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THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
OCALA DIVISION

CLERK, U.S. DISTRICT COURT
OCALA, FLORIDA

CHANEL, INC., a New York corporation and)
GUCCI AMERICA, INC., a New York)
corporation,)

Plaintiffs,)

vs.)

CHRISTOPHER J. KUROWSKI a/k/a CHRIS)
KUROWSKI a/k/a CHRIS CAPP A d/b/a ACE)
FABRIC d/b/a ACEFABRIC.COM d/b/a)
PIMP FABRIC.COM d/b/a CAPP A and DOES)
1-10,)

Defendants.)

Civil Action No. 5:08-cv-58-0c-10GRJ

COMPLAINT FOR DAMAGES
AND INJUNCTIVE RELIEF

Plaintiffs, CHANEL, INC., a New York corporation ("Chanel") and GUCCI AMERICA, INC., a New York corporation, ("Gucci") (collectively the "Plaintiffs") hereby sue Defendants CHRISTOPHER J. KUROWSKI a/k/a CHRIS KUROWSKI a/k/a CHRIS CAPP A d/b/a ACE FABRIC d/b/a ACEFABRIC.COM d/b/a PIMP FABRIC.COM d/b/a CAPP A ("Kurowski") and DOES 1-10, (collectively "Defendants") and allege as follows:

JURISDICTION AND VENUE

1. This Court has subject matter jurisdiction of this action pursuant to 15 U.S.C. §§ 1114, 1116, 1121, 1125 and 28 U.S.C. §§ 1331, 1332 and 1338. Venue is proper in the Middle District of Florida pursuant to 28 U.S.C. §1391 because the Defendants conduct substantial business activities within the District. Furthermore, venue is appropriate since a substantial

portion of the acts giving rise to this case occurred within this Judicial District.

THE PARTIES

2. Chanel is a corporation duly organized under the laws of the State of New York with its principal place of business in the United States located at Nine West 57th Street, New York, New York 10019. Chanel has acquired common law registration rights through its substantial use, advertising, promotion and sale of goods bearing the marks CHANEL and CC MONOGRAM (the "Chanel Marks"). True and correct samples of the Chanel Marks are attached hereto as Composite Exhibit "A."

3. Gucci is a corporation duly organized under the laws of the State of New York with its principal place of business in the United States located at 685 Fifth Avenue, New York, New York 10022. Gucci has acquired common law registration rights through its substantial use, advertising, promotion, and sale of goods bearing the marks GUCCI, INTERLOCKING GG Monogram, and NON-INTERLOCKING GG MONOGRAM Design (collectively the "The Gucci Marks"). True and correct of a samples of the INTERLOCKING GG MONOGRAM and NON-INTERLOCKING GG MONOGRAM are attached hereto as Composite Exhibit "B."

4. Kurowski is an individual who upon information and belief conducts business and resides within this Judicial District at 5775 West Caffey Lane, Homosassa, Florida 34446 and also conducts business at 1014 South 6th Avenue, Avondale, Arizona 85323 and 4377 Commerical Way #131, Spring Hill, Florida 34606. Kurowski uses the names "Ace Fabric," "Ace Fabric.com," "PimpFabric.com," and "Cappa" as aliases to operate his business.

5. Upon information and belief, Kurowski is directly and personally engaging in the sale of unauthorized products as alleged herein.

6. Defendants Does 1-5 are, upon information and belief, individuals who reside and/or conduct business within this Judicial District. Further, Does 1-5 are directly and personally contributing, inducing and engaging in the sale of infringing products as alleged herein as partners or suppliers to the named Defendant. However, due to the secretive nature of Does 1-5 activities, Plaintiffs are currently unaware of the true names of Does 1-5, and that such names are fictitious. Plaintiffs will amend this Complaint upon discovery of the identities of such fictitious defendants.

7. Defendants, Does 6-10 are business entities which, upon information and belief, reside and/or conduct business within this Judicial District. Moreover, Does 6-10 are, upon information and belief, directly engaging in the sale of infringing products as alleged herein as partners or suppliers to the named Defendant. However, due to the secretive nature of Does 6-10 activities, Plaintiffs are currently unaware of the true names of Does 6-10, and that such names are fictitious. Plaintiffs will amend this Complaint upon discovery of the identities of such fictitious defendants.

COMMON FACTUAL ALLEGATIONS

8. Chanel is the owner of all common law rights associated with the marks CHANEL and CC MONOGRAM, (the “Chanel Marks”) as used in connection with high quality, luxury goods.

9. Gucci is the owner of all common law rights associated with the marks GUCCI, INTERLOCKING GG MONOGRAM, and NONINTERLOCKING GG MONOGRAM (the “Gucci Marks”) as used in connection with high quality, luxury goods.

10. The Chanel Marks and the Gucci Marks have been used in interstate commerce to

identify and distinguish Plaintiffs' high quality products for an extended period of time.

11. The Chanel Marks and the Gucci Marks have never been assigned or licensed to any of the Defendants in this matter.

12. The Chanel Marks and the Gucci Marks are a symbol of the Plaintiffs' quality, reputation, and goodwill and have never been abandoned.

