#### IN THE UNITED STATES DISTRICT COURT MICHAEL W DOBBINS CLERK, U.S. DISTRICT COURTOR THE NORTHERN DISTRICT OF ILLINOIS

ENCYCLOPAEDIA BRITANNICA, INC., a corporation,	) )
Plaintiff,	05C 4519
v.	) Civil Action No.
PUBLISH AMERICA LLLP, a limited liability limited partnership, and PUBLISH	JUDGE RONALD GUZMAN
AMERICA, INC., a corporation,	MAGISTRATE JUDGE ASHMAN
Defendants.	)

### COMPLAINT FOR TRADEMARK INFRINGEMENT, FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION, DILUTION AND UNFAIR BUSINESS PRACTICES

#### JURISDICTION AND PARTIES

- 1. Plaintiff, Encyclopaedia Britannica, Inc., ("Britannica") is a Delaware corporation, with a principal place of business at 310 South Michigan Avenue, Chicago, Illinois.
- 2. Defendant, Publish America LLLP, is a Maryland limited liability limited partnership, doing business in Illinois, and Defendant Publish America, Inc. is a Maryland corporation, doing business in Illinois (collectively, "Defendants").
- 3. This Court has jurisdiction by virtue of the facts that: (1) this is a civil action under the United States Trademark Act (15 U.S.C. § 1051 et seq.), jurisdiction being conferred in accordance with 15 U.S.C. § 1121 and 28 U.S.C. §§ 1338(a) and (b); and (2) this is a civil action between citizens of different states in which the value of the amount in controversy exceeds seventy-five thousand dollars (\$75,000.00), exclusive of interest and costs, jurisdiction being conferred in accordance with 28 U.S.C. § 1332. Jurisdiction for the Illinois state statutory claims

is conferred in accordance with the principles of supplemental jurisdiction pursuant to 28 U.S.C. § 1367(a). Venue is proper in this Court pursuant to 28 U.S.C. § 1391.

## BRITANNICA'S FAMOUS BRITANNICA MARK

- 4. Since 1768, Britannica has been engaged in publishing various works, including education- and reference-related works, literary works, and works in the fields of mathematics, the natural sciences, history, social science, philosophy and theology, as well as the provision of related services.
- 5. Since 1902, Britannica has been headquartered in the United States and has sold education- and reference-related goods and services throughout the United States under its **Britannica** trademark. These goods have included literary works and mathematics, natural science, history, social science, philosophy, and theology books.
- 6. Britannica owns numerous incontestable, valid and subsisting federal trademark registrations issued for **Britannica** ("**Britannica Marks**") by the United States Patent and Trademark Office, including:

Mark	Reg. No.	Goods and Services
Britannica	1,506,869	Educational materials for adults and children, namely encyclopedias, dictionaries, atlases, reference books, booklets, charts, posters, manuals and pamphlets. Cinematographic motion picture films, photograph slides, cinematographic film strips, prerecorded audio and video cassettes and computer programs. Retail outlet distributorship and mail order services in the fields of education, management and business.
Britannica	1,309,991	Reference Works-In Particular, Junior Encyclopaedias and Atlases.
Britannica Book Of The Year	825,337	Reference volumes published annually and devoted to current events.
Britannica Learning Center	1,437,527	Educational services namely providing educational assistance to adults in all academic areas.

Mark	Reg. No.	Goods and Services
Britannica Mathematics In Context	2,267,211	Printed instructional materials and printed educational materials for children; namely, student booklet, pamphlets and teacher guides, all on the subject of mathematics.
Britannica Online	1,918,562	Computer services, namely providing access to computer databases of information in the field of encyclopedias, yearbooks, and dictionaries.
Britannica	2,287,468	Computer services, namely providing access to computer databases of information dealing with educational reference materials for adults and children in the field of encyclopedias, yearbooks, dictionaries and other reference materials.
Britannica Cd	2,267,981	Computer software featuring databases containing educational and research information for adults and children in the fields of encyclopedias, yearbooks, dictionaries and thesauruses. Printed instructional materials relating to educational computer software.
Britannica.com	2,550,643	Promoting goods and services of others by placing advertisements and promotional displays in an electronic online web site accessed through a global computer network. Computer services, namely, providing search engines for obtaining data on a global computer network including, organizing, creating indices and displaying directories of information, web sites and other resources available on global computer networks and providing simultaneous searching and retrieving of information, web sites and other resources available on global computer networks; providing online links to other content providers relating to art, health, history, science, business, finance, news, weather, sports, current events, entertainment and shopping, and to content providers who provide reference materials and information in a wide variety of fields.  Providing electronic mail; and online multi-user communications services by means of a global computer network, namely, providing electronic bulletin boards in the fields of art, health, history, science, business, finance, news, weather, sports, current events, entertainment and shopping.

