Case 1:21-cv-08932-VM Document 36 Filed 10/13/22

euside Sodny **DOCUMENT ELECTRONICALLY FILED** DOC #: 10/13/2022 DATE FILED:

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

PLAYBOY ENTERPRISES INTERNATIONAL, INC.,

1:21 Civ. 08932 (VM)

Plaintiff,

v.

WWW.PLAYBOYRABBITARS.APP; WWW.PLAYBOYRABBIT.COM; VOZGEN

ZOLO; and JOHN DOES OWNERS/OPERATORS OF THE

COUNTERFEIT WEBSITES.

JUDGMENT AND ORDER **GRANTING PLAINTIFF'S** MOTION FOR DEFAULT

JUDGMENT AND RELATED RELIEF

Defendants.

This matter having come before the Court on Plaintiff Playboy Enterprises International, Inc.'s ("Playboy") Motion for Default Judgment and Related Relief, under Federal Rules of Civil Procedure 55 and 65; and this Court having reviewed the papers and proceedings in support of that Motion, including Playboy's Complaint, Memorandum of Law in support of the Motion, and the Declarations of Jennifer McCarthy and Maria R. Sinatra, along with accompanying exhibits; and this Court being fully satisfied that the Defendants were properly served with summonses, the Complaint [DKT. 9] ("Complaint") and all other pertinent papers and proceedings in this action, and failed to respond as required under Federal Rule of Civil Procedure 12; and good cause being shown therefor;

THE COURT HEREBY FINDS THAT:

Jurisdiction and Venue

- 1. This Court has subject matter jurisdiction over Playboy's claims under 28 U.S.C. §§ 1331 & 1338, and 15 U.S.C. § 1121. See Complaint ¶¶ 10-11.
- 2. This Court has personal jurisdiction over the Defendants because:

- a. The Defendants are operating the Counterfeit Websites accessible and interactive to users in this district and within New York state; and
- b. Playboy's Complaint and moving papers demonstrate that the Defendants undertook the unlawful counterfeiting scheme intentionally with knowledge that the Counterfeit Websites would cause consumers and Playboy harm in New York as Playboy does business in New York and has done business in New York for dozens of years.

See Complaint ¶¶ 10-15; Memorandum of Law in Support of Default Judgment ("Memo of Law"), at 7.

- 3. Venue is proper in this judicial district under 28 U.S.C. § 1391 because:
 - a. A substantial part of the conduct and the property at issue is located in this jurisdiction and the Complaint alleges facts to show that the Defendants are subject to personal jurisdiction in this judicial district, and no other district appears more appropriately suited to resolve this dispute. *See* Complaint ¶ 15.
- 2. The Complaint pleads sufficient facts and states claims against Defendants for:
 - a. Trademark counterfeiting, unfair competition, and false designation of origin, in violation of the Lanham Act, Sections 32 and 43(a) (15 U.S.C. §§ 1114, 1125(a) (Counts I and II) (Memo of Law at 17-18); and
 - Trademark infringement and unfair competition in violation of New York common law (Count III) (Memo of Law at 18-19).
- 3. The Court finds that Playboy has provided sufficient facts demonstrating that Defendants' conduct in this action was undertaken willfully (Complaint ¶¶ 85-98; Memo of Law at 19-20).

- 4. The Court finds that Playboy's request for statutory damages in its Motion is reasonable, particularly as to Defendants' willful infringement, within the Court's discretion, and permitted under the Lanham Act. *See* 15 U.S.C. § 1117(c); Jennifer McCarthy Declaration ¶¶ 15-23. The Court further finds that statutory damages in this case in the amount requested by Playboy is warranted to deter the Defendants and others from engaging in similar online counterfeiting schemes.
- 5. The Court finds that Playboy has established each of the factors required for a permanent injunction, namely (1) Playboy has shown it is entitled to injunctive relief under the Lanham Act, and (2) Playboy has met the prerequisites for issuance of an injunction showing actual success on the merits of its claims and irreparable harm. 15 U.S.C. § 1116; *Pitbull Prods., Inc. v. Universal Netmedia, Inc.*, No. 07-cv-1784, 2007 WL 3287368, at *5 (S.D.N.Y. Nov. 7, 2007) (internal quotation omitted); *see also Gucci Am., Inc. v. Tyrrell-Miller*, 678 F. Supp. 2d 117, 120 (S.D.N.Y. 2008) (quoting *Gucci Am., Inc. v. Duty Free Apparel, Inc.*, 286 F. Supp. 284, 290 (S.D.N.Y. 2003)).