13. Further, the Plaintiffs have expended substantial time, money, and other resources developing, advertising and otherwise promoting the Chanel Marks and the Gucci Marks. The Chanel Marks and the Gucci Marks qualify as famous marks as that term is used in 15 U.S.C. §1125(c)(1).

14. The Plaintiffs have extensively used, advertised and promoted the Chanel Marks and the Gucci Marks in the United States in association with the sale of high quality products and have carefully monitored and policed the use of the Chanel Marks and the Gucci Marks.

15. As a result of the Plaintiffs' efforts, members of the consuming public readily identify merchandise bearing the Chanel Marks and the Gucci Marks as being high quality merchandise sponsored and approved by the Plaintiffs.

16. Accordingly, the Chanel Marks and the Gucci Marks have achieved secondary meaning as identifiers of high quality products.

17. Upon information and belief, at all times relevant hereto, the Defendants in this action had full knowledge of Plaintiffs' respective ownership of the Chanel Marks and the Gucci Marks, including their exclusive rights to use and license their respective Marks and the goodwill associated therewith.

18. Plaintiffs have discovered the Defendants are manufacturing (or causing to be

manufactured), importing, promoting and otherwise advertising, distributing, selling and/or offering for sale products, including at least fabric bearing trademarks which are exact copies of the Chanel Marks and the Gucci Marks (the "Defendants' Goods").

19. Despite the knowledge that they are without authority to do so, the Defendants are actively manufacturing (or causing to be manufactured), importing, promoting and otherwise advertising, distributing, selling and/or offering for sale substantial quantities of Defendants' Goods with the knowledge that such goods will be mistaken for the high quality products offered for sale by the Plaintiffs. The net effect of the Defendants' actions will be the confusion of consumers who will believe the Defendants' Goods are genuine goods originating from and approved by the Plaintiffs.

20. Upon information and belief, Defendants, import and/or manufacture their Counterfeit Goods and advertise those goods for sale to the consuming public. In so advertising these products, the Defendants use Plaintiffs' Chanel Marks and Gucci Marks. Indeed, the Defendants herein misappropriated the Plaintiffs' advertising ideas and entire style of doing business with regard to the advertisement and sale of Plaintiffs' genuine products. Upon information and belief, this style of doing business was known to Defendants prior to the time the infringement complained of herein commenced.

21. The Defendants are conducting their activities at least within this Judicial District. As a result, the Defendants are defrauding the Plaintiffs and the consuming public for the Defendants' own benefit.

22. The Defendants' use of the Chanel Marks and the Gucci Marks, including the manufacture, importation, promotion and advertising, distribution, sale and offering for sale of

the Defendants' Goods, is without the Plaintiffs' consent or authorization.

23. Further, the Defendants, upon information and belief, may be engaging in the above-described wrongful activities knowingly and intentionally or with reckless disregard for or willful blindness to Plaintiffs' rights for the purpose of trading on the goodwill and reputation of the Plaintiffs. If the Defendants' intentional activities are not preliminarily and permanently enjoined by this Court, the Plaintiffs and the consuming public will continue to be damaged.

24. The Defendants' above identified wrongful activities are likely to cause confusion, deception and mistake in the minds of consumers, the public, and the trade. Moreover, the Defendants' wrongful conduct is likely to create a false impression and deceive customers, the public, and the trade into believing there is a connection or association between the Plaintiffs' and the Defendants' Goods.

25. The Plaintiffs have no adequate remedy at law.

26. The Plaintiffs are suffering irreparable injury and have suffered substantial damages as a result of the Defendants' wrongful activities.

27. The injuries and damages sustained by the Plaintiffs have been directly and proximately caused by the Defendants' wrongful importation, advertisement, promotion and/or sale of the Defendants' Goods.

28. The Plaintiffs have retained the undersigned counsel to represent them in this matter and are obligated to pay said counsel a reasonable fee for such representation.

**COUNT I - FALSE DESIGNATION OF ORIGIN
PURSUANT TO § 43(a) OF THE LANHAM ACT**

29. Plaintiffs hereby readopt and reallege the allegations set forth in Paragraphs 1 through 28 above.

30. Defendants' Goods have been widely advertised and distributed throughout this Judicial District.

31. The Defendants' Goods bear designations which are virtually identical in appearance to the Chanel Marks and the Gucci Marks. Accordingly, the Defendants' activities are likely to cause confusion in the trade and among the general public as to the origin or sponsorship of the Defendants' Goods.

32. The Defendants have used in connection with their sale of Defendants' Goods, false designations of origins and false descriptions and representations, including words or other symbols which tend to falsely describe or represent such goods and have caused such goods to enter into commerce with possible knowledge of the falsity of such designations of origin and such descriptions and representations, all to the detriment of the Plaintiffs.

33. Specifically, the Defendants use the Chanel Marks and the Gucci Marks in the Defendants' advertisement and promotion of their fabric. The Defendants have misrepresented to members of the consuming public that the Defendants' Goods being advertised and sold by them are genuine Chanel and/or Gucci products.

