FROSS ZELNICK LEHRMAN & ZISSU, P.C.

John P. Margiotta (JM 7356)

Michael Chiappetta (MC 7644) 

866 United Nations Plaza NewYork, NY 10017

Tel: (212) 813-5900 Fax: (212) 813-5901

Attorneys for Plaintiff



2316

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

KAM HING ENTERPRISES, INC.,

Plaintiff,

--against --

WAL-MART STORES, INC.

Defendants.

#### **COMPLAINT**

Plaintiff, Kam Hing Enterprises, Inc. ("Kam Hing" or "plaintiff"), by its attorneys, Fross Zelnick Lehrman & Zissu, P.C., for its complaint against defendant Wal-Mart Stores, Inc. ("defendant" or "Wal-Mart"), alleges:

#### NATURE OF THE ACTION

1. Plaintiff Kam Hing, through its subsidiary Sunham Home Fashions, LLC (collectively hereinafter "Kam Hing"), is one of the largest importers of bedding products in the United States. Formed in 1974 to import and sell table linens from China, Kam Hing has since concentrated on the manufacture, importation and sale of top-of-the-bed bedding products such

as quilts, comforters, duvets and sheets. Kam Hing is now widely considered an industry leader in this area. Kam Hing's top-of-the-bed bedding products are for sale throughout the United States in nearly every major retail store; including Macy's, Bed Bath & Beyond, Kohl's, Target, JCPenny and Sears, among others.

- 2. In or around July 2004 Kam Hing created its Clarissa Quilt, a multi-colored quilt with a stitched patchwork design combining several print fabrics (the "Clarissa Quilt Design"). Since its introduction of the Clarissa Quilt, Kam Hing has also sold a sham featuring the same design. Kam Hing has sold hundreds of thousands of dollars of products bearing the Clarissa Ouilt Design. Kam Hing owns a federal registration for the Clarissa Quilt Design, which it obtained on February 12, 2007. A copy of the registration is attached as Exhibit A.
- 3. All of the claims asserted herein arise out of and are based on defendant's manufacture, importation, distribution, advertising and sale of quilts that copy Ham King's copyrighted Clarissa Quilt Design. Plaintiff sues for copyright infringement under the Copyright Act of 1976 (the "Copyright Act"), 17 U.S.C. § 101 et seq. Plaintiff seeks to permanently enjoin defendants' use of the Clarissa Quilt Design, including the sale by defendants of quilts and other bedding products bearing the Clarissa Quilt Design. Plaintiff also seeks damages and an award of defendant's profits generated from their infringing activities.

#### JURISDICTION AND VENUE

- 4. Jurisdiction over plaintiff's claim under the Copyright Act is based upon Section 501 of the Copyright Act, 17 U.S.C. §501 and 28 U.S.C. § 1331 and 1338(a).
- 5. Venue arises under 28 U.S.C. § 1391(b), and 1400(a), because plaintiff is located in the Southern District of New York, a substantial part of the events giving rise to the claim

occurred in the Southern District of New York and defendants have substantial contacts with Southern District of New York and, on information and belief, their products, including their products that infringe plaintiff's copyright as set forth herein, may be found in the Southern District of New York. On further information and belief, defendant Wal-Mart operates several retail stores in the Southern District of New York, including a retail location at 275 Main Street, White Plains, New York 10601. A list of Wal-Mart's retail locations in the New York area is attached as Exhibit B.

#### **PARTIES**

- 6. Kam Hing is a New York corporation with a principal place of business at 308 Fifth Avenue, New York, New York 10001.
- 7. Wal-Mart is an Arkansas company with a principal place of business at 702 S.W. Street, Bentonville, Arkansas 72716 and thousands of retail locations throughout the United States, including a retail store at 275 Main Street, White Plains, New York 10601. Wal-Mart manufacturers, imports and distributes bedding and other home furnishings and sells these products in its retail stores.