7. Britannica's exclusive right to use the trademarks identified in Reg. Nos. 1,506,869, 1,309,991, 825,337, 1,437,527, and 2,267,211, has become incontestable under 15 U.S.C. §§ 1065 and 1115 and the certificates of registration thereof constitute "conclusive evidence" of "the validity of the registered mark[s], of the registrant's ownership of the mark[s],

and of the registrant's exclusive right to use of the mark[s] in connection with the goods or services specified in the registration." 15 U.S.C. § 1115.

- 8. Britannica's certificates of registration for Reg. Nos. 1,918,562, 2,287,468, 2,267,981, and 2,550,643 are "prima facie evidence of the validity of the registered mark[s], and of the registration of the mark, of the registrant's ownership of the mark[s], and of the registrant's exclusive right to use of the mark[s] in connection with the goods or services specified in the registration." 15 U.S.C. § 1115 (a).
- 9. Encyclopaedia Britannica also owns the famous domain name britannica.com, and offers its products and services through its website accessible at that domain name. Other "britannica"-derivative domain names owned by Britannica include: britannica.org, encyclopediabritannica.com, and encyclopaediabritannica.com.
- 10. As a result of Britannica's investment of its effort, money, skill and other resources, the **Britannica Marks** are widely recognized as indicating Britannica's goods and services, and have become famous trademarks both in the United States and around the world.

#### **DEFENDANTS' INFRINGING ACTS**

- 11. Defendants publish a range of texts, including literary works and works in the fields of education, publishing, history, philosophy and theology, as well as reference books relating to movies, health, and cooking.
- 12. Defendants enter into contracts with individual authors ("Defendants' Authors") for the printing and publication of the Defendants' Authors works, and Defendants' Authors receive royalties on each copy of their books sold. On information and belief, at least eleven of Defendants' Authors are Illinois residents.

- 13. Defendants operate a web site at www.publishamerica.com ("Publish America Web Site"). The Publish America Web Site is highly interactive, and includes an online bookstore whereby consumers can purchase works by Defendants' Authors online, including works published under the designation "Publish America".
- 14. Defendants also publish works under the designation "PublishBritannica," which is, on information and belief, an imprint of Defendants.
- ("PublishBritannica Web Site"), which contains a listing of works published under the PublishBritannica imprint ("PublishBritannica Books"). The PublishBritannica Web Site is highly interactive. The "Online Bookstore" link at the PublishBritannica Web Site takes consumers to a web page at the Publish America Web Site that offers PublishBritannica books for sale at prices listed in U.S. dollars. The PublishBritannica Web Site and its Online Bookstore at the Publish America Web Site are accessible to Illinois residents.
- 16. Apparently, because of their methods of conducting their publishing business, defendants have carned a poor reputation among members of the public. Reportedly, some in the book publishing industry view a book's publication by Defendants as "an automatic black mark against any book." (www.bethamos.com/octoberl.htm ("bethamos.com")); (see also www.anotherealm.com/prededitors/pebp.htm ("anotherealm.com")). It is reported that some writers' organizations, such as the Authors Guild, will not accept Defendants' Authors as members. (See Pittsburgh Post Gazette, January 22, 2005, at www.post-gazette.com/pg/05022/446283.stm (hereafter "Post Gazette Article")); (Washington Post, January 23, 2005, at www.washingtonpost.com/wp-dyn/articles/A25187-2005Jan20\_3.html (hereafter "Washington Post Article")). Defendants' works reportedly are printed on demand and

are non-returnable. (See Washington Post Article; Post Gazette Article). Many bookstores, including Barnes & Noble, therefore reportedly have policies against stocking Defendants' works. (See Washington Post Article; Post Gazette Article; anotherealm.com). Defendants are reputed by some to be non-selective in the works they publish and therefore to have a reputation for printing books of poor quality. (See Post Gazette Article; bethamos.com). Defendants also reportedly do not substantively edit the works they publish. (See Post Gazette Article; Washington Post Article). On information and belief, Defendants' Authors are responsible for marketing their own books that are published by Defendants, and are encouraged to purchase copies and to have them purchased by friends and relatives. (See Washington Post Article).

- 17. Defendants' use of the **PublishBritannica** mark is without Britannica's consent or permission.
- 18. On May 3, 2005, counsel for Britannica sent Defendants a cease-and-desist letter, demanding that Defendants cease and desist from all further use of the trademark and trade name "PublishBritannica" or any other designation consisting of Britannica. Defendants declined to do so.
- 19. On May 24, 2005, counsel for Britannica sent Defendants a follow-up letter, again calling upon them to cease and desist. Defendants did not respond to this letter, and have not ceased their unauthorized use of "Britannica" in connection with publishing.

## COUNT I <u>TRADEMARK INFRINGEMENT</u>

- 20. Britannica re-alleges paragraphs 1 through 19.
- 21. Defendants' aforesaid acts are likely to cause confusion, mistake or deception as to the source of the parties' products. Specifically, Defendants' colorable imitation of Plaintiff's **Brittanica Marks** in using **PublishBritannica** in connection with Defendants' publishing

business is likely to cause purchasers and others to mistakenly believe that Defendants or their products are legitimately connected with, sponsored by or approved by Britannica.

