1 $\overline{2}$ 3 45 6 7 UNITED STATES DISTRICT COURT 8 WESTERN DISTRICT OF WASHINGTON AT SEATTLE 9 GINA KIM. on behalf of a class Cause No. 2:11-CV-00214 RSM consisting of herself and all other 10 DECLARATION OF JAY CARLSON persons similarly situation, IN SUPPORT OF MOTION TO 11 Plaintiffs, STRIKE AND FOR SANCTIONS PURSUANT TO WASHINGTON'S 12 ANTI-SLAPP STATUTE, RCW VS. 4.24.525 13 COACH, INC., a Maryland corporation, and COACH SERVICES, INC., a 14 Maryland corporation, 15 Defendants. 16 I, Jay Carlson, declare as follows: 17 I am over the age of eighteen and competent to make the statements contained in this 18 declaration. I make these statements based on my own personal knowledge. 19 I am one of the attorneys of record for Gina Kim in this matter, and I am one of the 2. 20 defendants named in defendant Coach, Inc.'s counterclaim, alleging that I and my colleague 21 Christopher Carney have defamed Coach, Inc. ("Coach"). 22 Shortly after Mr. Carney, Mr. Moore and I filed the class action complaint against Coach, 23 Mr. Carney was contacted by a local television news reporter working on behalf of King 5 News. 24 Neither I nor anyone else associated with lawsuit had sought the attention of this reporter. The reporter requested an interview with Ms. Kim's attorneys concerning the nature of the claims in 25 26 the lawsuit. In order to reach an audience likely containing additional prospective class members and 27 Cause No. 2:11-CV-00214 RSM CARLSON LEGAL 100 W. HARRISON ST. 28 **DECLARATION OF JAY CARLSON - 1** SUITE N440 SEATTLE, WA 98119

(206) 291-7419

to solicit their participation in the class action lawsuit, Mr. Carney and I agreed to be interviewed about the lawsuit. During the interview, we answered questions about the claims and discussed portions of the class complaint that we had filed and served.

- 5. During the interview, I was asked to describe the contents of the letter that Ms. Kim received from Coach's attorneys. At no point did I state that I was quoting the letter. Indeed, a copy of Coach's letter was given to the reporter, and the letter speaks for itself as for its contents. Instead, I summarized and paraphrased the gist of certain passages from Coach's letter as follows: "you have committed trademark infringement and we are going to sue you for two million dollars."
- 6. Obviously, I was aware of the contents of the letter that Coach now admits was sent on its behalf to Ms. Kim, and I believed and still believe that my paraphrase was a fair characterization of passages in that letter. For example, when I said that the letter could be summarized as containing an accusation that Ms. Kim had committed trademark infringement, I was relying on passages of the letter which state "[i]t has recently come to our attention that you are offering for sale and selling merchandise *bearing counterfeits of the Coach Trademarks*..." and "... such action ... constitutes trademark counterfeiting [and] infringement[.]" <u>See</u> Docket No. 6, p. 20 (emphasis added).
- 7. My paraphrase that the letter threatened a lawsuit for \$2,000,000.00 was based on the passages of the letter which state: "[a]s a result, you may be held liable for trademark counterfeiting and infringement. The penalties for such conduct are severe and may include injunctive relief, actual damages, statutory damages of up to \$2,000,000 for each trademark..."

 See Docket No. 6, p. 20. If anything, then, the threat in Coach's letter is of a lawsuit totaling well over \$2,000,000.
- 8. At the time I made these statements paraphrasing Coach's letter to Ms. Kim, I absolutely believed them to be true and I had a good faith basis for my belief in the truth of these statements. I also provided a copy of the letter itself to the reporter, so any alleged inaccuracy in reporting the exact contents of the letter were not the result of any false statement by me of the letter's contents.

Cause No. 2:11-CV-00214 RSM DECLARATION OF JAY CARLSON - 3

9. At page 15 of Coach's Answer (Docket No. 6, ¶ 23), Coach asserts that Mr. Carney "falsely asserted that Coach uses accusations of trademark infringement to stifle second-hand sales of authentic products." Actually, I made the statement to which Coach is apparently referring, and an accurate quote of what I said makes it clear that was a statement of opinion: "we think they want to force consumers to only buy new Coach products, and only buy them in Coach stores." I believe that this opinion is justified given what I have learned, through research, about Coach's aggressive campaign to threaten consumers like my client, who have done nothing wrong, with huge trademark lawsuits. In any case, taken in its proper context and quoted properly (which Coach did not do) this was clearly a statement of opinion.

