

UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA

FILED  
U.S. DISTRICT COURT  
INDIANAPOLIS DIVISION

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SOUTHERN DISTRICT  
OF INDIANA  
LAURA A. BRIGGS  
CLERK

THE HERSHEY COMPANY  
&  
HERSHEY CHOCOLATE &  
CONFECTIONERY CORPORATION

Plaintiffs,

vs.

J.M. ORIGINALS, Inc.,

Defendant.

Case No.: \_\_\_\_\_

**1 : 08-cv-1361-SEB-TAB**

COMPLAINT

For their causes of action against Defendant, Plaintiffs, THE HERSHEY COMPANY and HERSHEY CHOCOLATE & CONFECTIONERY CORPORATION (collectively, "Plaintiffs"), allege:

**Jurisdiction and Venue**

1. This Court's subject-matter jurisdiction is based on 28 U.S.C. §1338(a) and (b) (Acts of Congress pertaining to trademarks and related actions), 15 U.S.C. §1121 (Federal Lanham Act), 28 U.S.C. §1331 (Federal Question), and 28 U.S.C. §1367 (Supplemental Jurisdiction), as well as the federal and state common law and the statutory law of the state of Indiana.

2. This Court has personal jurisdiction over J.M. Originals, Inc.

3. Venue is proper in this district under 28 U.S.C. §1391.

### **The Parties**

4. Plaintiff Hershey Chocolate & Confectionery Corporation (hereafter "Hershey C&C") is a Delaware corporation with a principal place of business located in Wheat Ridge, Colorado.

5. Plaintiff The Hershey Company (hereafter "Hershey Co.") is a Delaware corporation with its principal place of business located in Hershey, Pennsylvania.

6. Upon information and belief, Defendant J.M. Originals, Inc. (J.M. Originals) is a New York corporation with a business address of P.O. Box 628, Ellenville, NY 12428 and does business throughout the entire United States via mail order and over the Internet from a website at [www.jmoriginals.com](http://www.jmoriginals.com), and has engaged in the illegal and unauthorized production, dissemination, display and/or sale of merchandise in the state of Indiana, which infringes Plaintiffs' rights.

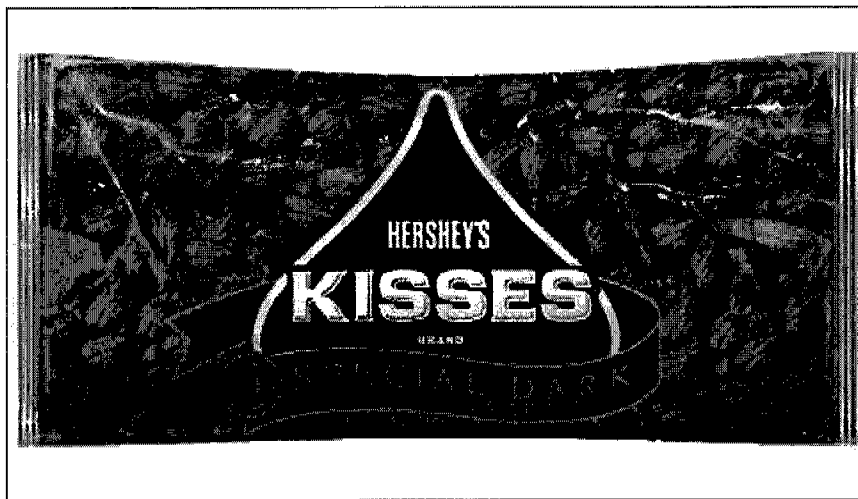
### **Factual Allegations**

7. This is an action for injunction, damages, and other appropriate relief arising out of J.M. Originals' violations of the Lanham Act, 15 U.S.C. § 1114(a), 15 U.S.C. § 1125(a) and 15 U.S.C. § 1125(c), 15 U.S.C. § 1117(c), as well as, *inter alia*, J.M. Originals' state and common law trademark and trade dress infringement, trademark misuse, false designation of origin, and unfair competition.