- 22. Defendants' aforesaid acts constitute trademark infringement in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114, and the common law of the various states including Illinois.
- On information and belief, Defendant's actions have been and continue to be committed willfully and intentionally with full knowledge of Britannica's rights, and of the fact that such actions likely confuse the public and harm Britannica.
- 24. Defendants' aforesaid acts are greatly and irreparably damaging to Britannica and will continue to damage Britannica until enjoined by this Court; wherefore, Britannica is without adequate remedy at law.

# COUNT II FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION

- 25. Britannica re-alleges paragraphs 1 through 19, and 23.
- Defendants' aforesaid acts tend falsely to represent Defendants and their aforesaid products as being affiliated, connected or associated with, or sponsored or approved by, Britannica in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and the Illinois Uniform Deceptive Trade Practices Act, 815 ILCS 510/1 et seq.
- 27. Defendants' aforesaid acts constitute unfair competition with Britannica, and result in Defendants' unjust enrichment under the common law of the various states including Illinois.
- 28. Defendants' aforesaid acts are greatly and irreparably damaging to Britannica and will continue to damage Britannica until enjoined by this Court; wherefore, Britannica is without adequate remedy at law.

#### COUNT III DILUTION

- 29. Britannica re-alleges paragraphs 1 through 19.
- 30. Defendants' aforesaid activities dilute the distinctive quality of the **Britannica** Marks and tarnish the positive reputation associated with the Britannica Marks.
- 31. Such actions by Defendants began recently, long after the Britannica Marks became distinctive and famous, and are in violation of Section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c), Section 65 of the Illinois Trademark Registration and Protection Act, 765 ILCS 1036/65, and the laws of the various states.
- 32. On information and belief, Defendants willfully intended, and continue to intend, to dilute the Britannica Marks.
- Defendant's aforesaid acts are greatly and irreparably damaging to Britannica and 33. will continue to damage Britannica unless enjoined by this Court; wherefore, Britannica is without adequate remedy at law.

## COUNT IV <u>UNFAIR BUSINESS PRACTICES</u>

- 34. Britannica re-alleges paragraphs 1 through 19, and 23.
- 35. Defendants' aforesaid activities constitute unfair business practices in violation of the Illinois Consumer Fraud & Deceptive Business Practices Act, 815 ILCS 505/1 et seq., and the Illinois Deceptive Trade Practices Act, 815 ILCS 510/1 ct seq.
- 36. Defendants' aforesaid acts are greatly and irreparably damaging to Britannica and will continue to damage Britannica until enjoined by this Court; wherefore, Britannica is without adequate remedy at law.

#### WHEREFORE, Britannica prays that:

- (1) Defendants, their officers, agents, servants, employees, attorneys and all others in active concert or participation with defendant, jointly and severally, be enjoined and restrained during the pendency of this action and permanently thereafter, from:
  - a. using **PublishBritannica**, **Britannica**, or any other mark or designation that is confusingly similar to Britannica's **Britannica Marks**; and
  - b. performing any other acts which are likely to lead the public to believe that defendant's products are in any manner licensed, sponsored, approved or authorized by plaintiff or which dilute the distinctive quality of the **Britannica**Marks.
- (2) Defendants be ordered to cease use of and to immediately transfer the domain name **publishbritannica.com** to Britannica.
- (3) Defendants be ordered to pay Britannica all damages suffered by reason of Defendants' wrongful acts as set forth in this Complaint, pursuant to 15 U.S.C. §§ 1117(a) and 1125(c)(2).
- (4) The Court award Britannica three times the damages suffered by reason of the wrongful acts of Defendants as set forth in this Complaint, pursuant to 15 U.S.C. §§ 1117(a) and 1125(c)(2).
- (5) Defendant be ordered to pay Britannica all profits realized by Defendants by reason of Defendants' wrongful acts as set forth in this Complaint, pursuant to 15 U.S.C. §§ 1117(a) and 1125(c)(2).

- (6) Defendants be order to pay to Britannica punitive damages in an amount sufficient to deter future infringing conduct in accordance with the laws of the State of Illinois.
- (7) Defendants be ordered to pay to Britannica the costs of this action and reasonable attorneys' fees, pursuant to 15 U.S.C. §§ 1117(a) and 1125(c)(2).
- (8) Defendants be directed to identify and destroy all infringing and unfairly competing materials, including but not limited to defendant's infringing and unfairly competing products, and all printed material, packaging and advertising bearing colorable imitations of the Britannica Marks in accordance with 15 U.S.C. § 1118.
- (9) Defendants be required to file with this Court and serve on Britannica a written report under oath setting forth in detail the manner of its compliance with the terms of this Court's order in accordance with 15 U.S.C. § 1116.
- (10) Britannica shall have such other relief as this Court may deem just and proper.

Respectfully submitted,

PATTISHALL, McAULIFFE, NEWBURY, HILLIARD & GERALDSON/LLP

 $\mathbf{R}\mathbf{v}$ 

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