- 10. The video of the interview as it was aired can be found at http://www.king5.com/home/Woman-threatened-with-a--2-million-lawsuit-for-selling-bags-on-EBay-115680179.html.
- 11. Attached hereto as Exhibit A is a true and correct copy of a Febuary 17, 2011 letter from Coach's counsel Stelllman Keehnel to plaintiff's counsel, demanding that we dismiss all claims against Coach and threatening a defamation lawsuit against us.
- 12. Attached hereto as Exhibit B is a true and correct copy of a page from DLA Piper's website, confirming that the law firm employs 3,500 lawyers in 29 countries and 70 offices, and a true and correct copy of a listing taken from The American Lawyer of the world's largest law firms.
- 13. Attached hereto as Exhibit C is a true and correct copy of Substitute Senate Bill 6395, showing that this bill was unanimously adopted by both houses of the Washington State Legislature in February, 2010.
- 14. Attached hereto as Exhibit D is a true and correct copy of a printout from Bloomberg Businessweek, showing the annual revenues of Coach, Inc.
- 15. Attached hereto as Exhibit E is a true and correct copy of the website of IBJNEWS, containing an article discussing Coach's "Operation Turnlock" and quoting Coach's general counsel discussing that program.

Dated this March 10, 2011, at Seattle, Washington.

I HEREBY DECLARE UNDER PENALTY OF PERJURY OF THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Jay Carlson, Jegelarant

Cause No. 2:11-CV-00214 RSM DECLARATION OF JAY CARLSON - 4 CARLSON LEGAL 100 W. HARRISON ST. SUITE N440 SEATTLE, WASHINGTON 98119 (206) 291-7419

EXHIBIT A



DLA Piper LLP (us)
701 Fifth Avenue, Suite 7000
Seattle, Washington 98104-7044
www.dlapiper.com

Stellman Keehnel stellman.keehnel@dlapiper.com T 206.839.4888 F 206.494.1790

February 17, 2011

Jason B. Moore Van Eyk & Moore, PLLC 100 West Harrison Street, N440 Seattle, WA 98119 Christopher Carney Carney Gillespie & Isitt PLLC 100 West Harrison Street, N440 Seattle, WA 98119

Jay Carlson Carlson Legal 100 West Harrison Street, N440 Seattle, WA 98119

Re: Kim v. Coach, Inc.

Messrs. Moore, Carlson, and Carney:

I represent Coach, Inc. and Coach Services, Inc. I am sending this letter pursuant to Rule 11 of the Federal Rules of Civil Procedure. Before I get to the substance of my message, I must say that I am disappointed that, thus far, all three of you have refused to meet with me or even talk with me. I hereby renew my request to have a face-to-face meeting with you at your earliest convenience.

The purpose of this message is to inform you that the Complaint that each of you signed is in violation of Rule 11. I urge you to work with me now to prepare the necessary papers to dismiss the lawsuit. If we do not receive your cooperation, the Coach companies will have no other choice than to proceed with steps to dismiss the lawsuit and then ask the Court to require your client and you to pay back to the Coach companies the fees incurred in dealing with your frivolous lawsuit.

The starting point for understanding why an objective viewer would have reasonably concluded that your client was attempting to sell a counterfeit bag is that your client falsely listed the item as "NEW" in her eBay product description. Despite your client's description of the bag as "NEW," it turns out that your client purchased the bag six or seven years ago. The bag is not new. It may be unused, but it certainly is not new. "New" is not a vague term. It means "having existed or having been made but a short time." No honest person would describe a seven-year-old car as new, even if it had never been driven. Similarly, no honest person would label as "NEW" a bag purchased six or seven years ago.



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Your client's description of the bag as "NEW" was in plain violation of eBay's User Agreement, which your client agreed to honor. eBay's User Agreement requires a seller, such as your client, to agree as follows: "You will not . . . post false, inaccurate, misleading . . . content" In falsely listing the item as "NEW," your client violated her contract with eBay. Germane to the lawsuit you filed, and to the reason an objective viewer would reasonably have concluded that your client was attempting to sell a counterfeit item, the Coach companies were entitled to rely on your client's statement that the bag is "NEW" (i.e., manufactured but a short time previously). The actions taken were in reasonable reliance on your client's false and misleading labeling of the bag as "NEW." Put simply, if the bag your client listed for sale on eBay were truly new, then it is, in fact, counterfeit. Had your client not falsely described the bag as "NEW," she would not have received a letter from the Coach companies' lawyers (Gibney Anthony), and no communication would have been made to eBay by those lawyers. The sole cause of the events about which you and your client wrongly complain is your own client's false and misleading description of the bag as "NEW."

At 1:19-20 of the Complaint that each of you signed, you falsely state: "Without investigating the validity of its allegations, Coach wantonly accuses consumers of infringing its trademarks by selling counterfeit Coach products." That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Indeed, before filing the Complaint and making the false statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. You and your client blatantly violated Rule 11(b)(3).

At 2:4-5 of the Complaint that each of you signed, you falsely state that "Coach fails to conduct even a minimally reasonable investigation" That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Again, before filing the Complaint and making the false statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. You again blatantly violated Rule 11(b)(3).



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At 3:14-15 of the Complaint that each of you signed, you falsely state that actions were taken with respect to your client "without conducting any reasonable investigation" That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Once again, before filing the Complaint and making the false statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. You once again blatantly violated Rule 11(b)(3).

