

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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WILLAGIRL LLC, :
 : Index No. 11-cv-1017(JSR)
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 Plaintiff and Counter-Defendant, :
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 v. :
 :
 THE WELLA CORPORATION, :
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 Defendant and Counter-Plaintiff :
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ANSWER AND COUNTERCLAIMS

Defendant The Wella Corporation (“Wella”), by its attorneys, Davis Wright Tremaine LLP, as and for its answer to the February 15, 2011 complaint of Willagirl LLC (“Willagirl”) (the “Complaint”), respectfully alleges as follows:

NATURE OF THE ACTION

1. To the extent the allegations in paragraph 1 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 1 are deemed allegations of fact, defendant denies the allegations contained in paragraph 1 of the Complaint except that it admits that Wella has objected to the use and/or registration by Willagirl of certain trademarks.
2. To the extent the allegations in paragraph 2 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 2 are deemed allegations of fact, defendant denies the allegations contained in paragraph 2 of the Complaint.
3. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 3 of the Complaint.

4. To the extent the allegations in paragraph 4 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 4 are deemed allegations of fact, defendant denies the allegations contained in paragraph 4 of the Complaint.

THE PARTIES

5. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 5 of the Complaint.

6. Admits the allegations contained in paragraph 6 of the Complaint except to the extent that the second sentence of paragraph 6 is intended to be a complete recitation of Wella's business.

JURISDICTION AND VENUE

7. To the extent the allegations in paragraph 7 are allegations of law, defendant is not required to plead thereto.

8. To the extent the allegations in paragraph 8 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 8 are deemed allegations of fact, defendant denies the allegations contained in paragraph 8 of the Complaint.

9. To the extent the allegations in paragraph 9 are allegations of law, defendant is not required to plead thereto.

FACTUAL BACKGROUND

10. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 10 of the Complaint.

11. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 11 of the Complaint.

12. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 12 of the Complaint.

13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 13 of the Complaint.

14. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 14 of the Complaint.

15. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 15 of the Complaint.

16. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16 of the Complaint.

17. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17 of the Complaint.

18. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18 of the Complaint.

19. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19 of the Complaint.

20. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 20 of the Complaint.

21. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 21 of the Complaint.

22. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 22 of the Complaint, except admits that Willa has filed certain trademark applications that were assigned the identification numbers listed in paragraph 22 of

the Complaint.

23. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 23 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

24. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 24 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

25. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 25 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

26. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 26 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

27. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 27 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

28. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 28 of the Complaint.

29. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 29 of the Complaint.

30. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 30 of the Complaint except admits that Wella has never filed

objections to any of Willa's trademark applications with the United States Patent & Trademark Office.

31. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 31 of the Complaint except refers directly to the documents referenced in paragraph 31 for the contents thereof.

32. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 32 of the Complaint.

33. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 33 of the Complaint, except admits that Willa has filed certain trademark applications that were assigned the identification numbers listed in paragraph 33 of the Complaint.

34. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 34 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

35. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 35 of the Complaint except refers to the trademark application for a recitation of the mark for which Willagirl has applied and the products associated with it.

36. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 36 of the Complaint.

37. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 37 of the Complaint.

38. Refers to the document cited in paragraph 38 of the Complaint for a complete recitation of the contents thereof.

39. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 39 of the Complaint.

40. Refers to the document cited in paragraph 40 of the Complaint for a complete recitation of the contents thereof.

41. Denies the allegations contained in paragraph 41 of the Complaint and refers to the document cited in paragraph 40 of the Complaint for a complete recitation of the contents thereof.

42. Refers to the document cited in paragraph 40 of the Complaint for a complete recitation of the contents thereof.

43. Admits that the letter from Willagirl contained the statements quoted in paragraph 43 of the Complaint, but denies the truth of the allegations therein.

44. Admits that the letter from Willagirl contained the statements quoted in paragraph 44 of the Complaint, but denies the truth of the allegations therein.

