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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

SLEP-TONE ENTERTAINMENT CORPORATION,

Plaintiff,

v.

LADY LUCK STEAKHOUSE & SALOON INC., a  
Washington Corporation; HOLLIDAY, INC., a  
Washington Corporation d/b/a “Ozzie’s Inn”;  
LAKEWOOD PUB & GRILL, LLC, a Washington  
limited liability company; REGINA WEAVER,  
ANTHONY BALOGH, OREN ARTLIP, JR.,  
GEORGE HOBSON, JAMES HALLMAN, ALAN  
TCHOCHIEV, PATRICK NOLAN, KEVIN  
SCHLEWITZ, EDWARD FORTNER, DEBRA  
MYRE, DAVID DOMINGUEZ, JASON STARKEY,  
and ERIC TURNBOW,

Defendants.

No. CV11-1098

COMPLAINT FOR VIOLATION OF  
TRADEMARK INFRINGEMENT AND  
VIOLATION OF CONSUMER  
PROTECTION ACT

The Plaintiff, Slep-Tone Entertainment Corporation (“Slep-Tone”), by and through its  
attorneys, alleges as follows:

**INTRODUCTION**

Slep-Tone is the manufacturer and distributor of karaoke accompaniment tracks sold  
under the name “Sound Choice.” Slep-Tone was founded 25 years ago by Kurt and Derek

1 Slep, two brothers with a vision to nurture the development of karaoke in America as a  
2 participatory entertainment phenomenon. During that time, Sound Choice came to be  
3 recognized as one of the leading producers of high-quality karaoke accompaniment tracks.  
4 The company invested over \$18 million to re-record and replicate the authentic sound of  
5 popular music across different eras and genres of music.  
6

7 The Sleps' dedication to producing music of the highest quality and the most  
8 authentic character led its music to become the staple of almost every karaoke show in the  
9 country. As karaoke grew in popularity, Sound Choice became the brand that nearly every  
10 karaoke fan wanted to sing and that nearly every karaoke jockey ("KJ") wanted in his or her  
11 library.  
12

13 KJs play karaoke songs using compact discs containing files written in one of two  
14 special encoded formats, either "CD+G" ("compact disc plus graphics") or "MP3G" ("MP3<sup>1</sup>  
15 plus graphics"), in which the disc contains the music and the lyrics, which will display on a  
16 screen. In recent years, computer technology, cheap file memory devices, and the internet  
17 have made it possible for karaoke discs to be decoded and "ripped" (copied) to a user's hard  
18 drive and easily copied and distributed between KJs. This technology has proven irresistible  
19 to KJs, many of whom have used this opportunity to copy one purchased disc to several  
20 different computer based systems, copy a singer's personal discs if they use them during a  
21 show, "swap" song files among each other, download them from illegal file-sharing sites and  
22 build libraries of tens of thousands of karaoke songs without paying for them. Whereas in  
23 the past a KJ would buy multiple copies of an original disc if he or she desired to operate  
24  
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26 <sup>1</sup> MP3 is an acronym standing for "Moving Picture Experts Group Audio Layer 3." MP3G is a far newer format  
27 than CD+G and is significantly more portable than CD+G. The Plaintiff has only recently begun distributing its  
karaoke tracks in this format, and only under tight contractual controls that require user registration and audits,  
confine possession to professional karaoke operators, include serialization of licensed discs, and prohibit file  
sharing under pain of forfeiture of license rights.

1 multiple systems, now they simply “clone” their songs for multiple commercial systems or  
2 even their entire karaoke song libraries to start a new operation. Additionally, many KJs or  
3 operators starting in the business simply buy computer drives pre-loaded with thousands of  
4 illegally copied songs.  
5

6 These practices have become so widespread that Slep-Tone has been driven nearly  
7 out of business. At its peak, the Sound Choice family of companies employed 75 individuals  
8 and produced as many as 5 new karaoke discs per month. Today, the enterprise employs  
9 only 12 individuals. Sound Choice Studios which was responsible for production of new  
10 material, was driven out of business and the assets sold to ex-employees because the  
11 companies lost money on every recent new karaoke disc. The most recent new disc did not  
12 produce enough revenue even to cover the production and licensing costs associated with  
13 it—yet the songs from that disc can be found on as many as 30,000 karaoke systems around  
14 the United States. Because its primary purpose was to record new music for Karaoke and it  
15 could no longer profitably produce new music, it was shut down. In the future Sound Choice  
16 will have to subcontract to the ex-employees if/when it is are able to profitably release new  
17 titles again.  
18  
19