At 4:9 of the Complaint that each of you signed, you falsely state that actions were taken with respect to your client "without conducting a thorough investigation" That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. As with the other allegations quoted above, before filing the Complaint and making the false statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. As with the other allegations quoted above, you blatantly violated Rule 11(b)(3).

At 5:1 of the Complaint that each of you signed, you falsely state that actions were taken with respect to your client "without conducting a thorough investigation" That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Again, before filing the Complaint and making the false statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. Again, you blatantly violated Rule 11(b)(3).

At 5:13 of the Complaint that each of you signed, you falsely state that actions were taken with respect to your client "without conducting a thorough investigation" That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Once again, before filing the Complaint and making the false



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statement quoted above, you had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did you make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. You once again blatantly violated Rule 11(b)(3).

Further, in a television interview in which he was "advocating" (under Rule 11(b)) the Complaint, Mr. Carney falsely stated: "Clearly, Coach did nothing to investigate " That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Before filing the Complaint and making the false statement quoted above, Mr. Carney and Mr. Carlson, who was at Mr. Carney's side, had no idea whatsoever what system is in place to identify items listed on eBay as counterfeit Coach products, nor did Mr. Carney and Mr. Carlson make any effort to inquire, which would have been as simple as calling Coach's in-house counsel. Mr. Carney and Mr. Carlson blatantly violated Rule 11(b)(3). In addition, Mr. Carney's statement was for an improper purpose — to publicly cast the Coach companies in a false light, to defame the Coach companies, and to harass the Coach companies. Mr. Carney and Mr. Carlson have violated Rule 11(b)(1). And because Mr. Carney made his false and defamatory statement outside a pleading, there is no immunity, qualified or otherwise, associated with his statement. Mr. Carney defamed the Coach companies, and he sought maximum publicity of his defamatory statement, apparently intending to maximize the Coach companies' damages.

At 6:13 of the Complaint that each of you signed, you falsely state that "Defendant has threatened **many** Class members throughout the State of Washington." (Emphasis added.) That contention has no evidentiary support, and you did not perform an inquiry reasonable under the circumstances to support an assertion that the contention would likely have evidentiary support. Had you inquired, you would have learned that fewer than 20 letters similar to the letter referenced in the Complaint were sent to Washington addresses (and a number of those letters resulted in admissions that the recipients were, in fact, marketing counterfeit goods). You have again violated Rule 11(b)(3).

At 4:6-23 of the Complaint that each of you signed, you assert a claim under 17 U.S.C. § 512(f). The Digital Millennium Copyright Act is a copyright statute. It does not apply to trademark matters. See, e.g., Corbis Corp. v. Amazon.com, Inc., 351 F. Supp. 2d 1090, 1098 ("In 1998 Congress enacted the DMCA in an effort to resolve the unique



Jason B. Moore Jay Carlson Christopher Carney February 17, 2011 Page Five

copyright enforcement problems caused by the widespread use of the Internet.") (emphasis added); Williams v. Life's Rad, 2010 WL 5481762 (N.D. Cal. May 12, 2010) at *4 ("While the DCMA imposes obligations upon service providers with respect to copyrights, there is no companion provision under the Lanham Act for trademarks."). You had no basis for making a claim under the DCMA in this matter, which does not remotely involve copyrights. In short, as with your false factual contentions, your legal claim also has no support. Your assertion of a DCMA claim is in blatant violation of Rule 11(b)(2).

Mr. Carlson, in the same television interview noted above, in which he was "advocating" (under Rule 11(b)) the Complaint, indicated he was reading from the letter that the Coach companies' counsel sent your client, and Mr. Carlson falsely stated that the letter reads as follows: "You have committed trademark infringement and we are going to sue you for two million dollars." That is plainly not what the letter says. Not only does Mr. Carlson's statement lack evidentiary support, it is objectively false. Mr. Carlson, and Mr. Carney, who was at Mr. Carlson's side at the time and did not correct the false statement, violated Rule 11(b)(3). In addition, the statement was for an improper purpose — to publicly cast the Coach companies in a false light, to defame the Coach companies, and to harass the Coach companies. Mr. Carlson and Mr. Carney have violated Rule 11(b)(1). And because Mr. Carlson made his false and defamatory statement outside a pleading, there is no immunity, qualified or otherwise, associated with his statement. Mr. Carlson defamed the Coach companies, and he sought maximum publicity of his defamatory statement, apparently intending to maximize the Coach companies' damages.

Finally, as your client knew from the Employee Guides in place while she was an employee of Coach, merchandise purchased through an employee discount cannot be re-sold to "realize personal gain from the purchase." It appears that your client, in addition to misleading both Coach and potential buyers by wrongly listing the item as "NEW," is also in violation of her obligations under the Employee Guides.

