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6	IN THE UNITED STATES DISTRICT COURT	
7	FOR THE NORTHERN DISTRICT OF CALIFORNIA	
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9	CROSSFIT, INC.,) Case No. 13-3771 SC
10	Plaintiff,)) ORDER GRANTING IN PART AND
11	V.) DENYING IN PART MOTION TO) DISMISS AMENDED COUNTERCLAIMS
12	JENNI ALVIES, and DOES 1-10,)
13	Defendants.)
14)
15	AND RELATED COUNTERCLAIMS)
16)
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18	I. INTRODUCTION	
19	Plaintiff CrossFit, Inc. ("CrossFit") brings this action	
20	against Defendant Jenni Alvies ("Alvies") for trademark	
21	infringement, among other things. ECF No. 1 ("Compl."). Alvies	
22	has counterclaimed for (1) declaratory judgment; (2) violation of	
23	California's Unfair Competition Law ("UCL"), Cal. Bus. & Prof.	

Code. § 17200, et seq.; and (3) false advertising under the Lanham

pursuant to Federal Rule of Civil Procedure 12(b)(6).

CrossFit now moves to dismiss Alvies's counterclaims

The motion is fully briefed, ECF Nos. 26 ("Opp'n"), 30

ECF No. 16 (First Amended Counterclaims

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Act, 15 U.S.C. § 1125.

("FACC")).

("MTD").

Dockets.Justia.com

ECF No. 24

United States District Court For the Northern District of California 1 ("Reply"), and appropriate for determination without oral argument 2 per Civil Local Rule 7-1(b). For the reasons set forth below, the 3 motion is GRANTED in part and DENIED in part.

II. BACKGROUND

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As it must on a Rule 12(b)(6) motion to dismiss, the Court 6 treats all well-pleaded allegations in the FACC as true.¹ CrossFit 7 has developed a fitness training regimen and provides a nationally 8 standardized certificate program to personal trainers who desire to 9 10 become licensed CrossFit affiliates. Compl. ¶¶ 9, 11. CrossFit owns several registered United States trademarks and service marks 11 comprised of the word mark CROSSFIT, including a service mark for 12 use in connection with fitness training services. Compl. ¶ 10, 13 FACC ¶ 23. CrossFit has also filed trademark applications with the 14 United States Patent and Trademark Office ("PTO") for other uses of 15 the CROSSFIT mark on an "intent-to-use" basis, meaning that 16 CrossFit has yet to use the mark in commerce in connection with 17 The applications relate to nutritional 18 those uses. FACC ¶ 24. 19 energy bars, computer software that tracks workouts, weight-loss equipment, magazines, books, and sports bags. 20 Id. ¶¶ 25-28.

In April 2011, Alvies, a stay-at-home mother of four children, launched a blog at "crossfitmamas.blogspot.com." FACC ¶ 21. Around the same time, Alvies created a "CrossFit Mamas" Facebook page. <u>Id.</u> ¶ 48, Compl. ¶ 13. Alvies used the blog to post daily high-intensity interval training routines. <u>Id.</u> ¶¶ 20-21. Readers

^{27 &}lt;sup>1</sup> For background, the Court also refers to a number of allegations from CrossFit's complaint. However, for the purposes of adjudicating the instant motion, the Court only considers Alvies's allegations.

of the blog use the comments section to post and track their personal progress on certain exercises. <u>Id.</u> ¶ 21. In an effort to recoup some money for her efforts, Alvies sold vitamin mealreplacement shakes through the blog and added Google AdWords advertising. <u>Id.</u> ¶ 22.

On May 9, 2013, a paralegal from CrossFit contacted Alvies and 6 7 demanded that Alvies stop using the CrossFit name on her blog and affiliated Facebook page. Id. ¶ 48. CrossFit's paralegal also 8 began communicating with at least one reader of Alvies's blog about 9 10 the quality of Alvies's workouts. Id. \P 52. The paralegal stated that she had "assessed a few days of [Alvies's] workouts" and 11 determined it was "bad programming." Id. The paralegal also 12 represented that a CrossFit trainer determined that Alvies's 13 workouts were "stupid and unsafe." 14 Id.

