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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SUGARFINA, INC.,	)	17-cv-4456-RSWL-JEM
	)	
Plaintiff,	)	
	)	<b>ORDER RE: DEFENDANTS'</b>
v.	)	<b>MOTION TO DISMISS [18]</b>
	)	
SWEET PETE'S LLC; ML	)	
SWEETS, LLC; PETER	)	
BEHRINGER; AND ALLISON	)	
BEHRINGER,	)	
	)	
Defendants.	)	

Plaintiff Sugarfina, Inc. ("Plaintiff" or "Sugarfina") brought the instant Action against Defendants Sweet Pete's LLC ("Sweet Pete's"); ML Sweets, LLC ("ML Sweets"); Peter Behringer; and Allison Behringer (collectively, "Defendants") alleging trade dress infringement, trademark infringement, unfair business practices, unjust enrichment, patent infringement, and copyright infringement. Currently before the Court is Defendants' Motion to Dismiss the

1 Complaint pursuant to Federal Rule of Civil Procedure  
2 ("FRCP" or "Rule") 12(b)(6) ("Motion") [18]. Having  
3 reviewed all papers submitted pertaining to the Motion,  
4 the Court **NOW FINDS AND RULES AS FOLLOWS:** Defendants'  
5 Motion to Dismiss is **GRANTED in part and DENIED in**  
6 **part.**

## 7 I. BACKGROUND

### 8 A. Factual Background

9 Since its founding in 2012, Sugarfina, a luxury  
10 candy boutique, has grown to a company with over 300  
11 employees and 24 retail boutiques. Compl. ¶¶ 1, 3-4,  
12 ECF No. 1. Sugarfina focuses on high-end luxury spaces  
13 including selling its products in Nordstrom, Bergdorf  
14 Goodman, and the Four Seasons Hotels. Id. ¶ 4.  
15 Sugarfina has extensively advertised its products on  
16 social media and internet marketing, and such  
17 advertisements have featured photographs of Sugarfina's  
18 designs. Id. ¶ 24.

19 In selling its products, Sugarfina has created  
20 unique design features for its products and packaging,  
21 and these features have been used consistently since  
22 its inception. Id. ¶ 6. Sugarfina alleges that its  
23 unique product packaging design includes a solid  
24 borderline around the product package, the use of a  
25 magnetic latch, a rectangular product package with  
26 minimal lettering, the inside bottom surface of the  
27 product package dominated by a series of cube wells or  
28 trays, the series of cube wells each being spaced from

1 one another within the product package, and a series of  
2 clear cubes containing candy product that each reside  
3 in a corresponding cube well. Id. ¶ 45. Sugarfina has  
4 obtained intellectual property protection in its  
5 products and packaging, including design patents,  
6 trademarks, copyrights, and trade dress. Id. ¶ 8.

7 Sweet Pete's is a Florida-based candy company.<sup>1</sup>  
8 Id. ¶ 13. Sweet Pete's rebranded itself in 2014  
9 following an appearance on the CNBC Show, *The Profit*.  
10 Id. ¶ 55. Sweet Pete's had lost money the two years  
11 before this rebranding. Id. ¶ 55. Prior to the  
12 rebranding, Sweet Pete's branding consisted of a  
13 carnival motif with the aesthetic of a children's candy  
14 store. Id. ¶ 56. The rebranding included Sweet Pete's  
15 selling its products in different packaging, which  
16 Plaintiff claims copies its innovative design,  
17 including its signature candy bento boxes.<sup>2</sup> Id. ¶¶ 64-  
18 66. Consumers, in social media posts, have noted the  
19 similarities between the two companies' packaging. Id.  
20 ¶ 76. Following the rebranding, Sweet Pete's became a  
21 profitable company, with \$3,120,000 in revenue per  
22 year. Id. ¶ 57.

23 Plaintiff also claims infringement of six marks,  
24

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25 <sup>1</sup> Defendant Peter Behringer is the founder of Sweet Pete's,  
26 and his wife, Defendant Allison Behringer, is one of the managers  
27 of Sweet Pete's. Id. ¶¶ 15-16. ML Sweets is one of the managers  
of Sweet Pete's. Id. ¶ 14.

28 <sup>2</sup> Plaintiff obtained a design patent on May 10, 2016 for  
this packaging. Id. ¶ 67.

1 including CUBA LIBRE, PEACH BELLINI, FRUTTINI, CANDY  
2 BENTO BOX, CANDY CUBE, and CANDY CONCIERGE. Id. ¶ 28.  
3 Sugarfina has used these marks for a number of years,  
4 see id. ¶¶ 30, 32, 34, 36, 38, 40, and Sweet Pete's  
5 began using each of these marks following Sugarfina's  
6 initial use of the marks, id.

7 Sugarfina sent a cease and desist letter to  
8 Defendants dated March 15, 2016 regarding these marks  
9 and Sugarfina's packaging design, and Defendants  
10 refused to comply with the request to cease selling the  
11 allegedly infringing products. Id. ¶¶ 22, 80.

12 **B. Procedural Background**

13 On June 15, 2017, Plaintiff filed its Complaint [1]  
14 against Sweet Pete's, ML Sweets, Peter Behringer, and  
15 Allison Behringer.

