

**SEALED**

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2013 MAY -6 P 12:41

## DISTRICT OF 2:08-cv-00569-PMP-PAL

**(FILED UNDER SEAL)**

**Defendants.**

99589.1

d/b/a BEAUTY AND AH BEE d/b/a BEAUTY & AH BEE, INC. d/b/a BEAUTY & AH BEE d/b/a BEAUTYNB.COM ("Chow") and DOES 1 – 10 (collectively "Defendants") and alleges as follows:

### **JURISDICTION AND VENUE**

1. This is an action pursuant to (i) 15 U.S.C. §§ 1114, 1116, 1121 and 1125(a). Accordingly, this Court has jurisdiction under 28 U.S.C. §§ 1331 and 1338. Venue is proper in this Court pursuant 28 U.S.C. § 1391 since the named Defendants conduct business in 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 is, in part, engaged in the business of manufacturing and distributing throughout the world, including within this Judicial District, high quality jewelry products, namely bracelets, earrings, necklaces, pendants, and rings, and hair accessories and belts under Federally registered trademarks, including but not limited to CC MONOGRAM, and CHANEL (collectively the "Chanel Marks").

3. Chow is an individual who, upon information and belief conducts business at 3111 South Valley View Boulevard, Unit L120, Las Vegas, Nevada 89102, and Beauty Ah Bee is a corporation organized under the laws of the State of Nevada, with a principal place of business located at 3111 South Valley View Boulevard, Unit L120, Las Vegas, Nevada 89102. Each named Defendant conducts business within this jurisdiction. Chow and Beauty Ah Bee are the moving and conscious forces behind the operation of "Beauty And Ah Bee," "Beauty& Ah Bee, Inc.," "Beauty & Ah Bee," and "Beautynb.com."

4. Upon information and belief, Chow and Beauty Ah Bee are directly engaging in the sale of counterfeit and infringing products within this District as alleged herein.

5. Defendant Does 1-5 are, upon information and belief, individuals who reside and/or conduct substantial business within this Judicial District. Further, Does 1-5 are directly and personally contributing, inducing and engaging in the sale of counterfeit products as alleged herein

as partners or suppliers to the named Defendants. Chanel is presently unaware of the true names of Does 1-5. Chanel will amend this Complaint upon discovery of the identities of such fictitious Defendants.

6. 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 counterfeit products as alleged herein as partners or suppliers to the named Defendants. Chanel is presently unaware of the true names of Does 6-10. Chanel will amend this Complaint upon discovery of the identities of such fictitious Defendants.

### **COMMON FACTUAL ALLEGATIONS**

7. Chanel is the owner of the following United States Federal Trademark Registrations:

<b><u>Mark</u></b>	<b><u>Registration No.</u></b>	<b><u>Registration Date</u></b>
CHANEL	0,612,169	September 13, 1955
CHANEL	0,902,190	November 10, 1970
CC MONOGRAM	1,501,898	August 30, 1988
CHANEL	3,133,139	August 22, 2006
CC MONOGRAM	3,025,936	December 13, 2005

which are registered in International Classes 14, 25 and 26 and are used in connection with the manufacture and distribution of, among other things, high quality jewelry products, including, bracelets, earrings, necklaces, pendants, rings, and hair accessories and belts.

8. The Chanel Marks have been used in interstate commerce to identify and distinguish Chanel's high quality jewelry products, including, bracelets, earrings, necklaces, pendants, rings, and hair accessories and belts, and other goods for an extended period of time.

1           9.     The Chanel Marks have never been assigned or licensed to any of the Defendants in  
2 this matter.

3           10.    The Chanel Marks are symbols of Chanel's quality, reputation and goodwill and have  
4 never been abandoned.

5           11.    Further, Chanel has expended substantial time, money and other resources  
6 developing, advertising and otherwise promoting the Chanel Marks. The Chanel Marks qualify as  
7 famous marks as that term is used in 15 U.S.C. §1125(c)(1).  
8

9           12.    Chanel has extensively used, advertised and promoted the Chanel Marks in the  
10 United States in association with the sale of high quality jewelry products, including, bracelets,  
11 earrings, necklaces, pendants, rings, and hair accessories and belts, and other goods and has carefully  
12 monitored and policed the use of the Chanel Marks.  
13

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

17           14.    Accordingly, the Chanel Marks have achieved secondary meaning as identifiers of  
18 high quality jewelry products, including, bracelets, earrings, necklaces, pendants, rings, and hair  
19 accessories and belts and other goods.  
20

21           15.    Upon information and belief, at all times relevant hereto, the Defendants in this action  
22 had full knowledge of Chanel's ownership of the Chanel Marks, including its exclusive right to use  
23 and license such intellectual property and the goodwill associated therewith.