The Coach companies hereby request that you voluntarily dismiss the lawsuit. We will work with you to prepare the dismissal papers. If you do not dismiss the lawsuit promptly, the Coach companies intend to ask the Court to require your client and each of you, pursuant to Rule 11(c)(1) & (4), to pay for the fees and costs the Coach companies are incurring in dealing with this frivolous lawsuit. The Coach companies



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urge you to inform your client, as the rules of Professional Conduct require, of the likelihood that she will have to pay the Coach companies' legal fees if she fails to dismiss the lawsuit:

If, after notice and a reasonable opportunity to respond, the court determines that Rule 11(b) has been violated, the court may impose an appropriate sanction on any attorney, law firm, **or party** that violated the rule or is responsible for the violation.

The sanction may include . . . an order directing payment to the movant [Coach] of part or all of the reasonable attorney's fees and other expenses directly resulting from the violation

Rule 11(c)(1) & (4).

I understand from the Court's February 9, 2011 letter to Mr. Moore that he is not admitted to practice before the United States District Court for the Western District of Washington (and so improperly listed himself on the Complaint), so I appreciate his reluctance to talk with me about this lawsuit. Mr. Carlson and Mr. Carney, will you please meet with me? I suggest the following slots: February 18 between 9:30 a.m. and 3:00 p.m., February 19 between 8:00 a.m. and 4:00 p.m., February 21 between 11:00 a.m. and 7:00 p.m., or February 22 between 10:00 a.m. and 4:00 p.m.

Sincerely,

DLA Piper LLP (US)

Stellman Keehnel

Partner

Admitted to practice in Washington

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EXHIBIT B

LOCATIONS: GLOBAL

About Us > Facts and Figures

Facts and Figures

- 3,500 lawyers located in 29 countries and 70 offices
- Offices in key US markets: Atlanta, Austin, Baitimore, Boston, Chicago, Dallas, Houston, Los Angeles, New Jersey, New York, Northern Virginia, Philadelphia, Phoenix, Raleigh, Sacramento, San Diego, San Francisco, Seattle, Silicon Valley, Tampa, and Washington, DC.
- Offices across continental Europe: Austria, Belgium, Czech Republic, France, Georgia. Germany, Hungary, Italy, the Netherlands, Norway, Poland, Romania, Russia, Slovakia, Spain, Turkey and Ukraine
- Offices in the UK: Birmingham, Edinburgh, Glasgow, Leeds, Liverpool, London, Manchester and Sheffield
- Offices in Asia: Bangkok, Beijing, Hong Kong, Shanghai, Singapore and Tokyo
- Offices in the Middle East: Abu Dhabi, Doha, Dubai, Kuwait City*, Manama, Muscat and Riyadh*
- DLA Piper Group is an alliance of independent law firms with exclusive agreements with DLA Piper. DLA Piper and the Group members share a common vision to provide comprehensive legal services to clients locally and globally. There are ten members in the Group: DLA Nordic in Sweden: Law Office Femil Curt in Bosnia-Herzegovina; Law Firm Glinska Miskovic Ltd. in Croatia; DLA Matouk Bassiouny in Egypt: Cliffe Dekker Holmeyr Inc., with two offices in South Africa; Chibesakunda & Co. in Zambia; IMMMA in Tanzania; Reindorf Chambers in Ghana; Iseme, Kamau & Maema Advocates in Kenya; and DLA Phillips Fox in Australia and New Zealand.
- We have also built strong referral relationships across Latin America, especially in Argentina. Bolivia, Brazil and Mexico. DLA Piper works in cooperation with Campos Mello Advogados, an independent Brazilian law firm.
- We also work in cooperation with leading Turkish law firm YükselKarkınKüçük (YKK), and we have 50 lawyers in Istanbul to support the needs of clients looking to expand or do business in Turkey
- In 2010, DLA Piper donated nearly 156,000 hours valued at \$75 million worldwide. Our pro-bono program is consistently ranked among the best by The American Lawyer, and we were the first law firm to be listed in The Sunday Times "Top 100 Companies that Count" for our ranking in Business in the Community's Corporate Responsibility Index.
- Our work on the sustainability agenda sees DLA Piper as one of the first in the legal sector to achieve global accreditation to ISO:14001, the internationally recognized environmental management system which enables us to accurately measure and manage our carbon reduction strategies, committing us to standards that significantly reduce our impact on the environment.
- Our people reflect the diversity of our clients, and the many communities and markets where we work.
 With offices worldwide, our efforts to understand, value and incorporate differences are at the heart of our culture.

Clients

- Our clients range from multinational, Global 1000 and Fortune 500 enterprizes to emerging companies developing industry-leading technologies.
- > We represent more than 140 of the top 250 Fortune 500 clients and nearly half of the FTSE 350 or their subsidiaries.

