

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

de GRISOGONO SA,

Plaintiff,

v.

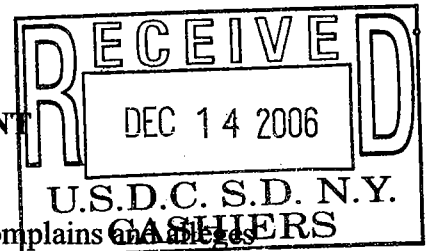
GUESS?, INC., TIMEX CORPORATION, AND  
CALLANEN INTERNATIONAL, INC.,

Defendants.

**JUDGE PRESKA**

**06 CV 15169**  
Case No.:

**COMPLAINT**



Plaintiff de GRISOGONO SA (“de Grisogono” or “Plaintiff”), complains ~~against~~ <sup>against</sup> Defendants Guess, Inc. (“Guess”), Timex Corporation (“Timex”) and Callanen International, Inc. (“Callanen”) (collectively, “Defendants”) as follows:

**INTRODUCTION**

1. This action concerns Defendants’ willful infringement of copyrights and other proprietary rights in de Grisogono’s “Instrumento No UNO” watch case, as described herein and as pictured in Exhibit A. de Grisogono, located in Geneva, Switzerland sells luxury watches in Europe and elsewhere, including in the United States. de Grisogono has spent years and devoted substantial resources to promoting the goodwill of its luxury watches. In an attempt to capitalize on the goodwill associated with the de Grisogono watches, Defendants manufacture, sell and/or offer for sale, without de Grisogono’s authorization, watches under the licensed GUESS? brand name that copy the original, creative elements of the de Grisogono watches, specifically the watch case of “Instrumento No UNO.”

2. Upon information and belief, Defendants have advertised and/or sold these products where GUESS? products are sold, including in Macy’s department stores in this judicial

district. The infringing watches have also been offered for sale through Defendant Guess' websites, including [www.guesswatches.ch](http://www.guesswatches.ch) and, on information and belief, through its catalog.

3. Through the sale and promotions for its watches, Defendants misrepresent the nature, characteristics, and qualities of their goods.

4. By their actions, Defendants infringe de Grisogono's work, which is subject to copyright protection. de Grisogono has no requirement to obtain a U.S. copyright registration before bringing this suit, as the products in question originated, and were first publicly disseminated, outside of the United States.

### **JURISDICTION AND VENUE**

5. This action is based on Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a); Sections 106 and 501 of the Copyright Act, 17 U.S.C. §§106 and 501; New York General Business Law §349; and the common law of unfair competition and unjust enrichment.

6. This Court has jurisdiction over the subject matter of this action pursuant to: (i) 28 U.S.C. §§ 1331 and 1338(a) and (b) and Section 39 of the Lanham Act, 15 U.S.C. § 1121, for claims arising out of violations of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a); (ii) 28 U.S.C. §§ 1331 and 1338(a) for claims arising out of violations of Sections 106 and 501 of the Copyright Act, 17 U.S.C. §§ 106 and 501; (iii) 28 U.S.C. § 1332(a)(2) as an action between citizens of a State and citizens or subjects of a foreign state in which the amount in controversy exceeds \$75,000, exclusive of interests and costs; and (iv) 28 U.S.C. §1367(a), pursuant to the principles of supplemental jurisdiction.

7. Venue in this district is proper under 28 U.S.C. § 1391(b) because, among other things, a substantial part of the events giving rise to the claims alleged herein occurred in this judicial district.

8. Upon information and belief, defendants are subject to personal jurisdiction in this district pursuant to CPLR § 302.

### **THE PARTIES**

9. Plaintiff de Grisogono SA is a Swiss limited liability company located and doing business at 176 Bis Route de Saint Julien, CH-1228, Plan-les-ouates, Geneva, Switzerland. de Grisogono also has a store in this judicial district at 824 Madison Avenue, New York, New York 10021 at which the infringed, Instrumento UNO watch is sold.

10. On information and belief, Defendant Guess?, Inc. is a corporation organized and existing under the laws of Delaware with its principal place of business at 1444 S. Alameda Street Los Angeles, California 90021.

11. On information and belief, Defendant Timex Corporation is a corporation organized and existing under the laws of Connecticut with its principal place of business at 555 Christian Road, Middlebury Connecticut, 06762.

12. On information and belief, Defendant Callanen International, Inc., a subsidiary of Timex Corporation, is a Delaware corporation with its principal place of business at 145 Woodward Avenue, Norwalk, Connecticut 06854.

### **FACTS GIVING RISE TO THIS ACTION**

13. de Grisogono is located in Geneva, Switzerland. Plaintiff sells luxury watches, including the watch known as "Instrumento No UNO," the first watch designed by de Grisogono. This watch originated in Switzerland but is now sold throughout Europe and the United States.

