

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

OSRAM SYLVANIA INC.,

Plaintiff,

-against-

LEDVANCE LLC,

Defendant.

Case No.: 1:20-cv-09858

**COMPLAINT AND
DEMAND FOR JURY TRIAL**

OSRAM SYLVANIA Inc. (“Sylvania”), by way of its undersigned attorneys, as and for its Complaint against Ledvance LLC (“Ledvance” or “Defendant”), hereby alleges as follows:

INTRODUCTION

1. This is an action for breach of contract, unfair competition and infringement of Sylvania’s registered and unregistered rights in federal trademarks and related wrongs. Sylvania’s claims against Defendant arise under the Trademark Act of 1946, 15 U.S.C. §§ 1051, 1125 *et seq.* (as amended, the “Lanham Act”) and the common law of New York.

2. Sylvania is one of the largest and well-known manufacturers of lighting products and technology in North America. Sylvania manufactures and markets lighting products for businesses and vehicles and holds a leading share of the North American lighting market. The “Sylvania” brand has been associated with electric lighting since its predecessor Hygrade Sylvania started preliminary research on fluorescent technology, demonstrating the first linear, or tubular, fluorescent lamp at the 1939 New York World's Fair. The “Sylvania” brand has been used on and in connection with Sylvania’s various products continuously ever since then. Defendant Ledvance licensed from Sylvania the right to use the “Sylvania” brand and certain associated trademarks on

and in connection with particular goods and services, and for specific periods of time, pursuant to a carefully negotiated agreement between the parties, the Sylvania Trademark License Agreement dated as of July 1, 2016 (the “TMLA”).

3. Sylvania owns numerous federal trademark registrations for the various trademarks set forth in **Exhibit A** attached hereto (collectively, the “Marks”), and uses the Marks in connection with its sale of goods in the lighting and automotive lighting equipment markets (collectively, the “Products”).

4. Under the TMLA [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

5. As described below, Defendant is making ongoing use of the Marks in violation of the TMLA. As a result, Sylvania is entitled to remedies under the TMLA, the Lanham Act and state laws for damages, injunction, interest and attorneys’ fees. Sylvania brings this suit to prevent further damage and irreparable harm to the Marks, to Sylvania’s exclusive rights to its Marks, and to uphold the excellent reputation that its “Sylvania” brand and the other Marks enjoy with the consuming public.

THE PARTIES

6. Sylvania is a corporation organized under the laws of the State of Delaware with a principal place of business in Massachusetts located at 200 Ballardvale Street, Wilmington, MA 01887.

7. Defendant is a limited liability company organized under the laws of the State of Delaware with a principal place of business in Massachusetts located 200 Ballardvale Street, Wilmington, MA 01887.

JURISDICTION AND VENUE

8. This Court has jurisdiction over this federal trademark infringement action pursuant to 28 U.S.C. § 1331.

9. This Court also has jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367(a).

10. Venue is proper in this district under 28 U.S.C. § 1391 because the TMLA provides in Section 38.3 that any disputes between Defendant and Sylvania arising out of the TMLA shall be governed by the laws of the State of New York and shall be adjudicated exclusively in the courts of the State and County of New York.

FACTS COMMON TO ALL COUNTS

Defendant's Operation of a Brand Shop Has Breached the TMLA.

11. For many years prior to 2016, when the parties signed the TMLA, and ever since then, sales of the products to consumers have increasingly occurred online. E-commerce platforms, such as the platform operated by Amazon, Inc. ("Amazon") at Amazon.com (the "Amazon Platform"), are increasingly vital to any distribution and sale to consumers of products, including Products as defined in the TMLA.