Recent Awards

- Ranked #1 globally by volume of M&A transactions in 2010 mergermarket
- Ranked #1 in the UK by volume of M&A transactions in 2010 mergermarket
- Ranked in the top 5 in the United States, Europe, Greater China, Asia-Pacific and India by volume of M&A transactions in 2010 - mergermarket and Bloomberg
- #1 international law firm in India by number of IPO mandates from April through September 2010 Legally India
- > 273 DLA Piper lawyers ranked as leaders in their fields Chambers & Partners 2010
- Among the top five firms that are most committed to client service 2010 BTI Client Service 30
- Named Global Real Estate Law Firm of the Year for the sixth consecutive year International Who's Who
 of Business Lawyers, 2005-2010
- Recognized as one of the law firms "that America turns to most" The National Law Journal, 2010
- Ranked #7 among the "Global Elite" law firms for having one of the strongest law firm brands worldwide Acritas, 2010
- Named a finalist in the 2010 Litigation of the Year competition in the Product Liability category The American Lawyer
- Received the "Best Management of Risk" award at the MPF European Practice Management Awards 2010.
- > Named "Best Corporate Counselor of the year" at the Top Capital Summit for Asia-Pacific 2010
- Named "Real Estate Law Firm of the Year" at Yundicheskaya Practika's Legal Awards 2010
- Received the "Debt Capital Markets Deal of the Year" at the South East Asian Legal Business Law

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Awards 2010

- Winner of "Best Newcomer of the Year" at the International Tax Review Awards 2010
- Received the "2010 International Law Office Client Choice Award" in the International Asset Finance (Spain), Corporate Tax (Norway), Commercial Property (Hong Kong), Employment and Labour (UK) categories
- Named "Advisor of the Year" at the European Outsourcing Association (EOA) Awards 2010
- Received the "Outstanding Achievement Award" at the Legal Business Awards 2010
- Named "Italian-based International Law Firm of the Year" at the Top Legal Awards 2009
- Named "Deal Structuring Law Firm of the Year" at the unquote British Private Equity Awards 2009
- > Received the "Environmental Excellence Award" at the CSR Summit Awards 2009
- Named "Corporate Law Firm of the Year" at the Belgian Legal Awards 2009
- Named "Law Firm of the Year 2009" at the Asia M&A Alias Awards
- > Received the "Asia Pacific Energy Services Sector Deal of the Year 2009" at the Asia M&A Atias Awards
- Winner of the 2009 "Financial Management Award" at the MPF's European Practice Management Awards
- Received the "Sustainability Initiative Award" at the facilities management Middle East Awards 2009
- Named "European Copyright Firm of the Year" at the Managing Intellectual Property Global Awards 2009



^{*} denotes associate offices

List of 100 largest law firms From Wikipedia, the free encyclopedia

This list of the world's largest law firms by revenue is taken from The American Lawyer and is ordered by 2009 revenue: [1] [2]

Rank	Name 🗷	Revenue	Office Reach	Headquarters
1 🛦	Linklaters	\$2,407.0	International	es UK
2 🛦	Freshfields Bruckhaus Deringer	\$2,386.5m	International	≥≋ UK
3 ▼	Clifford Chance	\$2,40.5m	International	es UK
4 ♥	Skadden, Arps, Slate, Meagher & Flom	\$2,100.0M	International	■ USA
5 ▼	Baker & McKenzie	\$2,112.0M	International	<u>■</u> USA
6	Allen & Overy	\$2,023.5m	International	SS UK
7	Latham & Watkins	\$1,923.0m	International	■ USA
8	Jones Day	\$1,540.0m	International	■ USA
9	Sidley Austin	\$1,489.5m	International	<u>■</u> USA
10 *****	White & Case	\$1,467.0m	International	■ USA
11	Kirkland & Ellis	\$1,400.0m	International	USA
12 🛦	Mayer Brown	\$1,294.0m	International	USA
13 🛦	Weil Gotshal	\$1,231.0m	International	■ USA
14 ▼	Greenberg Traurig	\$1,204.0m	International	■ USA
15	DLA Piper USAUSA ^[3]	\$1,178.0m	International	■ USA
16 🛦	Gibson Dunn	\$1,175.0m	International	■ USA
17 🛦	Morgan Lewis	\$1,120.5m	International	■ USA
18 ▼	DLA Piper InternationalUSA ^[4]	\$1,085.0m	International	≥K UK
19 🛦	Sullivan & Cromwell	\$995.0m	International	■ USA
20 🛦	Lovells	\$984.5m	International	≅ ≋ UK
21	Cleary Gottlieb Steen & Hamilton	\$965.0m	International	■ USA
22 ▼	Reed Smith	\$942.0m	International	■ USA
23 ▼	Wilmer Hale	\$941.0m	International	■ USA
24 🛦	Dewey & LeBoeuf	\$914.0m	International	■ USA
25 ▼	Cleary Gottlieb Steen & Hamilton	\$894.0m	International	■ USA
26 ▼	Paul, Hastings, Janofsky & Walker	\$889.0m	International	■ USA
27 ▼	Morrison & Foerster	\$884.0m	International	■ USA
28 ▼	Shearman & Sterling	\$876.0m	International	SIN UK
29 ▼	Simpson Thacher & Bartlett	\$870.5m	International	■ USA
30 ▼	Hogan & Hartson	\$864.5m	International	■ USA
31 🛦	Bingham McCutchen	\$860.0m	International	■ USA
32 🛦	Orrick, Herrington & Sutcliffe	\$847.5m	International	■ USA
33 🛦	Davis Polk & Wardwell	\$846.0m	International	■ USA

EXHIBIT C

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 6395

61st Legislature 2010 Regular Session

CERTIFICATE		
I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is SUBSTITUTE SENATE BILL 6395 as		
passed by the Senate and the House		
of Representatives on the dates hereon set forth.		
Secretary		
FILED		
Secretary of State State of Washington		

SUBSTITUTE SENATE BILL 6395

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By Senate Judiciary (originally sponsored by Senators Kline, Kauffman, and Kohl-Welles)

READ FIRST TIME 01/25/10.

