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AIRWAIR INTERNATIONAL LTD.

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

AIRWAIR INTERNATIONAL LTD., a
company of the United Kingdom,

Plaintiff,

v.

ITX USA LLC,

Defendant.

Case No. 3:19-cv-07641-SI

**AIRWAIR INTERNATIONAL LTD.'S
NOTICE OF MOTION AND MOTION
FOR PERMANENT INJUNCTION**

Hearing date: October 1, 2021
Time: 10:00 AM

Trial Date: August 2, 2021
Date Action Filed: Nov. 20, 2019
Amended Complaint Filed: Mar. 21, 2020

1 **TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT** on Friday, October 1, via virtual hearing or as
3 ordered by the Court, Plaintiff AirWair International Ltd. (“AirWair”) will present its Motion
4 for a permanent injunction against defendant ITX USA, LLC (“ITX”). AirWair requests that the
5 court permanently enjoin ITX and its officers, directors, servants, employees, attorneys, agents,
6 representatives, partners, joint venturers, corporate affiliates, successors, assigns, and all persons
7 in active concert or participation with it, from:

8 A. designing, manufacturing, importing, shipping, delivering, selling, marketing,
9 displaying, advertising, or promoting footwear in the United States that use any of the
10 following trade dress¹ (“Dr. Martens Trade Dress”), alone or in combination:

- 11 1. Registration No. 2,437,751 (a combination of yellow stitching in the welt area,
12 and a two-tone grooved sole edge);
- 13 2. Registration No. 5,067,689 (a sole edge including longitudinal ribbing, and a
14 dark color band over a light color);
- 15 3. Registration No. 5,067,692 (longitudinal ribbing and a dark color band over a
16 light color on the outer sole edge, welt stitching, and a tab located at the top
17 back heel of footwear);
- 18 4. The overall visual impression of welt stitching, a grooved sole edge, an angled
19 heel, a platform sole, the “Quad” cleat pattern, and a heel loop (the “Jadon
20 Design”); and/or

21 B. designing, manufacturing, importing, shipping, delivering, selling, marketing,
22 displaying, advertising, or promoting footwear in the United States that use the
23 elements of the trade dress in a manner that is a colorable imitation of or confusingly
24 similar to the Dr. Martens Trade Dress, alone or in combination; and/or

25 C. representing or implying, directly or indirectly, to retailers, customers, distributors,
26 licensees, or any other customers or potential customers of the products of ITX or to

27 ¹ The Dr. Martens Trade Dress is set forth in exhibits A - E to the Declaration of K. Lee
28 Marshall in Support of AirWair’s Motion for Permanent Injunction.

1 any corporate affiliate of ITX (collectively, “ITX Products”) that ITX Products
2 originate with, are sponsored, endorsed, or licensed by, or are otherwise associated or
3 affiliated with AirWair or Dr. Martens.

4 This Motion is made pursuant to 15 U.S.C. §1114(1), California state common law unfair
5 competition, 15 U.S.C. §1125(c), California Business & Professions Code §14247, and the
6 jury’s verdict on August 9, 2021. This Motion is also based on this Notice of Motion, the
7 accompanying Memorandum of Points and Authorities, the Declaration of K. Lee Marshall in
8 Support of AirWair’s Motion for Permanent Injunction, and exhibits thereto, the files, records,
9 and pleadings already on file in this action, and any other evidence or argument that may be
10 presented by AirWair at or before the hearing on this Motion.

11 DATED: August 23, 2021

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Respectfully submitted,

By: /s/ Lee Marshall

K. Lee Marshall

BRYAN CAVE LEIGHTON PAISNER LLP
Attorneys for Plaintiff
AIRWAIR INTERNATIONAL LTD.

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I. INTRODUCTION

On August 9, 2021, the jury returned a verdict finding that plaintiff AirWair International Ltd. (“AirWair”) had prevailed on its trade dress infringement, unfair competition, and trademark dilution claims against defendant ITX USA, LLC (“ITX”), and that ITX did not prevail on its counterclaims for cancellation of AirWair’s 5,067,689 and 5,067,692 registrations:

