

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

STAR ISLAND ENTERTAINMENT, LLC)	
Plaintiff,)	
v.)	
BOYLSTON ENTERTAINMENT, INC., LYONS)	CIVIL ACTION NO.
GROUP, LTD., ALLEY ENTERTAINMENT, INC.,)	07-10783-NMG
BIG NIGHT ENTERTAINMENT GROUP, INC.,)	
THREE BOYLSTON PLACE ASSOCIATES)	
REALTY TRUST, PATRICK LYONS, EDWARD)	
KANE and JOHN DOES 1 - 10)	
Defendants.)	
)	

**PLAINTIFF'S MEMORANDUM IN SUPPORT OF
MOTION FOR PRELIMINARY INJUNCTION**

Plaintiff Star Island Entertainment, LLC ("Star Island") respectfully requests this Court enter a preliminary injunction against defendants Boylston Entertainment, Inc., Lyons Group, Ltd., Alley Entertainment, Inc., Big Night Entertainment Group, Inc., Three Boylston Place Associates Realty Trust, Patrick Lyons, and Edward Kane (collectively, defendants), to cease their infringement of Star Island's common law service mark, "MANSION" ("the MANSION mark").

INTRODUCTION

Star Island operates MANSION, located in Miami Beach, Florida. MANSION is a world renowned nightclub that has received national and international press coverage since its opening in February 2004. It is one of the premier nightclubs in the United States, hosting internationally famous disk jockeys and celebrities on a weekly basis. MANSION attracts over 10,000 customers weekly from throughout the United States and internationally.

In February, 2007 the defendants, who are legendary Boston nightclub operators and who have competed in nation-wide industry competitions against MANSION with their AVALON

nightclub brand since MANSION first opened, renovated their Boston nightclub the "Big Easy" and re-branded it as "Mansion." Located in an area known as "the Alley," defendant's have characterized their "Mansion" as a high-end nightlife venue to target the same demographic as Star Island's Miami nightclub. In less than three months after their opening, defendant's have booked at least one celebrity as a guest "host" that has appeared at Star Island's nightclub. The defendants' actions have created confusion in the marketplace, both before and after their club's formal opening.

As applied to nightclub services (which include bar, food, music, dancing and other entertainment services), Star Island's MANSION service mark is so fanciful that it must be considered "inherently distinctive." Defendants' use of the identical mark, "Mansion," for the same class of services, has caused and is likely to further cause consumer confusion in the marketplace. If defendants' infringing use of the MANSION service mark is not enjoined, Star Island's standing, market position, and ability to control its trademarks and standards will be harmed irreparably.

PROCEDURE AND BACKGROUND

1. Procedural History

The defendants' club opened on or about February 15, 2007. On March 1, 2007, counsel for Star Island sent defendants a cease and desist letter, demanding that they abandon use of the "Mansion" service mark to avoid confusion. (Rubinson Aff., par. 19). Defendant Patrick Lyons spoke with a Star Island principal, and later defendant Ed Kane called plaintiff's attorney to discuss their allegedly infringing use. (Rubinson Aff., par. 19). Defendant's have not ceased their use of plaintiff's mark.

On April 24, 2007 Star Island filed a Complaint seeking injunctive relief and damages in connection with the defendants' use of the mark MANSION and the domain name

www.mansionboston.com. The Complaint states claims for acts of trademark infringement, cyber-squatting, false designation of origin, unfair competition and false and deceptive business practices in violation of the laws of the United States and the Commonwealth of Massachusetts.

2. Star Island's Superior Rights to the MANSION Service Mark

Star Island is the owner of the common law service mark MANSION, as used for nightclub services. MANSION nightclub opened in Miami Beach in February 2004. Since the nightclub's opening Star Island has cultivated a national reputation as one of the best known nightclubs in the United States and a "destination" club that people visit when they travel to Miami Beach.

Star Island has built MANSION's reputation in a number of ways. First, Star Island spared no expense in creating the club investing over \$5 million in its purchase and renovation. The club has three levels, occupies 40,000 square feet, and holds up to 2,000 people. It has six bars and multiple "VIP" areas. On average, more than 10,000 customers enter MANSION every week. The large first floor dance floor is set with 20-foot tall columns and spectacular arches. The sound systems are cutting edge, and the club is known for featuring world famous disc jockeys such as Tiesto, Paul Oakenfold and Bob Sinclar, as well as international musical artists such as the Black Eyed Peas. (Rubinson Aff., par. 5).