24           16.    Chanel has discovered the Defendants are promoting and otherwise advertising,  
25 distributing, selling and/or offering for sale counterfeit products, including at least jewelry products,  
26 including, bracelets, earrings, necklaces, pendants, rings, and hair accessories and belts bearing  
27 trademarks which are exact copies of the Chanel Marks (the "Counterfeit Goods"). Specifically,  
28

1 upon information and belief, the Defendants are using the Chanel Marks in the same stylized  
2 fashion, for different quality goods.

3 17. Upon information and belief, the Defendants' Counterfeit Goods are of a quality  
4 substantially different than that of Chanel's genuine goods. Despite the nature of their Counterfeit  
5 Goods and the knowledge they are without authority to do so, the Defendants, upon information and  
6 belief, are actively using, promoting and otherwise advertising, distributing, selling and/or offering  
7 for sale substantial quantities of their Counterfeit Goods with the knowledge that such goods will be  
8 mistaken for the genuine high quality products offered for sale by Chanel. The net effect of the  
9 Defendants' actions will be to result in the confusion of consumers who will believe the Defendants'  
10 Counterfeit Goods are genuine goods originating from and approved by Chanel.  
11

12 18. The Defendants advertise their Counterfeit Goods for sale to the consuming public.  
13 In so advertising these products, the Defendants use the Chanel Marks. Indeed, the Defendants  
14 herein misappropriated Chanel's advertising ideas and entire style of doing business with regard to  
15 the advertisement and sale of Chanel's genuine products. Upon information and belief, the  
16 misappropriation of Chanel's advertising ideas in the form of the Chanel Marks has occurred, in  
17 part, in the course of Defendants' advertising activities and has been the proximate cause of damage  
18 to Chanel.  
19

20 19. Upon information and belief, the Defendants are conducting their counterfeiting and  
21 infringing activities at least within this Judicial District and elsewhere throughout the United States.  
22 As a result, the Defendants are defrauding Chanel and the consuming public for the Defendants' own  
23 benefit. Defendants' infringement and disparagement of Chanel does not simply amount to the  
24 wrong description of their goods or the failure of the goods to conform to the advertised quality or  
25 performance.  
26  
27  
28

1           20.     The Defendants' use of the Chanel Marks, including the promotion and advertising,  
2 reproduction, distribution, sale and offering for sale of their Counterfeit Goods, is without Chanel's  
3 consent or authorization.

4           21.     Further, the Defendants are engaging in the above-described illegal counterfeiting and  
5 infringing activities knowing and intentionally or with reckless disregard or willful blindness to  
6 Chanel's rights for the purpose of trading on the goodwill and reputation of Chanel. If the  
7 Defendants' intentional counterfeiting and infringing activities are not preliminarily and permanently  
8 enjoined by this Court, Chanel and the consuming public will continue to be damaged.

9           22.     The Defendants' above identified infringing activities are likely to cause confusion,  
10 deception and mistake in the minds of consumers, the public and the trade. Moreover, the  
11 Defendants' wrongful conduct is likely to create a false impression and deceive customers, the  
12 public and the trade into believing there is a connection or association between Chanel's genuine  
13 goods and the Defendants' Counterfeit Goods.

14           23.     Chanel has no adequate remedy at law.

15           24.     Chanel is suffering irreparable injury and has suffered substantial damages as a result  
16 of the Defendants' counterfeiting and infringing activities.

17           25.     The injuries and damages sustained by Chanel have been directly and proximately  
18 caused by the Defendants' wrongful reproduction, use, advertisement, promotion, offering to sell,  
19 and sale of their Counterfeit Goods.

20           26.     Chanel has retained the undersigned counsel to represent them in this matter and is  
21 obligated to pay said counsel a reasonable fee for such representation.

22                   **COUNT I - TRADEMARK COUNTERFEITING AND INFRINGEMENT**

23           27.     Chanel hereby readopts and re-alleges the allegations set forth in Paragraphs 1  
24 through 26 above.

1           28. This is an action for trademark counterfeiting and infringement against the  
2 Defendants based on their promotion, advertisement, distribution, sale and/or offering for sale of the  
3 Counterfeit Goods bearing the Chanel Marks.

