

TO:  Mail Stop 8 Director of the U.S. Patent and Trademark Office P.O. Box 1450 Alexandria, VA 22313-1450	<b>SOLICITOR</b>  SEP 15 2008 U.S. PATENT & TRADEMARK OFFICE	<b>REPORT ON THE                  FILING OR DETERMINATION OF AN                  ACTION REGARDING PATENT OR                  TRADEMARK</b>
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In Compliance with 35 § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been filed in the U.S. District Court Eastern California on the following  Patents or  Trademarks:

DOCKET NO. CIV. 1:08-CV-01314-LJO-DLB	DATE FILED 9/10/08	US District Court Eastern California Fresno
PLAINTIFF  E. J. GALLO WINERY,		DEFENDANT  ORANGE CLOTHING COMPANY,
<b>PATENT OR TRADEMARK NO.</b>	<b>DATE OF PATENT OR TRADEMARK</b>	<b>HOLDER OF PATENT OR TRADEMARK</b>
1 444,756	March 24, 1953	Gallo
2 778,837	October 20, 1964	Ernest Gallo
3 887,959	March 17, 1970	Gallo
4 891,339	May 19, 1970	Gallo
5 1,319,587 <i>total - 11 TMs Pg. 2</i>	February 12, 1985	Gallo

In the above-entitled case the following patents(s) have been included:

DATE INCLUDED	INCLUDED BY <input type="checkbox"/> Amendment <input type="checkbox"/> Answer	<input type="checkbox"/> Cross Bill <input type="checkbox"/> Other Pleadings
<b>PATENT OR TRADEMARK NO.</b>	<b>DATE OF PATENT OR TRADEMARK</b>	<b>HOLDER OF PATENT OR TRADEMARK</b>
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In the above-entitled case, the following decision has been rendered or judgment issued:

DECISION/JUDGMENT
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CLERK <b>Victoria C. Minor</b>	(BY) DEPUTY CLERK 	DATE 9/10/08
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(SPACE BELOW FOR FILING STAMP ONLY)

5 Attorneys for Plaintiff  
6 E. & J. GALLO WINERY, a California corporation

7  
8 UNITED STATES DISTRICT COURT  
9 EASTERN DISTRICT OF CALIFORNIA

10 E. & J. GALLO WINERY, a California  
corporation,  
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12 Plaintiff,  
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14 v.  
ORANGE CLOTHING COMPANY, a  
15 Florida corporation,  
16 Defendant.

Case No.

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**COMPLAINT FOR  
FEDERAL TRADEMARK  
INFRINGEMENT FEDERAL  
TRADEMARK DILUTION, STATE  
TRADEMARK INFRINGEMENT, STATE  
TRADEMARK DILUTION, STATE  
UNFAIR COMPETITION, and UNJUST  
ENRICHMENT**

19 Plaintiff E. & J. Gallo Winery ("Gallo") for its complaint against Defendant alleges:

20 **JURISDICTION AND VENUE**

21 1. This is an action seeking injunctive relief for federal trademark infringement under  
22 15 U.S.C. §§ 1051 *et seq.*, state trademark infringement under California Business and  
23 Professions Code § 14200 *et seq.*, federal trademark dilution under 15 U.S.C. § 1125 (c), state  
24 trademark dilution under California Business and Professions Code § 14200 *et seq.*, unfair  
25 competition under California Business and Professions Code § 17200, and unjust enrichment.

26 2. This Court has subject matter jurisdiction over the federal claims pursuant to 28  
27 U.S.C. §§ 1331, 1338(a) and 15 U.S.C. § 1121, and has subject matter jurisdiction over the state  
28 law claims under 28 U.S.C. §§ 1338 (b) and 1332, and the doctrine of supplementary jurisdiction.

Complaint for Federal Trademark Infringement, Federal Trademark Dilution, State Trademark Infringement,  
State Trademark Dilution, State Unfair Competition and Unjust Enrichment

1 Acts giving rise to the claims asserted herein have occurred and will occur in this District. Venue  
2 properly lies within this District pursuant to 28 U.S.C. §1391.

3 **PARTIES**

4 3. Gallo is a California corporation with its principal place of business in Modesto,  
5 California. Its products are sold, advertised and distributed throughout this District. The injury  
6 described herein has occurred and will occur in this District.

7 4. Defendant Orange Clothing Company is a Florida corporation having its principal  
8 place of business in Miami, Florida. Defendant has solicited business from, promoted goods and  
9 services to, and sold goods and services to residents of this District.