Second, given its location in South Beach, MANSION has marketed its services by attracting numerous celebrities to the club. Celebrities who have visited the club (many on multiple occasions) include film and TV actors and actresses Matt Damon, Lindsay Lohan, Jennifer Lopez, Paris Hilton and Cameron Diaz, rappers Ja Rule, Diddy, Snoop Dogg and Kevin Federline, and music stars Justin Timberlake, Beyonce, Jessica Simpson and Janet Jackson. Britney Spears is scheduled to perform at MANSION in May 2007. (Rubinson Aff., pars. 5, 6).

The consistent appearances of celebrities at MANSION has resulted in enormous attention from the national press. Since its opening the club has been referenced in many publications with national circulation, including *The New York Times*, *USA Today*, *People Magazine*, *Rolling Stone*, *Esquire*, *Variety*, *Star Magazine*, *InStyle Magazine*, *OK! Weekly* and *In Style Magazine*. MANSION has been referenced in Boston and New England newspapers and magazines, including *the Boston Sunday Globe*, *The Boston Herald*, *the Worcester Telegram and Gazette*, *the Sun Chronicle* (Attleboro, Massachusetts), *The Daily Hampshire Gazette* (Northampton, Massachusetts), *The Standard-Times* (New Bedford, Massachusetts), *The Concord Monitor*, (New Hampshire), *Banker and Tradesman* (Boston, Massachusetts). (Rubinson Aff., par. 7).¹ In a 2006 Boston Globe article the Globe specifically recommended MANSION as a place for a Boston reader to celebrate his 30th birthday. (Rubinson Aff., par. 8).

Star Island has engaged in high-powered promotional efforts to ensure the club's success and reputation in the highly competitive market for high-end nightclubs. The club spends over \$200,000/ month on a variety of forms of advertising, marketing and promotion. This includes web and email marketing, public relations, flyers, magazine advertising, promoters, advertising design services and celebrity events. (Rubinson Aff., par. 10).

Star Island also promotes MANSION through monthly advertisements in *Ocean Drive Magazine* a prestigious Florida publication that is distributed at more than 1,000 stores in the U.S., including Barnes & Noble, Borders, Waldenbooks and Dalton Books. *Ocean Drive* is sold at airport kiosks at Logan International Airport, John F. Kennedy Airport and is available for sale

¹ Other publications referencing the MANSION nightclub include New York Magazine, US Weekly, The New York Daily News, The New York Post, Elle Magazine, The Register Citizen (Torrington, Connecticut), and Prince George's Journal (Lanham, Maryland). MANSION was highlighted in the prestigious Official Superbowl XLI Host Magazine. (Rubinson Aff., par. 9).

for all passengers at Miami International and Ft. Lauderdale International Airport. Ocean Drive Magazine's independent study shows that each issue reaches over 400,000 readers. MANSION has spent more than \$135,000 on advertising in *Ocean Drive Magazine* alone. MANSION has also been advertised in *American Way Magazine*, which is available to every American Airlines passenger on every flight. Each issue of *American Way Magazine* publishes 350,000 copies. (Rubinson Aff., par. 11).

MANSION has also been featured on television and in movies. It hosted the Official Video Music Awards party in 2004. MANSION served as the location for the opening sequence of the popular 2006 movie *Miami Vice*. *Miami Vice* had over \$63 million in box office sales, and exposed millions of people to MANSION. The movie's official website, miamivice.com, has hosted a video segment titled Mansion Nightclub. In late 2006, MTV filmed a special featuring "Real World" contestant Svetlana's 21st birthday party at MANSION, as part of a special showing Svetlana's bi-coastal 21st birthday celebration. This episode has been broadcast repeatedly on MTV television, as well as on MTV's website, giving the club extensive publicity aimed at its targeted demographic market. (Rubinson Aff., par. 12).

MANSION's promotion and advertising efforts have led to national attention from the nightclub industry. For the last five years Club Systems International has awarded "Annual Club World Awards" in various categories. Each year a small, elite group of clubs in the United States and Canada are nominated as "Best Superclub." MANSION was nominated for this award in 2005, 2006 and 2007. Foreshadowing the issue of defendants' intent, the Boston nightclub "AVALON," owned by several of the defendants (and controlled by defendant Patrick Lyons), was nominated for the "Best Superclub" award in 2005. (Rubinson Aff., par. 43). As the Boston Globe reported on January 6, 2005, "[Boston] Lansdowne Street powerhouse *Avalon* has been nominated for the third time in the 'best superclub category.' *Patrick Lyons's anchor*

nightspot finds itself is some good company, with New York's Crobar, *Miami's Mansion* and Sound Bar in Chicago." (*Id.* emphasis added).²

Because of its impressive size, furnishings and decorations, its popular location, its ability to attract top celebrities and entertainers, and its investments in marketing and promotion, MANSION has become a national phenomenon. It is one of the top nightclubs in the United States, and draws visitors who travel to Miami from throughout the nation and from abroad. (Rubinson Aff., par. 15).