45. To the extent the allegations in paragraph 45 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 45 are deemed allegations of fact, defendant admits that Wella owns at least 10 U.S. trademarks containing the word "Wella" and otherwise denies the allegations contained in paragraph 45 of the Complaint.

46. Denies the allegations contained in paragraph 46 of the Complaint except admits that Wella manufactures certain hair care products.

47. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 47 of the Complaint.

48. Denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 48 of the Complaint except denies that Wella has never marketed any of the products listed in paragraph 48 of the Complaint.

49. To the extent the allegations in paragraph 49 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 49 are deemed allegations of fact, denies the allegations in paragraph 49 of the Complaint.

50. Refers to the trademark registrations for each of the trademarks cited in paragraph 50 of the Complaint for a complete recitation of the contents thereof.

51. Refers to the trademark registrations for each of the trademarks cited in paragraph 51 of the Complaint for a complete recitation of the contents thereof, and otherwise denies the allegations in paragraph 51 of the Complaint.

52. To the extent the allegations in paragraph 52 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 52 are deemed allegations of fact, denies the allegations in paragraph 52 of the Complaint.

53. To the extent the allegations in paragraph 53 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 53 are deemed allegations of fact, denies the allegations in paragraph 49 of the Complaint.

CLAIMS FOR RELIEF

Count 1 – Declaratory Judgment of Non-Infringement

54. For its answer to paragraph 54 of the Complaint, repeats and realleges the responses contained in paragraphs 1 through 53 hereof respectively as it fully set forth hereat.

55. To the extent the allegations in paragraph 55 are allegations of law, defendant is not required to plead thereto.

56. To the extent the allegations in paragraph 56 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 56 are deemed allegations of fact, defendant denies the allegations contained in paragraph 56 of the Complaint except refers to the letter referenced in paragraph 56 for a complete recitation of the contents thereof..

57. To the extent the allegations in paragraph 57 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 57 are deemed allegations of fact, defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 57 of the Complaint

58. To the extent the allegations in paragraph 58 are allegations of law, defendant is not required to plead thereto; to the extent the allegations in paragraph 58 are deemed allegations of fact, defendant denies knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 58 of the Complaint.

DEMAND FOR TRIAL BY JURY

59. To the extent the allegations in paragraph 59 are allegations of law, defendant is not required to plead thereto.

FIRST AFFIRMATIVE DEFENSE

60. The Complaint fails, in whole or in part, to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

61. Plaintiff's Complaint is barred by the doctrine of unclean hands.

THIRD AFFIRMATIVE DEFENSE

62. Plaintiff's request for equitable relief is barred by the doctrines of acquiescence, waiver, estoppel and laches.

**FOURTH AFFIRMATIVE DEFENSE
AND WELLA'S COUNTERCLAIMS**

NATURE OF THE ACTION

63. This action arises under the Lanham Act, 15 U.S.C. § 1051, *et seq.* and the laws of the State of New York.

64. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1338(a)

FACTUAL ALLEGATIONS

Counterclaim-Plaintiff Wella's Business

65. Wella, one of the world's leading beauty care suppliers, was founded in 1880. A controlling interest in Wella is currently owned by Procter & Gamble.

66. Through the 130 years of its existence, Wella and its corporate parents and/or affiliates have manufactured and distributed a variety of haircare, skincare, and other cosmetic products throughout the world.

67. Wella products have been marketed in the United States and throughout the world.

68. The "Wella" brand is recognized, *inter alia*, by its WELLA trademarks, some of which incorporate a design element consisting of a drawing of a woman's face in profile with flowing hair.

69. These trademarks, and others, have been used consistently to promote the sale of Wella products throughout the United States and elsewhere.

70. In addition to developing its products, Wella has invested substantial time and money promoting and advertising the Wella brand and popularizing its trademarks, through which efforts the marks have become well-known, and Wella's products have become associated

with the marks.

