



05-CV-05021-CMP

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U.S. DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

IN-N-OUT BURGERS, a California  
corporation,

Plaintiff,

v.

IN-N-OUT PIZZA, LLC, a Washington State  
Limited Liability Company, MICHAEL D.  
POPE, an individual, ANDREA J.  
MCCUNE, a.k.a ANDREA J. POPE, an  
individual, DOES 1-9, inclusive,

Defendants.

**CV05-5021 RBL**

COMPLAINT FOR INJUNCTIVE  
RELIEF FOR (1) FEDERAL  
TRADEMARK INFRINGEMENT; (2)  
FEDERAL DILUTION; (3) DILUTION  
UNDER STATE LAW; (4) COMMON  
LAW TRADEMARK  
INFRINGEMENT; (5) STATE  
UNFAIR COMPETITION

DEMAND FOR JURY TRIAL

For its Complaint, Plaintiff IN-N-OUT BURGERS ("In-N-Out") alleges as follows:

1. This is an action under the Trademark Laws of the United States, Title 15 U.S.C. §1051, et seq., for trademark infringement and dilution pursuant to §§32 and 43 of the Trademark Act of 1946 (the Lanham Act), as amended, 15 U.S.C. §§1114 and 1125(a) and (c), respectively. In addition, this is an action for trademark infringement, dilution and unfair competition, in violation of the common law and the statutes of the States of Washington and California. In-N-Out does not seek damages, but instead only seeks

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LAW; (4) COMMON LAW TRADEMARK  
INFRINGEMENT; (5) STATE UNFAIR COMPETITION - I

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8/cas 4/10/2005

1 equitable relief including a preliminary and permanent injunction against Defendants, and  
2 reimbursement of its attorneys' fees and costs.

3  
4 **THE PARTIES**

5 2. In-N-Out is a corporation duly organized under the laws of the State of California,  
6 having offices at 4199 Campus Drive, 9th Floor, Irvine, California ("In-N-Out").

7 3. Upon information and belief, Defendant IN-N-OUT PIZZA, LLC is a Washington  
8 State Limited Liability Company with an address of 11720 Wright Bliss Road KN, Gig  
9 Harbor, Washington, 98329.

10 4. Upon information and belief, Defendant MICHAEL D. POPE is a co-owner of IN-N-  
11 OUT PIZZA, LLC, having an address of 4058 SW Hunter Road, Port Orchard, Washington,  
12 98367.

13 5. Upon information and belief, Defendant ANDREA J. MCCUNE, a.k.a. ANDREA J.  
14 POPE, is a co-owner of IN-N-OUT PIZZA, LLC, having an address of 4058 SW Hunter  
15 Road, Port Orchard, Washington, 98367.

16 6. The true names and capacities, whether individual, corporate or otherwise of  
17 Defendants Does 1-9 inclusive, are unknown to In-N-Out, who therefore sues them by such  
18 fictitious names (together with IN-N-OUT PIZZA, LLC, MICHAEL D. POPE and ANDREA  
19 J. MCCUNE, hereinafter collectively "Defendants"). In-N-Out will seek leave to amend this  
20 complaint to allege their true names and capacities when they have been ascertained. In-N-  
21 Out is informed and believes and thereon alleges that each of the fictitiously named  
22 Defendants is responsible in some manner for the occurrences herein alleged and that In-N-  
23 Out's damages as herein alleged were proximately caused by those Defendants. At all times  
24 herein mentioned, Defendants Does 1-9 inclusive were the agents, servants, employees or  
25 attorneys of their co-defendants, and in doing the things hereinafter alleged were acting within

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1 the course and scope of their authority as those agents, servants, employees or attorneys, and  
2 with the permission and consent of their co-defendants.

3  
4 **JURISDICTION AND VENUE**

5 7. This court has jurisdiction under 28 U.S.C. §1338 as this civil action arises under an  
6 Act of Congress related to trademarks. This court has jurisdiction under 28 U.S.C. §1367 and  
7 the doctrine of pendent jurisdiction over the state law claims as substantial and so related to  
8 the claims arising under federal law that they form part of the same case and controversy  
9 under Article III of the United States Constitution.

10 8. Venue pursuant to 28 U.S.C. §1391(b)(1) is proper in that, upon information and  
11 belief, Defendants reside in this judicial district and all Defendants reside in Washington  
12 State. Venue is also proper pursuant to §1391(b)(2), in that a substantial part of the events or  
13 omissions giving rise to the claim occurred in this judicial district.

14 **BACKGROUND FACTS**

15 9. In-N-Out has been engaged in the business of restaurant services, namely providing  
16 specially-prepared sandwiches since 1948. In-N-Out currently has over 180 locations  
17 throughout the Southwestern United States and has plans to expand its restaurant operations  
18 into the Pacific Northwest.