4           29. Specifically, are promoting and otherwise advertising, selling, offering for sale and  
5 distributing counterfeit and infringing jewelry products, including, bracelets, earrings, necklaces,  
6 pendants, rings, and hair accessories and belts bearing the Chanel Marks. The Defendants are  
7 continuously infringing and inducing others to infringe the Chanel Marks by using them to advertise,  
8 promote and sell counterfeit jewelry products, including, bracelets, earrings, necklaces, pendants,  
9 rings, and hair accessories and belts.

10           30. Defendants' counterfeiting and infringing activities are likely to cause and actually  
11 are causing confusion, mistake and deception among members of the trade and the general  
12 consuming public as to the origin and quality of Defendants' Counterfeit Goods bearing the Chanel  
13 Marks.

14           31. The Defendants' unlawful actions have caused and are continuing to cause  
15 unquantifiable damages to Chanel.

16           32. Defendants' above-described illegal actions constitute counterfeiting and  
17 infringement of the Chanel Marks in violation of Chanel's rights under § 32 of the Lanham Act, 15  
18 U.S.C. § 1114.

19           33. Chanel has suffered and will continue to suffer irreparable injury due to the above  
20 described activities of the Defendants if the Defendants are not preliminarily and permanently  
21 enjoined.

22 ///

23 ///

24 ///



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

34. Chanel hereby readopts and re-alleges the allegations set forth in Paragraphs 1 through 26 above.

35. The Defendants' Counterfeit Goods bearing and sold under the Chanel Marks have been widely advertised and distributed throughout the United States.

36. The Defendants' Counterfeit Goods bearing and sold under the Chanel Marks are virtually identical in appearance to each of Chanel's respective genuine goods. However, the Counterfeit Goods are different and likely inferior in quality. Accordingly, the Defendants' activities are likely to cause confusion in the trade and among the general public as to at least the origin or sponsorship of the Counterfeit Goods.

37. The Defendants, upon information and belief, have used in connection with their sale of Counterfeit Goods, false designations of origins and false descriptions and representations, including words or other symbols and trade dress which tend to falsely describe or represent such goods and have caused such goods to enter into commerce with full knowledge of the falsity of such designations of origin and such descriptions and representations, all to the detriment of Chanel.

38. Specifically, the Defendants have authorized an infringing use of the Chanel Marks, in the Defendants' advertisement and promotion of their counterfeit and infringing jewelry products, including, bracelets, earrings, necklaces, pendants, rings, and hair accessories and belts. The Defendants, have misrepresented to members of the consuming public that the Counterfeit Goods being advertised and sold by them are genuine, non-infringing products.

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



b. The Defendants be required to account to and pay Chanel for all profits and damages resulting from Defendants' trademark infringing and counterfeiting activities and that the award to Chanel be trebled, as provided for under 15 U.S.C. §1117, or, at Chanel's election with respect to Count I, that Chanel be awarded statutory damages from each Defendants in the amount of one million dollars (\$1,000,000.00) per each counterfeit Chanel Mark used and product sold, as provided by 15 U.S.C. §1117(c)(2) of the Lanham Act.

c. Chanel be awarded punitive damages.

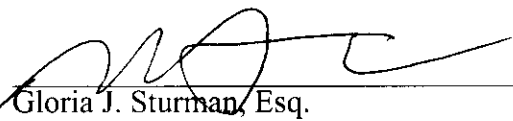
d. Chanel be awarded pre-judgment interest on its respective judgment.

e. Chanel be awarded its costs and reasonable attorneys' fees and investigators' fees associated with bringing this action.

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

DATED this 6 day of May, 2008.

**WILSON, ELSER, MOSKOWITZ, EDELMAN &  
DICKER LLP**

  
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pending*)  
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Fax: 954-767-4821  
**E-mail: [Stephen@smgpa.net](mailto:Stephen@smgpa.net)**  
Attorneys for plaintiff  
CHANEL, INC.

USM-285 is a 5-part form. Fill out the form and print 5 copies. Sign as needed and route as specified below.

U.S. Department of Justice  
United States Marshals Service

## PROCESS RECEIPT AND RETURN

See "Instructions for Service of Process by U.S. Marshal"

## PLAINTIFF

Chanel, Inc., a New York corporation

## DEFENDANT

Beauty and Ah Bee, Inc., et al.