- On the issue of trade dress infringement under U.S.C. §1114(1), the jury found that AirWair’s 2,437,751 (“751”), 5,067,689 (“689”), and 5,067,692 (“692”) registrations (“AirWair’s Registered Marks”) are valid and protectable; that AirWair owns its Registered Marks; and that ITX used trade dress similar to AirWair’s Registered Marks without AirWair’s consent, in a manner that was likely to cause confusion among ordinary consumers or other members of the public as to the source, sponsorship, affiliation, or approval of the goods. *See* ECF No. 183 Jury Verdict Form (“Verdict”) at p. 2-3.
- On the issue of unfair competition under 15 U.S.C. §1125 and California common law, the jury found that the overall visual impression of the Jadon Design, including welt stitching, a grooved sole edge, angled heel, cleat pattern, and platform sole, has acquired secondary meaning; that AirWair owns the overall visual impression of the Jadon Design as trade dress; that the overall visual impression of the Jadon Design is nonfunctional; and that ITX used trade dress similar to the overall visual impression of the Jadon Design without the consent of AirWair in a manner that is likely to cause confusion among ordinary consumers and the general public as to the source, sponsorship, affiliation, or approval of the defendant’s goods. Verdict at p. 4-5.
- On the issue of trademark dilution under 15 U.S.C. §1125(c) and California Business & Professions Code §14247, the jury found that each of AirWair’s Registered Marks and the Jadon Design are valid, that each of AirWair’s Registered Marks and the Jadon Design are famous, and that ITX’s conduct was

1 **II. LEGAL STANDARD**

2 [A trademark plaintiff] entitled to relief[] is entitled to effective relief; and any
 3 doubt in respect of the extent thereof must be resolved in its favor as the innocent
 producer and against the [infringer], which has shown by its conduct that it is not
 to be trusted.

4 *William R. Warner & Co. v. Eli Lilly & Co.*, 265 U.S. 526, 532 (1924). The Lanham Act grants
 5 district courts the “power to grant injunctions, according to the principles of equity and upon
 6 such terms as the court may deem reasonable, to prevent the violation of any right of [a
 7 trademark owner].” 15 U.S.C. §1116(a). Injunctive relief is available under federal statute for
 8 trademark infringement, unfair competition, and trademark dilution. 15 U.S.C. §1116(a);
 9 §1125(c)(1). Likewise, it is the remedy provided by California statute for trademark dilution.
 10 Cal. Bus. & Prof. Code § 14247(b).

11 The Lanham Act mandates that a plaintiff whose trademark has been diluted under 15
 12 U.S.C. §1125(c) “**shall be entitled to an injunction** against another person who, at any time
 13 after the owner's mark has become famous, commences use of a mark or trade name in
 14 commerce that is likely to cause dilution by blurring ... **regardless of the presence or absence**
 15 **of actual or likely confusion, of competition, or of actual economic injury**” (subject to the
 16 principles of equity). 15 U.S.C. §1125(c)(1). Courts will issue permanent injunctions when a
 17 defendant is found liable for dilution under §1125(c) if the equities do not counsel otherwise.
 18 *See, e.g., Gianni Versace, S.p.A., v. Versace 19.69 Abbigliamento Sportivo SRL*, 328 F. Supp.
 19 3d 1007, 1023, 1032 (N.D. Cal. 2018) (granting motion for permanent injunction where plaintiff
 20 had satisfied the requirements for injunctive relief for dilution under §1125(c)); *BMW of N. Am.,*
 21 *LLC v. Rocco*, 2020 WL 7047318, at *10 (C.D. Cal. Nov. 18, 2020) (finding that plaintiff had
 22 established dilution and was entitled to a permanent injunction).

23 The Ninth Circuit has held that “[i]njunctive relief is the remedy of choice for trademark
 24 and unfair competition cases, since there is no adequate remedy at law for the injury caused by
 25 a defendant's continuing infringement.” *Century 21 Real Est. Corp. v. Sandlin*, 846 F.2d 1175,
 26 1180 (9th Cir. 1988); *see also* 5 McCarthy on Trademarks and Unfair Competition § 30:1 (5th
 27 ed.) (“The usual historical practice has been that a prevailing plaintiff in a case of trademark
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1 infringement or false advertising will ordinarily receive permanent injunctive relief of some
 2 kind.”). As the Eleventh Circuit observed, “in ordinary trademark infringement actions ...
 3 complete injunctions against the infringing party are the order of the day,” and “[t]he reason is
 4 simple: the public deserves not to be led astray by the use of inevitably confusing marks.” *Angel*
 5 *Flight of Georgia, Inc. v. Angel Flight Am., Inc.*, 522 F.3d 1200, 1209 (11th Cir. 2008) (citations
 6 and quotations omitted). Additionally, in December 2020, Congress acknowledged the strong
 7 relationship between trademark infringement and injunctive relief, amending the Lanham Act
 8 to entitle any plaintiff seeking a permanent injunction following infringement of its trademark
 9 to a “rebuttable presumption of irreparable harm.”³ 15 U.S.C. § 1116(a).⁴