10 **CLAIM ONE**

11 **(Federal Trademark Infringement)**

12 5. Gallo realleges and incorporates by reference the allegations of paragraphs 1  
13 through 4.

14 6. Gallo owns all rights in and to, among others, the federal trademark registrations  
15 listed below, each of which is valid and subsisting, uncancelled and unrevoked:

<u>TRADEMARK</u>	<u>REG. NO.</u>	<u>ISSUE DATE</u>	<u>GOODS</u>
GALLO	444,756	3-24-53	Wines
ERNEST & JULIO GALLO	778,837	10-20-64	Wines
GALLO	887,959	03/17/70	Meats/cheese
GALLO	891,339	5-19-70	Wines and Champagnes
GALLO	1,319,587	02/12/85	Meats/cheese
GALLO	1,650,478	7-09-91	Corkscrews
JULIO R. GALLO	1,813,967	12-28-93	Wines
ERNEST GALLO	1,815,078	1-4-94	Wines
GALLO SONOMA	1,911,682	8-15-95	Wines
GALLO OF SONOMA	2,231,215	3-9-99	Wines
GALLO	2,320,063	2-20-00	Clothing

1 7. Gallo first began using the GALLO trademark in 1933 when Ernest and Julio  
2 Gallo founded the company. The GALLO trademark has been used continuously since that time.  
3 Gallo has sold billions of bottles of wine throughout the United States bearing the GALLO  
4 trademark and has spent over \$600,000,000 promoting it. Goods bearing the GALLO trademark  
5 are sold and promoted to retail consumers nationwide. They are also heavily promoted and sold  
6 in restaurants and other food service establishments, including those owned, operated or  
7 franchised by Defendant. The Gallo trademark has a high degree of consumer recognition and in  
8 the United States stands exclusively for goods made or licensed by Gallo. Courts have held  
9 without exception that the GALLO trademark is extraordinarily strong and is entitled to the  
10 broadest possible protection.<sup>1</sup>

11 8. Gallo has vigorously protected its trademark against third party infringement and  
12 dilution and has stopped others from using its marks on a wide variety of goods and services,  
13 including: habanero sauce, salsa, beer, mezcal, cheese, wine, rice, coffee bags, shoes, sportswear,  
14 t-shirts, caps, bar towels, tote bags, jeans, jackets, canned vegetables, pasta, pickled jalapeño  
15 peppers, garlic butter, olive oil, dinnerware, tobacco products, toys, potato chips, hosiery, ties and  
16 related products, the naming of thoroughbred race horses, playing cards, board games, confetti,  
17 poker chips, compact discs, stereo equipment, drafting tables, women's coats, men's hats, cigars,  
18 ceramics, veterinary products, sauces, socks and scarves, and as domain names for web sites. That  
19 enforcement program has preserved the substantially exclusive connection between the GALLO  
20 trademark and Gallo.

21 9. Defendant sells clothing bearing the mark GALLO ROJO. Its goods are being  
22 sold in this District. They are also promoted on the web site [www.orangeclotthing.com](http://www.orangeclotthing.com).  
23 Defendant has filed an application with the United States Patent and Trademark Office to register  
24 GALLO ROJO as a trademark, Application Serial No. 77/539,421.

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26 <sup>1</sup> Those cases include *E. & J. Gallo Winery v. Spider Webs Ltd.*, 129 F.Supp. 2d 1033 (S.D. Tex.  
27 2001), *affirmed*, 286 F.3d 270 (5<sup>th</sup> Cir. 2002); *E. & J. Gallo Winery v. Pasatiempos Gallo, S.A.*,  
28 905 F.Supp. 1403 (E.D. Cal. 1994); *E. & J. Gallo Winery v. Consorzio del Gallo Nero*, 782  
F.Supp. 457 (N.D. Cal. 1991); *E. & J. Gallo Winery v. Gallo Cattle Company*, 12 U.S.P. Q.2d  
1657 (E.D. Cal. 1989), *affirmed* 967 F.2d 1280 (9<sup>th</sup> Cir. 1992).

1 10. Defendant began using the trademark GALLO without authorization from Gallo in  
2 the promotion and sale of the aforementioned goods and services in this District. Such  
3 unauthorized use of the GALLO mark by Defendant creates a likelihood of confusion with  
4 Gallo's marks and products and constitutes an infringement of Gallo's trademark rights under 15  
5 U.S.C. §§ 1114 *et seq.*

6 11. Defendant's infringing conduct is willful, intentional, and in bad faith. On  
7 information and belief, Defendant did not seek the advice of trademark counsel prior to beginning  
8 use of the GALLO trademark.