16 On July 13, 2017, the parties stipulated to extend  
17 the time for ML Sweets and Sweet Pete's to answer  
18 Plaintiff's Complaint [14]. The Stipulation gave ML  
19 Sweets and Sweet Pete's until July 28, 2017 to respond  
20 to the Complaint. See Stip. to Extend Time to Answer,  
21 ECF No. 14. The Stipulation did not mention Allison  
22 Behringer and Peter Behringer. Id.

23 On July 25, 2017, counsel for Defendants, Michael  
24 Kelber, called Plaintiff's counsel, Jennifer Trusso  
25 Salinas, to discuss the alleged deficiencies in the  
26 Complaint and Defendants' intent to file a motion to  
27 dismiss. See Decl. of Michael G. Kelber ("Kelber  
28 Decl.") ¶¶ 2-3. According to Mr. Kelber, the parties

1 had a substantive discussion regarding the merits of  
2 Defendants' potential motion to dismiss. Id. ¶ 4. Ms.  
3 Salinas states that she asked Mr. Kelber for authority  
4 supporting Defendants' claims that the Complaint was  
5 deficient and that he was unable to do so. Decl. of  
6 Jennifer Trusso Salinas ("Salinas Decl.") ¶ 11. At the  
7 end of the call, Ms. Salinas indicated that she would  
8 review the issues Mr. Kelber had raised and discuss  
9 them with her client. Kelber Decl. ¶ 6.

10 Then, on July 27, 2017, Ms. Salinas emailed Mr.  
11 Kelber stating, "Sugarfina will not be amending its  
12 complaint." Id. ¶ 7, Ex. 1. The following day, July  
13 28, 2017, Defendants filed their Motion to Dismiss  
14 [18]. Plaintiff filed its Opposition on August 8, 2017  
15 [21]. Defendants filed their Reply on August 15, 2017  
16 [23].

## 17 II. DISCUSSION

### 18 A. Legal Standard

19 Federal Rule of Civil Procedure 12(b)(6) allows a  
20 party to move for dismissal of one or more claims if  
21 the pleading fails to state a claim upon which relief  
22 can be granted. To survive a motion to dismiss on  
23 12(b)(6) grounds, a complaint must "contain sufficient  
24 factual matter, accepted as true, to state a claim to  
25 relief that is plausible on its face." Ashcroft v.  
26 Iqbal, 556 U.S. 662, 678 (2009)(internal quotation  
27 marks omitted). Dismissal can be based on a "lack of a  
28 cognizable legal theory or the absence of sufficient

1 facts alleged under a cognizable legal theory."  
2 Balistreri v. Pacifica Police Dep't, 901 F.2d 696, 699  
3 (9th Cir. 1990).

4 In ruling on a 12(b)(6) motion, a court may  
5 generally consider only allegations contained in the  
6 pleadings, exhibits attached to the complaint, and  
7 matters properly subject to judicial notice. Swartz v.  
8 KPMG LLP, 476 F.3d 756, 763 (9th Cir. 2007). A court  
9 must presume all factual allegations of the complaint  
10 to be true and draw all reasonable inferences in favor  
11 of the non-moving party. Klarfeld v. United States,  
12 944 F.2d 583, 585 (9th Cir. 1991).

13 The question presented by a motion to dismiss is  
14 not whether the plaintiff will ultimately prevail, but  
15 whether the plaintiff has alleged sufficient factual  
16 grounds to support a plausible claim to relief, thereby  
17 entitling the plaintiff to offer evidence in support of  
18 its claim. Iqbal, 556 U.S. at 678; Swierkiewicz v.  
19 Sorema N.A., 534 U.S. 506, 511 (2002). While a  
20 complaint need not contain detailed factual  
21 allegations, a plaintiff must provide more than "labels  
22 and conclusions" or "a formulaic recitation of a cause  
23 of action's elements." Bell Atl. Corp. v. Twombly, 550  
24 U.S. 544, 555 (2007)(internal citation omitted).  
25 However, a complaint "should not be dismissed under  
26 Rule 12(b)(6) 'unless it appears beyond doubt that the  
27 plaintiff can prove no set of facts in support of his  
28 claim which would entitle him to relief.'" Balistreri,

1 901 F.2d at 699 (citing Conley v. Gibson, 355 U.S. 41,  
2 45-46 (1957)).

3 **B. Discussion**

4 1. Plaintiff's Procedural Arguments

5 In its Opposition, Plaintiff makes two arguments  
6 that Defendants' Motion is procedurally deficient and  
7 thus should be denied. First, Plaintiff argues that  
8 Defendants failed to properly meet and confer with  
9 Plaintiff's counsel before filing their Motion, in  
10 violation of Local Rule 7-3. Pl.'s Opp'n ("Opp'n")  
11 18:22-27, ECF No. 21. According to Local Rule 7-3,  
12 "counsel contemplating the filing of any motion shall  
13 first contact opposing counsel to discuss thoroughly,  
14 preferably in person, the substance of the contemplated  
15 motion and any potential resolution. The conference  
16 shall take place at least seven (7) days prior to the  
17 filing of the motion." C.D. Cal. R. 7-3.