20 For KJs, karaoke is a commercial enterprise. KJs who legitimately acquired all of  
21 their music at great cost are being forced by illicit competition to produce shows for lower  
22 and lower fees. Illegitimate competitors offer libraries of tens of thousands of songs, which  
23 would have cost \$50,000 to \$100,000 or more to acquire legitimately, but produce shows for  
24 one-third the rates a legitimate KJ can offer. The result is significant financial pressure on  
25 once-legitimate KJs to skirt or ignore the law and become pirates, simply to stay in business.  
26  
27

1 Slep-Tone has been forced to undertake this litigation in order to ensure that it survives and  
2 continues to produce the high-quality karaoke music its fans demand and to level the playing  
3 field for the legitimate KJs.  
4

5 **JURISDICTION AND VENUE**

- 6 1. This is an action for trademark infringement and unfair competition arising under §§  
7 32 and 43 of the Trademark Act of 1946, 15 U.S.C. §§ 1114 and 1125. This Court has  
8 exclusive jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §  
9 1331, in that this is a civil action arising under the laws of the United States.  
10  
11 2. This Court further has jurisdiction pursuant to 28 U.S.C § 1338(a), in that this civil  
12 action arises under an Act of Congress relating to trademarks, and, as to the Plaintiff's  
13 Lanham Act unfair competition claim, pursuant to 28 U.S.C. § 1338(b), in that the  
14 claim is joined with a substantial and related claim under the trademark laws of the  
15 United States.  
16  
17 3. This Court has supplemental jurisdiction over the subject matter of the Plaintiff's  
18 state-law claims pursuant to 28 U.S.C. § 1367(a), in that those claims are so related to  
19 the Plaintiff's federal claims that they form part of the same case or controversy.  
20  
21 4. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b), because all of  
22 the defendants reside in this State, and at least one of the defendants resides in this  
23 judicial district.

24 **THE PLAINTIFF**

- 25 5. Plaintiff SLEP-TONE is a North Carolina corporation having its principal place of  
26 business at 14100 South Lakes Drive, Charlotte, North Carolina.  
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**THE DEFENDANTS**

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6. Defendant LADY LUCK STEAKHOUSE & SALOON INC., is a Washington corporation having its principal place of business in Spanaway, Washington. Defendant LADY LUCK STEAKHOUSE & SALOON INC. operates an eating and drinking establishment known as “Lady Lucks' Cowgirl Up Steakhouse & Saloon” at which karaoke entertainment is provided.
  7. Defendant HOLLIDAY, INC., is a Washington corporation having its principal place of business in Seattle, Washington. Defendant HOLLIDAY, INC. operates an eating and drinking establishment known as “Ozzie’s Inn” and “Ozzie’s of Seattle” at which karaoke entertainment is provided. Ozzie’s boasts that it is the “Best Karaoke Bar in Seattle—7 years running.”
  8. Defendant LAKEWOOD PUB & GRILL, LLC, is a Washington limited liability company having its principal place of business in Lakewood, Washington. Defendant LAKEWOOD PUB & GRILL, LLC operates an eating and drinking establishment known as “Lakewood Pub & Grill” at which karaoke entertainment is provided.
  9. Defendant REGINA WEAVER is an individual who does business as “Baby Gurl Entertainment” and who has her principal business address in Kirkland, Washington. Defendant REGINA WEAVER is engaged in the business of providing karaoke entertainment, and she conducts her business activities at “Liquid Lime” and upon information and belief, at other multiple venues in this State.
  10. Defendant ANTHONY BALOGH is an individual who does business as “Northwest Karaoke” and as “Balogh Solutions” and who has his principal business address in Seattle, Washington. Defendant ANTHONY BALOGH is engaged in the business of

1 providing karaoke entertainment, and he conducts his business activities at  
2 “Rocksport Bar & Grill” and upon information and belief, at other multiple venues in  
3 this State.

4  
5 11. Defendant OREN ARTLIP, JR. is an individual who does business as “Karr  
6 Productions” and “Walker & Artlip” who has his principal business address in Des  
7 Moines, Washington. Defendant OREN ARTLIP, JR. is engaged in the business of  
8 providing karaoke entertainment, and he conducts his business activities at “Little  
9 Red Hen” and upon information and belief, at other multiple venues in this State.