8. Hershey C&C and Hershey Co., as licensee and sublicensee, respectively, are engaged in the business of selling a wide variety of goods under the trademark JOLLY RANCHER, including candy and apparel. The JOLLY RANCHER mark has been used in commerce by Plaintiffs, their licensees and their predecessors in interest, since at least as early as 1950. Below is a sample of a candy package currently in use in the United States and bearing the JOLLY RANCHER mark and trade dress.



9. Plaintiff Hershey C&C, as owner, and Hershey Co., as licensee, respectively, are the source of a variety of goods offered under the mark KISSES, which goods include candy and apparel. The KISSES mark and trade dress has been used in commerce by the Hershey plaintiffs, and their predecessors in interest, since at least as early as 1920. Below is a sample of a candy package bearing the KISSES mark and trade dress.



The marks JOLLY RANCHER and KISSES are referred to hereafter jointly as "Plaintiffs' Marks."

10. Plaintiffs and their predecessors in interest have continuously used the mark JOLLY RANCHER in commerce throughout the various states of the United States since the 1950s. Hershey C&C, Hershey Co. and their predecessors in interest have continuously used the mark

KISSES in commerce throughout the various states of the United States since at least as early as 1920.

11. The JOLLY RANCHER mark is the subject of U.S. Trademark Office Registration No. 1,684,586, issued on April 28, 1992, and other registrations. Said registration is now incontestable pursuant to the provisions of Section 15 of the Trademark Act (as amended), as of April 28, 1997, and was renewed as of February 12, 2002 for an additional ten year term. A true and correct copy of the registration is attached hereto as Exhibit 1.

12. The KISSES mark is the subject of U.S. Trademark Registration No., 2,416,701, issued on January 2, 2001, and other registrations. A true and correct copy of that registration is attached hereto as Exhibit 2.

13. The Plaintiffs' Marks have each become famous under Section 1125(c) of the Lanham Act by reason of the high degree of inherent distinctiveness of their arbitrary and fanciful nature, their continuous use for many years throughout the entire United States, their continuous promotions for many years, and their distribution in broad channels of trade throughout the United States, including but not limited to through grocery stores, drug stores, candy shops, big box stores, as well as adjacent to the checkout counter at a myriad of other types of stores. The Plaintiffs' Marks have become both, through widespread and favorable public acceptance and recognition, distinctive marks and assets of substantial value to their respective owners and licensees as a symbol of the respective goods. Vintage items bearing each of the Plaintiffs' Marks have become collectors' items.

14. Plaintiffs have developed distinctive and unique trade dress for KISSES products, including the unwrapped conical configuration and plume device. Plaintiffs have developed distinctive and unique trade dress for JOLLY RANCHER products, consisting of white letters in a

unique font, placed over an oval with a shade line to the bottom left. Such trade dress has additionally become readily recognizable by consumers and secondary meaning has been developed in such trade dress to the benefit of Plaintiffs. The trade dress for JOLLY RANCHER and KISSES is referred to hereafter jointly as "Plaintiffs' Trade Dress."

15. Plaintiffs, their licensees and predecessors in interest, have expended money, time and effort in the advertising and promotion of their products offered under and in connection with the Plaintiffs' Marks throughout the United States. By virtue of such efforts, the Plaintiffs' Marks have become associated in the minds of the general public with Plaintiffs, and an extensive and valuable goodwill has been built up in the Plaintiffs' Marks.

16. By reason of Plaintiffs', their licensees' and their predecessors' use and sales of goods utilizing the Plaintiffs' Marks and the public acceptance and awareness of the Plaintiffs' Marks in connection with their respective goods, the Plaintiffs' Marks have acquired a distinctiveness and secondary meaning signifying Plaintiffs and Plaintiffs' goods.