Not surprisingly, many of MANSION's patrons are from the Northeast of the United States, the "New York-Boston-Miami" axis. Miami has been referred to as New York's "sixth borough," and had Boston been divided into five boroughs the same would be said for it. As Boston was once coined the "hub" of the solar system, today South Beach is the "hub" of the nation's nightlife. Tourist statistics for Miami Beach commissioned by the Greater Miami Convention & Visitors Bureau for 2005 (and performed by the market research firm *Synovate*) confirm Miami Beach is one of the most popular tourist destinations in the world and conclude the leading source of domestic traffic come from the Northeast. Of the 3.4 million domestic visitors to greater Miami in 2005, 1.6 million, or almost 50%, were from the Northeast. Over 75% of these tourists visited Miami Beach for vacation and pleasure travel, and over 40% of domestic visitors identified "nightlife" as a major attraction of the area. The 2005 *Synovate* survey reported that over 5.3 million visitors (domestic and international) stayed at least one night in Miami Beach. (Rubinson Aff., par. 15).

² "Sister" AVALON clubs in Hollywood (also owned by Patrick Lyons' organization) were nominated along with MANSION in the "best superclub" category in 2006 and 2007. (Rubinson Aff., par. 44).

A survey of MANSION's customers confirms that many of its guests are from the Northeast. (Rubinson Aff., par. 16).

As discussed below, MANSION's national reputation, the fact that it attracts many guests from Boston and New York, and the fact that defendants have opened a club in Boston with the identical name aimed at the same demographic, provides the legal basis for the Court to issue the requested injunction.

LEGAL ARGUMENT

A party is entitled to injunctive relief in this Circuit pursuant to Rule 65 of the Federal Rules of Civil Procedure if it demonstrates:

"(1) a likelihood of success on the merits; (2) that it will suffer irreparable injury if an injunction is not granted; (3) that any such injury outweighs any harm which granting the injunction would cause the defendant; and (4) that the injunction will not adversely affect the public interest."

Perfection Fence Corp. v. Fiber Composites LLC, 2005 U.S. Dist. LEXIS 2157 at *5-6 (D. Mass 2005 (O'Toole, J.); *Bay State Savings Bank v. Baystate Financial Services, LLC*, 338 F. Supp. 2d 181, 186 (D. Mass 2004)(Gorton, J.).

In trademark cases, "the key issue is likelihood of success on the merits because the other decision will likely flow from that ruling." *Keds Corp. v. Renee Int'l Trading Corp.*, 888 F.2d 215, 220 (1st Cir. 1989). However, while the likelihood of success has been considered to be "the main bearing wall of the four-factor framework," courts "need not predict the eventual outcome on the merits with absolute assurance." *Ross-Simons of Warwick, Inc. v. Baccarat, Inc.*, 102 F.3d 16 (1st Cir.)(citation omitted). That being said, Star Island's success on the merits -- e.g. proving a likelihood of confusion under 15 U.S.C. § 1125(a) and that the defendants' action constitute unfair competition -- is extremely likely under the facts of this case. First, however,

this Court must determine whether Star Island's MANSION mark is entitled to protection under Section 43(a) of the Lanham Act.

A. Plaintiff's MANSION Mark as Used for Nightclub and Bar Services is Arbitrary and Fanciful

Since plaintiff's MANSION mark is unregistered, "[a] court's inquiry into whether a [mark] merits trademark protection starts with the classification of that term along the spectrum of 'distinctiveness.'" *Boston Beer Company Limited Partnership v. Slesar*, 9 F. 3d 175, 180 (1st Cir. 1993). This spectrum, as the Court in *Boston Beer* explained, is divided into three categories: (1) "generic" marks, which are not protectible; (2) "descriptive" marks, which are protectible only upon a showing of secondary meaning; and (3) "suggestive, arbitrary and fanciful" marks, which are inherently distinctive and entitled to protection without a showing of secondary meaning. *See also Boustany v. Boston Dental Group, Inc.*, 42 F. Supp. 2d 100, 105 (D. Mass. 1999).

"MANSION" is not a name that would naturally suggest itself for a Miami Beach nightclub that is located in a renovated art deco theater, rather than a mansion. (Rubinson Aff., par. 3). As applied to nightclub services, Star Island's MANSION mark is suggestive, fanciful or arbitrary -- *i.e.*, having no evocative connection to the services in question -- and, as such, is "inherently distinctive." *See Boston Beer*, 9 F.3d at 180; *see also, Calamari Fisheries, Inc. v. The Village Catch, Inc.*, 698 F. Supp. 994 (D. Mass 1998)("[A]rbitrary or fanciful marks are inherently distinctive and bear no logical or suggestive relation to the actual characteristics of the goods or services.").