IT IS HEREBY ORDERED that:

- 1. Playboy's Motion for Default Judgment and Related Relief is **GRANTED**;
- 2. Under Federal Rule of Civil Procedure 55(b)(2), default judgment is hereby entered against each Defendant for each and all of the Counts alleged in Playboy's Complaint, namely:
 - a. Trademark Counterfeiting, in violation of Section 32 of the Lanham Act (15
 U.S.C. § 1114) ("Count 1");
 - b. Trademark infringement, false designation of origin, and unfair competition, in violation of Section 43(a) of the Lanham Act (15 U.S.C. § 1125(a)) ("Count 2");

and

- Trademark infringement and unfair competition, in violation of New York common law ("Count 3")
- 3. The foregoing violations of Playboy's rights, and federal and state law, were willful;
- 4. Under the Lanham Act, 15 U.S.C. § 1117(c), Playboy is entitled to statutory damages of \$30,000 per registered trademark, for a total damages award of \$1,050,000 jointly and severally against the Defendants.
- 5. Under Federal Rule of Civil Procedure 65, each Defendant, and its officers, agents, servants, employees, and attorneys, and all those in active concert or participation with them, who receive actual notice of this Order by personal service or otherwise ("Restrained Parties"), are hereby permanently enjoined and restrained from, directly or indirectly, anywhere in the world:
 - a. Using or counterfeiting the Playboy Marks¹, and/or common law rights to the

), and their associated common law rights.

¹ As defined as United States Patent and Trademark Office ("USPTO") registration numbers 1393914 (PLAYBOY word mark); 1886578 (PLAYBOY word mark); 3187723 (PLAYBOY word mark); 3500652 (PLAYBOY word mark); 5945210 (PLAYBOY word mark); 5932223 (PLAYBOY word mark); 676726 (PLAYBOY word mark); 0600018 (PLAYBOY word mark); 0791734 (PLAYBOY word mark); 2632523 (PLAYBOY word mark); 2605118 (PLAYBOY word mark); 2412958 (PLAYBOY word mark); 5210800 (PLAYBOY word mark); 1320822 (PLAYBOY word mark); 4280121 (PLAYBOY word mark); 5638682 (PLAYBOY word mark); 6042869 (PLAYBOY word mark); 5991809 (PLAYBOY word mark); 4973564 (PLAYBOY word mark); 2107294 (PLAYBOY word mark); 3959511 (PLAYBOY word mark); 4280122 (♣); 6059387 (♣); 2839937 (♣); 3012203 (♣); 4813069 (♣); 1918754 (♣); 2867439 (♣); 2177521 (♣); 2107307 (♣); 2666917 (♣); 791333 (♣); 5482507 (♣); 6185419

- RABBITARS Marks², or any confusingly similar marks, reproduction, counterfeit copies, or spurious imitations thereof, on or in connection with the offering of any goods and/or services, website, or social media, including but not limited to, owning or operating the Counterfeit Websites³;
- b. Operating any other website, licensing business or other business, entity or store that purports to originate from Playboy, or to be sponsored or licensed by, or affiliated with Playboy, or contains any portion of the Playboy Marks within its name or d.b.a., when it is not;
- c. Operating any social media account, including but not limited to www.discord.com account(s) that purport to originate from Playboy, or to be sponsored or licensed by, or affiliated with Playboy or contains any portion of the Playboy Marks within its name d.b.a., or username, when it is not;
- d. Registering, owning, or using any domain name that consists of any of the Playboy Marks, RABBITAR Marks, or includes "Playboy" in the domain portion of the domain name and is being used in connection with the Playboy Marks, and/or the Rabbit Head Design and any other Playboy source identifier, or that is confusingly similar thereto, or that is calculated to confuse consumers into thinking that the website(s) accessible via the domain name(s) originate with/from

² As defined as USPTO application numbers 97079491 (RABBITARS word mark); 97079508 (RABBITARS word mark); 97079529 (RABBITARS word mark); and 97079551 (RABBITARS word mark), and their associated common law rights.

³ Defined as URLs that incorporate the Playboy Marks and/or RABBITARS Marks, including but not limited to www.playboyrabbitars.app/mint, www.playboyrabbit.com/mint, and www.playboyrabbit.com/mint, and

- Playboy, or is sponsored or licensed by, or affiliated with, Playboy or Playboy's Authentic Website⁴, when it is/they are not;
- e. Registering, owning, or using any entity whose name or d.b.a. consists of the Playboy Marks, or includes "Playboy", or that is confusingly similar to any of the Playboy Marks and/or RABBITARS Mark, or that is calculated to confuse consumers into believing that the Defendants are Playboy, affiliated with Playboy, or sponsored by Playboy, when they are not;
- f. Using in connection with Defendants' activities, goods, or services (or purported goods or services) any false or deceptive designations, representations, or descriptions of Defendants or their activities, goods, or services (or purported goods or services), whether by symbols, words, designs, statements, photographs, or other devices which would damage or injury Playboy or its customers, or would give Defendants an unfair competitive advantage or result in consumer deception;
- g. Committing other acts calculated to cause consumers to believe that Defendants' domain names, websites, web content, goods and/or services are offered under the authorization, sponsorship, supervision, or control of Playboy, or otherwise are connected with Playboy, or Playboy's Authentic website, when they are not;
- h. Further infringing the Playboy Marks, RABBITARS Mark and/or any other Playboy source identifier, or damaging any associated goodwill;

⁴ As defined as the website <u>www.playboyrabbitars.com</u>, which is owned and/or operated by Playboy.