14. de Grisogono owns valuable copyrights and other proprietary rights in the UNO watchcase. As depicted in Exhibit A, this watchcase, which is an original work of authorship,

has a square dial opening, a large flat bezel, and independent bracelet attachments in a distinctive, highly original shape of an “H” that are secured to the case. The attachment of the bracelet in the shape of an “H” is more narrow at the top of the “H” and wider at the base. Other aspects of de Grisogono’s watch case are also original. For example, although most watch cases display enlarged numbers 12, 3 and 6, de Grisogono’s watch case shows enlarged numbers 4 and 8.

15. Defendant Guess? is a fashion company that offers, according to its website [www.guess.com](http://www.guess.com), “innovative design, marketing and distribution of fashion lifestyle products.”

16. Defendant Timex is the parent company of Callanen, which is a designer, manufacturer and supplier of watches. As depicted in Exhibit B, Callanen manufactures a watch containing a watch case almost identical in appearance to that designed and sold by de Grisogono, but made with inferior materials and at a much reduced price. In some instances, not only have Defendants copied the “H” shape of de Grisogono’s watch, but they have also copied other aspects, including the dial depicting the enlarged numbers 4 and 8.

17. Upon information and belief, these watches are then sold by Defendant Timex under the GUESS? brand name. Upon information and belief, they have been advertised by Defendant Guess? on its websites and are offered for sale in its catalog. Defendants have thus created a “false designation of origin” that is likely to cause mistake as to affiliation or connection with de Grisogono and de Grisogono’s distinctive watch cases.

18. Defendant have used, and continue to use in commerce, reproductions, copies and/or colorable imitations of the de Grisogono watch case.

19. The original, creative construct of de Grisogono’s watch case is the subject of a World Intellectual Property Organization (“WIPO”) design registration in Europe (DM/047751)

that designates a number of European countries and is also the subject of several national registrations.

20. In addition, de Grisogono enjoys copyright protection in the United States for its watch case. While the work is not registered in the United States, de Grisogono may claim infringement as the work originated in, and was first publicly disseminated in, another country subject to the Berne Convention.

21. Upon information and belief, Defendants have reproduced, distributed, adapted and displayed the de Grisogono watch case in Macy's and other stores. Although de Grisogono has demanded that Defendants cease this infringing activity immediately, Defendants have refused to do so.

### **FIRST CAUSE OF ACTION**

#### **(Unfair Competition under Section 43(a) of the Lanham Act) (15 U.S.C. 1125(a))**

22. de Grisogono realleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 20 above.

23. Section 43(a) of the Lanham Act, 15 U.S.C. § 1125 (a) provides that:

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

(1) 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 origin, sponsorship, or approval of his or her goods, services or commercial activities by another person, or; (2) in commercial advertising or promotion, misrepresent the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services or commercial activities,..."

Shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

24. By using a watch case with identical or highly similar features to the de Grisogono watch case in commerce, Defendants have created a “false designation of origin” that is likely to cause mistake as to affiliation or connection of Defendants with de Grisogono or as to the sponsorship or approval of Defendants’ product by de Grisogono, all in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

25. Without de Grisogono’s permission, and even directly contrary to de Grisogono’s requests, Defendants have used in commerce reproductions, copies or colorable imitations of de Grisogono’s watch case. Such behavior constitutes unfair competition under Section 43(a) of the Lanham Act. Defendants are accordingly liable for unfair competition.

26. de Grisogono has no adequate remedy at law for Defendants’ foregoing wrongful conduct. de Grisogono has been, and absent injunctive relief will continued to be, irreparably harmed by the Defendants’ actions. de Grisogono is also entitled to damages, trebled, and to reasonable attorney’s fees and costs as a result of Defendants’ willful conduct.

## **SECOND CAUSE OF ACTION**

### **(Copyright Infringement under 17 U.S.C. §§ 106, 501)**

27. De Grisogono realleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 25 above.

28. Under 17 U.S.C. § 106, the owner of copyright has exclusive rights to do or authorize any of the following:

(1) reproduce the copyrighted work...; (2) to prepare derivative works based upon the copyrighted work; (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease or lending; ...(4) ...in the case of...pictorial, graphic, or sculptural works...to display the copyrighted work publicly...

29. By creating and selling a reproduction, copy or colorable imitation of the de Grisogono watch case, Defendants have infringed on de Grisogono's statutory rights to reproduce, adapt, distribute and display de Grisogono's copyrighted watch case under 17 U.S.C. §§ 106 and 501.

30. De Grisogono has no adequate remedy at law for the foregoing wrongful conduct. De Grisogono has been, and absent injunctive relief will continued to be, irreparably harmed by the Defendant's actions. De Grisogono is also entitled to damages, any profits attributable to the infringement, full costs and reasonable attorneys fees.