## COURT CASE NUMBER

2:08-cv-00569-PMP-LAL

## TYPE OF PROCESS

Civil Seizure

SERVE  
AT

NAME OF INDIVIDUAL, COMPANY, CORPORATION, ETC. TO SERVE OR DESCRIPTION OF PROPERTY TO SEIZE OR CONDEMN

Beauty And Ah Bee, Inc.

ADDRESS (Street or RFD, Apartment No., City, State and ZIP Code)

3111 South Valley View Blvd., L-120, Las Vegas, Nevada

SEND NOTICE OF SERVICE COPY TO REQUESTER AT NAME AND ADDRESS BELOW

Stephen M. Gaffigan/STEPHEN M. GAFFIGAN, P.A.  
312 S.E. 17th Street, Second Floor  
Ft. Lauderdale, Florida 33316Number of process to be  
served with this Form 285

1

Number of parties to be  
served in this case

2

Check for service  
on U.S.A.

SPECIAL INSTRUCTIONS OR OTHER INFORMATION THAT WILL ASSIST IN EXPEDITING SERVICE (Include Business and Alternate Addresses, All Telephone Numbers, and Estimated Times Available for Service):

Fold

Fold

For seizure scheduled for May 8, 2008 at 9:00 a.m. Staging area and contact information for Plaintiff's representatives to follow

Signature of Attorney other Originator requesting service on behalf of

☒ PLAINTIFF☐ DEFENDANT

TELEPHONE NUMBER

702  
382-1114

DATE

5-7-08

## SPACE BELOW FOR USE OF U.S. MARSHAL ONLY-- DO NOT WRITE BELOW THIS LINE

I acknowledge receipt for the total  
number of process indicated.  
(Sign only for USM 285 if more  
than one USM 285 is submitted)

Total Process

1

District of  
Origin  
No. 48District to  
Serve  
No.

Signature of Authorized USMS Deputy or Clerk

Date

5/8/08

I hereby certify and return that I ☒ have personally served, ☐ have legal evidence of service, ☐ have executed as shown in "Remarks", the process described on the individual, company, corporation, etc., at the address shown above on the on the individual, company, corporation, etc. shown at the address inserted below.☐ I hereby certify and return that I am unable to locate the individual, company, corporation, etc. named above (See remarks below)

Name and title of individual served (if not shown above)

WANG SHU MAU, MANAGER

Address (complete only different than shown above)

☐ A person of suitable age and discretion  
then residing in defendant's usual place  
of abode

Date

5/8/08

Time

10:20

☒ am  
☐ pm

Signature of U.S. Marshal or Deputy

Service Fee

\$45.00

Total Mileage Charges  
including endeavors

\$3.54

Forwarding Fee

—

Total Charges

\$588.54

Advance Deposits

\$500.00

Amount owed to U.S. Marshal\* or  
(Amount of Refund\*)

\$0.00

\$88.54

REMARKS:

See process service worksheet.

PRINT 5 COPIES:

1. CLERK OF THE COURT

2. USMS RECORD

3. NOTICE OF SERVICE

4. BILLING STATEMENT\*: To be returned to the U.S. Marshal with payment,  
if any amount is owed. Please remit promptly payable to U.S. Marshal.

5. ACKNOWLEDGMENT OF RECEIPT

PRIOR EDITIONS MAY BE USED

Form USM-285  
Rev. 12/15/80  
Automated 01/00

USM-285 is a 5-part form. Fill out the form and print 5 copies. Sign as needed and route as specified below.

U.S. Department of Justice  
United States Marshals Service

## PROCESS RECEIPT AND RETURN

See "Instructions for Service of Process by U.S. Marshal"

PLAINTIFF Chanel, Inc., a New York corporation		COURT CASE NUMBER 2:08-cv-00569-PMP-PAL	
DEFENDANT Beauty and Ah Bee, Inc., et al.		TYPE OF PROCESS Civil Seizure	
SERVE AT	NAME OF INDIVIDUAL, COMPANY, CORPORATION, ETC. TO SERVE OR DESCRIPTION OF PROPERTY TO SEIZE OR CONDEMN Sze Wai Chow a/k/a Sze Wai Chow a/k/a Desmond Chow		
	ADDRESS (Street or RFD, Apartment No., City, State and ZIP Code) 3111 South Valley View Blvd., L-120, Las Vegas, Nevada		
	SEND NOTICE OF SERVICE COPY TO REQUESTER AT NAME AND ADDRESS BELOW Stephen M. Gaffigan/STEPHEN M. GAFFIGAN, P.A. 312 S.E. 17th Street, Second Floor Ft. Lauderdale, Florida 33316		
		Number of process to be served with this Form 285	1
		Number of parties to be served in this case	2
		Check for service on U.S.A.	