Once the determination has been made that a term is entitled to trademark protection, the pivotal inquiry become whether the allegedly infringing mark is likely to cause consumer confusion. *Id.*

B. A Likelihood of Confusion Between the Services Sold Under the MANSION Mark Exists

The First Circuit Court of Appeals has identified eight factors to be considered by trial courts in evaluating whether a likelihood of confusion exists, namely:

(1) the similarity of the marks; (2) the similarity of the goods; (3) the relationship between the parties' channels of trade; (4) the relationship between the parties' advertising; (5) the classes of prospective purchasers; (6) evidence of actual confusion; (7) the defendants' intent in adopting the mark; and (8) the strength of the plaintiff's mark.

See, e.g., Keds, 888 F.2d at 222 (internal citations omitted). *See also Pignons S.A. de Mecanique de Precision v. Polaroid Corp.*, 657 F.2d 482, 486-87 (1st Cir. 1981). Of these eight factors, "[n]o one is conclusive as to likelihood of confusion, and the district court must consider each." *Aktiebolaget Electrolux v. Armatron Int'l, Inc.* 999 F.2d 1, 4-5 (1st Cir. 1993)(citations omitted).

1. The Similarity of the Marks

The marks at issue in this case are identical - both nightclubs are named **MANSION**.

Where an allegation of infringement for purposes of a likelihood of confusion analysis "involves the use of identical words" by a defendant in its mark, this factor must "plainly favor[]" the plaintiff. *National Fire Protection Ass'n, Inc. v. Int'l Code Council, Inc.*, 2006 U.S. Dist LEXIS 14360 at *27 (D. Mass 2006)(Woodlock, J.)(quotation omitted).

In some instances, the defendant uses the word "Boston" with its mark, as in "Mansion Boston." An example of this is defendants' Internet home page (Rubinson Aff., par. 20). However, the word "Boston" is displayed in a much smaller and lighter font than the word "Mansion", so that the overall impression of the name of the club is "Mansion." *Id.*

To the extent that the defendants contend that calling their club "Mansion Boston" helps distinguish the club from MANSION in Miami Beach, the argument has no support in fact or law. Factually, in most instances the name "Mansion Boston" is truncated to simply "Mansion."

The defendant's club's sign does not use the word "Boston." (Rubinson Aff., par. 21). Many internal pages in the defendants' website identify the club as simply, "Mansion." (Rubinson Aff., par. 20). Third party print publications, Internet publications and the public call the club "Mansion," not "Mansion Boston." (Rubinson Aff., par. 22-23). The defendants' own employees call the club "Mansion." (Rubinson Aff., par. 24). And, even the d/b/a filed by the defendants with the City of Boston identifies the name of the club as "Mansion." (Rubinson Aff., par. 25).

As a legal matter, there is no real distinction between "Mansion" and "Mansion Boston." "Mansion" and "Mansion Boston" are essentially the same mark, since the word MANSION constitutes the dominant portion of the mark. *See, e.g., Birthright v. Birthright Inc.*, 827 F.Supp. 1114, 1135 (D.N.J. 1993). "[I]f the overall impression created by marks is essentially the same, 'it is very probable that the marks are confusingly similar.'" *Opticians Ass'n of America v. Independent Opticians of Am.*, 920 F.2d 187, 195 (3d Cir. 1990). (quoting McCarthy, *Trademarks and Unfair Competition* § 23:7 (2d ed. 1984)). *See also Beacon Mut. Ins. Co. v. OneBeacon Ins. Group*, 376 F.3d 8, 18 (1st Cir. 2004) (finding the parties names similar); *Tyco, supra*, 463 F. Supp. at 134 ("a change or addition of words where the same operable words are used will not avoid a finding of similarity").

In fact, rather than distinguishing the defendants' "Mansion" club from MANSION, the defendants' decision to inconsistently append the geographic modifier "Boston" to the mark "Mansion" creates an even greater risk of consumer confusion. The name "Mansion Boston," when used, gives the false impression that the Boston club is an affiliated, or "sister club," of the Miami club. This impression is consistent with the way the defendants have named their other clubs. The Lyon Group's flagship nightclub is the Avalon club in Boston, which has affiliated clubs in New York and Hollywood, California. The Boston club, located behind Fenway Park's

left field wall at 15 Lansdowne Street, is called simply "Avalon." "Avalon" is described on its website (avalonboston.com) as "voted Americas #1 Club Night, Most Popular US Club at the 2003 Las Vegas Club Show Awards." (Rubinson Aff., par. 39). The Manhattan club is called "Avalon New York" and the Los Angeles Avalon club is called "Avalon Hollywood." (Rubinson Aff., par. 40).