12. Amazon controls the mechanism by which consumers search for and find the consumer products they seek on the Amazon Platform, allowing many well-known trademarks to be used as the basis for a "brand store," in which products bearing a particular brand are aggregated together in an online "store," namely a webpage devoted to that particular brand of goods. To ensure that a particular brand store bears the appearance and contains the goods that legitimately

connect to that particular brand, Amazon allows the owner of such a brand store to control various aspects of the appearance and contents of its brand store on the Amazon Platform. Because the Amazon Platform attracts so many internet consumers, control of the brand store on the Amazon Platform is therefore highly important to the owner of a particular brand, because consumers are likely to become confused if there are several different brand stores associated with the same brand within the same platform. At the very least, a brand owner wants to ensure that the brand store associated with its brand remains under its control, so that any other brand store associated with the same brand does not confuse consumers as to where they can purchase genuine products that legitimately bear the brand, and so that the brand owner continues to control the manner and circumstances under which legitimate products that bear its trademarks are sold and how they are presented, sold and distributed to consumers.

13. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

14. The ongoing Coronavirus pandemic has caused online sales to be even more important to businesses than ever. US e-commerce retailers saw an uptick of 68% of revenue generated online as of mid-April of 2020.¹ This is a market that Sylvania had and has the right to exploit, but because of Defendant's breaches and infringements of the Marks, [REDACTED]

¹ See Louis Columbus, *How COVID-19 is Transforming E-Commerce*, FORBES <https://www.forbes.com/sites/louiscolumbus/2020/04/28/how-covid-19-is-transforming-e-commerce/?sh=1283504d3544> (published April 28, 2020).

[REDACTED] in its Brand Shop on the Amazon Platform, the world's biggest online marketplace.

15. [REDACTED]
[REDACTED]
[REDACTED].

16. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

17. [REDACTED]
[REDACTED]
[REDACTED].

18. Since at least as early as August 14, 2020, and continuously thereafter, Defendant has operated and continues to operate a Brand Shop on Amazon and perhaps other e-commerce platforms, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

19. On August 14, 2020, Sylvania notified Defendant that Sylvania had become aware of Defendant's unauthorized operation of a Brand Shop on Amazon. [REDACTED]
[REDACTED] t

[REDACTED]

[REDACTED]

20. Defendant's unauthorized sale of the Products and operation of the Brand Shop on the Amazon Platform (and perhaps other e-commerce platforms) were without Sylvania's knowledge prior to August 2020, and were from the outset and continue to be without Sylvania's consent. [REDACTED]

[REDACTED]

21. Despite its receipt of the Notice, Defendant continued to operate a Brand Shop displaying Sylvania Products bearing the Marks as if it has the right to do so.

22. [REDACTED]

[REDACTED]

[REDACTED]

23. Instead, on the Cure Date, Defendant's General Counsel Andrew Martin sent Sylvania's Head of Intellectual Property Shaun Montana an email stating that the Brand Shop on the Amazon Platform had been deactivated three weeks earlier by Amazon. A copy of that email is attached hereto as **Exhibit D**.

24. Defendant's statement was false, and remains false as of the date hereof, as Defendant continues to operate a Brand Store on the Amazon Platform, which remains active and operational and displaying Sylvania branded products. As of early on the date of this complaint, Defendant continues the unauthorized sale of the Products bearing Sylvania's Marks on the Amazon Platform bearing the slogan "Visit the SYLVANIA by Ledvance Store," each of which links to Defendant's Brand Shop.

25. Defendant's unauthorized use of a Brand Shop results in promotion and use of the Sylvania Marks that Sylvania had reserved for itself and those it authorized, confusing customers, and diverting sales away from Sylvania and to Defendant. In this way, Defendant's unauthorized and infringing uses of Sylvania's Marks deprives Sylvania of the profit it could derive from use of its Marks. By creating a separate Brand Shop using the Sylvania Marks, devoted to only Defendant's own products, Defendant is willfully making infringing use of Sylvania's Marks. Such infringements have caused and are continuously causing damage to Sylvania.

Defendant's Continued Use of Certain Marks [REDACTED] Constitutes a Breach Under the TMLA.

26. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED].

27. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

28. This continued use breaches the TMLA, thus constituting trademark infringement and unfair competition of Sylvania's registered Quick Marks, causing damage and irreparable harm to Sylvania. Screenshots of Defendant's ongoing use of the Quick Marks on Defendant's website are attached hereto as **Exhibit E**.

There Has Been No Waiver or Amendment of the TMLA Authorizing Defendant's Brand Shop or the Continued Use of the Quick Marks.