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- AN ACT Relating to lawsuits aimed at chilling the valid exercise of the constitutional rights of speech and petition; adding a new section to chapter 4.24 RCW; creating new sections; and prescribing penalties.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. (1) The legislature finds and declares that:
 - (a) It is concerned about lawsuits brought primarily to chill the valid exercise of the constitutional rights of freedom of speech and petition for the redress of grievances;
 - (b) Such lawsuits, called "Strategic Lawsuits Against Public Participation" or "SLAPPs," are typically dismissed as groundless or unconstitutional, but often not before the defendants are put to great expense, harassment, and interruption of their productive activities;
 - (c) The costs associated with defending such suits can deter individuals and entities from fully exercising their constitutional rights to petition the government and to speak out on public issues;
 - (d) It is in the public interest for citizens to participate in matters of public concern and provide information to public entities and other citizens on public issues that affect them without fear of reprisal through abuse of the judicial process; and

- 1 (e) An expedited judicial review would avoid the potential for abuse in these cases.
 - (2) The purposes of this act are to:

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- 4 (a) Strike a balance between the rights of persons to file lawsuits 5 and to trial by jury and the rights of persons to participate in 6 matters of public concern;
 - (b) Establish an efficient, uniform, and comprehensive method for speedy adjudication of strategic lawsuits against public participation; and
- 10 (c) Provide for attorneys' fees, costs, and additional relief where 11 appropriate.
- NEW SECTION. Sec. 2. A new section is added to chapter 4.24 RCW to read as follows:
 - (1) As used in this section:
- (a) "Claim" includes any lawsuit, cause of action, claim, crossclaim, counterclaim, or other judicial pleading or filing requesting relief;
- 18 (b) "Government" includes a branch, department, agency,
 19 instrumentality, official, employee, agent, or other person acting
 20 under color of law of the United States, a state, or subdivision of a
 21 state or other public authority;
- (c) "Moving party" means a person on whose behalf the motion described in subsection (4) of this section is filed seeking dismissal of a claim;
 - (d) "Other governmental proceeding authorized by law" means a proceeding conducted by any board, commission, agency, or other entity created by state, county, or local statute or rule, including any self-regulatory organization that regulates persons involved in the securities or futures business and that has been delegated authority by a federal, state, or local government agency and is subject to oversight by the delegating agency.
- (e) "Person" means an individual, corporation, business trust, state, trust, partnership, limited liability company, association, joint venture, or any other legal or commercial entity;
- (f) "Responding party" means a person against whom the motion described in subsection (4) of this section is filed.

(2) This section applies to any claim, however characterized, that is based on an action involving public participation and petition. As used in this section, an "action involving public participation and petition" includes:

- (a) Any oral statement made, or written statement or other document submitted, in a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (b) Any oral statement made, or written statement or other document submitted, in connection with an issue under consideration or review by a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (c) Any oral statement made, or written statement or other document submitted, that is reasonably likely to encourage or to enlist public participation in an effort to effect consideration or review of an issue in a legislative, executive, or judicial proceeding or other governmental proceeding authorized by law;
- (d) Any oral statement made, or written statement or other document submitted, in a place open to the public or a public forum in connection with an issue of public concern; or
- (e) Any other lawful conduct in furtherance of the exercise of the constitutional right of free speech in connection with an issue of public concern, or in furtherance of the exercise of the constitutional right of petition.
- (3) This section does not apply to any action brought by the attorney general, prosecuting attorney, or city attorney, acting as a public prosecutor, to enforce laws aimed at public protection.
- (4)(a) A party may bring a special motion to strike any claim that is based on an action involving public participation and petition, as defined in subsection (2) of this section.
- (b) A moving party bringing a special motion to strike a claim under this subsection has the initial burden of showing by a preponderance of the evidence that the claim is based on an action involving public participation and petition. If the moving party meets this burden, the burden shifts to the responding party to establish by clear and convincing evidence a probability of prevailing on the claim. If the responding party meets this burden, the court shall deny the motion.

(c) In making a determination under (b) of this subsection, the court shall consider pleadings and supporting and opposing affidavits stating the facts upon which the liability or defense is based.

