

JUDGE STEIN

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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AMAZON.COM, INC., a Delaware corporation,

Plaintiff,

- against -

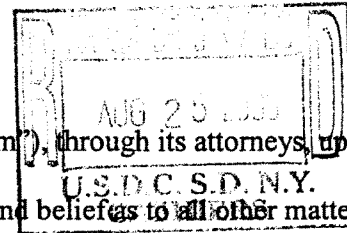
E.B.A. WHOLESALE CORP. (d/b/a CYEBYE),
a New York corporation,

Defendant.
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No. ___ Civ. ___ ()

**COMPLAINT FOR TRADEMARK
INFRINGEMENT, CYBERPIRACY,
UNFAIR COMPETITION, AND
UNFAIR BUSINESS PRACTICE**

Jury Trial Demanded



Plaintiff Amazon.com, Inc. ("Amazon.com"), through its attorneys, upon knowledge as to its own conduct and upon information and beliefs to all other matters, alleges for its Complaint as follows:

NATURE OF THE ACTION

1. Defendant E.B.A. Wholesale Corp. (d./b/a Cyebye) ("E.B.A.") engaged in a marketing campaign in which it sent e-mails to consumers with forged "from" lines creating the impression that the e-mails are from Amazon.com. E.B.A. intentionally used the AMAZON.COM[®] mark in the "from" line to cause the recipient to believe that the e-mail is from Amazon.com and/or to get past e-mail filters. E.B.A. did not have permission to use the AMAZON.COM[®] mark and is not affiliated in any way with Amazon.com.

2. By this complaint, Amazon.com seeks to prevent consumer confusion and protect AMAZON.COM[®], one of the world's best-known brands, from intentional infringement and cyberpiracy. Defendant E.B.A. claims to be one of Brooklyn, New York's "largest independent appliance retail stores." E.B.A. owns and

operates the website <www.cyebye.com>, through which it sells appliances ranging from shavers to refrigerators. E.B.A. recently conducted an e-mail marketing campaign advertising the <www.cyebye.com> website, using e-mails that falsely claim that they are from “Amazon.com.”

3. Defendant used the AMAZON.COM[®] trademark in its e-mail marketing campaign to immediately convey to consumers an association with Amazon.com, to circumvent e-mail filters, and to unfairly trade off the reputation and goodwill of the AMAZON.COM[®] mark. Since commencing operations on the World Wide Web in 1995, Amazon.com’s annual sales have grown to over \$3.9 billion, and Amazon.com has become a Fortune 500 company. With tens of millions of customers worldwide, Amazon.com is among the best-known and most popular Internet retailers.

4. Amazon.com has extensively promoted its business using the AMAZON.COM[®] mark, and Internet shoppers and consumers almost universally recognize AMAZON.COM[®] as a brand identifier for Amazon.com’s websites and products. Consumers have a strong association between the AMAZON.COM[®] mark and Amazon.com’s websites and the strength of the AMAZON.COM[®] trademark—one of Amazon.com’s most valuable corporate assets.

5. Defendant’s use of AMAZON.COM[®] in direct competition with Amazon.com, for goods and services also sold and provided by Amazon.com via the Internet, is likely to confuse consumers. Defendant’s use of AMAZON.COM[®] will lead some consumers to conclude that Amazon.com is a partner, has a business relationship, or is somehow associated with E.B.A. or <www.cyebye.com>.

6. Preventing this confusion will help protect consumers from deceptive and fraudulent e-mail practices, allowing consumers to make fully informed choices about where they are shopping on the Internet, thereby promoting the consumer protection goals of the trademark and unfair competition laws. In this action, Amazon.com seeks to enjoin defendants from using the trade name and trademark AMAZON.COM[®] for the marketing and sale of a directly competing online retail store. The unfair competition laws do not allow a latecomer to copy a mark and “free ride” on the goodwill associated with it. A myriad of other names are available. A direct competitor should not be allowed to benefit from Amazon.com’s long term and extensive investment in AMAZON.COM[®] at the expense of Amazon.com and to the detriment of consumers.

JURISDICTION AND VENUE

7. This is a Complaint for violations of §§ 32 and 43 of the Lanham Act, 15 U.S.C. § 1114(1) (Trademark Infringement), 15 U.S.C. § 1125(a) (False Designation of Origin, Unfair Competition), 15 U.S.C. § 1125(d) (Cyberpiracy Prevention); for deceptive trade practices under N.Y. Gen. Bus. Law § 349; and for common law unfair competition and trespass to chattels.

8. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331 and § 1338(a). The Court has supplemental jurisdiction over plaintiff’s state law claims pursuant to 28 U.S.C. § 1367.