CrossFit also requested that third parties remove Alvies's 15 Blog and sent a takedown notice to Facebook pursuant to the Digital 16 Millennium Copyright Act ("DMCA"). Id. ¶ 55. Alvies allegedly 17 18 reached an agreement with CrossFit's paralegal whereby she would 19 move her blog to the domains "califitmamas.com" and "califitmamas.blogspot.com." Id. ¶ 49. The paralegal allegedly 20 21 asserted that Alvies could not use the term "CFMamas" because "CF" is a common abbreviation of CrossFit. See id. ¶ 51. 22

Thereafter, CrossFit continued to demand that Alvies disable her Google AdWords and cease selling the vitamin shakes. CrossFit also allegedly reneged on the deal struck by its paralegal, demanding that Alvies cease using the domain "califitmamas.com." Alvies subsequently moved her blog to "hiitmamas.blogspot.com." After the second move, CrossFit repeatedly demanded that Alvies

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delete over two years of blog posts. Alvies alleges that CrossFit's demands constitute "an improper effort to eradicate all Internet evidence of Alvies's prior use in commerce of marks subject to the Intent-to-Use Applications regarding nutritional shakes, computer software to track workouts, and others." <u>Id.</u> ¶ 6 64.

7 In August 2013, CrossFit filed the instant action against 8 Alvies in federal court, asserting causes of action for trademark 9 infringement, false designation of origin, trademark dilution, and 10 cyberpiracy. Alvies counterclaims for (1) declaratory judgment, 11 (2) violation of the UCL, and (3) false advertising under the 12 Lanham Act. CrossFit now moves to dismiss all three counterclaims.

14 **III. LEGAL STANDARD**

A motion to dismiss under Federal Rule of Civil Procedure 15 12(b)(6) "tests the legal sufficiency of a claim." 16 Navarro v. Block, 250 F.3d 729, 732 (9th Cir. 2001). "Dismissal can be based 17 on the lack of a cognizable legal theory or the absence of 18 sufficient facts alleged under a cognizable legal theory." 19 Balistreri v. Pacifica Police Dep't, 901 F.2d 696, 699 (9th Cir. 20 21 1988). "When there are well-pleaded factual allegations, a court should assume their veracity and then determine whether they 22 plausibly give rise to an entitlement to relief." Ashcroft v. 23 24 Iqbal, 556 U.S. 662, 679 (2009). However, "the tenet that a court 25 must accept as true all of the allegations contained in a complaint 26 is inapplicable to legal conclusions. Threadbare recitals of the 27 elements of a cause of action, supported by mere conclusory statements, do not suffice." Id. (citing Bell Atl. Corp. v. 28

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Twombly, 550 U.S. 544, 555 (2007)).

IV. DISCUSSION

A. <u>Declaratory Relief</u>

5 Alvies seeks declaratory judgment on a number of grounds. CrossFit moves to dismiss with respect to only one aspect of 6 7 Alvies's counterclaim. Specifically, CrossFit targets Alvies's claim that CrossFit violated 17 U.S.C. § 512(f) by making material 8 misrepresentations in the DMCA takedown notice it submitted to 9 10 Facebook. MTD at 6-8. The DMCA targets the circumvention of digital walls guarding copyrighted material, but does not provide 11 remedies for trademark infringement. See 17 U.S.C. § 502. 12 Alvies asserts that CrossFit's invocation of the DMCA was improper and 13 misleading since CrossFit's claims are based on the assertion of 14 15 trademark rights, not copyrights. FACC ¶ 72. Under the DMCA, specifically 17 U.S.C. 512(f), any person who knowingly materially 16 misrepresents that material infringes on a copyright shall be 17 liable for damages incurred by the alleged infringer. 18

19 CrossFit argues that Alvies's claim is implausible because Facebook allows trademark takedown notices as well as DMCA 20 copyright takedown notices. MTD at 7. 21 This argument lacks merit. As an initial matter, it is unclear why the Court should take 22 judicial notice of Facebook's internal compliance procedures. 23 This 24 is simply not a fact that "is generally known within the trial 25 court's jurisdiction," or that "can be accurately and readily 26 determined from sources whose accuracy cannot reasonably be 27 questioned." Fed. R. Evid. 201(b)(1), (2). Even if judicial notice were appropriate, Alvies has plausibly alleged that CrossFit 28

1 materially misrepresented that Alvies's Facebook page infringed on 2 a copyright, since CrossFit's claims are based only on its asserted 3 trademark rights. Whether CrossFit may have been able to convince 4 Facebook to remove Alvies's page on some other ground has no 5 bearing on CrossFit's compliance with the DMCA.