Thus, the defendants' decision to name their Boston nightclub "Mansion Boston" is consistent with their own practice (and the practice of others in the nightclub industry) of adding a geographic descriptor to "sister" clubs in other cities. "(Rubinson Aff., par. 45-47). Mansion Boston," therefore, creates the false impression that "Mansion Boston" is a sister club of the flagship MANSION club in Miami, just as "Avalon New York" and "Avalon Hollywood" are sister clubs of the flagship Avalon club in Boston. In other words, if anything, the use of "Mansion Boston" only adds to the likelihood of confusion.³

2. The Similarity of the Goods or Services

³ Any argument by the defendants based on "geographic remoteness" must fail. First, the evidence submitted in support of this motion shows that the reputation of plaintiff's mark extends into Massachusetts and the Northeast. Second, there is evidence that many MANSION customers travel from the Northeast and Massachusetts. Third, there is strong evidence that the defendants adopted their "Mansion" mark in bad faith. *See 5 McCarthy on Trademarks* § 26:16 ("For service trades such as hotels, motels, and restaurants, the courts have often held that a senior user of a mark has established buyer recognition of the mark in trade areas far from the actual location of the service outlet"). *See also Stork Rest. v. Sahati*, 166 F.2d 348 (9th Cir.1948) (recognizing that the Stork Club in New York had sufficient nationwide reputation that a new tavern in San Francisco of the same name infringed its mark); *Laurel Capital Group, Inc. v. BT Financial Corp.*, 45 F. Supp. 2d 469, 492 (W. D. Pa. 1999) ("When a senior user demonstrates that it has established a reputation beyond its own market area, reputation alone, without market penetration, or physical presence, may afford it superior trademark rights in the remote market of the junior user."); *Thrifty Rent-A-Car System, Inc. v. Thrift Cars, Inc.*, 639 F. Supp. 750, 754 (D. Mass 1986) ("A party who has established a reputation in an area may acquire exclusive rights to its mark there, even though the product bearing the mark is unavailable", *citing* Stork Club case).

The services in question in this litigation are identical. Plaintiff and defendants sell nightclub services, in the same price range, to the same demographic groups. (Rubinson Aff., par. 26).

Courts have consistently held that "there is a strong likelihood of confusion" under this factor where the parties offer virtually the same goods or services. *See Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812, 118 (1st Cir. 1987)(both parties were in the business of repairing, servicing and selling automobiles); *Boston Athletic Ass'n v. Sullivan*, 867 F.2d 22, 30 (1st Cir. 1989)(both parties offered shirts and other apparel); *Pignons*, 657 F.2d at 487-88 (both parties sold cameras); *Equine Tech., Inc. v. Equitechnology, Inc.*, 68 F.3d 542, 546 (1st Cir. 1995)(both parties sold goods in "the narrow category of hoof care products").

Thus, this factor weights heavily in favor of Star Island.

3. The Relationship Between the Parties' Channels of Trade, Advertising, and Classes of Prospective Purchasers

In this Circuit, the above factors (*i.e.* *Keds* factors 3-5) are analyzed simultaneously. *Boston Athletic Ass'n*, 867 F.2d at 30 (internal citation omitted); *see also Akteibolaget*, 999 F.2d at 5, fn. 3. In the instant case, the similarity of the parties' channels of trade, advertising, and purchasers strongly supports the conclusion that confusion is likely.

In *Equine Tech.*, the Court found that where [t]he parties present their products at the same trade shows, and advertise in the same magazines, [and] to the same target groups of consumers," an analysis of these factors favors the moving party. *Id.* at 546. *See also Perfection Fence*, 2005 U.S. Dist LEXIS 2157 at *10-12 (both parties advertising their products on the Internet, radio and via trade shows). Here, both Star Island and the defendants advertise their respective nightclubs on the Internet. (Rubinson Aff., par. 26-30). Star Island has used the

domain name www.mansionmiami.com as MANSION's website. Star Island registered this domain name in 2003. (Rubinson Aff., par. 28).⁴

The defendants' registered www.mansionboston.com as their domain name. This domain was registered by the defendant the defendant Edward Kane on September 27, 2006. (Rubinson Aff., par. 30).