- (d) If the court determines that the responding party has established a probability of prevailing on the claim:
- (i) The fact that the determination has been made and the substance of the determination may not be admitted into evidence at any later stage of the case; and
- (ii) The determination does not affect the burden of proof or standard of proof that is applied in the underlying proceeding.
- (e) The attorney general's office or any government body to which the moving party's acts were directed may intervene to defend or otherwise support the moving party.
- (5) (a) The special motion to strike may be filed within sixty days of the service of the most recent complaint or, in the court's discretion, at any later time upon terms it deems proper. A hearing shall be held on the motion not later than thirty days after the service of the motion unless the docket conditions of the court require a later hearing. Notwithstanding this subsection, the court is directed to hold a hearing with all due speed and such hearings should receive priority.
- (b) The court shall render its decision as soon as possible but no later than seven days after the hearing is held.
- (c) All discovery and any pending hearings or motions in the action shall be stayed upon the filing of a special motion to strike under subsection (4) of this section. The stay of discovery shall remain in effect until the entry of the order ruling on the motion. Notwithstanding the stay imposed by this subsection, the court, on motion and for good cause shown, may order that specified discovery or other hearings or motions be conducted.
- (d) Every party has a right of expedited appeal from a trial court order on the special motion or from a trial court's failure to rule on the motion in a timely fashion.
- (6)(a) The court shall award to a moving party who prevails, in part or in whole, on a special motion to strike made under subsection (4) of this section, without regard to any limits under state law:
- (i) Costs of litigation and any reasonable attorneys' fees incurred in connection with each motion on which the moving party prevailed;

SSB 6395.PL p. 4

1 (ii) An amount of ten thousand dollars, not including the costs of 2 litigation and attorney fees; and

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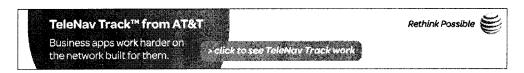
- (iii) Such additional relief, including sanctions upon the responding party and its attorneys or law firms, as the court determines to be necessary to deter repetition of the conduct and comparable conduct by others similarly situated.
- (b) If the court finds that the special motion to strike is frivolous or is solely intended to cause unnecessary delay, the court shall award to a responding party who prevails, in part or in whole, without regard to any limits under state law:
- (i) Costs of litigation and any reasonable attorneys' fees incurred in connection with each motion on which the responding party prevailed;
- (ii) An amount of ten thousand dollars, not including the costs of litigation and attorneys' fees; and
 - (iii) Such additional relief, including sanctions upon the moving party and its attorneys or law firms, as the court determines to be necessary to deter repetition of the conduct and comparable conduct by others similarly situated.
- 19 (7) Nothing in this section limits or precludes any rights the 20 moving party may have under any other constitutional, statutory, case 21 or common law, or rule provisions.
- NEW SECTION. Sec. 3. This act shall be applied and construed liberally to effectuate its general purpose of protecting participants in public controversies from an abusive use of the courts.
- NEW SECTION. Sec. 4. This act may be cited as the Washington Act Limiting Strategic Lawsuits Against Public Participation.
- NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

--- END ---

EXHIBIT D

Bloomberg Businessweek

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March 09, 2011 9 15 PM ET

CONSUMER DISCRETIONARY SECTOR TEXTILES, APPAREL & LUXURY GOODS INDUSTRY

COACH INC (COH:New York)

LAST \$56.05 USD CHANGE TODAY +0.28 0.50% VOLUME 1.7M COH On Other Exchanges As of 8:04 PM 03/9/11 All times are local (Market data is delayed by at least 15 minutes) Snapshot News Charts Financials Earnings People Ownership Transactions Options

EARNINGS & ESTIMATES SUMMARY - COACH INC (COH)

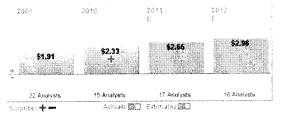
Coach Inc. to Report Q3, 2010 on 04/20/2010 Coach Inc. to Report Q4, 2010 on Aug-03-2010 Coach Inc. to Report Q1, 2011 on Oct 26, 2010 CapiQ 04/20/2010 1:00 PM ET

2010 revenues at Coach Inc totaled \$3.6B, while annual earnings equaled \$2.33 per share.

QUARTERLY EARNINGS & ESTIMATES - COACH INC (COH)

Chart not available Coach Inc.'s Quarterly Earnings Coach Inc. reported 2nd quarter 2011 on 01/25/2011.

ANNUAL EARNINGS & ESTIMATES - COACH INC (COH)

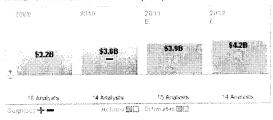


Coach Inc.'s Annual Earnings Coach Inc. reported annual 2010 earnings of \$2.33 per share on 08/3/2010.

QUARTERLY REVENUES - COACH INC (COH)

Chart not available

ANNUAL REVENUES - COACH INC (COH)



Coach Inc.'s Annual Revenues Coach Inc. had revenues for the full year 2010 of \$3.6B. This was 11 7% above the prior year's

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Famous handbag maker hits local retailers with lawsuits

THIS WEEK'S PAPER

Kathleen McLaughlin March 31, 2010 KEYWORDS LAW, LAWSUITS, LEGAL ISSUES, REAL ESTATE & RETAIL RETAIL, RETAILERS, TRADEMARK

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In an effort to crack down on knockoffs, famous handbag designer Coach Inc. has hit at least three local retailers with trademarkinfringement lawsuits.