18 Courts have chosen to summarily deny a party's  
19 motion for failure to comply with Local Rule 7-3. See,  
20 e.g., Thomas v. Brett Sports & Entm't, Inc., No. CV 16-  
21 00480-AB (DTBx), 2016 U.S. Dist. LEXIS 112280, at \*4  
22 (C.D. Cal. Aug. 23, 2016)(denying motion to strike  
23 class allegations for failure to comply with Local Rule  
24 7-3); Alcatel-Lucent USA, Inc. v. Dugdale Commc'ns,  
25 Inc., No. CV 09-2140 PSG (JCx), 2009 U.S. Dist. LEXIS  
26 100499, at \*10 (C.D. Cal. Oct. 13, 2009)(denying motion  
27 to dismiss for lack of service of process for failure  
28 to comply with Local Rule 7-3). However, typically, in

1 cases where the court denied the party's motion for  
2 failure to comply with Local Rule 7-3, the moving party  
3 contacted the non-moving party on the same day the  
4 moving party filed the motion. Alcatel-Lucent USA,  
5 Inc., 2009 U.S. Dist. LEXIS 100499, at \*10; Lopez v.  
6 Wells Fargo Bank, N.A., No. SACV 16-1409 AG (KESx),  
7 2016 U.S. Dist. LEXIS 144380, at \*6 (C.D. Cal. Oct. 17,  
8 2016).

9 Here, while Defense counsel did not comply with  
10 Local Rule 7-3's requirement to meet and confer seven  
11 days prior to the filing of the Motion, the parties  
12 still had an opportunity to discuss the potential  
13 motion, and after their July 25, 2017 phone  
14 conversation, Plaintiff's counsel responded to Defense  
15 counsel with an email on July 27, 2017 stating that  
16 Plaintiff would not be amending its Complaint. See  
17 Kelber Decl., Ex. 1. It appears that Plaintiff's  
18 counsel had adequate time to discuss with her client  
19 Defense counsel's position and intent to file a motion  
20 to dismiss, and after conferring with her client,  
21 determined that Plaintiff would not be amending its  
22 Complaint. Based on this, Defendants' failure to  
23 timely meet and confer prior to filing their Motion did  
24 not result in prejudice to Plaintiff. De Walshe v.  
25 Togo's Eateries, Inc., 567 F. Supp. 2d 1198, 1201 n.1  
26 (C.D. Cal. 2008)(exercising discretion to evaluate  
27 summary judgment motion on merits where lack of  
28 compliance with Local Rule 7-3 did not prejudice



1 plaintiff). Therefore, the Court exercises its  
2 discretion and will evaluate the merits of Defendants'  
3 Motion.

4 Plaintiff also argues that the Court should deny  
5 the Motion as to Peter Behringer and Allison Behringer  
6 because they are in default and their Motion is  
7 untimely. Opp'n 21:3-4. Peter Behringer and Allison  
8 Behringer's deadline to file a response to Plaintiff's  
9 Complaint was July 14, 2017. While the parties filed a  
10 stipulation extending time to file a response to  
11 Plaintiff's Complaint, the stipulation only named Sweet  
12 Pete's and ML Sweets. See Stip. to Extend Time to  
13 Answer. Peter Behringer and Allison Behringer filed  
14 this Motion, their response to Plaintiff's Complaint,  
15 on July 28, 2017, two weeks after their July 14, 2017  
16 deadline.

17 To date, Plaintiff has not requested an entry of  
18 default against Peter Behringer and Allison Behringer.  
19 At this point, such a request would not be warranted  
20 because "the court cannot enter default once the  
21 defendant has filed her responsive pleading." Aguilera  
22 v. Bigham, No. 2:15-cv-1781-KJM-EFB PS, 2016 U.S. Dist.  
23 LEXIS 116724, at \*2 (E.D. Cal. Aug. 30, 2016).  
24 Further, Peter Behringer and Allison Behringer filed  
25 the instant Motion just two weeks after their deadline  
26 to answer the Complaint. Given the brevity of the  
27 delay and the fact that Plaintiff has not shown how  
28 this two-week delay prejudiced it in any way, there are

1 no "exceptional circumstances that would justify entry  
2 of a default judgment." Mitchell v. Brown & Williamson  
3 Tobacco Corp., 294 F.3d 1309, 1317 (11th Cir.  
4 2002)(internal quotations omitted); see Twitter, Inc.  
5 v. Skootle Corp., No. C 12-1721 SI, 2012 U.S. Dist.  
6 LEXIS 87029, at \*2 n.2 (N.D. Cal. June 22,  
7 2012)(deciding to address the merits of the motion to  
8 dismiss despite a delay in filing because "the  
9 plaintiff has not been prejudiced"). As such, the  
10 Court addresses the Motion on its merits despite Peter  
11 Behringer and Allison Behringer's delay in its filing.