Both Star Island and the defendants use the Internet to market their nightclubs and attract potential customers to their Internet sites. However, this creates the risk that consumer/internet users looking for information, reviews and comments about Star Island's MANSION nightclub might inadvertently be directed to either the defendants' "mansionboston" website or one of the many websites that discuss and review the defendants' "Mansion" nightclub.

1. As discussed, the potential customers for the two clubs are identical - upscale consumers interested in patronizing high-end nightclubs that are distinguished by identifiable design, world renowned disk jockeys, and VIP bottle service. (Rubinson Aff., par. 26). The Internet has become a crucial tool for advertising, marketing and promotion of nightclubs to this demographic in the United States. In addition, it has become an important way for potential customers to share their opinions on various nightclubs, and even form *ad hoc* social groups (based on age, geography and similar interests) to visit nightclubs in groups, rather than as singles or couples. (Rubinson Aff., par. 27).

Even though the defendants' club has been in existence for less than three months, many examples of situations that create a likelihood of confusion on the Internet have already arisen. For example, a popular website for people who visit nightclubs is the Internet website www.clubzone.com. Clubzone.com allows people to obtain information about nightlife, and to

⁴ The domain name "www.mansion.com" was registered in 1997, and is used as an online poker and gambling site. (Rubinson Aff., par. 29).

comment on and review nightclubs and restaurants. The website has over 500,000 registered members. A search of the phrase "mansion nightclub" (without quotes) results in a page on which the first two "hits" are plaintiff's MANSION nightclub in Miami, and the fifth "hit" is defendants' Mansion nightclub in Boston. (Rubinson Aff., par. 31).

Similarly, a search of "mansion nightclub" (without quotes) on www.yahoo.com results in a prompt at the very top of the screen (before the listed hits) which states: *"Also try mansion nightclub Boston, mansion nightclub Miami."* Clicking on the first item leads to a number of websites related to defendants' "Mansion" nightclub in Boston, as well as the plaintiff's website, www.mansionmiami.com. (Rubinson Aff., par. 32). The potential for confusion is apparent: a consumer researching "Mansion nightclub" on the Internet via the popular Yahoo search engine is immediately presented with the confusing fact that there are two "Mansions", one in Boston and one in Miami.

The same result occurs on the extremely popular website www.MySpace.com, where millions of young people have personal web pages, and where both MANSION and defendants' "Mansion" nightclub are the subject of extensive comments, photographs and links to the websites of one club or the other. A search of "mansion nightclub" on MySpace.com (without quotes) results in dozens of links to personal and corporate web pages, some related to MANSION, and some related to defendants' "Mansion" nightclub in Boston. (Rubinson Aff., par. 33).

These examples, taken from ClubZone.com, Yahoo.com and MySpace.com show defendants' use of "Mansion" for the name of its nightclub is likely to lead to confusion on the Internet, one of the leading vehicles for marketing high-end nightclub services.

Finally, it is important to note that nightclub services are relatively inexpensive and are purchased casually, a factor that increases the likelihood of confusion in this case. *See, eg.,*

Boston Athletic Ass'n, 867 F.2d at 30 ("[i]nexpensive items, bought by the casual purchaser, are not likely to be bought with great care").

4. Evidence of Actual Confusion

It is well established that the existence of examples of actual confusion is among the strongest evidence of a likelihood of confusion. "Evidence of actual confusion is ordinarily decisive." *Nailtiques Cosmetic Corp. v. Salon Sciences Corp.*, 1997 WL 244746 (S. D. Fla. 1997)(citations omitted). "Actual confusion is such persuasive evidence of the likelihood of confusion that even a minimal demonstration of actual confusion may be significant." *Copy Cop v. Task Printing, Inc.*, 908 F. Supp. 37, 45 (D. Mass. 1995), citing *Boston Athletic Association*, 867 F.2d at 31. See also *Roto-Rooter Corp. v. O'Neal*, 513 F.2d 44, 46 (5th Cir. 1975)("[Actual confusion] is the best evidence of likelihood of confusion").

As detailed in the Rubinson Affidavit, in this case actual confusion began even *before* defendants' "Mansion" nightclub opened. On the "Facebook.com" page owned by "opdigital.com," the defendants' web site designer, opdigital announced the "grand opening" of the defendants' "Mansion" nightclub on February 15, 2007. MySpace.com allows other MySpace.com users to write comments, and at 8:46 p.m. on February 7, 2007, a user named Sharon Mayer wrote: "does anyone know if this is the same mansion club like in miami." At 11:19 that night another user, Danny Danesh, responded "ya..only better." (Rubinson Aff., par. 34).