10  
11 12. Defendant GEORGE HOBSON is an individual who does business as “It’s Only  
12 Karaoke” and as “Bad Monkey Works LLC” and who has his principal business  
13 address in Auburn, Washington. Defendant GEORGE HOBSON is engaged in the  
14 business of providing karaoke entertainment, and he conducts his business activities  
15 at “Monte Carlo Pub” and upon information and belief, at other multiple venues in  
16 this State.

17  
18 13. Defendant JAMES HALLMAN is an individual who does business as “Moki Music”  
19 and as “Hallman James E & Tina L” and who has his principal business address in  
20 Kent, Washington. Defendant JAMES HALLMAN is engaged in the business of  
21 providing karaoke entertainment, and he conducts his business activities at “Casey’s  
22 Grill & Sports Bar” and upon information and belief, at other multiple venues in this  
23 State.

24  
25 14. Defendant ALAN TCHOCHIEV is an individual who does business as “Experience  
26 Karaoke Project” and as “EKP” and who has his principal business address in Federal  
27 Way, Washington. Defendant ALAN TCHOCHIEV is engaged in the business of

1 providing karaoke entertainment, and he conducts his business activities at “Amore  
2 Infused” and upon information and belief, at other multiple venues in this State.

3  
4 15. Defendant PATRICK NOLAN is an individual who does business as “DJ Thump”  
5 and who has his principal business address in Bellevue, Washington. Defendant  
6 PATRICK NOLAN is engaged in the business of providing karaoke entertainment,  
7 and he conducts his business activities at “Rock Bottom Brewery” and upon  
8 information and belief, at other multiple venues in this State.

9  
10 16. Defendant KEVIN SCHLEWITZ is an individual who is also known as “Kevin  
11 Kelly” and does business as “Kevin Kelly Events” and as “DJ Kevin Kelly.”  
12 Defendant KEVIN SCHLEWITZ has his principal business address in Kirkland,  
13 Washington. Defendant KEVIN SCHLEWITZ is engaged in the business of  
14 providing karaoke entertainment, and he conducts his business activities at “CC’s  
15 Lounge” and “Marco Polo Bar & Grill” multiple venues in this State.

16  
17 17. Defendant EDWARD FORTNER is an individual who does business as “West Coast  
18 Karaoke” and who has his principal business address in Tacoma, Washington.  
19 Defendant EDWARD FORTNER is engaged in the business of providing karaoke  
20 entertainment, and he conducts his business activities at “El Pueblito Family Mexican  
21 Restaurant” and upon information and belief, at other multiple venues in this State.

22  
23 18. Defendant DEBRA MYRE is an individual who upon evidence and belief works for  
24 “West Coast Karaoke” that has its principal business address in Tacoma, Washington.  
25 Defendant DEBRA MYRE is engaged in the business of providing karaoke  
26 entertainment, and she conducts her business activities at “El Pueblito Family  
27

1 Mexican Restaurant” and upon information and belief, at other multiple venues in this  
2 State.

3  
4 19. Defendant DAVID DOMINGUEZ is an individual who does business as “Harbor  
5 Entertainment” and who has his principal business address in Kent, Washington.

6 Defendant DAVID DOMINGUEZ is engaged in the business of providing karaoke  
7 entertainment, and he conducts his business activities at “Benchwarmer Pub & Grill”  
8 and upon information and belief, at other multiple venues in this State.

9  
10 20. Defendant JASON STARKEY is an individual who does business as “Starkey  
11 Entertainment” and who has his principal business address in Bellevue, Washington.

12 Defendant JASON STARKEY is engaged in the business of providing karaoke  
13 entertainment, and he conducts his business activities at the “Maple Leaf Restaurant”  
14 and upon information and belief, at other multiple venues in this State.

15  
16 21. Defendant ERIC TURNBOW is an individual who does business as “E.T’s Cosmic  
17 Karaoke” and who has his principal business address in Olympia, Washington.

18 Defendant ERIC TURNBOW is engaged in the business of providing karaoke  
19 entertainment, and he conducts his business activities at “O’Malley’s at Westside  
20 Lanes” and upon information and belief, at other multiple venues in this State.