## 12 2. Trade Dress Infringement

13 "[T]rade dress involves the total image of a  
14 product and 'may include features such as size, shape,  
15 color, color combinations, texture, or graphics.'" Vision Sports, Inc. v. Melville Corp., 888 F.2d 609,  
16 613 (9th Cir. 1989)(quoting Rachel v. Banana Republic,  
17 Inc., 831 F.2d 1503, 1506 (9th Cir. 1987)). "To state  
18 a claim for trade dress infringement, a plaintiff must  
19 allege that the asserted trade dress: '(1) is  
20 nonfunctional; (2) is either inherently distinctive or  
21 has acquired a secondary meaning; and (3) [defendant's  
22 product] is likely to be confused with [plaintiff's]  
23 products by members of the consuming public.'" Deckers  
24 Outdoor Corp. v. Fortune Dynamic, Inc., No. CV 15-769  
25 PSG (SSx), 2015 U.S. Dist. LEXIS 188274, at \*7 (C.D.  
26 Cal. May 8, 2015)(quoting Int'l Jensen, Inc. v.  
27 Metrosound U.S.A., Inc., 4 F.3d 819, 823 (9th Cir.

1 1993)).

2 As a threshold matter, “[a] plaintiff should  
3 clearly articulate its claimed trade dress to give a  
4 defendant sufficient notice.” Sleep Sci. Partners v.  
5 Lieberman, No. 09-4200 CW, 2010 U.S. Dist. LEXIS 45385,  
6 at \*3 (N.D. Cal. May 10, 2010)(citing Walker & Zanger,  
7 Inc. v. Paragon Indus., Inc., 549 F. Supp. 2d 1168,  
8 1174 (N.D. Cal. 2007)). Plaintiff first alleges that  
9 its packaging has “a total image and overall appearance  
10 that is unique, including features such as size, shape,  
11 color or color combinations, texture, graphics, and  
12 sales techniques.” Compl. ¶ 43. Plaintiff then  
13 alleges a list of elements that its trade dress may  
14 include. Id. ¶ 45.

15 Defendants argue that the list included in  
16 Paragraph 45 of the Complaint “fails to set forth a  
17 bounded list of elements.” Mot. 4:24-26, ECF No. 18.  
18 Courts in this circuit have determined that “a  
19 plaintiff [must] allege[] a complete recitation of the  
20 concrete elements of its alleged trade dress” to  
21 proceed with its trade dress claim. Lepton Labs, LLC  
22 v. Walker, 55 F. Supp. 3d 1230, 1240 (C.D. Cal. 2014).  
23 Employing language in the Complaint that the components  
24 of the trade dress listed “are only some among many [ ]  
25 raises a question of whether [Plaintiff] intends to  
26 redefine its trade dress at a future stage of  
27 litigation.” Sleep Sci. Partners, 2010 U.S. Dist.  
28 LEXIS 45385, at \*9.

1 While "it is [] difficult to require the plaintiff  
2 to essentially prove—as opposed to simply allege—that  
3 its trade dress satisfies all of the essential elements  
4 at the pleading stage," if Plaintiff does not actually  
5 provide a complete list of the elements that make up  
6 its trade dress, Defendants do not have sufficient  
7 notice of Plaintiff's trade dress claim. Lepton Labs,  
8 LLC, 55 F. Supp. 3d at 1240; see also Mike Vaughn  
9 Custom Sports, Inc. v. Piku, 15 F. Supp. 3d 735, 746  
10 (E.D. Mich. 2014)(granting motion to dismiss on trade  
11 dress claim where plaintiff failed to plead with  
12 specificity its alleged trade dress thus failing to  
13 provide defendant with notice of such trade dress).

14 Because Plaintiff has failed to provide a complete  
15 list of specific elements of its alleged trade dress,  
16 the Court **GRANTS** Defendants' Motion as to Plaintiff's  
17 trade dress infringement claim.

### 18 3. Trademark Infringement Under the Lanham Act

19 To prevail on a claim of trademark infringement  
20 under the Lanham Act, 15 U.S.C. § 1114, a party "must  
21 prove: (1) that it has a protectible ownership interest  
22 in the mark; and (2) that the defendant's use of the  
23 mark is likely to cause consumer confusion." Network  
24 Automation, Inc. v. Advanced Sys. Concepts, 638 F.3d  
25 1137, 1144 (9th Cir. 2011)(quoting Dep't of Parks &  
26 Recreation v. Bazaar Del Mundo Inc., 448 F.3d 1118,  
27 1124 (9th Cir. 2006)). Plaintiff alleges infringement  
28 under the Lanham Act of three registered marks, CUBA

1 LIBRE, PEACH BELLINI, and CANDY BENTO BOX. Compl.  
2 ¶¶ 30, 32, 36. Defendants do not challenge the  
3 allegations Plaintiff makes regarding its PEACH BELLINI  
4 mark.<sup>3</sup> Mot. 7:20-21. Defendants instead argue that  
5 because Plaintiff's CUBA LIBRE and CANDY BENTO BOX  
6 marks are registered on the Patent and Trademark  
7 Office's ("PTO") Supplemental Register, which does not  
8 entitle the marks to a presumption of validity,  
9 Plaintiff must allege facts to show that the marks have  
10 gained secondary meaning, which Plaintiff has failed to  
11 do. Id. at 8:4-9:2; see Spirit Clothing Co. v. N.S.  
12 Enters., No. CV 13-2203-RGK (PJWx), 2013 U.S. Dist.  
13 LEXIS 198435, at \*5 (C.D. Cal. July 23, 2013)("[W]hen a  
14 mark is registered on the Supplemental Register . . .  
15 [,] the presumption of validity does not apply.").