17. Upon information and belief, J.M. Originals is engaged in the business, among other things, of manufacturing, advertising, selling, and/or distributing certain products, including *inter alia*, apparel bearing the Plaintiffs' Marks and Plaintiffs' Trade Dress. Examples of such apparel sold by J.M. Originals are pictured below:



18. J.M. Originals' use of the Plaintiffs' Marks and Plaintiffs' Trade Dress is a deliberate effort to trade upon, diminish, dilute and damage Plaintiffs' intellectual property rights. Such unauthorized use of the Plaintiffs' Marks and Plaintiffs' Trade Dress infringes on Plaintiffs' exclusive rights in the Plaintiffs' Marks and Plaintiffs' Trade Dress

19. J.M. Originals has not received permission to manufacture, advertise, sell or distribute any products bearing the Plaintiffs' Marks and Plaintiffs' Trade Dress from Plaintiffs or

anyone acting on Plaintiffs' behalves.

20. Upon information and belief, J.M. Originals willfully and intentionally engaged in the foregoing business with the knowledge that the Plaintiffs' Marks were registered to Plaintiffs and that the manufacture, advertisement, sale and/or distribution of products bearing the Plaintiffs' Marks was unauthorized.

21. J.M. Originals' conduct of manufacturing, advertising, selling and/or distributing products bearing the Plaintiffs' Marks and Plaintiffs' Trade Dress is a deliberate attempt to trade on the valuable trade dress, trademark rights and substantial goodwill established by Plaintiffs and their affiliate companies.

22. Upon information and belief, J.M. Originals engaged in the foregoing business with the intent that its use of the Plaintiffs' Marks and Plaintiffs' Trade Dress would cause confusion, mistake, or deception among members of the general public.

23. J.M. Originals has traded on and profited from the enormous goodwill and reputation established by Plaintiffs.

24. Due to Plaintiffs', their licensees' and their predecessors' long and substantial use of Plaintiffs' Marks, on information and belief, Plaintiffs allege that Defendant has long known of Plaintiffs' use and rights in Plaintiffs' Marks and Plaintiffs' Trade Dress. Defendant has been on actual and constructive notice of the prior rights of Plaintiffs in and to Plaintiffs' Marks and Plaintiffs' Trade Dress.

25. Defendant's unauthorized use as referenced in Paragraph 17 herein, is confusingly similar to Plaintiffs' Marks and Plaintiffs' Trade Dress in terms of appearance, sound, meaning and overall commercial impression.

### **Count I: Federal Trademark Infringement**

26. Plaintiffs incorporate by reference the allegations contained in all previous paragraphs of this Complaint, as if separately repeated here.

27. J.M. Originals' conduct as described herein violates 15 U.S.C. § 1114(1) which specifically forbids J.M. Originals to:

a. use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which use is likely to cause confusion, or to cause mistake, or to deceive, or

b. reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive.

28. Defendant's unauthorized use referenced in Paragraph 18 is identical or nearly identical and confusingly similar to, and a colorable imitation of, the Plaintiffs' Marks and Plaintiff's Trade Dress. J.M. Originals' unauthorized use of the Plaintiffs' Marks and Plaintiffs' Trade Dress is likely to cause confusion and mistake and to deceive the public as to the approval, sponsorship, license, source or origin of J.M. Originals' products.

29. Upon information and belief, these wrongful acts were committed with knowledge that such imitation, as described was intended to be used to cause confusion, or to cause mistake, or to deceive, and J.M. Originals has profited and been unjustly enriched by sales that it would not otherwise have made but for its unlawful conduct.

30. As a result of J.M. Originals' conduct, Plaintiffs have been damaged and are entitled to damages, including but not limited to, J.M. Originals' profits from the sale of all infringing goods, actual damages, statutory damages, treble damages, corrective advertising damages, costs of



litigation, and attorney's fees.

31. J.M. Originals' willful and deliberate acts described above have caused irreparable injury to Plaintiffs' goodwill and reputation, and, unless enjoined, will cause further irreparable injury, whereby Plaintiffs have no adequate remedy at law.

**Count II: Federal False Designation of Origin**

32. Plaintiffs incorporate by reference the allegations contained in all previous paragraphs of this Complaint, as if separately repeated here.

33. J.M. Originals' conduct as described herein violates 15 U.S.C. § 1125(a) (1) (A) which specifically prohibits J.M. Originals from making:

in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which:

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the original, sponsorship, or approval of his or her goods, services of commercial activities by another person . . . .

