

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

COLEMAN LAW FIRM

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<p>WEBSTER LOCK & HARDWARE, CO., INC., a New York corporation,</p> <p style="text-align: center;">Webster,</p> <p style="text-align: center;">- vs. -</p> <p>WEBSTER LOCKSMITH EXPRESS, INC. a/k/a LOCKSMITH & SECURITY a/k/a ADVANCED SECURITY SYSTEMS, INC. a/k/a A SECURITY SYSTEMS, and JACOB HALPERT,</p> <p style="text-align: center;">Defendants.</p>	<p style="text-align: center;">CIVIL ACTION NO. 03-CV-6316</p> <p style="text-align: center;">CIVIL ACTION NO.</p>
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**WEBSTER'S MEMORANDUM OF LAW IN SUPPORT OF ITS MOTION FOR A
PRELIMINARY INJUNCTION**

I. INTRODUCTION

Plaintiff Webster Lock & Hardware, Inc. ("Webster") submits this memorandum of law in support of its application for a preliminary injunction to immediately restrain defendants' blatant infringement of its WEBSTER LOCKSMITHS trademark in violation of Section 43(a) of the Lanham Act, 15 U.S.C. §1125(a), and unfair competition in violation of New York common law and New York General Business Law § 349.

II. FACTUAL HISTORY

As set out in the Verified Complaint¹, Webster has long used a registered trade name, its trademark name, WEBSTER LOCKSMITHS, to sell its locksmith products and services in the New York area. Webster has marketed and promoted its products and services through the expenditure of thousands of dollars. As a result, the WEBSTER LOCKSMITHS trademark is connoted with high quality products and services in the New York City area.

Recently, Webster became aware that defendants have been involved in the promotion and sale of their own locksmith products and services using a name that is confusingly similar - in fact, nearly identical - to the

¹ All facts set forth herein are based upon the Verified Complaint and attached Exhibits, and the affidavits of Steve Baktidy and Joshua Siegel which accompany this motion.

WEBSTER LOCKSMITHS trademark. Webster learned that defendants has been using the infringing mark "Webster Locksmith Express" to compete with Webster by, among other things, misrepresenting to customers that it is associated with Webster's business, and diverting potential customers for Webster away from Webster. It is impossible to quantify the damages defendants' continued use of the infringing trademark "Webster Locksmith Express" will cause to Webster's reputation and future sales.

Accordingly, Webster requests the entry of a preliminary injunction restraining defendants from using the infringed trademark to conduct its business. Without this order, neither Webster nor this Court will be able to protect Webster against the loss of Webster's reputation.

III. LEGAL ARGUMENT

Webster is Entitled to a Preliminary Injunction

Webster is entitled to a preliminary injunction in this case because it can demonstrate that it will suffer irreparable harm if Defendants is not enjoined promptly, and either (1) a likelihood that it will succeed on the merits at the trial of this action, or (2) sufficiently serious questions going to the merits of this action to make them a fair ground for litigation and a balance of hardships tipping decidedly toward the party requesting the

preliminary relief. See, Jeffrey Millstein, Inc. v. Gregor, Lawlor & Roth, Inc., 58 F.3d 27, 31 (2d Cir. 1995); Polymer Technology Corp. v. Mimran, 37 F.3d 74, 77-78 (2d Cir. 1994); Arthur Guinness & Sons, PLC v. Sterling Publishing Co., 732 F.2d 1095, 1099 (2d Cir. 1984); Dallas Cowboy Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 604 F.2d 200, 206-07 (2d Cir. 1979); Jeral Trading Corp. v. Weinstein, 1995 U.S. Dist. LEXIS 20119 (S.D.N.Y. 1995); CBS, Inc. v. Cineamerica Distrib. Corp., 78 Civ. 2245 (S.D.N.Y. 1978).

A. Defendants' Acts Threaten Irreparable Harm

Defendants' infringing activities must be stopped immediately in order to prevent further diversion of sales from Webster and harm to Webster's reputation from the use of the infringing trademark "Webster Locksmith Express". Indeed, allowing the Defendants' infringing activities results in irreparable harm to Webster.