16 A trademark acquires secondary meaning when the  
17 purchasing public associates the mark with a single  
18 producer or source rather than with the product itself.  
19 Int'l Jensen, Inc., 4 F.3d at 824. Merely pleading  
20 that the plaintiff has used the mark and defendants  
21 have misappropriated the mark is sufficient to  
22 adequately plead that the mark has acquired a secondary  
23 meaning. See Spirit Clothing Co., 2013 U.S. Dist.

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24  
25 <sup>3</sup> Plaintiff has registered the PEACH BELLINI mark on the  
26 Patent and Trademark Office's Principal Register, and therefore,  
27 the mark receives a presumption of validity. Brookfield  
28 Commc'ns, Inc. v. W. Coast Entm't Corp., 174 F.3d 1036, 1047 (9th  
Cir. 1999)("[R]egistration of the mark on the Principal Register  
in the Patent and Trademark Office constitutes prima facie  
evidence of the validity of the registered mark.").

1 LEXIS 198435, at \*7; Mid-West Mgmt. v. Capstar Radio  
2 Operating Co., No. 04-C-720-C, 2005 U.S. Dist. LEXIS  
3 3368, at \*13 (W.D. Wis. Mar. 1, 2005)(finding secondary  
4 meaning adequately pled when plaintiff alleged that it  
5 began using the mark and continued to use the mark in  
6 broadcasts and advertising).

7 In its Complaint, Plaintiff alleges that it began  
8 using the CUBA LIBRE mark in 2012 and the CANDY BENTO  
9 BOX mark in 2013. Compl. ¶¶ 30, 36. Plaintiff then  
10 alleges that Sweet Pete's has used these marks in their  
11 entirety "to profit from the customer's association of  
12 the marks with Sugarfina." Id. ¶ 29. Finally,  
13 Plaintiff includes a chart with photos comparing  
14 Plaintiff's use of the marks with Sweet Pete's use of  
15 the marks. Id. ¶ 59.

16 The allegations demonstrate Plaintiff's consistent  
17 use of the marks for a number of years, note that  
18 customers associate the marks with Plaintiff, and  
19 establish intentional copying-allegations that all  
20 suggest the marks have attained a secondary meaning.  
21 See Humantech, Inc. v. Caterpillar, Inc., No. 11-14988,  
22 2012 U.S. Dist. LEXIS 127499, at \*24 (E.D. Mich. Sep.  
23 7, 2012)("Although these summary allegations provide  
24 minimal detail concerning the mark's secondary meaning,  
25 they are sufficient to put Defendant on notice that  
26 [Plaintiff's mark] is associated with Plaintiff's  
27 services in the eyes of the public."). The Court  
28 therefore **DENIES** Defendants' Motion to Dismiss

1 Plaintiff's trademark infringement claim under the  
2 Lanham Act.

3 4. Common Law Trademark Infringement

4 Plaintiff also alleges common law trademark  
5 infringement. "[F]ederal and state laws regarding  
6 trademarks and related claims of unfair competition are  
7 substantially congruent." Int'l Order of Job's  
8 Daughters v. Lindeburg & Co., 633 F.2d 912, 916 (9th  
9 Cir. 1980). "[C]laims for trademark infringement and  
10 unfair competition under California law are 'subject to  
11 the same legal standards' as Lanham Act claims."  
12 Rearden LLC v. Rearden Commerce, Inc., 683 F.3d 1190,  
13 1221 (9th Cir. 2012).

14 When evaluating common law trademark infringement  
15 claims, "courts must determine whether the mark is  
16 protectable, and if so, whether there is a likelihood  
17 of confusion as a result of the would-be infringer's  
18 use of the mark." Tumblebus Inc. v. Cranmer, 399 F.3d  
19 754, 761 (6th Cir. 2005). Defendants argue that  
20 Plaintiff has failed to adequately plead its marks are  
21 protectable because Plaintiff has not alleged secondary  
22 meaning and its marks are generic. Generic marks are  
23 ineligible for trademark protection. Zobmondo Entm't,  
24 LLC v. Falls Media, LLC, 602 F.3d 1108, 1113 (9th Cir.  
25 2010). However, in arguing that the marks are generic,  
26 Defendants ignore the "widely-shared stance that a Rule  
27 12(b)(6) motion is generally an improper vehicle for  
28 establishing that a mark is generic or functional."

1 Pinterest Inc. v. Pintrips Inc., 15 F. Supp. 3d 992,  
2 999 (N.D. Cal. 2014). Accordingly, Defendants'  
3 arguments regarding the genericness of Plaintiff's  
4 unregistered marks are premature at this stage.