#### FACTS COMMON TO ALL CLAIMS FOR RELIEF

#### Plaintiff's Ownership of Rights Under Copyright in the Clarissa Quilt Design

8. In or around July 2004, Kam Hing created the Clarissa Quilt, a photograph of which is attached hereto as Exhibit C. The Clarissa Quilt Design is comprised of square patches of varied fabric prints, stitched together in a grid pattern, with a single print border around the entire patchwork. The patchwork grid is comprised of seven different alternating fabric prints. They include a multicolored flower print on an off-white background; a green and off-white

flower print; a print of off-white leaves on a green background; a print of light blue leaves on a vine over a lighter blue background; a repeated red rose-bud and green leaf and vine print on an off-white background; a green, pink, and yellow plaid print; and a blue and beige plaid print.

The blue and beige plaid print fabric is also used as a border that frames the entire patchwork at edges of the quilt. Kam Hing has sold the Clarissa Quilt since 2004 and continues to offer it for sale. The Clarissa Quilt has long been a top-selling product of Kam Hing.

- 10. Kam Hing owns a U.S. Registration No. VA 1-394-928 for the Clarissa Quilt Design, which issued on February 12, 2007. A copy of the registration is attached as Exhibit A.
- 11. The copyrighted Clarissa Quilt Design is wholly original to Kam Hing, and Kam Hing is the exclusive owner of all right, title and interest, including all rights under copyright, in and to the Clarissa Quilt Design.

#### The Unlawful Activities of Defendant Wal-Mart

12. On information and belief, defendant Wal-Mart, or a third party at Wal-Mart's instruction or request, without the authorization, consent or knowledge of plaintiff, and without any remuneration to plaintiff, obtained physical possession of or otherwise viewed plaintiff's original Clarissa Quilt Design, and copied and reproduced the design in a Quilt Set (hereinafter, the "Infringing Product"). The Infringing Product, Wal-Mart's "Morning Dew" Quilt Set, includes a quilt and pillow shams and is sold under Wal-Mart's MAINSTAYS mark. Attached hereto as Exhibit D is a photograph of the Infringing Product and a product insert sold with and depicting the Infringing Product.

{F0025966.1}

<sup>&</sup>lt;sup>1</sup> Wal-Mart owns United States Trademark Registration No. 2,801,263 for the mark MAINSTAYS for use in connection with bed linens and other goods.

- As can be seen from viewing Exhibit D, the Infringing Product is identical or 13. nearly identical in design to the Clarissa Quilt Design. Like plaintiff's Clarissa Quilt, defendant's quilt and pillow shams feature a patchwork grid of four-by-four inch squares of varied fabric, framed by a print fabric border. Like the Clarissa Quilt Design, the Infringing Product's patchwork grid is comprised of seven different alternating fabric prints. Each individual fabric print in the Infringing Product is nearly identical to a corresponding print in Kam Hing's Clarissa Quilt Design. Like Kam Hing's copyrighted design, the Infringing Product incorporates a multicolored flower print on an off-white background; a green and off-white flower print; a print of off-white leaves on a green background; a print of light blue leaves on a vine over a lighter blue background; a repeated red rose-bud and green leaf and vine print on an off-white background; a green, pink, and yellow plaid print; and a blue and beige plaid print that is also used as the fabric border framing the entire patchwork at the edges of the quilt. The Infringing Product is indistinguishable from Kam Hing's Clarissa Quilt in overall appearance.
- 14. On information and belief, Wal-Mart is manufacturing or causing to be manufactured, importing, distributing, advertising and selling the Infringing Product, including through its retail stores in New York. On information and belief, Wal-Mart only recently commenced offering the Infringing Product for sale to retailers and to the general public, long after plaintiff created the Clarissa Quilt Design and began offering it for sale.
- 15. As a result of Wal-Mart's actions described above, plaintiff has been directly damaged, and is continuing to be damaged, by the unauthorized use and distribution of the Infringing Product.