21  
22 **BACKGROUND FACTS**

23 22. The term “karaoke” means “empty orchestra” in Japanese. Karaoke entertainment  
24 has grown into a multi-million dollar business in the United States.

25 23. Karaoke compact disc plus graphics or MP3 plus graphics recordings contain re-  
26 created arrangements of popular songs for use as “accompaniment tracks.”  
27



1 24. Typically, the lead vocal tracks in an accompaniment track are omitted so that a  
2 karaoke participant can sing along, as though he or she were the lead singer. In other  
3 situations, the lead vocal track by a sound-alike artist might be included, and some  
4 formats allow the lead vocal to be selectively muted upon playback so that the  
5 accompaniment track may be listened to either with or without the lead vocals.  
6

7 25. The “graphics” portion of a karaoke recording refers to the encoding of the recording  
8 with data to provide a contemporaneous video display of the lyrics to the song, in  
9 order to aid the performer.  
10

11 26. This graphics data is also utilized to mark the accompaniment tracks with the Sound  
12 Choice trademarks and to cause the Sound Choice trademarks to be displayed upon  
13 playback.  
14

15 27. Entertainers who provide karaoke services in bars, restaurants, and other venues are  
16 known as karaoke jockeys (“KJs”), karaoke hosts, or karaoke operators. The services  
17 provided by KJs typically include providing the karaoke music and equipment for  
18 playback, entertaining the assembled crowd for warm-up purposes, and organizing  
19 the karaoke show by controlling access to the stage, setting the order of performance,  
20 and operating the karaoke equipment.  
21

22 28. Typically, a KJ will maintain a printed catalog of songs available for performance in  
23 order to aid participants in selecting a song to sing.  
24

25 29. Legitimate KJs purchase equipment and purchase or license compact discs containing  
26 accompaniment tracks and charge for the above-mentioned karaoke services.  
27

1 30. Many KJs, such as some of the present Defendants, obtain, copy, share, distribute  
2 and/or sell media-shifted copies of the accompaniment tracks via pre-loaded hard  
3 drives, USB drives, CD-R's, or the Internet.

4  
5 31. Neither SLEP-TONE nor any of its associated companies has ever authorized the  
6 digitization of its songs for commercial use in producing karaoke shows.

7 32. SLEP-TONE tolerates, but does not authorize, the shifting of its accompaniment  
8 tracks from the original medium to another medium, such as a computer hard drive,  
9 provided that the KJ strictly follows SLEP-TONE's media-shifting policy by  
10 maintaining "one-to-one correspondence."  
11

12 33. One-to-one correspondence" requires (1) that each track stored on an alternative  
13 medium have originated from an original Sound Choice compact disc; (2) that the  
14 tracks from the original Sound Choice compact disc be shifted to one, and only one,  
15 alternative medium at a time; (3) that the KJ maintain ownership and possession of  
16 the original Sound Choice compact disc while its content is shifted to the alternative  
17 medium; and (4) that the original Sound Choice compact disc not be used for any  
18 commercial purpose while its content is shifted to the alternative medium. SLEP-  
19 TONE'S advertised media-shifting policy is that: "In the absence of written  
20 permission to perform a media/format shift from CDG to a hard drive based system,  
21 you are subject to investigation and notification of infringement (whether by letter of  
22 intent to sue or by a notice of a suit being filed or by being served in a lawsuit).  
23  
24 However, IF you can prove that you have all the original legal discs in your  
25 possession prior to AND at the time of the investigation and continuing through the  
26 audit, then you will be dropped from whatever legal action is being contemplated or  
27

1 taken. If you intend to format or media shift the song tracks from a CDG to a hard  
2 drive system (a lap top computer, for example), subsequent to a possible audit, we  
3 will issue you a “Covenant Not to Sue” document for making the shift (and creating a  
4 new copy), which requires that you do not use the discs, but keep them in your  
5 possession and that you have a 1:1 relationship between the songs files on your  
6 computer and the songs on the original discs. (In other words, you can’t create a new  
7 copy and then sell the original discs and you can’t have any music on your computer  
8 for which you did not buy and still own an original disc).” This policy is publicized  
9 on its website and reference to the requirement is part of the “shrink-wrap” license  
10 accompanying every disc sold.  
11