Pre-opening confusion also arose on a website called heyletsgo.com, which allows users to send invitations to events and invitees can "rsvp" and comment on the event. Leading up to the "grand opening" of the defendants' "Mansion" nightclub, various heyletsgo.com users stated: defendants' Mansion nightclub "reminds me of Mansion in Miami." Another person responded, "Can't wait! Mansion Miami is awesome!!!!" A third stated, "Looking forward to checking ut

[sic] the new Mansion and to seeing that it give [sic] Mansion in Miami a real run for its money." A fourth said "Is this club the same style as Mansion in South Beach?" (Rubinson Aff., par. 35).

These comments by users on MySpace.com and Heyletsgo.com show that the target market for plaintiff's services had confused the defendants' "Mansion" nightclub with plaintiff's MANSION nightclub even before defendants' "Mansion" nightclub had opened, and that people planned to patronize the defendants' "Mansion" nightclub under the mistaken belief that it was affiliated with MANSION.

Even greater confusion arose after the club opened on February 15, 2007. In late February, the Harvard Business School Asian-American Association announced a "Zen Party" to be held on March 6, 2007 at "Boston's Newest Nightclub . . . Mansion, *operated by the owners of Mansion-Miami* . . ." (Emphasis added; (Rubinson Aff., par. 36). This party also served as a benefit event for the "Children of Rural China Foundation," and was promoted as well on the Foundation's website, where the Foundation stated that the benefit event would take place at "Mansion (*all new venue from the owners of Mansion Miami*)." (Emphasis added; see Rubinson Aff., par. 36).

In trademark cases where a mark has only recently been introduced it usually is difficult to show evidence of actual confusion. In this case, however, actual confusion is already manifest, and thus this factor weights strongly in Star Island's favor.

5. Defendants' Intent in Adopting the "Mansion" Mark

The defendants' are not newcomers to the stage of nationally known nightclubs. In an article published in Boston Magazine about the defendants Patrick Lyons and the Lyons Group, the author stated:

The Lyons Group practically defines "nightlife players " in Boston.

Its holdings include Avalon, Axis, Embassy, the Modern, I/D, and Bill's Bar on Lansdowne Street; the restaurants Sonsie, Harvard

Gardens, part of Jasper White's Summer Shacks, Lucky's Lounge, and the Tiki Bar; the entertainment emporium that is Kings and the deVille Lounge; Sophia's nightclub; and, in the Alley, **the Big Easy [the space now occupied by Mansion]**, Sugar Shack, and Sweetwater Café.

(Rubinson Aff., par. 37; emphasis added).

Avalon, which has a Boston location and sister clubs in New York and Hollywood, states on its website (www.avalonboston.com), that it was "Voted Americas #1 Club Night, Most Popular US Club at the 2003 Las Vegas Club Show Awards." (Rubinson Aff., par. 39). This is a reference to the nightclub awards that have been awarded each year since 2003 by *Club Systems International Magazine*. As the Avalon website proudly states, the Avalon nightclub in Boston took the award for "Best Superclub" in 2003.

Although Avalon never won this category again, both MANSION and Avalon (or one of its sister clubs in New York or Hollywood), have been nominated for "Best Superclub" every year since. In connection with the 2005 nomination *The Boston Globe* reported, on January 6, 2005, that "Lansdowne Street powerhouse Avalon has been nominated for the third time in the 'best superclub category.' Patrick Lyons's anchor nightspot finds itself is some good company, with New York's Crobar, **Miami's Mansion** and Sound Bar in Chicago." (Rubinson Aff., par. 43).

Given the fact that the Lyons Group's Avalon chain of clubs has gone head-to-head with MANSION for the "Best Superclub" award for each of the last three years means, it strains credulity to suggest that the defendant Patrick Lyons (according to Boston Magazine the "King of Clubs"; Rubinson Aff., par. 37) and other employees of the Lyons Group were not aware of plaintiff's MANSION club when they chose to give their club (a high-end, luxurious club located, like MANSION, in a former theater), the name "Mansion."

Accordingly, the defendants' adoption and use of the "Mansion" service mark is willful and in bad faith.