19 10. Since long prior to the acts of Defendants herein alleged, In-N-Out has continuously  
20 used the mark "IN-N-OUT" in interstate and intrastate commerce in connection with its  
21 advertising, promotion, offering to provide, and providing In-N-Out's products. In-N-Out has  
22 offered its product under its mark, the mark having appeared on In-N-Out's packaging and  
23 signage.

24 11. The mark has also continuously appeared in substantial advertising and promotion of  
25 In-N-Out's products. In-N-Out has extensively used and promoted the mark such that the

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1 mark is closely identified with the goods of In-N-Out and has gained widespread public  
2 recognition including on the West Coast, and in the state of Washington.

3 12. In the 1970's In-N-Out first applied to register its mark. As found by the United  
4 States Patent and Trademark Office, "IN-N-OUT" was inherently distinctive, thus entitled to  
5 an expansive scope of judicial protection. In-N-Out's mark is now federally registered and  
6 incontestable, having been used and registered for a significant period of time.

7 13. In-N-Out is the owner of the following U.S. Trademark Registrations, with more  
8 detailed information from the U.S. Patent and Trademark Office attached as Exhibit A for  
9 each registration:

<u>Registration No.</u>	<u>Date of Registration</u>	<u>Goods and Services</u>
2,026,720	December 31, 1996	Int'l Class 30
2,035,491	February 4, 1997	Int'l Class 36
2,291,183	November 9, 1999	Int'l Class 36
2,217,307	November 28, 1997	Int'l Classes 14, 16, 18, 21, 25
2,121,178	December 16, 1997	Int'l Class 36
2,285,823	October 12, 1999	Int'l Class 42
1,960,015	March 5, 1996	Int'l Classes 14, 16, 21, 25, 42
2,048,138	March 25, 1997	Int'l Classes 29, 30, 32, 42
1,877,603	February 7, 1995	Int'l Class 16
1,525,982	February 21, 1989	Int'l Classes 29, 30, 32, 42
1,522,799	January 31, 1989	Int'l Classes 29, 30, 32, 42
1,514,689	November 29, 1988	Int'l Class 25
1,528,456	March 7, 1989	Int'l Classes 29, 30, 32, 42
1,528,455	March 7, 1989	Int'l Classes 29, 30, 32, 42
1,516,560	December 13, 1988	Int'l Classes 29, 30, 32, 42

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1	1,101,628	September 5, 1978	Int'l Classes 29, 32
2	1,085,163	February 7, 1978	Int'l Class 42
3	1,101,638	September 5, 1978	Int'l Class 30
4	1,023,506	October 21, 1975	Int'l Class 42
5	1,031,096	January 20, 1976	Int'l Classes 29, 42
6	1,031,095	January 20, 1976	Int'l Classes 29,42

7 Said registered marks of In-N-Out are valid and subsisting, and are prima facie evidence of  
 8 In-N-Out's exclusive right to use said marks in commerce throughout the United States on the  
 9 goods and services specified in said registration, and other goods and services related thereto.

10 14. As a result of the care and skill exercised by In-N-Out in the conduct of its business,  
 11 the high quality of In-N-Out's products offered under its mark, and the extensive advertising,  
 12 sale and promotion of In-N-Out's products bearing the same, the mark has acquired a strong  
 13 secondary meaning. The trade has used and now uses the mark to identify In-N-Out's  
 14 products as those of In-N-Out exclusively, and to distinguish them from the products of  
 15 others. The distinctive mark has acquired outstanding fame and notoriety symbolizing the  
 16 goodwill which In-N-Out has created by its offering of its products.

17 15. Recently In-N-Out became aware of Defendants' infringing use of IN & OUT.  
 18 Attached at Exhibit B are photographs of offending signage.

19 16. In-N-Out directed letters to Defendants requesting that they cease all usage of IN-N-  
 20 OUT. Attached hereto as Exhibit C are copies of the letters. No satisfactory response was  
 21 received.

22 17. The use by Defendants of a colorable imitation of In-N-Out's mark is likely to cause  
 23 confusion, mistake or deception, and to cause those encountering Defendants' products and  
 24 services to mistakenly assume that those products emanate from or are in some way  
 25 sponsored, endorsed, approved by or connected with In-N-Out.

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**COUNT I  
FEDERAL TRADEMARK INFRINGEMENT**

18. In-N-Out repeats and alleges each and every allegation contained in paragraphs 1-17 of this Complaint and incorporates them herein.

19. By the aforesaid acts, Defendants have infringed upon In-N-Out's federal trademark rights described by its trademark registrations, in violation of Section 32 of the Lanham Act, 15 U.S.C. §1114.

20. In-N-Out has suffered, is suffering, and will continue to suffer irreparable injury for which In-N-Out has no adequate remedy at law.