12  
13 34. The copying, sharing, distribution, and selling of media-shifted copies is not  
14 accompanied by the payment of any royalty to SLEP-TONE, nor authorized by any  
15 license agreement.  
16

17 35. SLEP-TONE and its affiliated companies pay statutory and negotiated royalties to the  
18 owners of copyright in the underlying musical works for their activities in  
19 legitimately creating, copying, distributing, and selling compact discs containing  
20 karaoke accompaniment tracks.  
21

22 36. Those persons, including the Defendants, who illegitimately obtain, copy, share,  
23 distribute, and/or sell media-shifted copies of the Plaintiff’s accompaniment tracks do  
24 not pay royalties to the owners of copyright in the underlying musical works.  
25

26 37. SLEP-TONE and its affiliated companies have spent millions of dollars building and  
27 maintaining studios, hiring artists, building a distribution facility, paying royalties to  
copyright owners, building a company that is capable of reliably producing high-

1 quality karaoke versions of current and historical musical hits, and building a brand  
2 that is one of the pre-eminent brands in the industry.

3  
4 38. The widespread creation of counterfeit copies of SLEP-TONE's karaoke discs has  
5 denied SLEP-TONE the benefit of its investments.

6 39. These counterfeits include SLEP-TONE's registered trademarks, such that to the  
7 consumers of the illegitimate KJs' services, the counterfeits are virtually  
8 indistinguishable from genuine Sound Choice materials.

9  
10 40. For each of the several recent releases of new karaoke music by SLEP-TONE,  
11 dozens of illegitimate copies of the contents of the disc have been created, on  
12 average, for each legitimate copy sold. SLEP-TONE, its affiliated companies, and its  
13 licensors have lost a considerable amount of money due to this widespread piracy.

14 41. Such widespread illegal copying of music has been made possible by improving and  
15 ever cheaper computer technology and memory devices and the easy distribution of  
16 digital content over the internet.

17  
18 42. Widespread pirating of songs has contributed to the loss of more than sixty jobs at the  
19 Plaintiff's location in Charlotte, North Carolina, as well as several consecutive years  
20 of operating losses, as revenues do not cover fixed costs.

21 43. Legitimate KJs spend thousands of dollars acquiring SLEP-TONE's accompaniment  
22 tracks, an irreducible overhead cost that must be recovered over a significant number  
23 of engagements.

24  
25 44. Illegitimate KJs, who acquire the songs in their libraries illegally, have an unfair  
26 advantage over legitimate KJs, because the illegitimate KJs are able to provide  
27

1 karaoke services with a considerably lower overhead cost and significantly more  
2 songs through the pirating of SLEP-TONE's tracks.

3  
4 45. Piracy therefore unfairly increases the profits of illegitimate KJs and unfairly  
5 decreases the profits of legitimate KJs, a condition that pressures legitimate KJs to  
6 either commit piracy instead of doing business with SLEP-TONE and other karaoke  
7 music producers or lose their shows to KJs offering more songs at cheaper prices to  
8 the same venues.

9  
10 46. Because of piracy, it is nearly impossible for legitimate KJs to compete against illegal  
11 KJs, who are able to provide less expensive karaoke services and a greater number of  
12 tracks due to their lower overhead costs.

13  
14 47. In order to build a large library of SLEP-TONE's accompaniment tracks, a legitimate  
15 KJ could expect to spend approximately \$25,000 for each karaoke system upon which  
16 that library would be used. For a comprehensive library of SLEP-TONE's  
17 accompaniment tracks, that figure would rise to \$40,000 or more.

18 **THE RIGHTS OF THE PLAINTIFF**

19 48. Plaintiff SLEP-TONE is the owner of U.S. Trademark Registration No. 1,923,448 for  
20 the trademark SOUND CHOICE.

