA Marks, and the public.
14

15 **C. Defendant's Failure to Comply with AAA's Demands**
16

17 25. AAA has notified Defendant in writing that Defendant is required immediately
18
19 and permanently to cease and desist all use of the AAA Marks. AAA's written demands further
20
21 notified Defendant that its use of the AAA Marks in connection with its business was
22
23 unauthorized and violated federal and state trademark infringement and unfair competition laws.
24

25 26. Despite having been notified repeatedly that its continued unauthorized use of the
26
27 AAA Marks constitutes actionable trademark infringement, trademark dilution, false advertising,
28
29 and unfair competition, Defendant continues to use the AAA Marks in its commercial activities.
30

31 27. It is likely that Defendant's continued use of the AAA Marks has caused, and
32
33 causes, confusion among members of the public as to whether Defendant is authorized,
34
35 sponsored, provided or endorsed by, or affiliated with AAA.
36

37 **COUNT I:**
38 **FEDERAL TRADEMARK INFRINGEMENT**
39 **(15 U.S.C. § 1114(1)-(2) (2000))**

40 28. AAA repeats and realleges the allegations set forth in paragraphs 1-27 above.
41

42 29. Defendant's use of the AAA Marks violates section 32(1) and (2) of the Lanham
43
44 Act, 15 U.S.C. § 1114(1)-(2), because it constitutes willful and deliberate use in commerce of
45

1 reproductions, counterfeits, copies, and/or colorable imitations of AAA's federally-registered
2
3 AAA Marks in connection with the sale, offering for sale, distribution, and advertising of
4
5 products and services in a manner likely to cause confusion, mistake, and deception.
6

7 30. On information and belief, Defendant's acts have been willful and deliberate.
8

9 31. AAA has been, and continues to be, irreparably damaged by Defendant's
10
11 violations of this statute, and AAA has no adequate remedy at law. Unless this Court enters an
12
13 order requiring Defendant immediately and permanently to cease and desist from its unlawful
14
15 use of the AAA Marks, Defendant's unlawful conduct will continue to cause injury to AAA and
16
17 the public.
18

19 **COUNT II:**
20 **FEDERAL TRADEMARK INFRINGEMENT AND UNFAIR COMPETITION**
21 **(15 U.S.C. § 1125(a) (2000))**
22

23 32. AAA repeats and realleges the allegations set forth in paragraphs 1-31 above.
24

25 33. Defendant's use of the AAA Marks described above violates section 43(a) of the
26
27 Lanham Act, 15 U.S.C. § 1125(a), because it constitutes willful and deliberate use in commerce
28
29 of AAA's Marks, which is likely to cause confusion, mistake, and deception as to the approval,
30
31 origin, or sponsorship by AAA of products and services provided by Defendant, and which
32
33 accordingly constitutes unfair competition and infringement of the AAA Marks.
34

35 34. On information and belief, Defendant's acts have been willful and deliberate.
36

37 35. AAA has been, and continues to be, irreparably damaged by Defendant's
38
39 violation of this statute, and AAA has no adequate remedy at law. Unless this Court enters an
40
41 order requiring Defendant immediately and permanently to cease and desist its unlawful use of
42
43 the AAA Marks, the violation will continue to cause injury to AAA and the public.
44
45

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45

**COUNT III:
FEDERAL TRADEMARK DILUTION
(15 U.S.C.A. § 1125(c) (West Supp. 2007))**

36. AAA repeats and realleges the allegations set forth in paragraphs 1-35 above.

37. Plaintiff's AAA Marks are famous. Defendant's use of the famous and distinctive AAA Marks violates section 43(c) of the Lanham Act, 15 U.S.C.A. § 1125(c), because Defendant began such use after Plaintiff's AAA Marks became famous and because Defendant's use constitutes willful and deliberate use in commerce of marks that dilute the distinctive quality of AAA's famous and distinctive AAA Marks.

38. Defendant's use of Plaintiff's AAA Marks dilutes the quality of the AAA Marks by diminishing their capacity to identify and distinguish Plaintiff's goods and services.

39. On information and belief, Defendant willfully and deliberately intended either to trade on AAA's reputation and goodwill or to cause dilution of the AAA Marks.

40. AAA has been, and continues to be, irreparably damaged and harmed by Defendant's violation of this statute, and AAA has no adequate remedy at law. Unless this Court enters an order requiring Defendant to cease and desist from its unlawful use of the AAA Marks, Defendant's violation will continue to cause injury to AAA and the public.

33
34
35
36
37
38
39
40
41
42
43
44
45

**COUNT IV:
COMMON LAW TRADEMARK INFRINGEMENT
(Washington Law)**

41. AAA repeats and realleges the allegations set forth in paragraphs 1-40 above.

42. Defendant's use of the AAA Marks constitutes common law trademark infringement because the AAA Marks held by AAA are protectable trademarks; Defendant made commercial use of the AAA Marks, or of a similar mark; and Defendant's use is likely to cause confusion in the minds of consumers.