9. The Court has personal jurisdiction over the defendant because the defendant is located and conducts business in New York State. Also, the defendant has purposefully availed itself of the opportunity to conduct commercial activities in this forum, and this Complaint arises out of those activities. E-mails sent from the defendant

actively display, disseminate, and promote the infringing AMAZON.COM mark. The publication and dissemination of the infringing trademark in New York is causing ongoing injury to Amazon.com.

10. Venue is proper in this District pursuant to 28 U.S.C. § 1391(c), because a substantial part of the events giving rise to the claim occurred, and continue to occur, in the Southern District of New York. The damage to Amazon.com described herein takes place in the Southern District of New York and elsewhere.

THE PARTIES

11. Amazon.com is a Delaware corporation with its principal place of business in Seattle, Washington. On or about July 15, 1997, Amazon.com registered the trademark AMAZON.COM[®] with the United States Patent and Trademark Office.

12. Upon information and belief, E.B.A. Wholesale Corp. (d/b/a Cyebye) (“E.B.A.”) is a New York corporation with its principal place of business in New York. E.B.A. claims to be “Brooklyn’s largest independent appliance retail store.” E.B.A. owns and operates the website <www.cyebye.com> which is an on-line retailer of appliances including shavers, vacuums, phones, refrigerators, and washers and dryers.

THE AMAZON.COM[®] TRADEMARK

13. The term “Amazon.com” is not only the name of Plaintiff’s company, but the most important and easily recognized identifier of the goods and services it offers. There is a particularly close association among consumers between Amazon.com the business, the AMAZON.COM[®] mark, and the products and services offered under the Amazon.com designation. For millions of consumers, the name “Amazon.com” has come to represent wide selection, fast delivery, fair pricing, and excellent security for Internet transactions. Courts in the United States and Greece have

entered judgments for Amazon.com that attest to the fame and/or the strong association between the AMAZON.COM[®] mark and the services offered by Amazon.com.

14. AMAZON.COM[®] mark is one of the best known trademarks on the Internet. For instance:

- Tens of millions of customers from over 220 countries have made purchases through the Amazon.com Site. Every one of these purchasers has, at a minimum, seen the AMAZON.COM[®] mark on the Web site, on the packaging in which his or her order was shipped, and in e-mail communications that confirm each order.
- Many millions more have come to know the AMAZON.COM[®] mark through Amazon.com's extensive advertising in a variety of media. Since 1996, Amazon.com has spent hundreds of millions on advertising—all of which makes prominent use of the AMAZON.COM[®] mark—on television and radio, and in newspapers and magazines.
- According to the MMXI Europe May 2000 European Audience Ratings Report, the Amazon.com, Amazon.co.uk, and Amazon.de sites reach more consumers in Europe than any other site on the Internet.
- A recent survey by Media Metrix, a company that monitors traffic to popular e-commerce Web sites, identified the Amazon.com Site as one of the most frequently visited shopping sites on the Internet, and the largest seller of books (ahead of sites operated by Barnes &

Noble and Borders), music (ahead of sites operated by Columbia House and BMG Music), toys, software (ahead of sites operated by <Bestbuy.com> and <CompUSA.com>) and video (ahead of the <BlockBuster.com> site).

- Amazon.com's achievements have generated tremendous attention in the media—thousands of articles have been written about the company over the last few years. Feature stores in *Fortune*, *Business Week*, *The New York Times*, *USA Today*, *Advertising Age* and *Wired* have touted the company's success and have identified it as a leading force in the "New Economy."
- The Amazon.com name is found on literally thousands of Internet Web sites. Not only do important Internet retailers (*e.g.*, AOL.com) carry Amazon.com "banner" ads on their homepages, but more than 800,000 other Web site operators around the world have become Amazon.com "Associates," and are thus permitted to link to the Amazon.com Site and to display the AMAZON.COM® mark on their Web sites.
- A recent study by Interbrand Group, a leading international brand consultancy company, ranked the 100 most valuable brands in the world, all of which Interbrand identified as having a value in excess of \$1 billion. Interbrand's study included the AMAZON.COM® mark, ranking its value above such well-known trade names as "Hilton®" and "Guinness®." Another Interbrand

study recognized the AMAZON.COM[®] mark's value in the year 2001, ranking its value above 24 other trade names such as "Burger King[®]" and "Wall Street Journal[®]."

15. The AMAZON.COM[®] mark is famous by virtue of its inherent distinctiveness and substantial secondary meaning as a designation of the source of the products Amazon.com sells and by its continuous and broad use for virtually the entire life of the Internet as a commercial medium. The AMAZON.COM[®] mark is registered in the European Union and in 72 individual countries, and has over 400 additional registration applications pending all over the world. AMAZON.COM[®] is a registered trademark with the United States Patent and Trademark Office for a computerized on-line search and ordering service featuring the wholesale and retail distribution of books, music, motion pictures, multimedia products and computer software in the form of printed books, audiocassettes, videocassettes, compact disks, floppy disks, CD ROMs, and direct digital transmission.