CrossFit also contends that Alvies's claim fails because she 6 7 was not injured by the DMCA takedown notice. MTD at 7. CrossFit argues that if it had not submitted a DMCA takedown notice, it 8 could have submitted a trademark takedown notice that would have 9 10 had the same effect. Id. Essentially, CrossFit is asking the Court to find that (1) Alvies's Facebook page infringed on 11 CrossFit's trademarks, and (2) had CrossFit submitted a trademark 12 takedown notice, Facebook would have removed Alvies's page. 13 This is asking too much. The Court cannot adjudicate CrossFit's 14 trademark claims on a motion to dismiss Alvies's counterclaim, let 15 alone hypothesize about what Facebook would or would not have done 16 if it had received a trademark takedown notice regarding Alvies's 17 Facebook page. The Court limits its analysis to the allegations in 18 19 Alvies's pleading. Those allegations indicate that Alvies derived at least some income from her blog and that the blog was associated 20 21 with the Facebook page that CrossFit caused to be removed through an improper DMCA takedown notice. 22

Alvies's counterclaim for declaratory relief remainsundisturbed.

B. UCL

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Alvies's UCL claim is premised on the theory that CrossFit has engaged in harassing conduct in an effort to eradicate all evidence of Alvies's prior use of marks that are subject to CrossFit's 1 intent-to-use applications with the PTO. FACC \P 75. The UCL 2 counterclaim targets CrossFit's efforts to delete Alvies's blog and Facebook page and to stop Alvies from selling vitamin shakes. 3 Id. The UCL prohibits any business act or practice that is unlawful, 4 5 unfair, or fraudulent. Cal. Bus. & Prof. Code § 17200. Alvies asserts claims under all three prongs. FACC ¶¶ 76-78. 6

7 CrossFit argues that Alvies lacks standing because she has failed to plead an economic injury. Mot. at 8-9. 8 The Court disagrees. Alvies alleges that her blog and affiliated Facebook 9 10 page generated at least a modicum of revenue through the sale of vitamin shakes and Google AdWords, and that CrossFit wrongfully 11 caused those pages to be removed. Thus, it is plausible that 12 CrossFit's alleged misconduct resulted in economic injury to 13 14 Alvies.

However, a private plaintiff's remedies under the UCL "are 15 generally limited to injunctive relief and restitution." 16 Cel-Tech Commc'ns, Inc. v. Los Angeles Cellular Tel. Co., 20 Cal. 4th 163, 17 179 (Cal. 1999). Alvies's prayer for relief is vague with respect 18 19 to the UCL. She merely asks that the Court enter judgment that 20 CrossFit violated the statute. FACC p. 17. There is no indication 21 that Alvies is seeking injunctive relief. Moreover, under the UCL, a plaintiff cannot recover restitution unless that plaintiff had an 22 23 "ownership interest in the money or property sought to be 24 recovered" and the defendant "acquired the plaintiff's money or 25 property by means of . . . unfair competition." Shersher v. Super. 26 Ct., 154 Cal. App. 4th 1491, 1494 (Cal. Ct. App. 2007) (internal 27 quotations omitted). Here, it is unclear how CrossFit could have acquired the lost revenue alleged by Plaintiff. 28

Accordingly, the Court DISMISSES Alvies's UCL claim with leave to amend.

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C. False Advertising under the Lanham Act

The Lanham Act prohibits "false representations in the 4 5 advertising and sale of goods and services. Jack Russell Terrier Network of N. Ca. v. Am. Kennel Club, Inc., 407 F.3d 1027, 1036 6 7 (9th Cir. 2005). To prevail on a false advertising claim under the Lanham Act, a plaintiff must show, inter alia, "a false statement 8 of fact by the defendant in a commercial advertisement about its 9 10 own or another's product." Southland Sod Farms v. Stover Seed Co., 108 F.3d 1134, 1139 (9th Cir. 1997). The injury alleged must be 11 12 "competitive or harmful to the plaintiff's ability to compete with the defendant." Jack Russell, 407 F.3d at 1027 (quotations 13 14 omitted).