## **THIRD CAUSE OF ACTION**

### **(Deceptive Acts and Practices Under Section 349 Of the New York General Business Law)**

31. De Grisogono realleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 29 above.

32. Under New York General Business Law Section 349, “Deceptive acts or practices in the conduct of any business, trade or commerce or in the furnishing of any service in this state are hereby declared unlawful.”

33. Through its manufacture, advertisement, sale, offer to sell and distribution of a watch case consisting of parts that are a copy colorable imitation or reproduction of a de Grisogono watch case, Defendants have engaged in consumer-oriented conduct that has affected the public interest of New York and has resulted in injury to consumers in New York.

34. Defendants’ deceptive acts or practices, as described in the paragraphs above, are materially misleading. Upon information and belief, these acts or practices have deceived or have a tendency to deceive a material segment of the public to whom Defendants have directed its marketing activities, and de Grisogono has been injured thereby.

35. By the acts described in Paragraphs 1 through 18, Defendants have willfully engaged in deceptive acts or practices in the conduct of business and furnishing of services in violation of Section 349 of the New York General Business Law.

36. Defendants’ acts have caused, and will continue to cause, irreparable injury to Plaintiff. Plaintiff has no adequate remedy at law and is thus damaged in an amount not yet determined.

#### **FOURTH CAUSE OF ACTION**

##### **(Common Law Unfair Competition)**

37. de Grisogono realleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 35 above.

38. Defendants’ willful and bad faith conduct, as alleged herein, constitutes unfair competition under New York common law. Defendants’ acts have resulted in the “passing off”



of Defendants' watches as those of de Grisogono, or as somehow related or associated with, or sponsored or endorsed by, de Grisogono.

39. de Grisogono has no adequate remedy at law for the foregoing wrongful conduct. de Grisogono has been, and absent injunctive relief will continue to be, irreparably harmed by Defendants' actions. de Grisogono is also entitled to damages, trebled, and to reasonable attorney's fees and costs as a result of Defendants' willful conduct.

40. Upon information and belief, Defendants' conduct is oppressive, fraudulent, and malicious and de Grisogono thus is entitled to an award of punitive damages.

#### **FIFTH CAUSE OF ACTION**

##### **(Common Law Unjust Enrichment)**

41. de Grisogono realleges and incorporates herein by reference each and every allegation contained in paragraphs 1 through 39 above.

42. Upon information and belief, Defendants have been and will continue to be unjustly enriched as a result of their unauthorized use of a copy or colorable imitation, and of the graphic image, of the de Grisogono watch case that they continue to display on their websites and offer for sale. This behavior deprives de Grisogono of revenues it rightfully should receive by virtue of the use of its design and graphic image. Upon information and belief, Defendants have retained and continue to retain revenues to which it they are not equitably or legally entitled, and are thereby unjustly enriched at de Grisogono's expense, in violation of New York common law.

#### **PRAYER FOR RELIEF**

WHEREFORE, de Grisogono prays:

A. For judgment that:

- (i) Defendants have engaged in unfair competition in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125;
- (ii) Defendants have engaged in copyright infringement in violation of 17 U.S.C. §§106, 501;
- (iii) Defendants have engaged in deceptive acts and business practices under New York General Business Law § 349;
- (iv) Defendants have engaged in unfair competition in violation of New York common law; and
- (v) Defendants have been unjustly enriched in violation of New York common law.

B. For an injunction preliminarily and permanently restraining and enjoining Defendants and their divisions, subsidiaries, officers, agents, servants, employees, representatives, and attorneys, and all those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise from engaging in any further sales and distribution of the infringing watch cases and distributing any advertisements that infringe de Grisogono's copyrights or other proprietary rights and recall all infringing catalogs and promotional pieces already distributed.

C. For an injunction preliminarily and permanently requiring Defendants and their divisions, subsidiaries, officers, agents, servants, employees, representatives, and attorneys, and all those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise to recall all infringing watch cases distributed worldwide, including but not limited to in the United States, and to ship those goods directly to the undersigned at Arnold & Porter so that they may be ready for immediate destruction.

D. For an assessment of the damages suffered by de Grisogono and an award of profits, damages, costs, and attorney's fees to the full extent provided for by Section 35 of the Lanham Act, 15 U.S.C. § 1117, Sections 504 and 505 of the Copyright Act, 17 U.S.C. §§ 504 and 505, by the New York General Business Law § 349 and by the common law of unfair competition, with damages awarded under 15 U.S.C. § 1117 trebled, and punitive damages under the common law.

E. For an order requiring Defendants to disseminate corrective advertisements in a form and with a media and distribution plan approved by the Court to acknowledge their violations of de Grisogono's copyrights and other proprietary rights, and to ameliorate the false and deceptive impressions produced by such violations.

F. For such other relief as the Court shall deem appropriate.

Date: December 14, 2006

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Exhibit A



Exhibit B