16. The AMAZON.COM[®] mark is particularly well known among Internet users, the trading areas and channel of trade used by both Amazon.com and defendant. There are no similar marks in common commercial use. A recent review of the database maintained by the United States Patent and Trademark Office reveals not a single registration for any mark that included both "amazon" and "com."

17. Amazon.com is one of the best-known Internet retailers in the world today. Jeff Bezos ("Bezos"), the company's founder, was a pioneer in the use of the Internet as a medium of commerce. In 1995, Bezos created an Internet Web site (the "Amazon.com Site") that permitted consumers around the world to purchase books on-

line. Amazon.com was one of the first corporations to make the name of its business identical to the domain name from which its business operates—such that anyone using the Internet to find its Web site need only remember the name of the company.

18. Since its inception, the Amazon.com Site has continuously operated from the Internet address <www.amazon.com>. When Amazon.com opened its cyber-doors, its site primarily featured books, which is still an integral part of Amazon.com's business. Since then, Amazon.com has expanded its operations to include an even broader selection of products, offering full line of goods ranging from computer products and electronics to toys to compact discs and movies on videotape and DVD.

19. Since at least as early as 1995, Amazon.com has used the trademark AMAZON.COM[®] to promote its business and its websites.

DEFENDANT'S ILLEGAL ACTS

20. Upon information and belief, sometime on or before May 2003, E.B.A. created and sent large volumes of e-mail messages advertising the <www.cyebye.com> website and stating that "The truth is that Cyebye is still the LOWEST priced appliance website." The e-mails were designed so that they appeared to be sent from Amazon.com, and used the AMAZON.COM[®] mark in the e-mail header. See Exhibit A.

21. Amazon.com did not provide permission to defendant to use its AMAZON.COM[®] trademark for any reason, including the "cyebye.com" e-mail marketing campaign.

22. Upon information and belief, defendant intentionally adopted the AMAZON.COM[®] mark to trade on the fame and goodwill associated with the

AMAZON.COM[®] mark, and to evade customers' anti-spam filters specifically designed to permit the receipt of e-mail from Amazon.com.

23. Defendant's use of the AMAZON.COM[®] mark to compete directly with Amazon.com is likely to cause consumer confusion, mistake, and deception. This likelihood of confusion, mistake, and deception is even greater because both Amazon.com and defendant operate their businesses over the Internet and sell identical and/or similar goods.

24. Defendant's use of the AMAZON.COM[®] mark is likely to lead consumers to mistakenly conclude that the e-mail from E.B.A. was exclusively or jointly sent by, licensed or certified by, or otherwise sponsored or approved by Amazon.com, or that <www.cyebye.com> is somehow otherwise affiliated, connected, or associated with Amazon.com. Consumers are likely to be misled as to the true source, sponsorship, or affiliation of the e-mail.

25. Upon information and belief, through their use of the AMAZON.COM[®] mark, defendant has intentionally and with knowledge sought to cause consumer confusion, mistake, and deception.

COUNT I

TRADEMARK INFRINGEMENT UNDER LANHAM ACT 15 U.S.C. § 1114

26. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

27. Defendant's use of the AMAZON.COM[®] to promote, market, or sell products and services, including those products and services offered by Amazon.com, constitutes trademark infringement pursuant to 15 U.S.C. § 1114. Defendant's intentional and willful infringement of the AMAZON.COM[®] registered trademark has

caused and will continue to cause damage to Amazon.com, and is causing irreparable harm to Amazon.com for which there is no adequate remedy at law. Defendant is directly liable for these actions.

COUNT II

FALSE DESIGNATION OF ORIGIN UNDER LANHAM ACT 15 U.S.C. § 1125(a)

28. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

29. Defendant has used and continues to use AMAZON.COM[®] in connection with goods or services, in commerce, in a manner that is likely to cause confusion, mistake, or deception as to the origin, sponsorship, or approval of their goods or services. Defendant is directly liable for these actions. Amazon.com has been damaged by these acts in an amount to be proved at trial. Amazon.com is also entitled under the Lanham Act to injunctive and equitable relief against defendant.

COUNT III

CYBERPIRACY PREVENTION UNDER LANHAM ACT 15 U.S.C. § 1125(d)

30. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

31. Defendant's bad faith intent to profit from use of AMAZON.COM[®], by sending e-mail messages that state they are from AMAZON.COM[®] that are confusingly similar to Amazon.com's distinctive marks, constitutes cyberpiracy under 15 U.S.C. § 1125(d). Defendant's cyberpiracy of AMAZON.COM[®] has caused and will continue to cause damage to Amazon.com, in an amount to be proved at trial, and is causing irreparable harm to Amazon.com for which there is not an adequate remedy at law. Defendant is directly liable for these actions.