- Using, linking to, transferring, selling, exercising control over, or otherwise owning or accessing the Counterfeit Websites; and
- j. Using, transferring, exercising control over, or otherwise accessing any accounts used in the transfer of money or electronic currency, including but not limited to Bitcoin or Ethereum, or in the processing of card-based transactions associated with the Counterfeit Websites⁵, and/or Defendants' www.discord.com usernames⁶, as a means to further Defendants' counterfeiting scheme.

Upon service of this Order, the Defendants, and other Restrained Parties shall be deemed to have actual notice of the issuance and terms of the permanent injunction, and any act by any of the Restrained Parties in violation of any of the terms of the permanent injunction may be considered and prosecuted as contempt of Court, and such other, further relief this Court deems just and proper.

In the event Playboy identifies additional websites, or www.discord.com usernames in connection with Defendants' counterfeiting scheme, Playboy may move the Court for an order modifying this injunction as appropriate. To the extent Playboy identifies additional www.discord.com usernames using variations of "Playboy The Rabbit Hole" or the Playboy Marks or common law trademarks in a similar manner as described in the Declaration of Sid

⁵ Including URLs that incorporate the Playboy Marks and/or are confusingly similar to the Counterfeit Websites, including but not limited to www.playboyrabbit.com/mint, and www.playboyrabbit.com/mint.

⁶ Plaintiff initially identified the following usernames being used in furtherance of Defendants' counterfeiting scheme on www.discord.com: (1) Playboy the Rabbit Hole Team; (2) Playboy the Rabbit Hole Info; (3) Playboy the Rabbit Hole News; and (4) Playboy the Rabbit Hole Alerts. Since obtaining expedited discovery pursuant to the Court's Ex Parte Order, the Plaintiff has identified the www.discord.com accounts and usernames identified in **Exhibit 1** to this Order.

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Nasr [ECF 23] (¶¶ 20-31), Playboy may serve this Order on Discord, Inc. to have the confusingly

similar www.discord.com usernames to the usernames already identified in Exhibit 1 frozen.

To the extent the Defendants attempt to use confusingly similar variations of the

Counterfeit Websites with URLs that incorporate the Playboy Marks, such as

www.playboyrabbitars.app/mint or www.playboyrabbit.com/mint, Playboy may serve this Order

on the Counterfeit Website registrars and/or other third parties responsible for services involved

with keeping the Counterfeit Websites online, in order to freeze and/or make the Counterfeit

Websites and any confusingly similar variations of the Counterfeit Websites frozen and

inaccessible to the Defendants.

IT IS FURTHER ORDERED that Court hereby releases the security posted by Playboy in

the amount of \$15,000 that was posted in connection with the preliminary injunction order [see

ECF 8].

IT IS FURTHER ORDERED that Playboy may serve this Order, and any additional

case filings in this Action upon all Defendants by email and/or other electronic means, and/or by

overnight courier using the identifying emails obtained in connection with expedited discovery

previously identified in ECF 8, Ex. 2.

SO ORDERED

Dated:

10/13/2022

Honorable Victor Marrero

United States District Court Judge

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EXHIBIT 1

	Username ID	Discord Account Username
1	904467359971016735	Playboy The Rabbit Hole Team#2537
2	902336017305059410	Playboy The Rabbit Hole Alerts#5270
3	902311110340915200	Playboy The Rabbit Hole#7539
4	901677215765389343	Playboy The Rabbit Hole Team#8119
5	901506672458096672	Playboy The Rabbit Hole#1330
6	899558485199568907	Playboy The Rabbit Hole#1480
7	901506648642813962	Playboy The Rabbit Hole#1940
8	901506741630550037	Playboy The Rabbit Hole#2194
9	901506625926463508	Playboy The Rabbit Hole#4504
10	901506663348076625	Playboy The Rabbit Hole#5009
11	902258304301027428	Playboy The Rabbit Hole#5238
12	901505933031661639	Playboy The Rabbit Hole#6104
13	901506220131758101	Playboy The Rabbit Hole#6870
14	901506672659415062	Playboy The Rabbit Hole#7389
15	901506292013731891	Playboy The Rabbit Hole#8458
16	902810829454446613	Playboy The Rabbit Hole#8564
17	902111886785511435	Playboy The Rabbit Hole#9641