10 III. FACTUAL BACKGROUND

11 AirWair makes and sells Dr. Martens brand footwear. Sixty years after the first Dr.
 12 Martens boot was produced, the distinctive features first created by R. Griggs & Co., Ltd.
 13 (“Griggs”) in 1960 remain on tens of millions of pairs of Dr. Martens shoes and boots, season
 14 after season, for the sole reason that they have become part of the brand’s “DNA,” serving as
 15 source identifiers to millions of consumers in the U.S. and worldwide. Trial Transcript 189, 212-
 16 213. Dr. Martens’ trade dress includes the following (separately and/or collectively “Dr. Martens
 17 Trade Dress”):

- 18 1. the ‘751 Registration (a combination of yellow stitching in the welt area, and a
 19 two-tone grooved sole edge)
- 20 2. the ‘689 Registration (a sole edge including longitudinal ribbing, and a dark
 21 color band over a light color)

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 23
 24 ³ The amendment reads, in full: “A plaintiff seeking any such injunction shall be entitled
 25 to a rebuttable presumption of irreparable harm ***upon a finding of a violation identified in this***
 26 ***subsection in the case of a motion for a permanent injunction*** or upon a finding of likelihood
 of success on the merits for a violation identified in this subsection in the case of a motion for a
 preliminary injunction or temporary restraining order.” 15 U.S.C. § 1116 (emphasis added).

27 ⁴ In so doing, Congress effectively overruled judicial decisions in which courts had
 28 applied the reasoning of *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 390 (2006) on
 injunctions in the patent context to trademark cases.

1 3. the ‘692 Registration (longitudinal ribbing and a dark color band over a light
2 color on the outer sole edge, welt stitching, and a tab located at the top back heel of footwear)

3 4. the overall visual impression of the Jadon Design, including welt stitching, a
4 grooved sole edge, angled heel, heel tab, cleat pattern, and platform sole.

5 As the jury concluded, all four of these designs are famous. Verdict at p. 5-6. To protect
6 these famous designs and to guard its reputation for well-made and culturally-relevant footwear,
7 AirWair actively protects and enforces its trademarks and trade dress in the United States and
8 internationally. Trial Transcript 318:18-321:10. Since at least the 1990’s, AirWair has carried
9 out a trademark enforcement program to remove infringing designs from the marketplace by
10 way of internet takedowns, phone calls, demand letters, and—when necessary—litigation. *Id.*
11 In addition to its enforcement efforts, over the past four years, AirWair spends \$8.5 million per
12 year on advertising. Trial Transcript 306:15-17. The majority of Dr. Martens footwear styles
13 feature the trade dress, as do most of AirWair’s corresponding advertising materials. *Id.* 306-
14 310. AirWair has invested in its brand and its trade dress for more than sixty years, having
15 expended substantial time and resources to cultivate what the world has come to know as “Docs
16 DNA” and to remove infringing products from the marketplace.

17 In 2019—the same year the Dr. Martens 1460 was named “Shoe of the Year” by
18 Footwear News—ITX sold four infringing styles that featured various elements of the Dr.
19 Martens Trade Dress and overall looked confusingly similar to Dr. Martens. Trial Transcript
20 350:7-11. On June 11, 2019, AirWair sent a cease and desist letter requesting that ITX’s Pull &
21 Bear brand cease selling footwear; on July 19, 2019, counsel for Pull & Bear responded by
22 firmly rejecting AirWair’s rights and refusing to promise not to infringe in the future. Trial
23 Transcript 322:5-9, 326-327. Further, ITX introduced yet *another* infringing style after receiving
24 AirWair’s letter. Trial Transcript 327-328. AirWair ultimately filed the instant action on
25 November 20, 2019. ITX responded by seeking to cancel AirWair’s registrations and prove its
26 marks invalid, ostensibly in hopes of gaining the right to sell copy Dr. Martens footwear in the
27 future. The case proceeded to trial due to ITX’s intransigence. ITX’s repeated, persistent refusal
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1 to agree not to sell similar footwear in the future leads to reasonable conclusion that ITX will
2 continue to do so if not permanently enjoined by this Court.