34. Plaintiffs have been damaged and/or are likely to be damaged by the wrongful conduct of J.M. Originals.

35. Upon information and belief, J.M. Originals' acts of false designation of origin and unfair competition have been done willfully and deliberately and J.M. Originals has profited and been unjustly enriched by sales that it would not otherwise have made but for its unlawful conduct.

36. J.M. Originals' violations of 15 U.S.C. § 1125(a) entitle Plaintiffs to recover damages, including but not limited to, J.M. Originals' profits from the sale of all infringing goods, actual damages, treble damages, corrective advertising damages, litigation costs, and attorney's fees.

### **Count III: Federal Trademark Dilution**

37. Plaintiffs incorporate by reference the allegations contained in all previous paragraphs of this Complaint, as if separately repeated herein.

38. J.M. Originals' conduct as set forth above violates 15 U.S.C. § 1125(c), in that J.M. Originals willfully and in bad faith intended to profit from the Plaintiffs' Marks by trading on the valuable reputation of Plaintiffs and caused dilution of the distinctive quality of the Plaintiffs' Marks and Plaintiffs' Trade Dress

39. The Plaintiffs' Marks and Plaintiffs' Trade Dress are distinctive and famous within the meaning of 15 U.S.C. § 1125(c), and was distinctive and famous prior to the date of J.M. Originals' conduct challenged herein.

40. J.M. Originals' conduct as set forth above violates 15 U.S.C. § 1125(c), as amended by the Trademark Dilution Revision Act of 2006, in that it is likely to dilute, or is diluting, the distinctive quality of the Plaintiffs' Marks and Plaintiffs' Trade Dress. J.M. Originals' use of the Plaintiffs' Marks and Plaintiffs' Trade Dress is likely to create, or has created, an association between J.M. Originals' products with the Plaintiffs' Marks and Plaintiffs' Trade Dress, which impairs the distinctiveness of the Plaintiffs' Marks and Plaintiffs' Trade Dress and lessens the capacity of the Plaintiffs' Marks and Plaintiffs' Trade Dress to identify and distinguish products marketed and sold by Plaintiffs and/or its licensees.

41. To the extent that J.M. Originals' products are viewed as being less than satisfactory to consumers, something which Plaintiffs have no ability to control, Plaintiffs' respective business reputations and goodwill and the reputation and goodwill associated with the Plaintiffs' Marks and Plaintiffs' Trade Dress, are likely to be tarnished and injured.

42. Upon information and belief, J.M. Originals willfully and in bad faith intended to

profit from the Plaintiffs' Marks and Plaintiffs' Trade Dress by trading on the valuable reputation of Plaintiffs and causing dilution of the distinctive quality of and tarnishing the Plaintiffs' Marks and Trade Dress.

43. J.M. Originals' violations of 15 U.S.C. § 1125(c) entitle Plaintiffs to recover damages, including but not limited to, J.M. Originals' profits from the sale of all infringing goods, actual damages, treble damages, corrective advertising damage, costs of suit, and attorney's fees.

44. J.M. Originals' willful and deliberate acts described above have caused irreparable injury to Plaintiffs' goodwill and reputation, and, unless enjoined, will cause further irreparable injury, whereby Plaintiffs have no adequate remedy at law.

#### **Count IV: Federal Trademark Counterfeiting/Statutory Damages**

45. Plaintiffs incorporate by reference the allegations contained in all previous paragraphs of this Complaint, as if separately repeated herein.

46. This claim is for counterfeiting of trademarks registered in the United States Patent and Trademark Office, pursuant to Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1), as amended.

47. J.M. Originals' infringing acts included, but were not limited to, the use of unauthorized or "counterfeit marks."

48. Long after the adoption and use by Plaintiffs of the Plaintiffs' Marks and Plaintiffs' Trade Dress, and with at least constructive notice of the federal registration of the Plaintiffs' Marks and Plaintiffs' Trade Dress, J.M. Originals has manufactured, advertised, distributed and/or sold counterfeit products bearing counterfeits, reproductions, copies or colorable imitations of the Plaintiffs' Marks and Plaintiffs' Trade Dress. Upon information and belief, J.M. Originals engaged in this conduct with the express intent of profiting from Plaintiffs' valuable Plaintiffs' Marks and

Plaintiffs' Trade Dress by confusing the trade and the consuming public as to the source and quality of its goods and creating the false impression and belief that its goods originated from, or were authorized, sponsored or approved by, Plaintiffs or the source of genuine products from Plaintiffs.