21 49. Plaintiff SLEP-TONE is also the owner of U.S. Trademark Registration No.  
22 2,000,725, for a display trademark as follows:  
23



1 50. Plaintiff SLEP-TONE has, for the entire time its marks (“the Sound Choice Marks”)  
2 have been federally registered, provided the public, including the Defendants, with  
3 notice of its federal registrations through the consistent display of the symbol ® with  
4 its marks as used.  
5

6 **INVESTIGATION OF THE DEFENDANTS’ ACTIVITIES**

7 51. Each of the Defendants has possessed, used, or authorized or benefited from the use  
8 and display of unauthorized counterfeit goods bearing the Sound Choice Marks, or  
9 has provided, advertised, or authorized or benefited from the provision of services in  
10 connection with the Sound Choice Marks.  
11

12 52. Upon information and belief, each of those karaoke systems has a library containing  
13 more than 8,500 tracks stored thereon, to facilitate their use simultaneously at  
14 separate venues or events.  
15

16 53. Based upon the popularity of SLEP-TONE’s music and the size of the Defendants’  
17 respective libraries, which vary between 8,500 and 155,000 songs, operating in many  
18 cases with multiple karaoke systems, the Plaintiff has a good-faith belief that  
19 discovery will show that each of the Defendants (a) is in possession of unauthorized  
20 counterfeit goods bearing the Sound Choice Marks, or (b) knowingly benefits from  
21 and has the capacity to control the infringing conduct of others.  
22

23 54. Each of the Defendants is accused of committing acts of infringement, unfair  
24 competition, and deceptive and unfair trade practices in substantially the same way,  
25 namely, through the use of counterfeit karaoke tracks to perform karaoke-related  
26 services.  
27

1 55. Though created through unauthorized duplication, the counterfeit karaoke tracks  
2 obtained or made by the Defendants all originated, directly or indirectly in an  
3 unbroken sequence, from the same ultimate source, namely, from compact discs sold  
4 by the Plaintiff and made from master recordings belonging to the Plaintiff.  
5

6 56. As such, the Plaintiff's right to relief, as stated in the paragraphs below, ultimately  
7 arises out of the same series of transactions and occurrences.

8 57. This action raises substantial questions of law and fact common to all of the  
9 defendants hereto.  
10

11 **FIRST CLAIM FOR RELIEF**  
12 **TRADEMARK INFRINGEMENT**

13 58. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing  
14 paragraphs, as though fully set forth herein, and incorporates them herein by  
15 reference.

16 59. Each of the Defendants used, or authorized or directly benefited from the use of, a  
17 reproduction, counterfeit, or copy of the Sound Choice Marks in connection with the  
18 provision of services including karaoke services, by manufacturing or acquiring the  
19 reproduction, counterfeit, or copy of the Sound Choice Marks and by displaying the  
20 reproduction, counterfeit, or copy of the Sound Choice Marks during the provision of  
21 those services.  
22

23 60. The Defendants' use of the Sound Choice Marks was "in commerce" within the  
24 meaning of the Trademark Act of 1946 as amended.

25 61. Plaintiff SLEP-TONE did not license any of the Defendants to manufacture or  
26 acquire reproductions, counterfeits, or copies, or to use the Sound Choice Marks in  
27 connection with the provision of their services.

1 62. The Defendants' use of the Sound Choice Marks is likely to cause confusion, or to  
2 cause mistake, or to deceive the Defendants' customers and patrons into believing  
3 that the Defendants' services are being provided with the authorization of the Plaintiff  
4 and that the Defendants music libraries contain bona fide Sound Choice  
5 accompaniment tracks.

6  
7 63. The acts of each of the Defendants were willful.

8 64. Unless enjoined by the Court, the Defendants' infringing activities as described above  
9 will continue unabated and will continue to cause harm to the Plaintiff.  
10

11 **SECOND CLAIM FOR RELIEF**  
**UNFAIR COMPETITION UNDER 15 U.S.C. § 1125(a)**

12 65. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing  
13 paragraphs, as though fully set forth herein, and incorporates them herein by  
14 reference.  
15

16 66. On each occasion when they caused a SLEP-TONE accompaniment track to be  
17 played during a karaoke show, the Defendants displayed the Sound Choice Marks in  
18 connection with the Defendants' karaoke services.

19 67. The display of the Sound Choice Marks is likely to cause confusion, or to cause  
20 mistake, or to deceive those present during the display, in that those present are likely  
21 to be deceived into believing, falsely, that SLEP-TONE sponsored or approved the  
22 Defendants' services and commercial activities.  
23

24 68. The display of the Sound Choice Marks is also likely to cause confusion, or to cause  
25 mistake, or to deceive those present during the display, in that those present are likely  
26 to be deceived into believing, falsely, that the works being performed were sold by  
27 SLEP-TONE and purchased by the Defendants.