SPECIAL INSTRUCTIONS OR OTHER INFORMATION THAT WILL ASSIST IN EXPEDITING SERVICE (Include Business and Alternate Addresses, All Telephone Numbers, and Estimated Times Available for Service):

Fold

For seizure scheduled for May 8, 2008 at 9:00 a.m. Staging area and contact information for Plaintiff's representatives to follow

Fold

Signature of Attorney other Originator requesting service on behalf of:

☒ PLAINTIFF  
☐ DEFENDANT

TELEPHONE NUMBER

762  
382-1414

DATE

5-7-08

### SPACE BELOW FOR USE OF U.S. MARSHAL ONLY-- DO NOT WRITE BELOW THIS LINE

I acknowledge receipt for the total number of process indicated. (Sign only for USM 285 if more than one USM 285 is submitted)	Total Process 1	District of Origin 18	District to Serve No.	Signature of Authorized USMS Deputy or Clerk <i>[Signature]</i>	Date 5/8/08
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I hereby certify and return that I ☒ have personally served, ☐ have legal evidence of service, ☐ have executed as shown in "Remarks", the process described on the individual, company, corporation, etc., at the address shown above on the on the individual, company, corporation, etc. shown at the address inserted below.

☐ I hereby certify and return that I am unable to locate the individual, company, corporation, etc. named above (See remarks below)

Name and title of individual served (if not shown above)

WANG SHU MAU, MANAGER

Address (complete only different than shown above)

☐ A person of suitable age and discretion then residing in defendant's usual place of abode

Date

5/8/08

Time

10:20

☒ am  
☐ pm

Signature of U.S. Marshal or Deputy

*[Signature]*

Service Fee 45.00 per hr	Total Mileage Charges including endeavors \$3.54	Forwarding Fee —	Total Charges \$588.54	Advance Deposits \$500.00	Amount owed to U.S. Marshal* or (Amount of Refund*) \$88.54
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REMARKS:

see process service worksheet

#### PRINT 5 COPIES:

1. CLERK OF THE COURT
2. USMS RECORD
3. NOTICE OF SERVICE
4. BILLING STATEMENT\*: To be returned to the U.S. Marshal with payment, if any amount is owed. Please remit promptly payable to U.S. Marshal.
5. ACKNOWLEDGMENT OF RECEIPT

PRIOR EDITIONS MAY BE USED

Form USM-285  
Rev. 12/15/80  
Automated 01/00

PAGE 1 OF 2

Date: 5-8-08 Prepared by: Buckner ID: Buckner  
Law Enforcement: U.S. Marshalls (Civil) I/O: \_\_\_\_\_  
Received from: \_\_\_\_\_  
Information: \_\_\_\_\_  
Business name: BEAUTY & A-H BEE  
Address: 3111 SOUTH VALLEY VIEW L-120 LAS VEGAS, NV

[illegible]

I.C. #

PAGE 2 OF 2

Date: 5-8-08 Prepared by: Buckner ID: Buckner

Law Enforcement: U.S. MARSHALS (CIVIL) I/O: \_\_\_\_\_

Received from: \_\_\_\_\_

Information: \_\_\_\_\_

Business name: BEAUTY & AH BEE

Address: 3111 SOUTH VALLEY VIEW L-120 LV, NEVADA

ITEM#	QUANTITY	BRAND	DESCRIPTION
17	1	BOX CONTAINING:	INVENTORY 3 PAGE PRINT OUT INSURANCE POLICY. SOURCE INFORMATION THE ABOVE ALL ARE COPIES OF DOCUMENTS
	1	CHANEL	BRACELET
	8	CHANEL	NECKLACES
	7	CHANEL	PAIRS OF EARRINGS (SAN JUDAS ORDER)
	28	CHANEL	PAIRS OF EARRINGS (SHANE FOR PLAY ORDER)
	4	CHANEL	BRACELETS (SHANE FOR PLAY ORDER)
	6	CHANEL	NECKLACES (SHANE FOR PLAY ORDER)
	4	CHANEL	NECKLACES (BENGALS ORDER)
	11	CHANEL	PAIRS OF EARRINGS (BENGALS ORDER)
	7	CHANEL	BRACELETS (BENGALS ORDER)
	1	CHANEL	BELLY CHAIN (BENGALS ORDER)
			THE ABOVE ITEMS WERE RECOVERED FROM THE OFFICE AREA.