49. The activities of J.M. Originals complained of herein constitute willful and intentional counterfeiting in violation of the Lanham Act, 15 U.S.C. § 1141(1), have caused irreparable injury and damage to Plaintiffs, and, unless enjoined, will continue to cause irreparable harm and injury to Plaintiffs for which Plaintiffs have no adequate remedy at law. Such willfully infringing products should be subject to pre-trial and/or summary seizure in order to protect Plaintiffs' rights in and to its trade dress and trademarks from being yet further damaged.

50. J.M. Originals has profited and been unjustly enriched by sales that J.M. Originals would not otherwise have made but for their unlawful conduct.

51. As a result, in addition to, or in lieu of other damages and penalties, whichever Plaintiffs may elect or the Court may award, Plaintiffs are entitled to statutory damages pursuant to 15 U.S.C. § 1117(c) and/or other statutory authorities.

52. J.M. Originals' use of counterfeit marks entitles Plaintiffs, at their option, to be awarded up to \$100,000.00 per violated mark.

53. To the extent that J.M. Originals' uses of counterfeit marks was willful, and to the extent Plaintiffs elect this as a remedy, Plaintiffs are entitled to statutory damages of not more than \$1,000,000.00 per counterfeit mark per type sold, offered for sale, or distributed, as the Court considers just under 15 U.S.C. § 1117(c)(2).

#### **Count V: Unfair Competition**

54. Plaintiffs incorporate by reference the allegations in all previous paragraphs of this Complaint.

55. Plaintiffs have existing contractual relationships which involve granting licenses to various manufacturers and distributors authorizing their manufacture and sale of various items that use or incorporate the Plaintiffs' Marks in their products.

56. J.M. Originals' unlawful and unauthorized use of the Plaintiffs' Marks and Plaintiffs' Trade Dress constitutes unfair competition with Plaintiffs. J.M. Originals' conduct was designed to cause confusion in the public mind as to the source and origin of such unauthorized products. J.M. Originals' conduct was calculated to cause damage to Plaintiffs in their lawful business and done with the unlawful purpose of causing such damage without right or justifiable cause.

57. J.M. Originals' conduct as described herein has directly and proximately caused Plaintiffs and their licensees to incur substantial monetary damages.

58. J.M. Originals acted willfully and maliciously and with full knowledge of the adverse effect of this wrongful conduct upon Plaintiffs and their licensees and with the conscious disregard for the rights of those parties.

59. J.M. Originals' unfair competition entitles Plaintiffs to recover damages including, but not limited to, J.M. Originals' profits from the sale of the infringing products, actual damages, corrective advertising damages, costs of suit and attorney's fees.

#### **Count VI: Corrective Advertising Damages**

60. Plaintiffs incorporate by reference the allegations contained in all previous paragraphs of this Complaint.

61. J.M. Originals has published and advertised in certain venues, including but not necessarily limited to, the Internet, pictures of infringing merchandise, including, but not necessarily limited to, the products depicted in paragraph 17 of this Complaint.

62. Such publication and advertising was unauthorized, and the acts of publishing and

advertising, standing alone, are wrongful and caused damages to Plaintiffs.

63. Plaintiffs seek an award of such damages as necessary to remedy those wrongs and to correct the misinformation in the marketplace resulting from the unauthorized and unlawful publications and advertisements.