5 Further, Plaintiff has alleged that its  
6 unregistered marks may be entitled to protection in  
7 that they have used the marks in commerce, see Compl.  
8 ¶¶ 30, 34, 36, 38, 40, and customers associate the  
9 marks with Plaintiff's products, id. ¶ 29. See  
10 BottleHood, 2012 U.S. Dist. LEXIS 57381, at \*13  
11 (finding that plaintiff sufficiently pled it had a  
12 protectable mark by asserting that it used the mark "in  
13 connection with the sale of its repurposed glassware  
14 products"). Because the validity of Plaintiff's  
15 trademarks is a question of fact, the Court will not  
16 decide this issue at the pleading stage. Pinterest, 15  
17 F. Supp. 3d at 999. Consequently, the Court **DENIES**  
18 Defendants' Motion to Dismiss as to Plaintiff's common  
19 law trademark infringement claim.

#### 20 5. Unfair Business Practices

21 "This Circuit has consistently held that state  
22 common law claims of unfair competition and actions  
23 pursuant to California Business and Professions Code  
24 § 17200 are substantially congruent to claims made  
25 under the Lanham Act." Cleary v. News Corp., 30 F.3d  
26 1255, 1262-63 (9th Cir. 1994). Because these claims  
27 are substantially congruent, if Plaintiff has  
28 sufficiently pled claims for trademark infringement, it



1 too has sufficiently pled a claim for unfair business  
2 practices. See Greenberg v. Johnson, No.  
3 CV-14-04605-MWF (VBKx), 2015 U.S. Dist. LEXIS 187010,  
4 at \*13 (C.D. Cal. Jan. 13, 2015). As explained above,  
5 Plaintiff has failed to clearly articulate the elements  
6 of its trade dress and thus has failed to properly  
7 plead a claim for trade dress. Accordingly, the Court  
8 **GRANTS** Defendants' Motion as to Plaintiff's unfair  
9 business practices claim premised on trade dress  
10 infringement. However, because the Court has  
11 determined that Plaintiff has sufficiently pled claims  
12 for trademark infringement under the Lanham Act and  
13 common law, the Court **DENIES** Defendants' Motion as to  
14 Plaintiff's unfair business practices claims premised  
15 on its trademark infringement claims.

16 Plaintiff's unfair business practices cause of  
17 action also includes allegations that Defendants'  
18 infringement of Plaintiff's copyrights and patents are  
19 "unlawful acts in violation of California Business &  
20 Professions Code §§ 17200, et seq." Compl. ¶ 122.  
21 However, unfair business practices claims "may be  
22 preempted by federal copyright [and patent] law when  
23 the state claim incorporates by reference and merely  
24 restates federal patent and copyright claims." Milo &  
25 Gabby, LLC v. Amazon.com, Inc., 12 F. Supp. 3d 1341,  
26 1347 (W.D. Wash. 2014)(citing Litchfield v. Spielberg,  
27 736 F.2d 1352, 1358 (9th Cir. 1984)). Plaintiff's  
28 unfair business practices claim, which specifically

1 references the copyright and patent laws, "asserts no  
2 new or different allegations to distinguish it from  
3 [Plaintiff's] patent or copyright infringement claims."  
4 Id.; see also Fractional Villas, Inc. v. Tahoe  
5 Clubhouse, No. 08cv1396-IEG-POR, 2009 U.S. Dist. LEXIS  
6 4191, at \*14 (S.D. Cal. Jan. 22, 2009)("To the extent  
7 the [unfair competition] claim relies only on copyright  
8 infringement as a form of unfair competition, the claim  
9 is preempted by the Copyright Act."). Accordingly,  
10 Plaintiff's unfair business practices claim based on  
11 its patent and copyright claims is preempted by federal  
12 copyright and patent law. The Court **GRANTS** Defendants'  
13 Motion as to Plaintiff's unfair business practices  
14 claim premised on its patent and copyright claims.

15 6. Unjust Enrichment

16 As Defendants correctly note, "California does not  
17 recognize a cause of action for unjust enrichment."  
18 Mot. 11:17-18 (citing McVicar v. Goodman Glob., Inc., 1  
19 F. Supp. 3d 1044, 1059 (C.D. Cal. 2014)). In  
20 addressing this argument in its Opposition, Plaintiff  
21 cites to Astiana v. Hain Celestial Group, Inc., 783  
22 F.3d 753, 762 (9th Cir. 2015) where the Ninth Circuit  
23 overturned the district court's dismissal of the  
24 plaintiff's unjust enrichment claim. The court in  
25 Astiana determined that a plaintiff may allege unjust  
26 enrichment based on "quasi-contract." Id. (quoting  
27 Rutherford Holdings, LLC v. Plaza Del Rey, 166 Cal.  
28 Rptr. 3d 864, 872 (Ct. App. 2014)).

1 Here, Plaintiff has simply incorporated its  
2 previous allegations into its unjust enrichment cause  
3 of action and alleged that "Sweet Pete's has been  
4 unjustly enriched." Compl. ¶¶ 129-30. Plaintiff has  
5 failed to allege any quasi-contract between the  
6 parties. Plaintiff's unjust enrichment allegations are  
7 "inextricably intertwined" with Plaintiff's trademark  
8 claims and "do not give rise to a separate theory of  
9 quasi-contract." Purcell v. Spokeo, Inc., No.  
10 2:11-cv-06003-ODW(AGRx), 2014 U.S. Dist. LEXIS 118280,  
11 at \*15 (C.D. Cal. Aug. 25, 2014). The Court therefore  
12 **GRANTS** Defendants' Motion as to Plaintiff's unjust  
13 enrichment claim.

