

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION – DETROIT

COMPLAINT

Plaintiff FenF, LLC (“FenF”), by its undersigned attorneys, alleges the following for its Complaint against Defendant Groupon, Inc. (“Groupon”):

Parties

1. FenF is a limited liability company organized and existing under the laws of Michigan and having a place of business located at 8155 Huron River Drive, Dexter, Michigan 48130.

2. On information and belief, Groupon is corporation existing under the laws of Delaware and having a place of business at 600 West Chicago Avenue, Suite 400, Chicago, Illinois 60654.

Jurisdiction and Venue

3. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338, as well as 15 U.S.C. § 1121, because this action arises under the trademark

laws of the United States (Title 15 Chapter 22 of the United States Code) and the copyright laws of the United States (Title 17 of the United States Code).

4. This Court has personal jurisdiction over Groupon because Groupon has conducted and continues to conduct business in this judicial district and, upon information and belief, has engaged in activities related to FenF's claims federal trademark infringement and federal copyright infringement that establish minimum contacts with the state of Michigan, including having committed acts of trademark infringement and copyright infringement in this judicial district, and the exercise of personal jurisdiction over Groupon is reasonable and fair. Personal jurisdiction over Groupon may be established under Fed. R. Civ. P. 4(k).

5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391.

Common Allegations

6. FenF sells foot-therapy products that are designed to treat various foot and toe ailments including hammertoes, flat feet, bunions, poor circulation, plantar fasciitis, and crossed toes.

7. FenF sells a line of Yoga Toes® products, including a Yoga Toes® GEMS® product (hereafter “the GEMS® product”), in various on-line outlets including through its website (www.yogatoes.com) as well as through on-line retailers such as Amazon.com.

8. The GEMS® product sold by FenF includes upstanding posts made of an elastic material. Each of the upstanding posts has a faceted gemstone handle at a free end thereof. A representative photograph of the GEMS® product is shown below in photograph A.



A: FenF's GEMS® Product

9. FenF's GEMS® product has been featured on television shows such as *Rachel Ray*, *Dr. Oz* and *The Today Show* featuring Kathy Lee and Hoda.

10. FenF's GEMS® product has also been featured in publications such as The Wall Street Journal, New York Magazine and Oprah Magazine.

11. FenF has spent over \$5 Million dollars in promoting its Yoga Toes® products including its GEMS® product.

12. As a result of FenF's sales, advertising, and the quality and uniqueness of its GEMS® products, FenF has been the number 1 seller on Amazon in its product category for over 3 years.

13. FenF has acquired value, name and brand recognition, and goodwill in the use of its faceted gemstone handles in connection with its GEMS® product as a result of continual and substantial advertising, promotion, and interstate commercial activity related to its GEMS® product that dates back to at least December 2010.

14. FenF is the owner of protectable trade dress for a foot-therapy product that includes faceted gemstone handles, and has obtained a Federal Trademark Registration, Registration No. 5,098,981, for the faceted gemstone handle design ("the '981 trademark registration"). A true and correct copy of the '981 trademark registration is attached to this Complaint as Exhibit A.

15. FenF is the owner of a copyright to a photograph of its GEMS® product, shown below in photograph B, and has registered that copyright with the U.S. Copyright Office in accordance with applicable copyright statutes, Title 17 United States Code, such copyright being assigned Registration Number VA0002120655 ("the '655 copyright registration"). A true and correct copy of the '655 copyright registration is attached to this Complaint as Exhibit B.