3 **IV. ARGUMENT**

4 **1. The Lanham Act Mandates Injunctive Relief for ITX’s Dilution of AirWair’s**
5 **Trade Dress**

6 The Lanham Act provides that a plaintiff whose trademark has been diluted “**shall be**
7 **entitled to an injunction ... regardless of the presence or absence of actual or likely**
8 **confusion, of competition, or of actual economic injury,”** subject to the principles of equity.
9 15 U.S.C. §1125(c)(1). Here, the jury found that ITX diluted all of its asserted trade dress: the
10 ‘689 Registration, the ‘692 Registration, the ‘751 Registration, and the Jadon Design.
11 Specifically, it found that each of the designs are famous, and that ITX’s actions were likely to
12 cause dilution by blurring of these famous marks/designs. Because ITX has been found to have
13 diluted AirWair’s trade dress, and because the principles of equity support injunctive relief,
14 AirWair is entitled to a permanent injunction under the Lanham Act. There is no equitable reason
15 to diverge from AirWair’s entitlement to an injunction under §1125(c)(1). Indeed, as discussed
16 further below, the equities firmly support AirWair’s right to an injunction.

17 **2. AirWair Is Also Entitled to an Injunction for ITX’s Infringement of AirWair’s**
18 **Trade Dress**

19 The Lanham Act provides this court the authority to grant injunctions in order “to prevent
20 the violation of any right of the registrant of a mark registered in the Patent and Trademark
21 Office or to prevent a violation under subsection (a) ... of Section 1125 of this title.” 15 U.S.C.
22 §1116(a). This reflects the “usual historical practice” of granting injunctive relief to a prevailing
23 plaintiff in a trademark case. *See* 5 McCarthy on Trademarks and Unfair Competition § 30:1
24 (5th ed.).

25 Here, the jury found that ITX infringed AirWair’s rights in its marks registered ‘751,
26 ‘689, and ‘692 marks registered in the USPTO. Verdict at pp. 2-3. Likewise, the jury found that
27 ITX violated subsection (a) of Section 1125 when it engaged in unfair competition by using the
28

1 overall visual impression of the Jadon Design. Verdict at p. 4. Under the Lanham Act, a
 2 permanent injunction is the appropriate remedy when one of these rights has been violated; it is
 3 all the more appropriate in a case such as this, where the defendant has violated two of the rights
 4 enumerated in the statute.

5 **3. The Principles of Equity Support a Permanent Injunction**

6 The relevant equitable factors are: (1) whether the prevailing party has suffered an
 7 irreparable injury; (2) whether remedies available at law, such as monetary damages, are
 8 inadequate to compensate for that injury; (3) whether, considering the balance of hardships
 9 between the plaintiff and defendant, a remedy in equity is warranted; and (4) whether the public
 10 interest would not be disserved by a permanent injunction. *Facebook, Inc. v. Power Ventures,*
 11 *Inc.*, 252 F. Supp. 3d 765, 773 (N.D. Cal. 2017), *aff'd*, 749 F. App'x 557 (9th Cir. 2019) (internal
 12 citation omitted). Here, irreparable harm is presumed, monetary damages are exceptionally
 13 difficult to quantify and are thus inadequate, and both the balance of hardship and the public
 14 interest firmly supports a permanent injunction.

15 **A. Irreparable Harm Is Both Presumed and Clearly Evident Here.**

16 A plaintiff seeking a permanent injunction under the Lanham Act is “entitled to a
 17 rebuttable presumption of irreparable harm upon a finding of a violation [of the Lanham Act].”
 18 15 U.S.C. §1116.⁵ On motion for a permanent injunction, the burden lies with a defendant to
 19 rebut that presumption. A defendant cannot rebut this presumption by simply showing that it
 20 has ceased infringement. *Already, LLC v. Nike, Inc.*, 568 U.S. 85, 91 (2013). Rather, “a
 21 defendant claiming that its voluntary compliance moots a case bears the formidable burden of
 22 showing that it is absolutely clear the allegedly wrongful behavior could not reasonably be
 23 expected to recur.” *Already*, 568 U.S. at 91 (*quoting Friends of the Earth, Inc. v. Laidlaw*
 24 *Environmental Services (TOC), Inc.*, 528 U.S. 167, 190 (2000)). In the Ninth Circuit, a
 25 defendant rebutting this presumption with evidence of cessation must demonstrate their reform
 26 is irrefutable and total. *See Polo Fashions, Inc. v. Dick Bruhn, Inc.*, 793 F.2d 1132, 1135 (9th

27 ⁵ The Lanham Act was amended in 2020 to provide for this presumption. Consolidated
 28 Appropriations Act, 2021, PL 116-260, December 27, 2020, 134 Stat 1182 (enacted).