#### 14 7. Patent Infringement

15 To sufficiently allege infringement of a design  
16 patent, a plaintiff must: "(1) allege ownership of the  
17 patent, (2) name each defendant, (3) cite the patent,  
18 (4) state the means by which the defendant allegedly  
19 infringes, and (5) point to the sections of the patent  
20 law invoked." Deckers Outdoor Corp., 2015 U.S. Dist.  
21 LEXIS 188274, at \*17 (citing Hall v. Bed Bath & Beyond,  
22 Inc., 705 F.3d 1357, 1362 (Fed. Cir. 2013)).

23 Defendants' only argument regarding Plaintiff's  
24 patent infringement claim is that Plaintiff did not  
25 allege the section(s) of patent law Plaintiff contends  
26 Defendants violated. Mot. 12:8-13. However, because  
27 Plaintiff alleges in Paragraphs 19 and 122 of the  
28 Complaint that Defendants committed acts of patent

1 infringement in violation of 35 U.S.C. § 271, which  
2 Defendants concede in their Reply, Reply 9:10-13, ECF  
3 No. 23, the Court **DENIES** Defendants' Motion as to  
4 Plaintiff's patent infringement claim.

5 8. Copyright Infringement

6 Plaintiff alleges a cause of action for copyright  
7 infringement based on its two registered copyrights,  
8 the "Sugarfina Bento Box," Compl., Ex. 6, and the  
9 "Sugarfina Slider Box," id., Ex. 7.

10 To maintain a claim for copyright infringement, a  
11 plaintiff must show: "(1) ownership of a valid  
12 copyright, and (2) copying of constituent elements of  
13 the work that are original." Feist Publ'ns, Inc. v.  
14 Rural Tel. Servs. Co., 499 U.S. 340, 361 (1991).

15 Defendants do not dispute that Plaintiff has two  
16 registered copyrights. See Trade W., Inc. v. Oriental  
17 Trading Co., No. CIVIL 16-00474 LEK-KSC, 2017 U.S.  
18 Dist. LEXIS 47754, at \*11 (D. Haw. Mar. 30, 2017)("[A]  
19 certificate of registration is prima facie evidence of  
20 the validity of the copyright if registration occurred  
21 'before or within five years after first publication of  
22 the work.'" (quoting 17 U.S.C. § 410(c))).

23 The second element of a copyright infringement  
24 claim, copying, may be established by demonstrating  
25 (1) "that the [defendant] had access to plaintiff's  
26 copyrighted work" and (2) "that the works at issue are  
27 substantially similar in their protected elements."  
28 Cavalier v. Random House, Inc., 297 F.3d 815, 822 (9th

1 Cir. 2002). Defendants do not argue the access  
2 element. Instead, they argue that the two works are  
3 not substantially similar. Mot. 15:9-10. “[A]  
4 plaintiff establishes substantial similarity by  
5 demonstrating that the allegedly infringing work is  
6 both objectively similar (the ‘extrinsic test’) and  
7 subjectively similar (the ‘intrinsic test’) to the  
8 copyrighted work.” Trade W., 2017 U.S. Dist. LEXIS  
9 47754, at \*13. On a motion to dismiss, the court may  
10 decide as a matter of law “[w]hether there is  
11 sufficient objective similarity under the extrinsic  
12 test.” Erickson, 839 F. Supp. 2d at 1136.

13 In comparing two works to determine “objective  
14 similarity in appearance,” courts can look at a number  
15 of factors including “shapes, colors, materials, and  
16 arrangement of the representations.” Cavalier, 297  
17 F.3d at 826. Plaintiff asserts its copyright claim  
18 based on its packaging design. Compl. ¶ 137. “It is  
19 well established that an artistic packaging design or  
20 label is entitled to copyright protection.” Parfums  
21 Givenchy, Inc. v. C&C Beauty Sales, Inc., 832 F. Supp.  
22 1378, 1391 (C.D. Cal. 1993).

23 The parties’ product packaging shows that they are  
24 substantially similar. While the packages are  
25 different colors, with Plaintiff’s predominantly light  
26 blue and Defendants’ predominantly red, both works are  
27 covered in a matte, muted primary color. Both works  
28 have a thin, white rectangular border about one-half

1 inch from the edge of the packaging's cover. The  
2 company names are both placed in the middle of the  
3 cover in a simplistic white font. The remainder of the  
4 cover of the packaging is minimalistic; there is  
5 nothing on either party's cover except for the thin,  
6 white rectangular border and the company name.