COUNT IV

UNFAIR COMPETITION UNDER LANHAM ACT 15 U.S.C. § 1125(a)

32. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

33. Defendant's use of the AMAZON.COM[®] mark to promote, market, or sell a products on the <www.cyebye.com> website in direct competition with Amazon.com constitutes Unfair Competition pursuant to 15 U.S.C. § 1125(a). Defendant's use of the AMAZON.COM[®] mark is likely to cause confusion, mistake, and deception among consumers. Defendant's unfair competition has caused and will continue to cause damage to Amazon.com, and is causing irreparable harm to Amazon.com for which there is no adequate remedy at law. Defendant is directly liable for these actions.

COUNT V

UNFAIR BUSINESS PRACTICE UNDER N.Y. GEN. BUS. LAW § 349

34. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

35. Defendant's use of AMAZON.COM[®] to promote, market, or sell products and services, including E.B.A.'s own website, constitutes a deceptive act or practice in the conduct of defendant's business, trade, or commerce, and in the furnishing of services to consumers and therefore a violation of N.Y. Gen. Bus. Law § 349 *et seq.*

36. Defendant's materially misleading practice of designing e-mail so they appeared to be sent from Amazon.com is likely to cause the consuming public at large to be misled as to the true source, sponsorship, or affiliation of the e-mail sent by defendant.

37. As a result of defendant's actions, Amazon.com has been damaged in an amount to be proven at trial.

COUNT VI

TRESPASS TO CHATTELS

38. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

39. The computers, computer networks and computer services used to operate Amazon.com's business are the personal property of Amazon.com.

40. Defendant knew that its bulk-emailing practices inevitably lead to a significant portion of their e-mail being undeliverable. When an e-mail is undeliverable, "bounce" messages are generated to advise the sender of this fact. By spoofing Amazon.com's domain name in the e-mail header, defendant insured that Amazon.com's computer equipment—rather than defendant's own equipment—was burdened by innumerable bounce messages resulting from the e-mail campaign.

41. Defendant has knowingly, intentionally and without authorization used and intentionally trespassed upon Amazon.com's property.

42. As a result of defendant's actions, Amazon.com has been damaged in an amount to be proven at trial.

COUNT VII

UNFAIR COMPETITION

43. Amazon.com repeats and realleges paragraphs 1-25 of this Complaint as if fully set forth herein.

44. Defendant misappropriated Amazon.com's commercial advantage by using the AMAZON.COM® mark to promote, market, or sell products on the <www.cyebye.com> website in direct competition with Amazon.com.

45. In misusing the AMAZON.COM® mark, defendant acted knowingly, wantonly, in bad faith and with intentional disregard for the rights of Amazon.com.

46. The foregoing acts of defendant were done without justification and for the wrongful purpose of injuring Amazon.com and its competitive position while unfairly benefiting defendant.

47. Defendant's unlawful competition has caused and will cause loss, injury and damage to Amazon.com.

WHEREFORE, plaintiff respectfully prays that this Court:

1. Issue a permanent injunction, enjoining and prohibiting Defendant, or its agents, servants, employees, officers, attorneys, successors and assigns from:

(a) Using AMAZON.COM® trademark, or any version thereof, in connection with the description, marketing, promotion, advertising, or sale of any products or services, including defendant's website; and

(b) Infringing Amazon.com's AMAZON.COM® trademark;

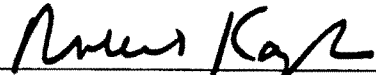
2. Order an award of damages in an amount to be determined at trial;
and

3. Order an award of treble damages as provided by Section 35(a) of the Lanham Act and New York law; and

4. Order an award of attorney's fees and costs as provided by Section 35(a) of the Lanham Act and New York law, and
5. Order an award of punitive damages in an amount to be determined at trial; and
6. Grant such other or further relief as the Court deems appropriate.

Dated: New York, New York
August 25, 2003

FRIEDMAN KAPLAN SEILER & ADELMAN
LLP

By: 
Robert D. Kaplan (RK 3627)
Heather Windt (HW 7512)
1633 Broadway
New York, NY 10019-6708
(212) 833-1100

Of Counsel:

David A. Zapolsky, Associate General Counsel (DZ 8058)
Kathryn M. Sheehan, Corporate Counsel
Amazon.com, Inc.
1200 12th Avenue South
Suite 1200
Seattle, Washington 98144

Attorneys for Plaintiff Amazon.com, Inc.