29. There have been neither any amendments, nor any waivers of Defendant's obligations to (a) refrain from creating the Brand Shop on the Amazon Platform or any other e-

commerce platform without Sylvania's permission and/or (b) authorizing Defendant's continued use of the Quick Marks.

30. [REDACTED]

31. Sylvania has not waived Defendant's obligations thereunder nor has there been any amendment that would have otherwise eliminated or reduce Defendant's obligations under the TMLA.

Sylvania Attempted to Halt Defendant's Infringements, to No Avail.

32. Seeing that Defendant's continued unauthorized operation of its Amazon Brand Shop, and possibly other Brand Shops on other e-commerce platforms, and the Defendant's continued use of the Quick Marks continued despite the Notice, Sylvania promptly instructed the undersigned attorney to send a cease-and-desist letter to Defendant on November 5, 2020 (the "Cease and Desist Letter"). The Cease-and-Desist Letter required a written response and confirmation that Defendant had ceased its infringing uses, along with confirmation that Defendant had instituted a litigation hold concerning records relevant to the parties' dispute, and production of various information concerning the dispute, all by close of business on November 10, 2020.

33. Defendant's failed to respond by that deadline. When the undersigned counsel followed up with Defendant's General Counsel Andrew Martin via email after 10 pm that night, he received a short email from Gregg Paradise, an attorney at Lerner David Littenberg Krumholz & Mentlik LLP who indicated that he was "in the process of being retained" by Defendant, and that he had intended to respond by the deadline, but that his email had remained stuck in his outbox. There was no substantive response to the Cease and Desist Letter, no confirmation of any

litigation hold, no acknowledgement of Sylvania's rights to the Marks under the TMLA, or production of any information or documents requested in the Cease and Desist Letter.

34. Counsel for Sylvania followed up again with Mr. Paradise, who first confirmed on Thursday November 19th that he had just been retained by Ledvance. At that time, he represented that his client had by then ceased use of the Quick Marks. However, he was unable to confirm how or when his client would ensure that the Amazon Brand Shop was in compliance with the TMLA. Subsequent communication on Friday November 21 similarly gave no assurances as to when or how Ledvance would resolve Sylvania's complaints about the breaches of the TMLA, promise when Ledvance would be in compliance with the TMLA, or offer any form of redress for Ledvance's breaches over the preceding months and years.

35. Despite additional communications between the parties on Saturday November 21 and Sunday November 22, Defendant Ledvance continues to operate its own separate Brand Shop on the Amazon Platform displaying and selling Sylvania branded products without Sylvania's authorization. Furthermore, it now appears Defendant Ledvance gave instructions to Amazon to change the manner in which Sylvania's own products were displayed and offered for sale on Sylvania's own Brand Shop, resulting in Sylvania's products being removed from its own Brand Shop for an undetermined period of time, further damaging Sylvania and its ability to display and sell its products as it is entitled to do.

36. Additionally, Sylvania has recently learned that, on November 5, 2020, in one of Ledvance's communications with Amazon, Ledvance attached a copy of the TMLA without Sylvania's prior written approval, [REDACTED]

[REDACTED]

[REDACTED]

FIRST CLAIM FOR RELIEF

Federal Trademark Infringement under 15 U.S.C. § 1114

37. Sylvania repeats and realleges each of the foregoing allegations, as if fully set forth herein.

38. Sylvania owns exclusive federal rights in the Marks and the Quick Marks, as stated in paragraphs 3 and 26 respectively.

39. Defendant has both actual and constructive knowledge of the Marks and the Products Sylvania offers under the Marks.

40. Defendant has used, is using, and may have caused others to use the Marks and elements thereof beyond the uses authorized by the TMLA.

41. Because the Defendant's Amazon Brand Shop, and any other Brand Shops that Defendant may operate without authorization from Sylvania, appears to consumers to be part of an official seller of Sylvania products on Amazon, it causes a likelihood of consumer confusion as to the source and endorsement of the Defendant's Brand Shop.