9 WHEREFORE, Gallo prays for relief as set forth below.

10 **CLAIM TWO**

11 **(California Trademark Infringement)**

12 12. Gallo realleges and incorporates by reference the allegations of paragraphs 1  
13 through 11.

14 13. Gallo owns all rights in and to the California trademark registrations listed below:

<u>MARK</u>	<u>NUMBER</u>	<u>DATE</u>	<u>GOODS</u>
GALLO	28047	02-07-46	Wines
ERNEST & JULIO GALLO	97828	07-16-93	Wines
GALLO SONOMA	99242	08-10-94	Wines

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20 14. Gallo first used the registered trademark in California in 1933 and has used it  
21 continuously in California since that time.

22 15. Defendant's unauthorized use of the GALLO mark creates a likelihood of  
23 confusion with Gallo's marks and products and constitutes an infringement of Gallo's trademark  
24 rights under California Business and Professions Code § 14200 *et seq.*

25 WHEREFORE, Gallo prays for relief as set forth below.

26 **CLAIM THREE**

27 **(Federal Trademark Dilution)**

28 16. Gallo realleges and incorporates by reference the allegations of paragraphs 1

1 through 15.

2 17. The GALLO trademark was famous long before Defendant adopted it. Gallo has  
3 used the GALLO trademark for 75 years and has spent over \$600,000,000 promoting it. Wines  
4 bearing the GALLO trademark have been sold throughout the United States for decades in all  
5 retails channels where its goods can be sold lawfully. The GALLO brand is highly distinctive,  
6 widely recognized by consumers and stands uniquely for goods produced or licensed by Gallo.

7 18. Defendant is attempting, plans, and intends to create consumer identification of the  
8 term "Gallo" on a nationwide basis with its clothing and with goods that originate with it.  
9 Defendant's use of the GALLO trademark in this manner dilutes the distinctive quality of the  
10 GALLO trademark and is therefore a violation of the Federal Trademark Dilution Revision Act of  
11 2006, 15 U.S.C. § 1127 (c). It causes Gallo to lose control of the manner in which its famous  
12 trademark is promoted and is directly contrary to Gallo's promotional efforts. It also creates in  
13 the minds of consumers the impression and understanding that there are now two sources for the  
14 GALLO brands, one for wine and another for clothing, where for a generation there has only been  
15 one.

16 WHEREFORE, Gallo prays for relief as set forth below.

17 **CLAIM FOUR**

18 (State Trademark Dilution)

19 19. Gallo realleges and incorporates by reference the allegations of paragraphs 1  
20 through 18.

21 20. Defendant's use of a GALLO trademark dilutes the distinctive quality of the  
22 GALLO trademark and is therefore a violation of California Business and Professions Code §  
23 14200 *et seq.*

24 WHEREFORE, Gallo prays for relief as set forth below.

25 **CLAIM FIVE**

26 (California Unfair Competition)

27 21. Gallo realleges and incorporates by reference the allegations of paragraphs 1  
28 through 20.

1 22. Defendant's use of a GALLO trademark constitutes unfair competition under  
2 California Business and Professions Code Section § 17200.

3 WHEREFORE, Gallo prays for relief as set forth below.

4 **CLAIM SIX**

5 **(Unjust Enrichment)**

6 23. Gallo realleges and incorporates by reference the allegations of paragraphs 1  
7 through 22.

8 24. As a result of the conduct of Defendant, they have been unjustly enriched at the  
9 expense of Gallo and the law thereby implies a contract by which the Defendant must pay to  
10 Gallo the amount by which, in equity and good conscience, the Defendant has been unjustly  
11 enriched at the expense of Gallo.

12 WHEREFORE, Gallo seeks judgment against the Defendant as follows:

- 13 1. An injunction against Defendant enjoining any further infringement and
- 14 dilution of Gallo's trademarks in the United States;
- 15 2. An injunction against Defendant enjoining any further acts of unfair
- 16 competition with Gallo in the United States.
- 17 3. An award in the amount by which Defendant has been unjustly enriched;
- 18 4. Costs of suit, including Gallo's reasonable attorneys' fees; and
- 19 5. Such further relief as this Court deems just.

20  
21 Dated: September 4, 2008

MCCORMICK, BARSTOW, SHEPPARD,  
WAYTE & CARRUTH LLP

22  
23 By: /s/ D. Greg Durbin  
24 D. Greg Durbin  
25 Attorneys for Plaintiff  
26 E. & J. GALLO WINERY, a California  
27 corporation  
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