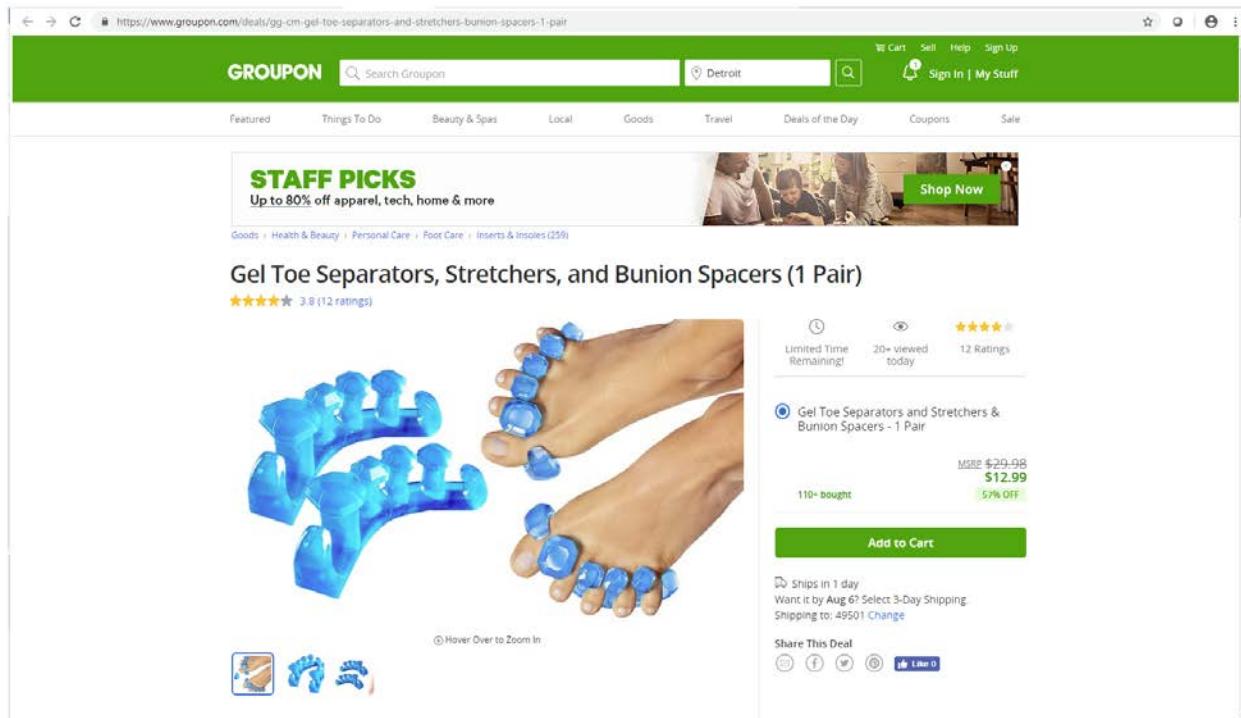


B: Copyright of GEMS® Product

16. On information and belief, Groupon owns and operates an interactive website, www.groupon.com, that advertises and offers certain products for sale to the general public within the United States, including in this District.

17. On information and belief, members of the general public can actively search through products that are advertised, featured, and offered for sale on Groupon's website, and ultimately purchase any of those products and arrange for shipping of the purchased product(s) through an interactive shopping cart feature.

18. Through its website, Groupon advertises and offers for sale a foot-therapy product ("the Groupon Product") under the heading "Gel Toe Separators, Stretchers, and Bunion Spacers," available at <https://www.groupon.com/deals/gg-cm-gel-toe-separators-and-stretchers-bunion-spacers-1-pair>, as shown in the screenshot below in photograph C.



C: Screenshot of Groupon Website

19. The Groupon Product is a copy of FenF's GEMS® product. The Groupon Product includes upstanding posts that are configured to separate a user's toes. Each of the upstanding posts includes a faceted gemstone handle that is confusingly similar to the faceted gemstone handles featured on FenF's GEMS® product and protected by the '981 trademark registration. Images of the Groupon Product retrieved from Groupon's website are reproduced below as photographs D and E.



D: Image of Groupon Product



E: Image of Groupon Product (left) With Feet

20. On the relevant webpage in which the Groupon Product is advertised and offered for sale, Groupon displays an image of the Groupon product along with an unauthorized reproduction of FenF's copyrighted work that is the subject of the

'655 copyright registration. Groupon's unauthorized reproduction of FenF's copyrighted work is shown below in photograph F.



⊕ Hover Over to Zoom In

F: Unauthorized Reproduction (right) of FenF's Copyright

21. The Groupon Product competes directly with FenF's GEMS® product for sales to the general public.

**Count I - Violation of Section 32 of the Lanham Act
Infringement of Trademark Registration No. 5,098,981**

22. FenF repeats and realleges the allegations contained in paragraphs 1 through 21 as if fully set forth herein.

23. The faceted gemstone handles of FenF's GEMS® product are non-functional and have acquired secondary meaning through long and sustained use in interstate commerce and through substantial advertising, promotion, and sales

of FenF's GEMS® product, and are the subject of the '981 registration owned by FenF.

24. Groupon has used, and is continuing to use, in interstate commerce and without authorization from FenF, a reproduction, counterfeit, copy and/or colorable imitation of FenF's '981 trademark registration through its advertising, promotion, distribution, and offering for sale of the Groupon Product, which includes upstanding posts having faceted gemstone handles.

25. Groupon's use in commerce of a reproduction, counterfeit, copy and/or colorable imitation of FenF's '981 trademark registration in connection with its advertising, promotion, distribution, and offering for sale of the Groupon Product is likely to cause confusion, to cause mistake, and/or to deceive purchasers as to the source of the Groupon Product or as to Groupon's affiliation, connection, approval, sponsorship, or association with FenF.

26. Groupon's actions constitute infringement of FenF's federally registered trademark for the faceted gemstone handle in violation of Section 32(a) of the Lanham Act, 15 U.S.C. § 1114.

27. Groupon's use of FenF's registered trademark in connection with the use of faceted gemstone handles as part of the Groupon Product in interstate commerce has caused, is causing, and will continue to cause damage to FenF's

business, reputation, goodwill, profits, and the strength of FenF's federally registered trade dress rights.