16. Wal-Mart has never accounted to or otherwise paid plaintiff for their use of the Clarissa Quilt Design, including the reproduction, importation, distribution and sale, of the Infringing Product.

# FIRST CLAIM FOR RELIEF FEDERAL COPYRIGHT INFRINGEMENT (17 U.S.C. § 501)

- 17. Plaintiff repeats and realleges each of the allegations set forth in paragraphs 1-16 above.
- 18. The Clarissa Quilt Design is an original work of visual art containing copyrightable subject matter for which copyright protection exists under the Copyright Act, 17 U.S.C. § 101, et seq. Plaintiff is the exclusive owner of rights under copyright in and to the Clarissa Quilt Design. Plaintiff owns a valid federal copyright registration for the Clarissa Quilt Design, attached as Exhibit A hereto.
- 19. Defendant has designed, manufactured or caused to be manufactured, imported or caused to be imported, distributed or caused to be distributed and/or sold bedding products embodying a copy of the Clarissa Quilt Design without authority or consent from plaintiff as alleged above, thereby infringing plaintiff's exclusive rights under copyright in violation of Section 501 of the Copyright Act, 17 U.S.C. § 501.
- On information and belief, defendant designed, manufactured or caused to be manufactured, imported or caused to be imported, distributed or caused to be distributed and/or sold the Infringing Product without authority or consent from plaintiff as alleged above, thereby infringing plaintiff's exclusive rights under copyright in violation of Section 501 of the Copyright Act, 17 U.S.C. § 501.

- Defendant's infringement of plaintiff's rights under copyright is knowing and 21. willful, has caused plaintiff damage, and has enabled defendants illegally to obtain profit therefrom.
- Defendant's conduct has caused and will continue to cause irreparable injury to 22. plaintiff unless enjoined by this Court. Plaintiff has no adequate remedy at law. WHEREFORE, plaintiff demands judgment against defendants as follows:
- That defendant, and its officers, directors, servants, employees, agents, licensees, A. attorneys, successors, affiliates, parents, subsidiaries and assigns, and any and all persons in active concert or participation with them who receive notice of such judgment, directly or otherwise, be temporarily, preliminarily and permanently enjoined from:
- infringing plaintiff's Clarissa Quilt Design, including without limitation (i) by manufacturing, importing, distributing, advertising, promoting and/or selling the Infringing Product or any other materials embodying copies of the Clarissa Quilt Design or that are substantially similar to the Clarissa Quilt Design;
- assisting or authorizing any third party to engage in any of the actions (ii) prohibited by paragraph (i) above;
- B. That defendant be ordered to deliver up for destruction all materials in their possession or control, including without limitation all remaining inventory of the Infringing Product and any works that embody any reproduction or other copy or colorable imitation of the Clarissa Quilt Design, as well as all means for manufacturing them;
- C. That defendant, at their own expense, be directed to recall from any distributors, retailers, vendors or others to whom they have distributed the Infringing Product and any other

materials that include, copy, are derived from or otherwise embody the Clarissa Quilt Design, and that defendant destroy or deliver up to plaintiff for destruction all materials returned to them;

- D. That plaintiff recover from defendant all damages sustained by plaintiff, in consequence of defendant's copyright infringement described above, together with appropriate interest on such damages;
- E. That defendant be ordered to account to plaintiff and to pay plaintiff for all the gains, profits, savings, and advantages realized by defendant from its acts of copyright infringement described above;
- F. That, should plaintiff so elect, it be awarded statutory damages within the provisions of Section 504(c) of the Copyright Act, 17 U.S.C. § 504(c), instead of an award of actual damages or profits;
- G. That plaintiff be awarded its full costs, including, as part of such costs, reasonable attorney's fees pursuant to 17 U.S.C. § 505; and
  - H. That plaintiff be granted such other and further relief as may be equitable and just.

Dated:

New York, NY March 19, 2007

FROSS ZELNICK LEHRMAN & ZISSU, P.C.