1 69. The Defendants' use of the Sound Choice Marks in this fashion would have inured to  
2 the benefit of the Plaintiff if the Defendants had legitimately acquired genuine Sound  
3 Choice discs instead of counterfeiting them or acquiring the counterfeit goods, in that  
4 the Plaintiff would have received revenue from such sales.  
5

6 70. Because SLEP-TONE has been denied this revenue, it has been damaged by the  
7 Defendants' uses.

8 71. Unless enjoined by the Court, the Defendants' unfair competition activities as  
9 described above will continue unabated and will continue to cause harm to the  
10 Plaintiff.  
11

12 **THIRD CLAIM FOR RELIEF**  
13 **UNDER THE WASHINGTON STATE CONSUMER PROTECTION ACT**

14 72. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing  
15 paragraphs, as though fully set forth herein, and incorporates them herein by  
16 reference.

17 73. Each Defendant has engaged in acts of infringement of the Sound Choice Marks, in  
18 derogation of SLEP-TONE's common-law and statutory rights in those marks.

19 74. Each Defendant's acts of infringement occurred during the conduct of trade or  
20 commerce.  
21

22 75. Each Defendant's acts of infringement constitute unfair or deceptive acts or practices  
23 within the meaning of RCW 19.86.010 *et seq.*

24 76. As a direct and proximate result of each Defendant's acts of infringement, SLEP-  
25 TONE has suffered a pecuniary loss, to wit: the loss of revenue associated with sales  
26 or distribution of compact discs to karaoke jockeys, commensurate with the demand  
27 for the contents of those discs, which revenue would have been received but for the

1 Defendants' acts in creating or acquiring counterfeits of SLEP-TONE's  
2 accompaniment tracks.

3  
4 77. As such, SLEP-TONE has been "injured" within the meaning of RCW 19.86.093.

5 **PRAYER FOR RELIEF**

6 WHEREFORE, Plaintiff SLEP-TONE prays for judgment against each of the Defendants  
7 severally and that the Court:

- 8 A. Find that each of the Defendants has committed acts of infringement, including but  
9 not limited to counterfeiting, of the federally registered Sound Choice Marks;  
10  
11 B. Find that each of the Defendants has engaged in unfair competition against Plaintiff  
12 SLEP-TONE in violation of 15 U.S.C. § 1125(a).  
13  
14 C. Find that each of the Defendants has committed unfair and deceptive trade practices  
15 under Washington law and in violation of the Washington State Consumer Protection  
16 Act;  
17  
18 D. Enter judgment against each of the Defendants and in favor of SLEP-TONE;  
19  
20 E. Find the that Defendants' activities were in all respects conducted willfully and for  
21 profit;  
22  
23 F. Award to SLEP-TONE the Defendants' profits and the damages sustained by SLEP-  
24 TONE because of the Defendants' conduct in infringing the Sound Choice Marks, or,  
25 in the alternative, statutory damages per trademark infringed by counterfeiting in an  
26 amount up to two million dollars per mark infringed, per Defendant;  
27  
28 G. Award to SLEP-TONE the Defendants' profits and the damages sustained by SLEP-  
29 TONE because of the Defendants' acts of unfair competition under 15 U.S.C. §  
30 1125(a).

- 1 H. Award to SLEP-TONE treble, punitive, or otherwise enhanced damages, as available,  
2 for the Defendants' acts of willful infringement;  
3  
4 I. Award to SLEP-TONE its actual damages caused by the Defendants' deceptive and  
5 unfair trade practices, trebled as provided in RCW 19.86.090, plus its attorney's fees  
6 and court costs as provided in RCW 19.86.090.  
7  
8 J. Order the seizure of all computer disks, drives, or other media belonging to any of the  
9 Defendants, which media contain illegal counterfeits of registered trademarks;  
10  
11 K. Grant SLEP-TONE preliminary and permanent injunctive relief against further  
12 infringement of the Sound Choice Marks by the Defendants;  
13  
14 L. Award SLEP-TONE its costs of suit and attorney's fees, to the extent not awarded  
15 above; and  
16  
17 M. Grant SLEP-TONE such other and further relief as justice may require.

18  
19 DATED this 1<sup>st</sup> day of July 2011.

20  
21 LADENBURG LAW, PLLC

22  
23 By s/ John W. Ladenburg, Jr.  
24 JOHN W. LADENBURG, JR., WSBA #26349  
25 Attorney for Plaintiffs  
26  
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