1 Cir. 1986) (*quoting* J. McCarthy, 2 *Trademarks and Unfair Competition* § 30:6, at 471 (2d ed.
 2 1984); *see also* *Levi Strauss & Co. v. Shilon*, 121 F.3d 1309, 1314 (9th Cir. 1997) (Affirming
 3 injunction against admitted counterfeiter and holding, “Levi Strauss is not required to produce
 4 evidence that [defendant] is likely to infringe again.”).

5 Even before the presumption of irreparable harm was added to the Lanham Act, the
 6 Ninth Circuit held that “[i]n trademark infringement or unfair competition actions, once the
 7 plaintiff establishes a likelihood of confusion, it is ordinarily presumed that the plaintiff will
 8 suffer irreparable harm if injunctive relief is not granted.” *Vision Sports, Inc. v. Melville Corp.*,
 9 888 F.2d 609, 612 (9th Cir. 1989). When it does analyze irreparable harm in the context of
 10 trademarks, the Ninth Circuit considers “[e]vidence of threatened loss of prospective customers
 11 or goodwill” to be strong support for “a finding of the possibility of irreparable harm.” *Stuhlberg*
 12 *Int'l Sales Co. v. John D. Brush & Co.*, 240 F.3d 832, 841 (9th Cir. 2001); *see also* *Adidas Am.,*
 13 *Inc. v. Skechers USA, Inc.*, 890 F.3d 747, 756 (9th Cir. 2018) (“Evidence of loss of control over
 14 business reputation and damage to goodwill [can] constitute irreparable harm.”).

15 At trial, AirWair’s creative director Damien Wilson offered evidence of the threatened
 16 loss of prospective goodwill and control over AirWair’s business reputation when he described
 17 his own experiences encountering infringing footwear in the real world:

18 I've had -- personally had an experience of seeing somebody walking in a -- you
 19 know, for want of a better word, a "knockoff" pair of Doc Martens across the street,
 20 with the sole hanging off because it was glued on and not made of great materials.
And I think if people mistake that as a pair of Dr. Martens, that's not a great
thing. It's something that's mental.

21 Trial Transcript at 260:3-10. Likewise, AirWair USA president Leslie Lane described the
 22 relationship between the violation of AirWair’s trade dress and the threatened loss of the brand:

23 [I]t’s a very hard thing for me to talk about because that would be incredibly
 24 damaging to the brand. Tremendously damaging, yeah. Yeah, a couple of years of
 mass sales ... and the brand would be nowhere.

25 Trial Transcript 498:23-499:2. As the Ninth Circuit has held, this evidence of threatened loss of
 26 prospective goodwill and potential customers “certainly supports a finding of the possibility of
 27 irreparable harm.” *See Stuhlberg Int'l Sales Co.*, 240 F.3d at 841.

1 The Ninth Circuit finds an even greater risk of harm where a plaintiff has demonstrated
2 that it expends considerable time and resources in cultivating its brand image and promoting its
3 mark. For example, in *Adidas v. Skechers*, the court concluded that the unsolicited media
4 attention that plaintiff Adidas had received, combined with Adidas’ extensive targeted
5 advertising and its tight control of the supply of its products, “demonstrate that [A]didas has
6 built a specific reputation around [its trade dress] with intangible benefits.” *Id.* at 756-57. The
7 court concluded that these “intangible benefits” could be harmed if the defendant’s infringing
8 shoes remained on the market “because consumers will be confused about the source of the
9 shoes,” noting that “harm to advertising efforts and goodwill constitute ‘intangible injuries’ that
10 warrant injunctive protection.” *Id.* at 757.

11 Like Adidas, AirWair has presented voluminous evidence at trial of unsolicited media
12 attention related to its brand and trade dress, from celebrity interviews to college textbooks. As
13 one unsolicited news article stated:

14 Dr. Martens are a style icon that has endured for over 50 years. They’ve been worn
15 by everyone from Kanye West, to Cardi B. to the Dalai Lama, and even Pope John
16 Paul, II, when the Vatican placed an order for the famous eight-eyelet boot in black,
white, and navy leather.

17 Trial Transcript 246:25-246:5. Similarly, a graphic design textbook described the relationship
18 between AirWair’s success and its intentional marketing and utilization of its trade dress:

19 Central to the success of the Doc Martens’ brand identity has been the company’s
20 corporate image. Some of the key features of the product are encompassed within
21 the corporate logo. The words ‘Doc Martens’ are arranged in the shape of a boot,
while the word ‘Martens’ incorporates the famous grooved sole edge.