A prima facie showing of trademark infringement creates a presumption that the trademark holder has suffered irreparable harm. See, e.g., Natural White, Inc. v. Dentorium Prods. Co., 2000 U.S.App. LEXIS 7755 (2d Cir. 2000); Fed. Express Corp. v. Fed. Espresso, Inc., 201 F.3d 168, 174 (2d Cir. 2000); Genesee Brewing Co. v. Stroh Brewing Co., 124 F.3d 137, 142 (2d Cir. 1997); Hasbro, Inc.

v. Lanard Toys, Ltd., 858 F.2d 70, 73 (2d Cir. 1988); Omega Importing Corp. v. Petri-Kine Camera Co., 451 F.2d 1190, 1195 (2d Cir. 1971). Further, irreparable harm is presumed if the moving party shows a "likelihood that an appreciable number of ordinarily prudent purchasers are likely to be misled, or indeed simply confused, as to the source of the goods in questions." See Next Plateau Records v. ZYX Records, Nos. 92 Civ. 4622 (LJF), 92 Civ 4661 (LJF)1992 WL 177153 (July 13, 1992) *4.

In this case, customers and others have already been confused as to the goods and services for locksmith services. For example, the New York "general information" number (i.e., Verizon) gives defendants' business telephone numbers as one of the telephone numbers for Webster's business. See Webster's Verified Complaint at ¶ 19. Worse, defendants have capitalized upon the confusion they sought to cause by diverting telephone calls from "Webster Locksmiths" to "Webster Locksmith Express" in the process of misleading customers into believing that they are associated with "Webster Locksmiths." See Webster's Verified Complaint at ¶¶ 22 and 23.

B. The Harm to Webster Greatly Outweighs Any Hypothetical Injury to Defendants

Defendants' use of Webster's trademark in conjunction with goods and services identical in kind to those sold by Webster, when balanced against Webster's substantial efforts over the years to build up and maintain its reputation and goodwill under its trademark unquestionably tips the equities in favor of Webster.

There is serious doubt cast by the cases that this Court should even consider any alleged commercial interests that defendants may assert, inasmuch as defendants are deliberately trading upon Webster's goodwill. See, e.g., My-T Fine Corp. v. Samuels, 69 F.2d 76, 78 (2d Cir. 1934); Ventura Travelware Inc. v. A to Z Luggage Co., 1986 U.S. Dist. LEXIS 18022 (E.D.N.Y. 1986); Joanna Farms Inc. v. Citrus Bowl Inc., 468 F. Supp. 866 (E.D.N.Y. 1978); Colgate-Palmolive Co. v. North Am. Chem. Corp., 238 F. Supp. 81, 87 (S.D.N.Y. 1964).

If, however, such interests were to be weighed, this Court should give greater consideration to the fact that defendants have apparently been doing business utilizing the WEBSTER LOCKSMITHS trademark for only a relatively short time, and that the property rights which defendants seeks to blatantly appropriate are the result of decades of

significant effort by, and expense to, Webster. See, Safeway Stores, Inc. v. Safeway Properties, Inc., 307 F.2d 495 (2d Cir. 1962); Blue Bell, Inc. v. Maverick Sportswear, Inc., 184 U.S.P.Q. 77 (S.D.N.Y. 1974). See generally, Jeral Trading Corp. v. Weinstein, 1995 U.S. Dist. LEXIS 20119 (S.D.N.Y. 1995).

C. Webster Will Succeed on the Merits of This Action

i. Defendants Have Committed Trademark Infringement

Webster has long and extensively used the trademark "Webster Locksmiths" in connection with its locksmith products and services. As previously detailed, Webster is the owner of the mark "Webster Locksmiths". By contrast, defendants, upon information and belief, have begun their use in commerce of the infringing trademark, "Webster Locksmiths Express," very recently.

It is a fundamental principle of trademark law that the first person to use a trademark in conjunction with goods has the right to prevent others from subsequently adopting a confusingly similar mark on such goods. See Oral-B Lab, Inc. v. Mi-Lor Corp., 810 F.2d 20 (2d Cir. 1987); Spring Mills, Inc. v. Ultracashmere House, Ltd., 689 F.2d 1127 (2d Cir. 1982); Grotrian, Helfferich, Schulz, Th. Steinweg Nachf. v. Steinway & Sons, 523 F.2d 1331 (2d Cir.