7 While Defendants point to differences in the two  
8 parties' packaging, "[s]uperficial changes' to the  
9 characteristics of a copyrighted work in an accused  
10 work may be considered 'an attempt to disguise an  
11 intentional appropriation.'" Ty, Inc. v. GMA  
12 Accessories, 959 F. Supp. 936, 942 (N.D. Ill.  
13 1997)(quoting Atari, Inc. v. N. Am. Philips Consumer  
14 Elects. Corp., 672 F.2d 607, 619 (7th Cir. 1982)).

15 Based on the substantial objective similarities  
16 between the two works, Plaintiff has stated a plausible  
17 copyright infringement claim. Trade W., 2017 U.S.  
18 Dist. LEXIS 47754, at \*17 (citing Iqbal, 556 U.S. at  
19 678). Therefore, the Court **DENIES** Defendants' Motion  
20 as to Plaintiff's copyright infringement claim.

21 8. Leave to Amend

22 Federal Rule of Civil Procedure 15(a) provides that  
23 a party may amend their complaint once "as a matter of  
24 course" before a responsive pleading is served. After  
25 that, the "party may amend the party's pleading only by  
26 leave of court or by written consent of the adverse  
27 party and leave shall be freely given when justice so  
28 requires." Id. Leave to amend lies "within the sound

1 discretion of the trial court." United States v. Webb,  
2 655 F.2d 977, 979 (9th Cir. 1981). The Ninth Circuit  
3 has noted "on several occasions . . . that the 'Supreme  
4 Court has instructed the lower federal courts to heed  
5 carefully the command of Rule 15(a), F[ed]. R. Civ. P.,  
6 by freely granting leave to amend when justice so  
7 requires.'" Gabrielson v. Montgomery Ward & Co., 785  
8 F.2d 762, 765 (9th Cir. 1986)(quoting Howey v. United  
9 States, 481 F.2d 1187, 1190 (9th Cir. 1973)).

10 The Court **GRANTS** Defendants' Motion as to  
11 Plaintiff's trade dress claim; unfair business  
12 practices claim premised on the trade dress, copyright,  
13 and patent claims; and the unjust enrichment claim.  
14 Plaintiff has yet to file an amended complaint. It is  
15 likely that Plaintiff will be able to cure the  
16 deficiencies in the trade dress claim (and then in turn  
17 the unfair business practices claim premised on the  
18 trade dress claim) upon amendment. Therefore, the  
19 Court **GRANTS** leave to amend these claims. However, as  
20 noted, federal copyright and patent law preempts  
21 Plaintiff's unfair business practices claim based on  
22 its copyright and patent infringement claims.  
23 Therefore, amendment of that claim would be futile. As  
24 such, the Court **DENIES** leave to amend Plaintiff's  
25 unfair business practices claim based on its copyright  
26 and patent infringement claims.

27 Finally, to proceed on its unjust enrichment  
28 claim, Plaintiff would have to allege a quasi-

1 contractual relationship between itself and Defendants.  
2 See Astiana, 783 F.3d at 762. However, Plaintiff has  
3 "no affiliation or connection [with Defendants] to  
4 invoke a quasi-contract theory of liability." Purcell,  
5 2014 U.S. Dist. LEXIS 118280, at \*15 (granting motion  
6 to dismiss unjust enrichment claim without leave to  
7 amend because the plaintiff could not plead a quasi-  
8 contractual relationship). Because there is no quasi-  
9 contractual relationship between the parties that  
10 Plaintiff could plead in an amended complaint, allowing  
11 leave to amend would be futile. The Court therefore  
12 **DENIES** leave to amend Plaintiff's unjust enrichment  
13 claim.

### 14 **III. CONCLUSION**

15 Based on the foregoing, the Court **GRANTS in part**  
16 **and DENIES in part** Defendants' Motion [18] as follows:

17 The Court **GRANTS** Defendants' Motion as to  
18 Plaintiff's trade dress claim and gives Plaintiff  
19 **twenty-one days to amend**.

20 The Court **DENIES** Defendants' Motion as to  
21 Plaintiff's trademark infringement claim under the  
22 Lanham Act.

23 The Court **DENIES** Defendants' Motion as to  
24 Plaintiff's common law trademark infringement claim.

25 The Court **DENIES** Defendants' Motion as to  
26 Plaintiff's unfair business practices claim premised on  
27 Plaintiff's trademark claims.

28 The Court **GRANTS** Defendants' Motion as to



1 Plaintiff's unfair business practices claim premised on  
2 Plaintiff's trade dress claim and gives Plaintiff  
3 **twenty-one days to amend.**

4 The Court **GRANTS** Defendants' Motion as to  
5 Plaintiff's unfair business practices claim premised on  
6 Plaintiff's copyright and patent claims **without leave**  
7 **to amend.**

8 The Court **GRANTS** Defendants' Motion as to  
9 Plaintiff's unjust enrichment claim **without leave to**  
10 **amend.**

11 The Court **DENIES** Defendants' Motion as to  
12 Plaintiff's patent infringement claim.

13 The Court **DENIES** Defendants' Motion as to  
14 Plaintiff's copyright infringement claim.

15  
16 **IT IS SO ORDERED.**

17  
18 DATED: September 25, 2017 s/ RONALD S.W. LEW

19 **HONORABLE RONALD S.W. LEW**  
20 Senior U.S. District Judge  
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