34. The Defendants' above-described actions are in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a).

35. Plaintiffs have sustained injury and damage caused by Defendants' conduct, and absent an entry of an injunction by this Court, the Plaintiffs will continue to suffer irreparable injury to their goodwill and business reputations as well as monetary damages.

COUNT II - TRADEMARK DILUTION

36. Plaintiffs hereby readopt and reallege the allegations set forth in Paragraphs 1 through 28 above.

37. The Chanel Marks and the Gucci Marks are famous trademarks within the meaning of 15 U.S.C. § 1125(c). The Chanel Marks and the Gucci Marks are advertised and used extensively throughout the United States and the remainder of the world and are highly recognizable by the trade and the consuming public. Further, the Plaintiffs actively police the use of their respective Marks by third parties.

38. The Defendants are engaged in a commercial use of the Chanel Marks and the Gucci Marks in commerce.

39. The Defendants' above-described activities are disparaging, damaging and lessening to the distinctiveness of the Chanel Marks and the Gucci Marks through, at least, blurring and tarnishment of said Chanel Marks and the Gucci Marks. Indeed, the Defendants are publishing materials in their advertising which disparage Plaintiffs' products by at least creating an unfair comparison between Plaintiffs' genuine goods and the Defendants' Counterfeit Goods.

40. Upon information and belief, the Defendants' actions described herein have been engaged in intentionally or with a reckless disregard for or willful blindness to the Plaintiffs' rights for the purpose of trading on the Plaintiffs' reputations and diluting the Chanel Marks and the Gucci Marks.

41. As a result of the above described diluting and disparaging activities of the Defendants, the Plaintiffs have suffered, and will continue to suffer, irreparable injury and substantial damages, and the Defendants have been unjustly enriched.

COUNT III - COMMON LAW UNFAIR COMPETITION

42. Plaintiff hereby readopts and realleges the allegations set forth in Paragraphs 1 through 28 above.

43. The Defendants' aforesaid acts constitute misappropriation of Plaintiffs' trademarks and goodwill and are in violation of Florida's common law of unfair competition as the Defendants' false designation of origin and dilution is likely to cause confusion, mistake, and/or deception.

44. The Defendants' conduct described herein was engaged in with willful blindness to Plaintiffs' rights or intentionally, willfully, wantonly, and maliciously.

45. The Plaintiffs reserve the right to proffer evidence and seek an award of punitive damages.

46. Absent entry of an injunction by this Court, the Plaintiffs will continue to suffer irreparable injury to their goodwill and reputations. The Plaintiffs have already suffered substantial damages as a result of the Defendants' acts of misappropriation and unfair competition.

PRAYER FOR RELIEF

47. **WHEREFORE**, the Plaintiffs demand judgment against the Defendants as follows:

a. That the Court enter a permanent injunction enjoining Defendants, their agents, representatives, servants, employees, and all those acting in concert or participation therewith, from manufacturing or causing to be manufactured, importing, advertising or promoting, distributing, selling or offering to sell the Defendants' Goods; from diluting the

Chanel Marks and/or the Gucci Marks; from using the Chanel Marks and/or the Gucci Marks, or any mark similar thereto, in connection with the sale of any unauthorized goods; from using any logo, trade name, or trademark which may be calculated to falsely advertise the services or products of the Defendants as being sponsored by, authorized by, endorsed by, or in any way associated with the Plaintiffs; from falsely representing themselves as being connected with the Plaintiffs, through sponsorship or association, or engaging in any act which is likely to falsely cause members of the trade and/or of the purchasing public to believe any goods or services of the Defendants, are in any way endorsed by, approved by, and/or associated with the Plaintiffs; from using any reproduction, infringement, copy, or colorable imitation of the Chanel Marks and/or the Gucci Marks in connection with the publicity, promotion, sale, or advertising of any goods sold by the Defendants, including, without limitation, fabric; from affixing, applying, annexing or using in connection with the sale of any goods, a false description or representation, including words or other symbols tending to falsely describe or represent Defendants' goods as being those of the Plaintiffs, or in any way endorsed by the Plaintiffs and from offering such goods in commerce; and from otherwise unfairly competing with the Plaintiffs.

b. That the Defendants be required to account to and pay Plaintiffs for all profits and damages resulting from Defendants' activities and that the award to Plaintiffs be trebled, as provided for under 15 U.S.C. §1117 of the Lanham Act.

c. That Plaintiffs be awarded punitive damages.

d. That Plaintiffs be awarded pre- and post-judgment interest on their judgments.

e. That Plaintiffs be awarded treble damages as well as their costs and

reasonable attorney's fees and investigators' fees associated with bringing this action.

f. That Plaintiffs be awarded such other and further relief as the Court may deem just and proper.

Date: January 31st, 2008.

Respectfully submitted,

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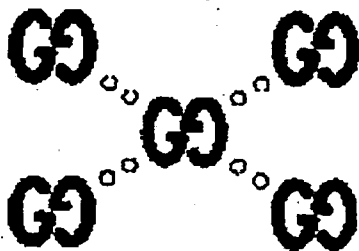
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EXHIBIT "A"



CHANEL

EXHIBIT "B"



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