By:

John P. Margiotta (JM 7356)

Michael Chiappetta (MC 7644)

Aimee Allen (AA 1092)

866 United Nations Plaza

New York, NY 10017

(212) 813-5900

Attorneys for Plaintiff

Kam Hing Enterprises, Inc.

### **EXHIBIT A**



This Certificate issued under the seal of the Copyright Office in accordance with title 17, United States Code, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

VA 1 – 394 – 928

Form VA

Marybeth Peters

Register of Copyrights, United States of America

EFFECTIVE DATE OF RE

North

North

2 · 12 · 07

	Title of This Work ¥	NATUE	UB OF THUS WO	UK ♥ See Instr.	ctions	
	· CLARISSA		DESIGN	ION	TEXTILE FA	
	Previous or Alternative Titles V	<del></del>				
	Publication as a Contribution if this work was published as a contribution to a periodical, serial, or collection, give information about the collective work in which the contribution appeared. Title of Collective Work					
	If published in a periodical or sarial give: Veluane ♥ Number ♥	lanue	Date ♥	On Pages	7	
	NAME OF AUTHOR V		DATES OF BU Year Rorn ♥	RTH AND DE Year D		
TE	Was this contribution to the work a "work made for hire"?  10 Yes  Was this contribution to the work a "Name of County or Domici Name of County OR Citizen of OR	le .	Was This Author Anohymous? Pseudonymous?	or's Contribut	Of Eligen Questions is	
e law,	□ No Domicfled in USA				instructions.	
made is the r, not oyee ruc- or any is	Nature of Authorship Check appropriate bon(es). See Instructions  3-Dimensional sculpture   Map  Dimensional artwork   Photograph  Reproduction of work of art   Jewelry design	☐ Technical draw ☐ Text ☐ Architectural w				
b	Name of Author ▼	Date	es of Birth and De Year Born V	ath Year Di	ed 🔻	
	Was this contribution to the work a "work made for hire"?    Yes		Was This Author Anonymous? Pseudonymous?	□Yes □N	lo If the answer to either of these questions is	
detes i	Nature of Authorship Check appropriate box(es), See Instructions					
d ik.	☐ 3-Dimensional sculpture ☐ Map	<ul> <li>Technical drawi</li> </ul>	ing			
	☐ 2-Dimensional artwork ☐ Photograph	□ Text				
a c	Completed  2004  This information must be given only if this work has been published.  COPYRIGHT CLAIMANT(S) Name and actives anust be given oven if the characters in the characters and actives anust be given oven if the characters in the characters and actives and active act	U /	rticular Work  Day UITED S	ONRECEIVE	2009 Nation	
	KAM HING ENTERPRISES INC 308 FIFTH AVENUE NEW YORK NY 10001	<b>`_</b>	ONE DEPO	SIT RECEIV 1 2 200 7 SITS RECE	ED '	

MORE ON BACK ▶

Complete all applicable spaces (numbers 5-9) on the reverse skie of this page.
 See detailed instructions.
 See detailed instructions.

DO NOT WRITE HERE

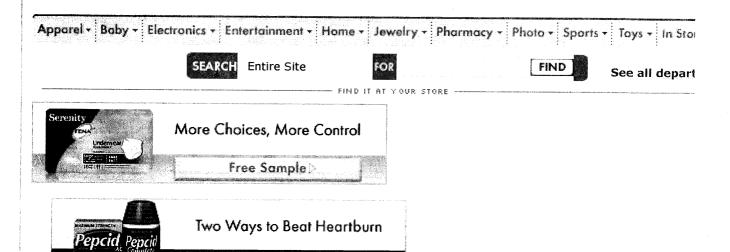
, !