71. Wella owns trademarks including, *inter alia*, WELLA PROFESSIONALS (Registration Number 3378918), WELLA. BEAUTIFUL HAIR NEEDS AN EXPERT (Registration Number 2948338), WELLA (Registration Number 1642546), WELLA (Registration Number 1951441), WELLA (Registration Number 0575178), and WELLA (Registration Number 0575177), WELLA (Registration Number 0979071) (the “WELLA Registered Trademarks”).

72. In addition to its registered trademarks, Wella has developed common law rights in its WELLA trademarks (collectively with the WELLA Registered Trademarks, the “WELLA Trademarks”).

73. Through Wella’s promotional efforts, a substantial amount of goodwill has come to be associated with its products and its associated WELLA Trademarks.

Discovery of the Infringement

74. In early 2011, Wella discovered that Willagirl had applied for registration of trademarks consisting of the word “Willa” and variations of the word “Willa,” in some cases with a design element that is similar to Wella’s design marks, with an intent to use these marks to market skincare and haircare products.

75. The various marks for which Willagirl has applied for registration include marks confusingly similar to the WELLA Trademarks (in whole and in part).

76. Upon information and belief and based on the allegations of the complaint, Willagirl has distributed advertisements, promotional material and marketing material for Willagirl products and featuring the infringing Willagirl marks in interstate commerce in the

United States, and has made other substantive and meaningful preparations for the distribution and sale of Willagirl products bearing the infringing Willagirl marks.

77. Upon information and belief and based on the allegations of the complaint, Willagirl has begun selling Willagirl products bearing the infringing Willagirl marks in interstate commerce in the United States.

Wella's Demands that Willagirl Not Market Infringing Products

78. Upon learning of the infringing trademarks, Wella contacted Willagirl on January 31, 2011 and demanded that Willagirl withdraw its applications for the infringing marks and to cease all use of the infringing marks.

79. Willagirl wrote back on February 11, 2011 and indicated that it had no intention to withdraw the applications for the infringing marks.

80. Willagirl has actual knowledge of the WELLA Trademarks, as well as constructive knowledge pursuant to 15 U.S.C. § 1072. Having actual and constructive knowledge of Wella's ownership of the WELLA Trademarks, Willagirl's infringing use of the Willagirl marks has been willful and deliberate.

81. Upon information and belief, unless enjoined by this Court, Willagirl will continue to market and sell products with the infringing marks.

COUNTERCLAIM I – VIOLATION OF THE LANHAM ACT 15 U.S.C. § 1125(a)

82. Wella incorporates by reference paragraphs 66-80 of these Counterclaims by reference as if fully set forth herein.

83. Willagirl's actions described above constitute an infringing use in interstate commerce of indicia confusingly similar to the WELLA Trademarks, and defendants' sale,

offering for sale, distribution, advertising, marketing and promotion of products bearing the infringing marks is intended to cause confusion, mistake or to deceive consumers as to the source of origin of the products. Willagirl's actions are likely to cause members of the public who see the unauthorized use of the marks to believe that the products sold by Willagirl have an affiliation, connection, association, origin, sponsorship or approval of Wella or vice versa. Willagirl's actions constitute a false designation of origin in violation of the Lanham Act, 15 U.S.C. § 1125(a)(1).

84. Wella has been and will continue to be irreparably harmed by Willagirl's actions unless Willagirl is enjoined from continuing its sale of products using marks confusingly similar to the WELLA Trademarks. Unless enjoined by this Court, Willagirl will continue to unfairly compete, falsely designate the origin of its goods, make false descriptions or representations, and use the infringing marks to cause confusion, all to the irreparable injury to the business, identity, goodwill and reputation of Wella.

85. Wella is entitled to recover all of (1) Willagirl's profits, (2) damages sustained by Wella, and (3) the costs of this action that result from Willagirl's willful use of infringing marks, as well as trebling of those damages and an award of reasonable attorney fees pursuant to 15 U.S.C. § 1117(a).