1 43. AAA has been, and continues to be, irreparably damaged and harmed by
2
3 Defendant's violation of AAA's rights under Washington law.
4

5 44. Unless this Court enters an order requiring Defendant to cease and desist its
6
7 unlawful use of the AAA Marks, Defendant's violation will continue to cause injury to AAA.
8

9
10 **COUNT V:**
11 **UNFAIR COMPETITION AND UNFAIR BUSINESS PRACTICE IN VIOLATION OF**
12 **THE WASHINGTON CONSUMER PROTECTION ACT**
13 **(RCW § 19.86.020(2008))**

14 45. AAA repeats and realleges the allegations set forth in paragraphs 1-44 above.

15 46. Defendant's actions constitute an unfair method of competition and an unfair
16
17 trade practice in business in violation of the Washington Consumer Protection Act, RCW §
18
19 19.86.020.
20

21 47. Defendant's practices are damaging to the public interest in that they are likely to
22
23 cause confusion or mistake or to deceive consumers as to the source of origin of such goods or
24
25 services.
26

27 48. Defendant has harmed AAA by injuring its business reputation and passing off its
28
29 services as services sponsored, authorized, approved, or endorsed by AAA.
30

31 49. AAA has been, and continues to be, irreparably damaged and harmed by
32
33 Defendant's violation of this statute.
34

35 50. Unless this Court enters an order requiring Defendant to cease and desist its
36
37 unlawful use of the AAA Marks, Defendant's violation will continue to cause injury to AAA and
38
39 the public.
40

41 **PRAYER FOR RELIEF**
42

43 In view of the foregoing, Plaintiff AAA prays for the following relief:
44

45 A. An injunction:

1 (1) requiring Defendant, its agents, servants, employees, attorneys, and any and all persons in
2
3 active concert or participation with it immediately and permanently to cease and desist
4
5 from all use of the AAA Marks, or of any combinations of the letters "A," in any form or
6
7 manner that resembles, suggests, or intimates that Defendant is approved or endorsed by,
8
9 or otherwise affiliated with, AAA; **and**

10
11 (2) requiring Defendant, pursuant to section 36 of the Lanham Act, 15 U.S.C. § 1118 (2000),
12
13 to destroy all literature, signs, billboards, labels, prints, packages, wrappers, containers,
14
15 advertising materials, stationery, and other items in its possession or control that contain
16
17 the AAA Marks or any term, symbol, or logo confusingly similar to those marks; and to
18
19 destroy any and all means in its possession or control of making any of those infringing
20
21 items; **and**

22
23
24 (3) requiring Defendant to have deleted or removed from publication any advertisements
25
26 paid for or used by it containing any of the AAA Marks and any other name, mark, or
27
28 logo confusingly similar to them; **and**

29
30 (4) requiring Defendant to permanently delete and destroy all electronic content, including
31
32 all websites, domain names, and other electronic materials displaying the AAA Marks
33
34 and any other name, mark, or logo confusingly similar to them; **and**

35
36 (5) requiring Defendant to file with the Court and serve on AAA, within thirty (30) days after
37
38 entry of an injunction, a report in writing under oath setting forth in detail the manner in
39
40 which Defendant has complied with the Court's injunction and orders; **and**

41
42
43 B. Monetary damages equivalent to:


44
45 (1) AAA's damages caused by Defendant's unlawful conduct, as described above; or

- 1 (2) The profits earned by Defendant as a result of its sale of products and services using the
2
3 AAA Marks or as a result of her display or advertisement of the AAA Marks; **and**
4
5 (3) All state and federal statutory and common law relief available, including but not limited
6
7 to the damages and civil penalties provided for by RCW § 19.86.140; **and**
8
9 (4) All costs and reasonable attorneys' fees incurred in connection with this action, plus
10
11 appropriate interest thereon; **and**
12
13 (5) Any punitive or enhanced damages available due to Defendant's willful and deliberate
14
15 conduct; **and**
16
17

18 C. Such other and further relief as the Court may deem just and proper.
19

20
21 DATED this 22nd day of August, 2008.
22

23
24 **GORDON TILDEN THOMAS & CORDELL LLP**
25

26
27 By 
28 Franklin D. Cordell, WSBA #26392
29 Mark A. Wilner, WSBA #31550
30
31

32
33 **MCDERMOTT WILL & EMERY LLP**
34

35 Richard W. Smith,*
36 Joshua David Rogaczewski*
37 * *Pro Hac Vice Admission Application (forthcoming)*
38

39 Attorneys for Plaintiff American Automobile Association
40
41
42
43
44
45