1975); Miss Universe, Inc. v. Patricelli, 408 F.2d 506 (2d Cir. 1969); Mortellito v. Nina of California, Inc., 335 F. Supp. 1288 (S.D.N.Y. 1972). Accordingly, Webster is entitled to preliminary injunctive relief under any one of the following legal doctrines:

1. Webster's Right to Relief Under Section 43(a) of the Lanham Act of 1946

Section 43(a) of the Lanham Act of 1946, 15 U.S.C. § 1125(a), provides, in pertinent part, that:

Any person who shall affix, apply or annex, or use in connection with any goods or services, . . . a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same, and shall cause such goods or services to enter into commerce . . . shall be liable to a civil action . . . by any person who believes that he is or is likely to be damaged by the use of such false description or representation.

Defendants' use of WEBSTER LOCKSMITHS trademark is a false description or representation of the source of origin of goods in violation of this Statute and alone provides ample grounds for granting a preliminary injunction. See Sears, Roebuck & Co. v. Sears Fin. Network, 576 F.Supp. 857, 861 (D.D.C. 1983); Mortellito v. Nina of Cal., Inc., supra, at 1294; Apollo Distrib. Co. v. Apollo Imps., Inc., 341 F.Supp. 455, 458 (S.D.N.Y. 1972); and Envirosafe Servs.,

Inc. v. Envirosure Mgmt. Co., 1989 U.S. Dist. LEXIS 70
(E.D. Pa. 1989).

1. Webster's Right to Relief Under Common Law State Law Claims

Under New York law, the essence of an unfair competition claim is that "the defendants has misappropriated the labor and expenditures of another." Saratoga Vichy Spring Co., Inc. v. Lehman, 625 F.2d 1037, 1044 (2d Cir. 1980). Through their use of the infringing trademark, defendants deliberately and knowingly misappropriated Webster's WEBSTER LOCKSMITHS mark with the intention of erecting a barrier to Webster's further penetration of the New York City market, and in a manner likely to create consumer confusion. See Centaur Communications, Ltd. v. A/S/M Communications, Inc., 652 F. Supp. 1105, 1114 (S.D.N.Y. 1987)(citing Vitabiotics, Ltd. v. Krupka, 606 F. Supp. 779, 785 (E.D.N.Y. 1984)).

Defendants' conduct demonstrates a clear attempt to profit at the expense of Webster. This includes:

- the proximity of their advertisements for their services and products to Webster's advertisement for the same services and products,
- their false representations to customers that it is affiliated with Webster's business,

- its practice of diverting telephone calls meant for Webster from Webster, and
- their blatant disregard of (to the extent of not even responding to) Webster's numerous and explicit cease and desist letters,.

Accordingly, this conduct serves as a basis for the court

to grant Webster's request for preliminary relief. Id.

2. Webster's Right to Relief Under § 349 of the New York State General Business Law

Section § 349 of the General Business Law, states in part:

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.

Under the facts and analysis set forth in Section II(C)(2) of this brief, Webster has established deceptive acts and practices by defendants in violation of New York General Business Law § 349. Centaur Communications, Ltd. v. A/S/M Communications, Inc., 652 F. Supp. 1105, 1114 (S.D.N.Y. 1987)(citing Vitabiotics, Ltd. v. Krupka, 606 F. Supp. 779, 785 (E.D.N.Y. 1984)).

IV. CONCLUSION

Webster is entitled to a preliminary injunction in this case because it has demonstrated that it will suffer

irreparable harm if defendants are not enjoined promptly from any use of a business name that is confusingly similar to their WEBSTER LOCKSMITHS mark. Webster has also demonstrated, by its submissions as a whole, that because of the advertising already in the market as well as defendants' track record of bad faith and fraudulent representations to consumers, it will be harmed if the phone number presently used by defendant to field calls for "Webster Locksmith Express" is not ordered by this Court to be assigned or at least, pursuant to Court order, forwarded to Webster. Webster has also demonstrated a likelihood that it will succeed on the merits at the trial of this action. This Court has the authority to issue a preliminary injunction against defendants preventing them from any further infringement of Webster's trademarks and both law and equity cry out for this Court to do so.

_____/s/_____
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