BLOGS

The two most recent suits, filed March 24 in U.S. District Court of Southern Indiana, are against My Walk-In Closet of Greenwood and Novedades Latina on the south side of Indianapolis.

New York-based Coach sued a mall kiosk operator called Cellaxs on Dec. 11.

The complaints in each case are similar: Coach alleges trademark infringement, copyright infringement, counterfeiting and forgery, among other counts. The company demands \$1 million per counterfeit mark per type of infringing item, such as a handbag or wallet. As an alternative, the company demands defendants pay Coach all the profits realized from the sale of infringing or counterfeit goods, plus treble damages.

"This is Coach getting very serious about stopping counterfeiting and infringing materials out there," Coach General Counsel Nancy Axilrod said.

Catherine Vesely, owner of My Walk-In Closet, 350 S. Madison Ave., could not be reached for comment Wednesday.

Zadia Caban, owner of Novedades Latina, 4202 S. Meridian St., Suite E, said she was not aware of the lawsuit. However, she said her store does not sell Coach or fake Coach goods. The store sells perfume, jewelry and some clothing. She said the only wallets she sells are a Mexican brand of men's leather goods.

"This is like using a sledgehammer to swat a mosquito that's already incapacitated," said Gregory Gadsen, an Indianapolis attorney with Indianapolis-based law firm Lee Cossell Kuehn & Love who represents Cellaxs owner Rafik Howlader.

Coach, which designs everything from home goods to sunglasses, has global annual sales in excess of \$3 billion.

The company calls its legal crackdown "Operation Turnlock," a reference to the signature turning lock on its high-end handbags. Axilrod said the company has spent \$1 million or more to file 160 cases in the past 15 months. Coach has netted some six-figure settlements, she said, but the company is also using the lawsuits as a general deterrant.

Gadsen said Coach's tactic is unusual because, at least in his client's case, the company didn't bother with any preliminary correspondence. "Given the size of the complaint, it would've been nice to receive a cease-and-desist letter." he said. "My client wasn't aware he was selling anything that had a Coach name. He was surprised."



EVENTS

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Gadsen said he's met with Alejandro Valle, Coach's attorney in Indiana, and hopes to reach a settlement, though he expects it would be well under six figures.

According to the complaint against Cellaxs, an unidentified investigator visited kiosks at Muncie Mall, Tippecanoe Mall in Lafayette and at Washington Square Mall on the east side of Indianapolis last summer. He or she bought snap-on cell phone covers with a Coach label that cost \$15 to \$23—much less than the suggested retail price of \$70. The investigator sent the goods back to Coach in New York, which verified that they were not authentic.

On Feb. 26, an investigator stopped in My Walk-In Closet and bought a Coach-labeled handbag for \$72.50 and a pair of sunglasses for \$34.50, the complaint against the store said. The average retail price for those items is \$325 and \$185, respectively.

Also on Feb. 26, an investigator visiting Novedades Latina paid \$49.99 apiece for Coach-labeled wallets. The real thing costs an average of \$200. According to the Coach complaint, a secret shopper went back to the south-side store two days later and bought a knockoff handbag for

Axilrod declined to say how many investigators Coach employs, or how the company decides where to look. The company sells its goods only through its own retail and factory outlets. Macy's and Bloomingdale's

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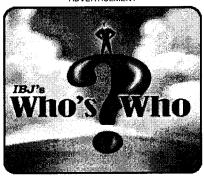
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IBJ CONVERSATIONS

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I Blame the Greedy Designers BelieveitOrNot May 12, 2010 12:59 JM

Any co that thinks their pocketbook is worth a thousand dollars, has only themselves to blame. They know how little it costs to produce their goods. Esp when manufactured OVERSEAS because of the cheap labor costs (Taking away jobs Americans need!) When egotistical designers slap a \$1,000.00 price tag on a purse that costs at most \$15 to produce, they create a market for knock offs themselves. They know more than 90% of people can't afford their bags. There are many middle priced bags made with the same materials that don't mass produce either (For example Brighton Bags)

There is no Magic Leather used to mass produce designer bags. Excellent materials are used in many cases but come on, they create this mess themselves. In fact if it wasn't for the knockoffs you would rarely even see the bags on the street. I believe there are more knock offs then actual designer bags sold. Do the math. Any day of the week you can go on sites like IOFFER where all day long 100's of sellers are openly selling copies. As long as these designers are unrealistic with the costs of their over priced bags, there will always be a market for fakes. What makes you think that only counterfeit bags are produced in sweatshops? Sweat shops, child labor all that mess has been around since long before knock off bags. Take away the GREED with unrealistic prices for goods, produce them here in the USA. If more people could afford the items to begin with you lose the demand for counterfeit goods. It all goes back to the unrealistic expectations of some designers.

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Dave March 31, 2010 7,50 PM