### **Prayer for Relief**

**WHEREFORE**, Plaintiffs seek the following relief:

- a. A judgment that J.M. Originals has:
  - (i) Violated 15 U.S.C. § 1114 and other statutory and common law authority by selling unauthorized and counterfeit goods and thus infringing upon the Plaintiffs' Marks and Plaintiffs' Trade Dress;
  - (ii) Violated 15 U.S.C. § 1125(a) and other statutory and common law authority by falsely designating the origin of goods or engaging in false or misleading descriptions or representations of fact with respect to the origin of goods in a manner likely to cause confusion, mistake or deception among consumers as to the affiliation, connection or association of J.M. Originals and J.M. Originals' goods with Plaintiffs;
  - (iii) Violated 15 U.S.C. § 1125(c) and other statutory and common law authority by willfully and in bad faith intending to profit from the Plaintiffs' Marks and Plaintiffs' Trade Dress by trading on the reputation of Plaintiffs and also caused dilution of the distinctive quality of the famous Plaintiffs' Marks and Plaintiffs' Trade Dress;
  - (iv) Engaged in trademark misuse, and unfair competition by the acts aforesaid, by misusing the Plaintiffs' Marks and Plaintiffs' Trade Dress and by causing confusion in the minds of consumers and general public as to the source, sponsorship, and/or approval of goods sold by J.M. Originals; and

(v) Exercised unlawful use of the Plaintiffs' Marks and Plaintiffs' Trade Dress without the permission of Plaintiffs;

b. That, pursuant to 15 U.S.C. § 1116, J.M. Originals and its owners, partners, officers, directors, agents, servants, employees, representatives, licensees, subsidiaries, manufacturers and distributors, jointly and severally, are enjoined during the pendency of this action, and permanently thereafter, from:

- (i) Infringing the Plaintiffs' Marks and/or Plaintiffs' Trade Dress in any manner;
- (ii) Manufacturing, marketing, advertising, distributing, selling, promoting, licensing, exhibiting or displaying any product or service using the Plaintiffs' Marks, Plaintiffs' Trade Dress and/or any copies or counterfeits thereof or anything confusingly similar thereto;
- (iii) Otherwise infringing on the Plaintiffs' Marks and/or Plaintiffs' Trade Dress;
- (iv) Using any false description, representation, or designation, or otherwise engaging in conduct that is likely to create an erroneous impression that J.M. Originals' products are endorsed by Plaintiffs or any related company, sponsored by Plaintiffs or any related company, or are connected in any way with Plaintiffs or any related company;
- (v) Using the Plaintiffs' Marks and/or Plaintiffs' Trade Dress in any manner whatsoever;
- (vi) Holding themselves out as licensees or otherwise authorized users of the Plaintiffs' Marks or Plaintiffs' Trade Dress; and
- (vii) Using the Plaintiffs' Marks and/or Plaintiffs' Trade Dress in promotional literature or materials, such as product advertisements, including those posted on the Internet.

c. That, pursuant to 15 U.S.C. § 1117, Plaintiffs be awarded such damages available under the Lanham Act and common law, including but not limited to, actual damages, J.M.

Originals' profits, treble damages, statutory damages, costs of suit and attorney's fees;

d. That, pursuant to 15 U.S.C. § 1118, J.M. Originals be required to deliver to the Court, or to some other person that the Court may designate, for ultimate destruction, any and all articles of merchandise or other items in the possession or control of J.M. Originals which might, if sold or distributed for sale, violate the injunction granted herein;

e. An accounting of all gains, profits, savings and advantages realized by J.M. Originals from their aforesaid acts of trademark infringement, counterfeiting and dilution, false designation of origin, unfair competition and injury to business reputation;

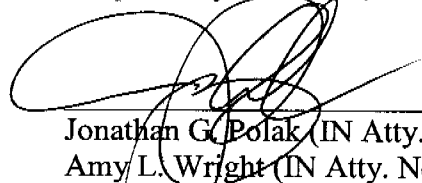
f. That Plaintiffs be awarded their reasonable attorney's fees and costs;

g. That Plaintiffs be awarded their corrective advertising damages and all other damages arising from the unlawful and unauthorized advertisements and publications;

h. That Plaintiffs be awarded such other damages, including but not limited to, punitive damages, to which may show themselves entitled to recover; and

i. All other just and proper relief.

Respectfully submitted,



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