22 *Id.* at 236:10-17. This unsolicited attention constitutes an “intangible benefit,” as described by
23 the Ninth Circuit in *Adidas*, at risk of “intangible injuries” in the absence of injunctive
24 protection.

25 Likewise, AirWair has presented evidence that it expends considerable resources on
26 advertising and cultivation of its image and reputation through enforcement of its trademark
27 rights. *See, e.g.*, Trial Transcript 306:15-17 (Leslie Lane testifying that AirWair spends \$8.5
28

1 million per year on advertising). AirWair has also presented evidence of its efforts to protect its
2 designs and guard its reputation through decades of trademark enforcement in the United States
3 and around the world. *Id.* at 318:18-321:10. Like *Adidas*, AirWair has built a strong reputation
4 around its trade dress over the past 60 years, with intangible benefits. These intangible benefits
5 will suffer incalculable, intangible injuries if ITX has an opportunity to flood the market with
6 infringing boots.

7 AirWair is entitled to a statutory presumption of irreparable harm. Even without this
8 presumption, AirWair has presented strong evidence of the types of threats that the Ninth Circuit
9 considers most relevant: the threatened loss of prospective customers, goodwill, and control of
10 AirWair's reputation, and the threat of injuries to the intangible benefits AirWair has cultivated
11 over the past 60 years. The record is unambiguous: AirWair has suffered and will continue to
12 suffer irreparable harm if this Court does not permanently enjoin ITX from infringing on its
13 trademark rights.

14 **B. Remedies Available at Law are Inadequate for AirWair's Injuries**

15 The Ninth Circuit has held that “[i]njunctive relief is the remedy of choice for trademark
16 and unfair competition cases, since there is no adequate remedy at law for the injury caused by
17 a defendant's [potential] continuing infringement.” *Century 21 Real Est. Corp. v. Sandlin*, 846
18 F.2d 1175, 1180 (9th Cir. 1988) (upholding a permanent injunction against defendant, where
19 defendant continued to infringe plaintiff's trademark after receiving a cease and desist letter
20 from the plaintiff; the court saw this as evidence of wrongful intent and justification for
21 injunctive relief). Here, as in the *Century 21* case, the potential for continuing infringement is
22 clear from ITX's introduction of a new infringing style *after* AirWair sent its cease and desist
23 letter.

24 A plaintiff seeking injunctive relief for trademark infringement is “not require[d] [to]
25 introduce concrete evidence that defendants are likely to infringe again.” *Polo Fashions, Inc. v.*
26 *Dick Bruhn, Inc.*, 793 F.2d 1132, 1135 (9th Cir. 1986). In *Polo v. Dick Bruhn*, the Ninth Circuit
27 reversed a district court's decision to deny injunctive relief because the defendant had stopped
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1 infringing and the plaintiff had not introduced specific evidence to demonstrate that the
2 defendant would infringe again. *Polo Fashions Inc.*, 739 F.2d at 1135. In addition to its holding
3 that plaintiffs are not required to introduce evidence of likelihood of future infringement, the
4 Ninth Circuit pointed to the defendant’s past conduct to justify injunctive relief: the defendant
5 willfully violated the plaintiff’s trademark rights and “refused to stop violating” these rights
6 until the plaintiff brought suit in federal court. *Id.* Such is the case here.

7 Absent injunctive relief, and given the already established likelihood of confusion,
8 AirWair’s reputation and goodwill would be out of AirWair’s hands and subject to irreparable
9 harm that cannot be quantified. *See generally U.S. Polo Ass’n, Inc. v. PRL USA Holdings, Inc.*,
10 800 F. Supp. 2d 515, 541 (S.D.N.Y. 2011), *aff’d*, 511 F. App’x 81 (2d Cir. 2013).