42. The appearance, the selection and organization of products and branding, the lack of other products sold and other contents within Amazon Brand Shop, and any other Brand Shops that Defendant operates without authorization, are all chosen by Defendant, not Sylvania. This infringing use is open and prominent: customers find their way to the Defendant's Brand Store very easily. Defendant's unlawful actions were and are knowing, deliberate, willful and in bad faith. Each of Defendant's uses after August 14, 2020, was and is done with the prior knowledge that it was breaching the TMLA.

43. As a result of Defendant's unlawful actions, Sylvania has suffered and is likely to continue to suffer damages while Defendant's have directly benefited from profits and/or unjust enrichment.

44. Sylvania will continue to suffer irreparable harm for which it may have no adequate remedy at law, unless Defendant is enjoined from their unlawful conduct.

45. Sylvania will suffer damages in an amount to be determined at trial by reason of the infringements described herein.

SECOND CLAIM FOR RELIEF

Unfair Competition under 28 U.S.C. § 1125

46. Sylvania repeats and realleges each of the foregoing allegations, as if fully set forth herein.

47. Sylvania markets, offers, sells and delivers its Products through its website and its Brand Shop on Amazon and on other e-commerce platforms.

48. Sylvania's Marks are associated with Sylvania, allowing consumers to identify Sylvania as the seller of the Products.

49. By breaching the TMLA, the existence of both Sylvania's use of the Marks and the Defendant's unauthorized use of the Marks in the Defendant's Brand Shop on Amazon, is confusing to customers because the Defendant uses the "look and feel" that is often associated with Products created and sold by Sylvania.

50. Defendant's sale of products in its Brand Store deprives Sylvania of the opportunity that it reserved for itself to create and organize the online brand store without unauthorized competition using Sylvania's own registered trademarks.

51. Upon information and belief, Defendant's conduct is willful and is intended to, has, and is likely to continue to cause confusion, mistake, or deception as to the affiliation, connection, or association of Defendant's products with Sylvania's Products.

52. Defendant's conduct constitutes unfair competition under 28 U.S.C. § 1125.

53. Defendant's conduct has caused Sylvania to suffer immediate and irreparable harm and injury to its goodwill and reputation and will continue to confuse the public unless enjoined by this court. Sylvania has no adequate remedy at law.

54. Unless Defendant is permanently enjoined from its wrongful conduct, Sylvania will continue to suffer irreparable harm and injury to its goodwill and reputation.

55. Sylvania will suffer damages in an amount to be determined at trial by reason of the unfair competition.

THIRD CLAIM FOR RELIEF

Breach of Contract

56. Sylvania repeats and realleges each of the foregoing allegations, as if fully set forth herein.

57. The parties, for valuable consideration, entered into a valid and enforceable contract on July 1, 2016 for the licensing of certain Marks [REDACTED] (as described herein, the "TMLA").

58. [REDACTED]
[REDACTED]
[REDACTED]

59. [REDACTED]
[REDACTED]
[REDACTED]

60. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

61. As previously stated, no such amendment and waiver exist that would limit or otherwise expand Defendant's obligations under the TMLA.

62. [REDACTED]

[REDACTED].

63. [REDACTED]

[REDACTED]

64. [REDACTED]

[REDACTED]

[REDACTED].

65. [REDACTED]

[REDACTED].

66. Sylvania will continue to suffer damages in an amount to be determined at trial by reason of the breach of contract.

PRAYER FOR RELIEF

WHEREFORE, Sylvania respectfully prays for the following:

- A. An order requiring Defendant to abandon its use of a Brand Shop on Amazon or any other e-commerce shop;
- B. An order requiring Defendant to abandon the sale of its Sylvania licensed products on a brand shop on Amazon or any other e-commerce platform other than from Sylvania's own such brand shop on such platform;
- C. An order requiring Defendant to cease any unauthorized use of the Quick Marks on its licensed website, on any product marketing materials, and on any other online retailer;
- D. An award of damages;

- E. Interests and costs;
- F. Reasonable attorney's fees; and
- G. Such further relief as this Court may deem just and equitable.

JURY DEMAND

Sylvania hereby demands trial by jury of all issues so triable.

DATED: November 23, 2020

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