COUNT II –INFRINGEMENT OF REGISTERED MARK, 15 U.S.C. § 1114

86. Wella incorporates by reference paragraphs 66-84 of these Counterclaims by reference as if fully set forth herein.

87. The WELLA Registered Trademarks are the subject of United States Trademark Reg. Nos. 3378918, 2948338, 1645757, 1642546, 1951441, 0575178, 0575177, 0979071, 0963124, and 0838030 for the goods listed in the registration.

88. The WELLA Registered Trademarks are distinctive and/or famous. Wella has further enhanced the distinctiveness and/or fame of its marks through widespread use of the marks in advertising and promotion.

89. Willagirl, with actual or constructive notice of Wella's federal registration rights under 15 U.S.C. § 1072, and long after Wella commenced use of the WELLA Registered Trademarks, made unauthorized uses of marks confusingly similar to the WELLA Registered Trademarks, which infringes Wella's rights in its federally-registered marks.

90. Wella has been and will continue to be irreparably harmed by Willagirl's actions unless Willagirl is enjoined from continuing its sale of products using marks confusingly similar to the WELLA Registered Trademarks.

91. Wella is entitled to damages resulting from Willagirl's willful use of marks confusingly similar to the WELLA Registered Trademarks and other remedies provided for by law.

COUNT III - FEDERAL TRADEMARK DILUTION 15 U.S.C. § 1125(c)

92. Wella incorporates by reference paragraphs 66 through and including 90 of these Counterclaims as if fully set forth herein.

93. The WELLA Trademarks are famous and/or distinctive, and their fame and/or distinctiveness has been enhanced by Wella's widespread use and promotion of the goods and services with which they are associated. Wella has used these marks for years and has extensively promoted them.

94. Willagirl began making an unauthorized use of marks confusingly similar to the WELLA Trademarks after the WELLA Trademarks had become famous and distinctive.

95. Willagirl's commercial use of indicia confusingly similar to the Wella marks is likely to confuse consumers as to the source, sponsorship or affiliation of said services and blurs and tarnishes the distinctiveness of the WELLA Trademarks.

96. Willagirl's commercial use of indicia confusingly similar to the WELLA Trademarks dilutes Wella's trademarks in violation of 15 U.S.C. § 1125(c).

97. Willagirl's conduct has caused, and will continue to cause, Wella irreparable injury, leaving Wella with no adequate remedy at law.

COUNT IV – COMMON LAW UNFAIR COMPETITION

98. Wella incorporates by reference paragraphs 66 through and including 96 of these Counterclaims as if fully set forth herein.

99. Willagirl's acts and practices as above-described have been undertaken with the intention of benefiting from and profiting upon the WELLA Trademarks by using marks confusingly similar to the WELLA Trademarks, which use is intended to lead the public to believe that there is a connection or association between Willagirl and Wella, when in truth and in fact there is none.

100. Willagirl's use of indicia confusingly similar to the WELLA Trademarks and trading upon the reputation and goodwill associated with the mark, described above, constitutes an unfair and deceptive act or practice and an unfair method of competition in the conduct of trade or commerce.

101. Upon information and belief, Willagirl has made or will make a profit as the direct result of its above-described actions, which were undertaken with malice towards Wella, and/or in wanton, willful and reckless disregard of Wella's rights. As a direct and proximate

result of the foregoing acts, practices, and conduct of Willagirl, Wella has been and is likely to be substantially injured in its business, including its reputation, resulting in lost revenue and profits, and diminished goodwill and reputation.

102. By reason of the above-described acts, Willagirl has engaged in unfair competition under and pursuant to the laws of the State of New York and has caused, and will continue to cause, Wella irreparable harm, leaving Wella with no adequate remedy at law.

COUNT V – TRADEMARK DILUTION UNDER N.Y. GEN. BUS. LAW § 360-L

103. Wella incorporates by reference paragraphs 66 through and including 101 of these Counterclaims as if fully set forth herein.