6. The Strength of Star Island's MANSION Service Mark

In this Circuit, in order to determine the relative strength of a given mark, courts examine "the length of time a mark has been used and the relative renown in its field; the strength of the mark in the plaintiff's field of business; and the plaintiff's action in promoting the mark." *Keds, supra*, at 222 (quotation omitted). Here, Star Island's MANSION service mark has been in continuous and substantial use since February 2004. (Rubinson Aff., par. 3, 4). The MANSION mark has been promoted at a monthly cost of over \$200,000. Due to its practice of encouraging "celebrity" guests, popular musical artists, and the overall quality of its club, MANSION has received extensive press coverage in national magazines. (Rubinson Aff., par. 10). MANSION nightclub has been nominated for "Best Superclub" for the last three years (2005 - 2007), and has received extensive publicity due to those nominations. MANSION was chosen as the venue for the opening scenes in the 2006 movie *Miami Vice*, which grossed more than \$63 million in the first two months after its release. The club was also chosen as the venue for a recent MTV television show. MANSION has advertised extensively on the Internet and in nationally distributed magazines, including *Ocean Drive Magazine* and *American Way Magazine*. (Rubinson Aff., par. 11). Star Island has actively protected the mark as, for example when it send a demand letter to "Avalon New York," challenging its use of the mark MANSION, an action which led immediately to Avalon New York's dropping use of the mark. (Rubinson Aff., par. 47).

These promotional activities and steps to protect the service mark, along with MANSION's enormous success in the marketplace, indicate that the service mark is particularly strong. Moreover, the MANSION mark is "inherently distinctive," and should be viewed by this

Court as a "strong" mark. "Strong" marks are accorded broader protection against infringement than are "weak" marks. *Volkswagenwerk, supra* at 819 (citation omitted). Toward that end, "[S]trong marks are more easily infringed than weak marks, and require stronger measures to remedy infringement." *Aktiebolaget, supra* at 5. Here, the "strong measure" required to prevent irreparable harm to Star Island and its valuable MANSION mark is an injunction against further infringement by defendants.

In sum, the analysis of the above factors demonstrates that Star Island will be likely to succeed at trial in proving that defendants' use of an identical mark for identical services creates a likelihood of confusion under Section 43(a) of the Lanham Act.

C. Because a Likelihood of Success on the Merits Exists, Irreparable Harm is Presumed

Where the moving party on a preliminary injunction on a trademark infringement action "has demonstrated a likelihood of success on the merits, irreparable harm will be presumed." *Boustany, supra* at 111; *Calamari Fisheries, supra* at 1013. (citations omitted). Because Star Island has proven that defendants' use of an identical mark on identical services constitutes an unlawful infringement, irreparable harm is presumed.

D. A "Balance of Harms" Favors Star Island and the Granting of Injunctive Relief Against Defendants' Use of Its Infringing "Mansion" Service Mark

In deciding whether to grant a Motion for a Preliminary Injunction, "the Court must examine whether the injury to the plaintiff outweighs the harm which granting the injunctive relief would inflict on defendants." *Calamari Fisheries*, 698 F. Supp. at 1014. The harm to Star Island -- *should the requested relief not be granted* -- would be far greater than any harm to defendants. For one, as of the date of this filing, defendants have been selling services under the infringing "Mansion" service mark for only 3 months (February 15, 2007 to present).

Furthermore, Star Island has expended large amounts of money and effort in creating the MANSION brand since MANSION opened in early 2004. Because of the relatively small amount of time that the parties' services have overlapped in the marketplace, it is likely that defendants could easily change their "Mansion" service mark to a non-infringing product identifier.

Accordingly, under the circumstances of this case, an analysis of this factor weighs in favor of granting injunctive relief to Star Island.

E. Since the Granting of Injunctive Relief is Appropriate, Under the Circumstances the Public Interest is Served

Courts have held that where a likelihood of confusion exists between goods or services sold by separate parties or entities, it is in the public interest to prevent such confusion. *See, e.g., Donoghue v. IBC/USA (Publications), Inc.*, 886 F. Supp. 947, 955 (D. Mass. 1995); *Calamari Fisheries, supra* at 1015 ("Preventing consumer confusion is clearly in the public interest"). In the instant case, plaintiff's use and sale of services bearing the MANSION service mark is unauthorized, misleading, has already caused consumer confusion, and is likely to cause more unless enjoined. As such, "[t]he relevant consideration is the consumers' interest in not being deceived or confused about the products they purchase." *Calamari Fisheries*, 698 F. Supp. at 1015. Moreover, as the Court in *Boustany* noted, "[i]n copyright and trademark cases, the public interest almost always favors the granting of otherwise appropriate injunctions." *Boustany, supra* at 113 (quotation omitted). Here, because Star Island has demonstrated both actual confusion and the likelihood of further consumer confusion, this "showing is enough to place the weight of public interest concerns in favor of granting the injunction." *Id.*

CONCLUSION

For the foregoing reasons, defendants' motion for a preliminary injunction should be allowed.

Respectfully submitted,

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By their attorneys

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Certificate of Service

I hereby certify that on the 16th day of May 2007 a copy of the foregoing document was sent via first-class mail and electronic mail to Sharmili P. Das, Esq., Gibson & Behman, P.C., One Mountain Road, Burlington, MA 01803, counsel for the defendants,

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