	*Amended by C.O. from phon to Steven Leib on March 14		CHECKED BY	Spw_	FORM VA
	to beeven herb on maron 1.	, 200,	OF LORED BY		
			CORRESPONDE	ENCE	FOR COPYRIGH
			Yes		OFFICE
•					USE ONLY
	NO MOT WOME ADOVE THIS I ME IS VOIL MEEN IN	ODE CRACE HE	E A SERARATE CONTI	MATON OUTT	<del></del>
PREVIO	DO NOT WRITE ABOVE THIS LINE. IF YOU NEED M US REGISTRATION Has registration for this work, or for an readier v				
	No If your answer is "Yes," why is another registration being sought? (C			рк Опост	
m. 🗆 This	is the first published edition of a work previously registered in unpublished	form.			$\sim$ 50
b. [] This	is the first application submitted by this author as copyright claimant.				
	is a changed version of the work, as shown by space 6 on this application.		_		
If your ansv	ver is "Yes," give: Previous Registration Number ♥	Year of Registration	. ▼		
DERIVA	TIVE WORK OR COMPILATION Complete both space 6a and 61	o for a derivative work	: complete only 6b for a compi	lation	
	ng Materiel identify any prostisting work or works that this work is based				<b>6</b>
		nuo oui o	tima fahuis		, O
	•	hre-ext2	ting fabric		a
			<del></del>		See instructions before completing
b. Material	Added to This Work. Give a brief, general statement of the material that h	us been added to this t	vork and in which copyright is	claimed. W	this space.
					b
		new	patched ari	twork design	
DEPOSIT	ACCOUNT If the registration fee is to be charged to a Deposit Account	established in the Cop	yright Office, give name and a	umber of Account.	
(adde 🔻		Account Number	<b>▼</b> ************************************		
SUN	HAM HOME FASHIONS	DA 9	2762		_a 👢
					_a _
	ONDENCE Give name and address to which correspondence about this	application should be	sons, Name/Address/Apt/City:	/State/Zip ▼	-
	SUNHAM HOME FASHIONS				b
7	100 CENTRAL AVE	u			
/ /-	VEW PROVIDENCE, NJ 07979 T: STEVEN LEIB daysine telephorie number (908) 363-1100 Ex	<i>r</i>			
PA code and	7: JEVEN CE C daytine telephone number (900) 363 1)00 Ex	r 127	Fax number (908	) 363-1111	
			.,,,,	. 500 .,,,,	
37	TEVENLEIBO SUNHAM.COM	المراب بوالمسابسين			
ERTIFIC	ATTON® I, the undersigned, hereby certify that I am the				
	check only one ▶ «	Dauthor			$\mathbf{x}$
	check only one	Cother copyr	ight claimant		U
		Dauthorized	country Kam HII	NG ENTERPRISES	INC
ah	1 10 - 4 t - 14 t		Name of author or other cap	pyright chiment, or owner of exclusive rigi	/1(B) A
	lentified in this application and that the statements made by me in the				
ped or prin	sted name and date $\nabla$ If this application gives a date of publication	in space 3, do not sig	n and submit it before that	late.	•
	STEVEN LEIB		Date	2/9/07	
Ha	ndwritten signature (X) ▼	,			:
x	Steven Lu	ch			
A.					
rtificate	Name Y			Complete all necessary applicas	
III be					_
lied in Idow	NumberStreet/Lot V	ONI		. Application form	
relope his	700 CENTRA MITTI		i o	Nonrefundable Sling fee in chack or moder psychie to Register of Copyrights Deposit material	ioney
7088;	ChyState/ZP ▼				
	NEW PROVINCE NOT	D7974	Į u	brary of Congress opyright Office Di Indebendence Avenue SE	<del></del>
				1 Independence Avenue SE	

**EXHIBIT B** 

### WAL\*MART

Sign in or create a nev Cart My Account Track Order



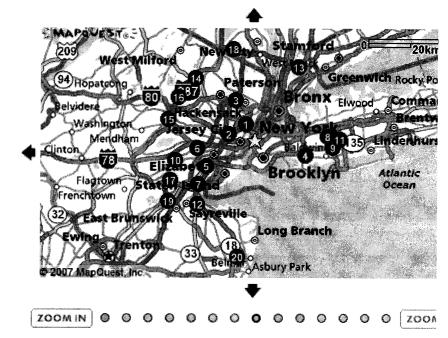
Learn More ▷

#### STORE FINDER

#### Search Results

We found 20 stores near new york, NY:

- 1. Secaucus, NJ 07094
- 2. Kearny, NJ 07032
- 3. Saddle Brook, NJ 07663
- 4. Valley Stream (Li), NY 11581
- 5. Linden, NJ 07036
- 6. Union, NJ 07083
- 7. Woodbridge, NJ 07095
- 8. Westbury (Li), NY 11590
- 9. Uniondale, NY 11553
- 10. Watchung, NJ 07069
- 11. East Meadow, NY 11554
- 12. Old Bridge, NJ 08857
- **13.** White Plains, NY 10601
- **14.** Riverdale, NJ 07457
- **15.** Cedar Knolls, NJ 07927
- **16.** Boonton, NJ 07005
- 17. Piscataway, NJ 08854
- 18. Airmont, NY 10901
- 19. North Brunswick, NJ 08902
- 20. Neptune, NJ 07753



Please note: Store hours are subject to change. Please contact the store for their current hours of operation.

Store Name and Address **Distance** Hours Other 5.59 miles 1. Wal-Mart Store #3520 Store Details 400 Park Place Directions Secaucus, NJ 07094 • View Advertised Va (201) 325-9280 for this store.

<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised View for this store.</li> </ul>
NOTE: 12 A 7 to 10
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised View for this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised V for this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised V for this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised V for this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised V for this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Various store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Vafor this store.</li> </ul>
<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Vafor this store.</li> </ul>

12. Wal-Mart Store #2825 1126 Route 9 Old Bridge, NJ 08857 (732) 525-8030	24.59 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
13. Wal-Mart Store #3441 275 Main Street White Plains, NY 10601 (914) 285-1070	24.76 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
<b>14. Wal-Mart Store #3443</b> 48 Route 23 North Riverdale, NJ 07457 (973) 835-5812	24.81 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
15. Wal-Mart Store #3598 235 Ridgedale Avenue Cedar Knolls, NJ 07927 (973) 889-8646	24.85 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
<b>16. Wal-Mart Store #5077</b> 300 Wootton Street Boonton, NJ 07005 (973) 299-3943	25.03 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
<b>17. Wal-Mart Store #2633</b> 1303 Centennial Ave. Piscataway, NJ 08854 (732) 562-1771	26.22 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
18. Wal-Mart Store #2905 250 Rt 59 Airmont, NY 10901 (845) 368-4705	27.71 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
19. Wal-Mart Store #2003 979 Route#1 South North Brunswick, NJ 08902 (732) 545-4499	30.16 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>
20. Wal-Mart Store #5142 3575 Route 66 West Neptune, NJ 07753 (732) 922-8084	34.66 miles	<ul> <li>Store Details</li> <li>Directions</li> <li>View Advertised Va for this store.</li> </ul>

SEARCH AGAIN

Go to Walmart.com home page

Subscribe to our email newsletter

**Enter Your Email Address** 

SIGN UP >

• More Newsletters • Privacy Pol Your email address will never be ! a third party.

#### Do you have questions?

Please contact us, and a knowledgeable Customer Service Associate will be happy to help you. We're happy to serve you 24 hours a day, 7 days a week!

Continue shopping on Walmart.com

#### **ABOUT WALMART.COM**

- About Walmart.com
- Site Directory
- Sign up for Email
- Join Our Affiliate Program
- Security & Privacy
- Terms of Use
- International Customers
- Careers at Walmart.com

#### **ABOUT WAL-MART STORES**

- Store Finder
- · Wal-Mart Stores Info
- Working Families for Wal-Mart
- Wal-Mart Facts
- Wal-Mart Sustainability
- Wal-Mart Credit Cards
- Wal-Mart Associates
- Careers at Wal-Mart