104. The WELLA Trademarks possess a truly distinctive quality and have acquired secondary meaning in the mind of the public as a source of quality goods sold under those marks.

105. Both the WELLA Trademarks and Willagirl's use of marks that are confusingly similar to the WELLA Trademarks are used in connection with female body care products.

106. Willagirl's actions as described above have been undertaken without the consent of Wella and with the predatory intent of benefiting commercially from an association with the WELLA Trademarks.

107. The WELLA Trademarks are nationally renowned as a result of their long and exclusive use, and Wella's substantial expenditures in advertising and promotion those marks.

108. Willagirl's above-described acts will dilute and/or are likely to dilute the distinctiveness of the WELLA Trademarks by tarnishing the affirmative associations that the Wella marks have come to convey, damaging the reputation of those marks, and cause financial injury to Wella.

109. Because Willagirl uses confusingly similar variations of the WELLA Trademarks, consumers are likely to be confused as to the source, sponsorship or affiliation of Willagirl's goods and said use will dilute and/or is likely to dilute the distinctiveness of the WELLA Trademarks by lessening their capacity to signify goods and services emanating from Wella.

110. By reason of the above-described acts, Willagirl has diluted and/or is likely to dilute the WELLA Trademarks in violation of § 360-L of the New York General Business Law, leaving Wella with no adequate remedy at law.

COUNT VI – DECLARATORY JUDGMENT OF INFRINGEMENT
(Pled in the alternative to Counts I-V)

111. Wella incorporates by reference paragraphs 66 through and including 109 of these Counterclaims as if fully set forth herein.

112. Wella's request for declaratory judgment is authorized by 28 U.S.C. §§ 2201 and 2202.

113. An actual controversy exists between the parties relating to whether Willagirl's trademarks infringe on the WELLA Trademarks. Willagirl has sent a letter that contends that Willagirl's marks to not infringe the WELLA Trademarks, and stating that Willagirl intends to pursue use of the infringing marks.

114. Willagirl has already brought a lawsuit asking this Court to rule that the Willagirl marks do not infringe the WELLA Trademarks. Accordingly, Wella has filed this counterclaim for the purposes of seeking declaratory relief and resolution concerning Willagirl's rights to use the infringing marks.

PRAYER FOR RELIEF

WHEREFORE, counterclaim-plaintiff Wella prays that:

A. Willagirl, its agents, servants, employees and attorneys and all other persons in active concert or participation with them, be permanently enjoined and restrained from manufacturing, importing, selling, offering for sale, distributing, advertising or promoting any goods which use any indicia, words or symbols that so resemble the WELLA Trademarks as to be likely to cause confusion, mistake, or deception on or in connection with any product that is not authorized by or for Wella, including without limitation any product that uses the Willagirl marks described in these Counterclaims.

B. Willagirl be required to account for and pay to Wella all gains, profits, and advantages wrongfully derived by Willagirl through its distribution and sale of the infringing items;

C. Willagirl be required to pay Wella three times Willagirl's profits or Wella's damages, whichever is greater, pursuant to 15 U.S.C. § 1117;

D. Willagirl be required to deliver up to be destroyed infringing products in its possession;

E. A judgment declaring that each of Willagirl's trademarks listed in the Counterclaims infringes upon the WELLA Trademarks;

F. Willagirl be required to pay Wella's reasonable attorney's fees and disbursements incurred herein, including costs;

G. Wella recover prejudgment interest from Willagirl; and

H. Wella have such other and further relief as this Court deems just and equitable.

DATED this 1st day of April, 2011.

Davis Wright Tremaine LLP

By Lacy H. Koonce

Lacy H. Koonce, III
Kevan Choset
1633 Broadway
New York, NY 10019

*Attorneys for Defendant and Counterclaim-Plaintiff
The Wella Corporation*