11 C. The Balance of Hardships Favors Injunctive Relief

12 In considering the balance of hardships between the plaintiff and the defendant in a
13 trademark infringement case, courts often find little hardship for defendants if the injunction is
14 granted and substantial hardship for the plaintiff if the injunction is *not* granted. *See Polo*
15 *Fashions, Inc.*, 739 F.2d at 1135-36 (“If the defendants sincerely intend not to infringe, the
16 injunction harms them little; if they do, it gives [Plaintiff] substantial protection of its
17 trademark.”); *Brighton Collectibles, Inc. v. Coldwater Creek, Inc.*, 2009 WL 10671767, at *2
18 (S.D. Cal. Jan. 23, 2009) (“If [Defendant] plans not to infringe [Plaintiff’s] trade dress ... in the
19 future, the permanent injunction will impose no hardship at all. On the other hand, denying
20 injunctive relief would leave [Plaintiff] needlessly vulnerable to future infringement
21 necessitating additional litigation.”). Courts have also found no potential hardship for
22 defendants where an injunction “would still allow [defendant] to operate its business, albeit
23 without the products at issue.” *Deckers Outdoor Corp. v. Pacific Harbors, LLC.*, 2020 WL
24 5269437, at *8 (D. Or. Aug. 10, 2020); *see also Cadence Design Sys., Inc. v. Avant! Corp.*, 125
25 F.3d 824, 830 (9th Cir. 1997) (“[A] defendant who knowingly infringes another’s copyright
26 cannot complain of the harm that will befall it when properly forced to desist from its infringing
27 activities.”).

1 Here, the balance of hardships clearly favors AirWair. As explained above, AirWair will
2 be severely and irreparably harmed if ITX again sells infringing products. In addition to further
3 harm to its brand and reputation, AirWair would be at risk of future expensive litigation in order
4 to enforce the rights that have already been established by the jury's verdict here. ITX is a
5 subsidiary of the largest fashion retailer in the world, with the means to flood the market with
6 infringing products in a matter of weeks, causing severe harm to AirWair more quickly than
7 AirWair could respond with future lawsuits.

8 On the other hand, ITX will suffer no hardship whatsoever, unless it intends to continue
9 to infringe AirWair's trade dress.

10 **D. The Public Interest Supports a Permanent Injunction**

11 The Ninth Circuit has long acknowledged that trademark law exists to protect the "public
12 interest in avoiding consumer confusion." *Rogers v. Grimaldi*, 875 F.2d 994, 999 (2d Cir. 1989).
13 In addition, courts have held that injunctive relief in trademark cases "serves the public interest
14 by preventing confusion as to the validity of a product and in preventing the 'misappropriation
15 of the skills, creative energies, and resources which are invested in the protected work.'" *Deckers Outdoor Corp. v. Pacific Harbors, LLC.*, 2020 WL 5269437, at *8 (D. Or. Aug. 10,
16 2020) (quoting *Apple Computer, Inc. v. Franklin Computer Corp.*, 714 F.2d 1240, 1255 (3rd
17 Cir. 1983)).

18 Here the jury found a likelihood of consumer confusion by ITX's sale of copy products
19 and therefore, the public interest demands a permanent injunction in order to avoid a likelihood
20 of confusion, encourage fair competition, keep infringing products off the market, and protect
21 consumers from confusion.

22 **4. AirWair is Entitled to an Injunction Against Further Sales of Any Products** 23 **Confusingly Similar to AirWair's Trade Dress**

24 As McCarthy notes, "[i]n a surprisingly large number of cases, a defendant enjoined from
25 use of an infringing trademark has proceeded to make only a minute and de minimis change in
26 purported compliance with the court's order." 5 McCarthy on Trademarks and Unfair
27

1 Competition § 30:21 (5th ed.). In order to ensure that a defendant does not attempt to skirt an
2 injunction and continue infringing on a plaintiff’s rights, “a court can frame an injunction which
3 will keep a proven infringer safely away from the perimeter of future infringement.” *See Id.* at
4 § 30:4.

5 [A]n infringer, once caught, should have his conduct carefully scrutinized in any
6 future operations so as to determine his intent in going as far as he does. He must
be required to keep a safe distance away from the margin line.

7 *Plough, Inc. v. Kreis Lab'ys*, 314 F.2d 635, 639 (9th Cir. 1963) (quotation marks omitted). A
8 defendant may be held in contempt if, once enjoined from selling items “likely to cause
9 confusion, mistake, or deception,” the defendant deliberately “[tries] to walk as close to the line
10 as they can.” *Transgo v. Ajac Transmission Parts Corp.*, 1981 WL 40538, at *3 (C.D. Cal. Jan.
11 16, 1981), *aff'd sub nom. Transgo, Inc. v. Ajac Transmission Parts Corp.*, 768 F.2d 1001 (9th
12 Cir. 1985).