#### HELP

- Online Customer Service
- Track Your Order
- Questions About Your Order
- Shipping Costs & Times
- Our Return Policy
- Return an Item
- Product Recall Info
- MSDS

© 2006 Wal-Mart Stores, Inc.

ndc-www89.walmart.com /storeLocator/ca\_storefinder\_results.do /storeLocator/ca\_storefinder\_results.jsp

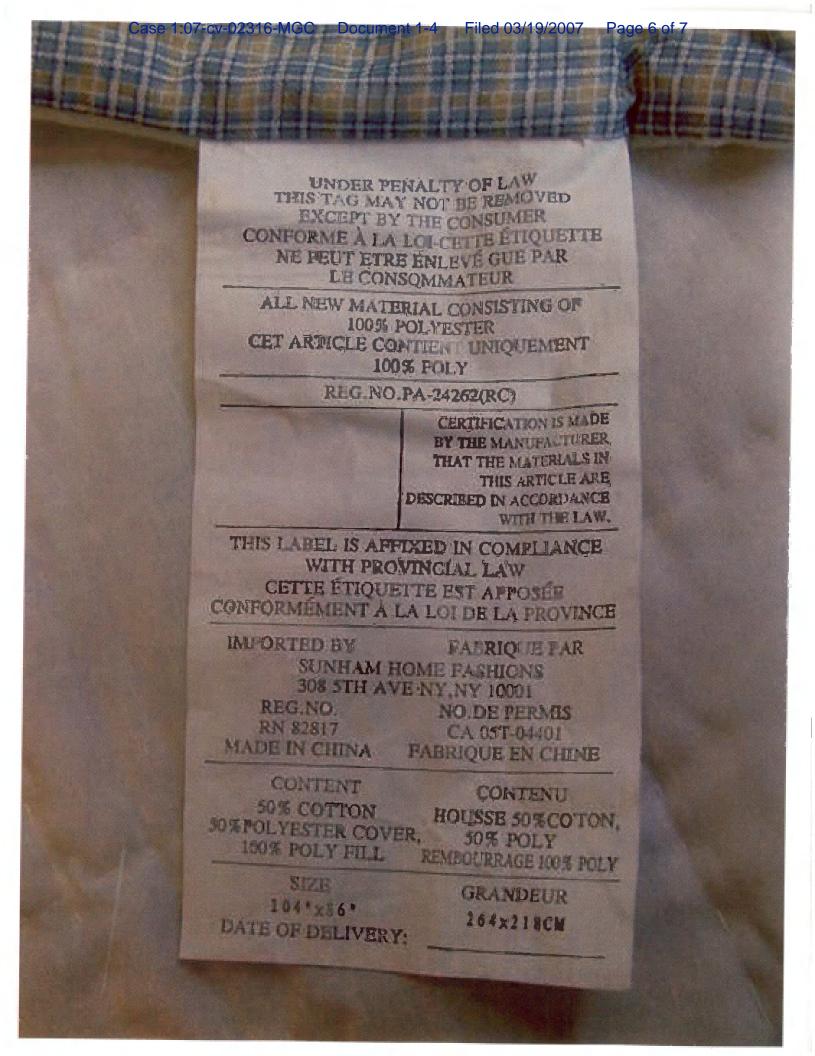
## EXHIBIT C











50% Cotton / 50% Polyester Cover,

100% Polyester Fill

Housse 50% Coton / 50% Poly,

Rembourrage 100% Foly

Machine Wash Cold, Delicate Cycle,

Do Not Bleach, For best results, line dry,

or Tumble Dry Low Heat, Remove Promptly

Lavar à la machine en cau froide au cycle délicat, Ne
blanchissez pas. Ligne sèche ou sécher par culburage
à basse temperature. Retirer rapidement.

Made in China RN82817

### **EXHIBIT D**





Decorative items used as photo props not included.

### Quilt Set Quilt and standard pillow shams 60% cotton/40% polyester Cotton Rich Morning Dew FULL/QUEEN