**COUNT II  
DILUTION UNDER FEDERAL LAW**

21. In-N-Out repeats and alleges each and every allegation contained in paragraphs 1-20 of this Complaint and incorporates them herein.

22. In-N-Out is the owner of the famous registered trademark IN-N-OUT. The mark was inherently distinctive and has acquired distinctiveness through long and continuous use. The extent of advertising and publicity associated with the mark is such that it is well known throughout a substantial portion of the United States.

23. Defendants are making commercial use of the IN-N-OUT mark in interstate commerce, such usage beginning after In-N-Out's mark became famous. Upon information and belief, Defendants are purchasing goods from out-of-state, and serving interstate travelers, including from California.

24. Defendants' use causes dilution by lessening the capacity of In-N-Out's mark to identify and distinguish its goods and services from those of others.

25. In-N-Out has suffered, is suffering, and will continue to suffer irreparable injury for which In-N-Out has no adequate remedy at law.

COMPLAINT FOR INJUNCTIVE RELIEF FOR (1) FEDERAL TRADEMARK INFRINGEMENT; (2) FEDERAL DILUTION; (3) DILUTION UNDER STATE LAW; (4) COMMON LAW TRADEMARK INFRINGEMENT; (5) STATE UNFAIR COMPETITION - 6

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**COUNT III  
DILUTION UNDER STATE LAW**

26. In-N-Out repeats and alleges each and every allegation contained in paragraphs 1-25 of this Complaint and incorporates them herein.

27. By its acts alleged herein, Defendant is causing dilution of the distinctive quality of its mark and injury to In-N-Out's business reputation in violation of Revised Code of Washington §19.77.160 and California Business and Profession Code § 14330.

28. In-N-Out has suffered, is suffering, and will continue to suffer irreparable injury for which In-N-Out has no adequate remedy at law.

**COUNT IV  
COMMON LAW TRADEMARK INFRINGEMENT**

29. In-N-Out repeats and alleges each and every allegation contained in paragraphs 1-28 of this Complaint and incorporates them herein.

30. By their acts herein alleged, Defendants have infringed In-N-Out's common law rights in its distinctive mark, and have used the goodwill of In-N-Out to sell Defendants' products and services. The acts of Defendants herein alleged infringe In-N-Out's common law rights in its marks in connection with In-N-Out's products and constitute common law trademark infringement.

31. In-N-Out has suffered, is suffering, and will continue to suffer irreparable injury for which In-N-Out has no adequate remedy at law.

**COUNT V  
STATE LAW UNFAIR COMPETITION**

32. In-N-Out repeats and alleges each and every allegation contained in paragraphs 1-31 of this Complaint and incorporates them herein.

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1 33. In-N-Out's mark is wholly associated with In-N-Out due to its long use thereof, and  
2 as such, In-N-Out is deserving of having its mark adequately protected with respect to the  
3 conduct of its business.

4 34. Defendants' use of virtually the same mark comprises unfair competition in that  
5 customers and would-be customers are likely to be confused concerning the origin of products  
6 using the same or similar marks in the marketplace.

7 35. Defendants' aforesaid acts are in violation of federal and state law, specifically  
8 Revised Code of Washington §19.77.140, §19.86.020, and California Business and  
9 Professional Code § 17200 et seq.

10 36. In-N-Out has suffered, is suffering, and will continue to suffer irreparable harm and  
11 injury for which In-N-Out has no adequate remedy at law.

12 37. Additionally, Defendants have profited from their wrongful acts and must disgorge  
13 their ill-gotten gains.

14 WHEREFORE, In-N-Out prays for judgment that:

15 1. Defendants and their officers, agents, servants, employees, attorneys, and all  
16 persons in active concert or participating with him be preliminarily and thereafter  
17 permanently enjoined:

18 (a) from using, in connection with the offering of restaurant services, food,  
19 drinks, or retail grocery services the terms IN-N-OUT, IN & OUT, IN  
20 AND OUT or any other colorable imitation of In-N-Out's IN-N-OUT and  
21 IN 'N' OUT registered trademarks; and,

22 (b) from using the marks IN-N-OUT, IN 'N' OUT, IN & OUT or IN AND  
23 OUT, or any colorable imitation in any way in the conducting of their  
24 businesses, advertising, in promoting their businesses and in answering  
25 their telephones.

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- 2. Defendants pay to In-N-Out all reasonable attorneys' fees;
- 3. Defendants pay to In-N-Out the costs and disbursements of this action;
- 4. In-N-Out recover restitution from Defendants for unjust enrichment;
- 5. Defendants disgorge any profits as part of any equitable relief sought by In-N-Out; and,
- 6. In-N-Out have such other and further equitable relief as the Court may deem appropriate.

Plaintiff hereby demands a trial by jury in this matter.

Dated this 10<sup>th</sup> day of January 10, 2005.

Respectfully submitted,

PRESTON GATES & ELLIS LLP

By David H. Binney

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