28. On information and belief, and by virtue of the widespread exposure and success of FenF's GEMS® product, Groupon was actively aware of FenF and its trademark rights in the faceted gemstone handles of FenF's GEMS® product when Groupon began selling the Groupon Product, yet proceeded anyway to use a reproduction, counterfeit, copy and/or colorable imitation of FenF's '981 trademark registration in the Groupon Product, and is continuing to do so, thus rendering Groupon's use of FenF's registered trademark willful and deliberate.

Count II – Copyright Infringement
(Infringement of Copyright Registration No. VA0002120655)

29. FenF repeats and realleges the allegation contained in paragraphs 1 through 28 as if fully set forth herein.

30. Groupon has infringed, and continues to infringed, the '655 copyright registration by displaying FenF's copyrighted photograph on its website in connection with the advertising, promotion, and offering for sale of the Groupon Product without authorization or approval from FenF.

31. Groupon's reproduction of FenF's copyrighted photograph and its infringement of FenF's copyright has been, and continues to be, willful and deliberate.

32. Groupon's infringement of FenF's copyright has caused, is causing, and will continue to cause irreparable injury to FenF.

RELIEF REQUESTED

WHEREFORE, FenF respectfully requests that this Court enter a judgment that:

- A. Finds Groupon's use in commerce of a reproduction, counterfeit, copy and/or colorable imitation of faceted gemstone handles that are the subject of FenF's '981 registration infringes the '981 trademark registration in violation of 15 U.S.C. § 1114;
- B. Awards FenF profits gained by Groupon as a result of Groupon's trademark infringement, increased to an amount this Court deems just, pursuant 15 U.S.C. § 1117;
- C. Awards FenF actual damages sustained as a result of Groupon's infringement of the '981 trademark registration, increased by up to three times, pursuant 15 U.S.C. § 1117;
- D. Awards FenF its costs and any additional damages to which FenF is entitled as a result of Groupon's infringement of the '981 trademark registration;
- E. Finds this case to be exceptional and awards FenF its reasonable attorney fees pursuant 15 U.S.C. § 1117;

F. Orders Groupon and its officers, directors, agents, servants, employees, successors, assigns, and all persons in active concert or participation with it, be preliminarily and permanently enjoined from infringing the '981 trademark registration;

G. Orders Groupon to recall from any distributors, shippers, resellers, retailers, or wholesalers any and all advertising, products, packaging or any other items that infringe the '981 trademark registration;

H. Orders Groupon to deliver to FenF any and all advertising, products, packaging, or any other items that infringe the '981 trademark registration;

I. Finds Groupon's unauthorized reproduction and displaying of FenF's copyrighted photograph, which is the subject of the '655 copyright registration, in connection with the Groupon Product infringes the '655 copyright registration in violation of 17 U.S.C. § 501;

J. Awards FenF damages to compensate for Groupon's copyright infringement pursuant to 17 U.S.C. § 504, including FenF's actual damages and any additional profits of Groupon or, in the alternative statutory damages of up to \$150,000.00 per work because of the willful nature of Groupon's infringement;

K. Awards FenF its full costs, including attorney fees, stemming from Groupon's copyright infringement pursuant to 17 U.S.C. § 505;

L. Orders the impounding of all items that violate the exclusive rights of FenF in its registered copyright pursuant to 17 U.S.C. § 503;

M. Orders Groupon and its officers, directors, agents, servants, employees, successors, assigns, and all persons in active concert or participation with it, be preliminarily and permanently enjoined from infringing the '655 copyright registration pursuant to 17 U.S.C. § 505; and

N. Awards FenF costs, pre-judgment and post-judgment interest at the maximum allowable rate, fees, and other such further relief as the Court deems just and proper.

Respectfully submitted,

Dated: August 2, 2019

By: /s/ Richard W. Hoffmann
RICHARD W. HOFFMANN (P42352)
MICHAEL J. DRUZINSKI (P72711)
Reising Ethington PC
755 W. Big Beaver Road, Suite 1850
Troy, Michigan 48084
Telephone: (248) 689-3500
E-mail: hoffmann@reising.com
druzinski@reising.com

Attorneys for Plaintiff FenF, LLC

JURY TRIAL DEMANDED

FenF demands a jury trial on all issues so triable.

Respectfully submitted,

Dated: August 2, 2019

By: /s/ Richard W. Hoffmann
RICHARD W. HOFFMANN (P42352)
MICHAEL J. DRUZINSKI (P72711)
Reising Ethington P.C.
755 W. Big Beaver Road, Suite 1850
Troy, Michigan 48084
Telephone: (248) 689-3500
E-mail: hoffmann@reising.com
druzinski@reising.com

Attorneys for Plaintiff FenF, LLC