13 Courts regularly issue and enforce injunctions or consent judgments prohibiting the sale
14 of products which are colorable imitations or confusingly similar to a plaintiff’s trade dress. *See*
15 *Wolfard Glassblowing Co. v. Vanbragt*, 118 F.3d 1320, 1321 (9th Cir. 1997) (affirming a finding
16 for contempt for violation of a consent judgment prohibiting “**colorable imitations**” of the
17 plaintiff’s trade dress); *Toyo Tire & Rubber Co. v. Hong Kong Tri-Ace Tire Co.*, 281 F. Supp.
18 3d 967, 979 (C.D. Cal. 2017) (finding that a final judgment’s use of the phrase “**confusingly**
19 **similar thereto**” did not make it ambiguous or unenforceable); *Blumenthal Distrib., Inc. v.*
20 *Herman Miller, Inc.*, 2017 WL 3271706, at *35 (C.D. Cal. Aug. 1, 2017) *aff'd in part, rev'd in*
21 *part on other grounds and remanded*, 963 F.3d 859 (9th Cir. 2020), *and aff'd in part, rev'd in*
22 *part on other grounds and remanded*, 811 F. App'x 421 (9th Cir. 2020) (holding that **an**
23 **injunction extending to sale of “any colorable imitations” of the specified product was**
24 **sufficiently definite**). This language is particularly appropriate for injunctions related to trade
25 dress, which involve the “appearance of the product and may include features such as size,
26 shape, color, color combinations, texture, or graphics.” *See Rachel v. Banana Republic, Inc.*,
27 831 F.2d 1503, 1506 (9th Cir. 1987); *see also Toyo Tire & Rubber Co.*, 281 F. Supp. 3d at 979

1 (finding this language **appropriate because it “mirrors the law that would be applied if**
 2 **enjoined parties used a protected trade dress”**).

3 AirWair requests an injunction as described in the attached notice of motion and
 4 articulated in its proposed judgment and permanent injunction. This proposed injunction mirrors
 5 the language commonly used by courts in the Ninth Circuit for violations of the Lanham Act.
 6 For example, in *Brighton Collectibles v. Coldwater Creek*, the Southern District of California
 7 issued a permanent injunction prohibiting the enjoined parties from:

- 8 a. designing, manufacturing, importing, shipping, delivering, selling, marketing,
 9 displaying, advertising, or promoting luggage, handbags, wallets, brief bags
 10 and/or accessories **that display the following trade dress**: jacquard fabric,
 11 leather embossed to resemble crocodile and a sculpted silver heart ornament
 12 **combined in a manner that is confusingly similar to the look of the**
 13 **Brighton “jacquard collection”** ...; and/or
 14 b. designing, manufacturing, importing, shipping, delivering, selling, marketing,
 15 displaying, advertising or promoting any products that incorporate designs
 16 substantially similar to Brighton’s copyrighted “Carolina Heart” hardware
 17 design; and/or
 18 c. representing or implying, directly or indirectly, to retailers, customers,
 19 distributors, licensees, or any other customers or potential customers of
 20 Coldwater’s products that Coldwater’s products originate with, are sponsored,
 21 endorsed, or licensed by, or are otherwise associated or affiliated with Brighton.

22 Judgment at 2-3, *Brighton Collectibles, Inc. v. Coldwater Creek, Inc.*, 2009 WL 10671767 (S.D.
 23 Cal. Jan. 23, 2009), ECF No. 310 (emphasis added). There, when the defendant moved to modify
 24 or clarify the injunction, the court denied its motion, holding that the injunction language was
 25 “consistent with ‘the rule that an infringer must keep a fair distance from the margin line’ in
 26 governing its future conduct.” Order Denying Defendant’s Motion to Modify or Clarify
 27 Permanent Injunction, *Brighton Collectibles, Inc. v. Coldwater Creek, Inc.*, 2009 WL 10671767
 28 (S.D. Cal. Jan. 23, 2009), ECF No. 345 (quoting *Wolfard Glassblowing*, 118 F.3d at 1323).

Because the rights violated by ITX relate to the overall visual impression of AirWair’s
 trade dress, including its Registered Marks and the Jadon Design, AirWair is entitled to an
 injunction that comports with those generally granted in the Ninth Circuit when a defendant has
 violated the Lanham Act. Absent this prohibition, ITX will be free to “walk as close to the line
 as they can,” profiting from, and causing further harm to, AirWair’s goodwill and reputation.

1 requests the Court permanently enjoin ITX and its officers, directors, servants, employees,
2 attorneys, agents, representatives, partners, joint venturers, corporate affiliates, successors,
3 assigns, and all persons in active concert or participation with it.

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5 DATED: August 23, 2021

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Respectfully submitted,

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By: /s/ Lee Marshall

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K. Lee Marshall

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BRYAN CAVE LEIGHTON PAISNER LLP

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Attorneys for Plaintiff

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AIRWAIR INTERNATIONAL LTD.

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