Alvies claims that CrossFit violated the Lanham Act by making false and misleading representations to readers of her blog regarding her workout regimens. FACC ¶ 83. Specifically, Alvies targets the CrossFit paralegal's representations to a blog reader that Alvies's workouts are "bad," "stupid," or "unsafe." <u>Id.</u> Alvies further alleges that CrossFit's representations have irreparably injured her goodwill and reputation. Id. ¶ 84.

CrossFit argues that Alvies lacks standing to assert a false 22 advertising Lanham Act claim because the parties are not direct 23 24 competitors. MTD at 17. CrossFit reasons that it is "one of the 25 largest fitness training companies in the country," while Alvies is 26 merely a "blogger who . . . sells Google AdWords and . . . vitamin 27 The argument lacks merit. Both parties offer shakes." Id. fitness training services. See Compl. ¶ 9; FACC ¶ 18. 28 Their

business models differ, but they offer similar services to consumers. That Alvies earns revenues through advertisements and vitamin shake sales rather than a nationally standardized certificate program does not mean that she does not compete with CrossFit. Moreover, nothing in the Lanham Act suggests that differences in size preclude a finding of competition.

7 Next, CrossFit argues that Alvies fails to allege her Lanham Act counterclaim with sufficient particularity. MTD at 18. 8 To the extent that CrossFit contends that Alvies's Lanham Act claim fails 9 10 to meet the pleading requirements of Rule 9(b), its argument lacks merit. Alvies has pleaded sufficient facts to put CrossFit on 11 notice of the allegedly false statement that forms the basis of her 12 Lanham Act claim. Alvies's pleading identifies who made the 13 statement, to whom the statement was made, the exact contents of 14 15 the statement, why the statement is false, and the approximate time of the statement. 16

However, the Court agrees that Alvies has pleaded insufficient 17 facts to establish that the conduct alleged constitutes advertising 18 19 for the purposes of the Lanham Act. Under the Act's false advertising provisions, statements are only actionable if they 20 21 constitute "commercial advertising or promotion," which has been defined as "(1) commercial speech; (2) by a defendant who is in 22 23 commercial competition with plaintiff; (3) for the purpose of 24 influencing consumers to buy defendant's goods or services." 25 Coastal Abstract Serv., Inc. v. First Am. Title Ins. Co., 173 F.3d 26 725, 735 (9th Cir. 1999) (quoting Gordon & Breach Sci. Publishers 27 v. Am. Inst. of Physics, 859 F. Supp. 1521 (S.D.N.Y. 1994)). 28 "While the representations need not be made in a 'classic

1 advertising campaign,' but may consist instead of more informal 2 types of 'promotion,' the representations (4) must be disseminated 3 sufficiently to the relevant purchasing public to constitute 'advertising' or 'promotion' within that industry." 4 Id. 5 "Representations that are commercial advertising or promotion under the Lanham Act must be part of an organized campaign to penetrate 6 7 the market, rather than isolated disparaging statements." eMove Inc. v. SMD Software Inc., CV-10-02052-PHX-JRG, 2012 WL 1379063, at 8 *5 (D. Ariz. Apr. 20, 2012). 9

Alvies's pleading targets a single, isolated email from a 10 CrossFit paralegal to a reader of Alvies's blog. This hardly 11 12 constitutes "an organized campaign to penetrate the market." See id. Without more, the Court cannot conclude that Alvies's Lanham 13 Act counterclaim concerns commercial advertising or promotion. 14 Accordingly, the Lanham Act counterclaim is DISMISSED with leave to 15 The amended pleading should identify CrossFit's allegedly 16 amend. 17 disparaging statements and explain how they were disseminated to the purchasing public. 18

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United States District Court For the Northern District of California

1 V. CONCLUSION

For the foregoing reasons, CrossFit's motion to dismiss is GRANTED in part and DENIED in part. Alvies's counterclaim for declaratory relief remains undisturbed. Her counterclaims for violations of the UCL and the Lanham Act are DISMISSED with leave to amend. Alvies shall file an amended pleading within thirty (30) days of the signature date of this Order. Failure to do so may result in dismissal with prejudice of her UCL and Lanham Act counterclaims.

United States District Court For the Northern District of California IT IS SO ORDERED.

January 22, 2014

UNITED STATES DISTRICT JUDGE