IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF TENNESSEE WESTERN DIVISION AT MEMPHIS

CISCO SYSTEMS, INC., a California corporation, and CISCO TECHNOLOGY, INC., a California corporation,

Plaintiffs,

v.

Case No.

JURY TRIAL DEMANDED

LAMINATION SERVICE, INC., a Tennessee corporation; LSI GRAPHICS LLC, a Tennessee limited liability company, EZZELL ENTERPRISE, INC., a Tennessee corporation, HES LIMITED (also DBA AS BEIJING DECENET, DECENT TECHNOLOGY CO. LTD., HARDWARE FOCUS, QDQB TECH HARDWARE, CASSIA NETWORK LIMITED, and GLOBAL NETWORKS TECHNOLOGY), a Chinese limited company, and DOES 1-50,

Defendants.

COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF

Plaintiffs Cisco Systems, Inc. ("CSI") and Cisco Technology, Inc. ("CTI" and together with CSI, "Cisco" or "Plaintiffs") hereby complain and allege against Defendants

LAMINATION SERVICE, INC. and LSI Graphics LLC (collectively "LSI "), EZZELL

ENTERPRISES, INC., HES Limited, ("HES"), and Does 1-50, inclusive (collectively

"Defendants") as follows:

I. INTRODUCTION

1. As set forth in detail below, Cisco has uncovered a significant and willful infringement scheme by Defendants, which involves the production of counterfeit "Cisco" networking products in China, importing those counterfeit products into the United States, and

selling those counterfeit products to government and non-government customers. Customers purchasing such products are duped into thinking they are in fact getting new, "factory sealed" genuine Cisco branded products, causing significant harm not only to the duped customer, but also to Cisco, its brand, and its established reputation for producing the highest quality networking communications and information technology products and services. Cisco's customers rely on Cisco products to run complex, critical and highly secured networks. But counterfeit Cisco products can cause network downtime and substantial business interruption. Cisco brings this Action to protect Cisco customers from receiving inferior counterfeit products, to put a stop to Defendants' unlawful and infringing conduct, to enjoin further unlawful and infringing conduct, and to recover full damages for the significant harm they have caused.

II. THE PARTIES

2. Plaintiff Cisco Systems, Inc., is a Delaware corporation as of January 25, 2021, and at all earlier times mentioned herein was, a California corporation, with its principal place of business at 170 W. Tasman Drive, San Jose, California 95134. Plaintiff Cisco Technology, Inc., is, and at all times mentioned herein was, a California corporation with its principal place of business at 170 W. Tasman Drive, San Jose, California 95134. CTI owns the trademarks used by CSI in marketing Cisco-branded products.

3. Defendant Lamination Service Inc., is, and at all relevant times was, a Tennessee for profit corporation. LSI Graphics LLC, is, and at all relevant times was, a Tennessee limited liability company. Both defendants are, and at all times relevant were, operating at 2950 Brother Blvd., Suite 103, Bartlett, Tennessee.

4. Defendants Ezzell Enterprises Inc. is, and at all relevant times was, a Tennessee for profit corporation, operating at 2950 Brother Blvd., Suite 103, Bartlett, Tennessee.

5. Defendant HES is a business entity that, upon information and belief, is a Chinese Limited Company with its principal business location in Hong Kong, China. On information and belief, HES also does business as "Beijing Decenet," "Decenet Technology Co., Ltd," "Hardware Focus", "QDQB Tech Hardware," "Cassia Network Limited, and "Global Networks Technology," all operating from the same address of Unit 03E, 15/F, Carnival Commercial

Building, 18 Java Road, North Point, Hong Kong, and elsewhere in China. Upon information and belief, Cisco alleges that HES is affiliated with Acentre Co Limited, operating from No. 10 Information Road, Haidian District, Beijing, 100193 China. HES conducts business throughout the United States, including within the State of Tennessee, by exporting counterfeit products to Tennessee and elsewhere in the United States, and engaging in sales transactions with resellers of Cisco products. Through this sales practice, HES sells products to resellers in the state of Tennessee, including LSI. Cisco is informed and believes, and therefore alleges, that products sold by HES to resellers in the United States are ultimately sold to end customers within the State of Tennessee and elsewhere in the United States.

6. Cisco is currently unaware of the true names and capacities of Does 1 through 50, inclusive, whether individual, corporate, associate, or otherwise. Due to the surreptitious nature of Defendants' actions, the identities of Does 1 through 50 have been concealed from Cisco, preventing Cisco from identifying them by name. After discovery, which is necessary to ascertain the true names and capacities of Does 1 through 50, Cisco will amend this Complaint to show the true names and capacities of these Doe defendants and allege the necessary identifying details.

7. Cisco is informed and believes, and thereon alleges, that each of the Defendants designated herein as a Doe is legally responsible, in some manner, for the events and happenings herein referred to, and legally caused damages to Cisco as herein alleged.

8. At all times relevant to this action, each defendant, including those fictitiously named defendants, was the agent, servant, employee, partner, joint venturer, representative, subsidiary, parent, affiliate, alter ego, or co-conspirator of the other defendants and was acting within the scope of that agency, service, employment, partnership, joint venture, representation, affiliation, or conspiracy, and each is legally responsible for the acts and omissions of the others.

9. Indeed, as alleged in further detail below, each Defendant played a necessary role in the infringing distribution chain that ultimately resold counterfeit and otherwise infringing Cisco branded products to the public. As such, each Defendant is jointly and severally liable for the damages caused by the unlawful conduct.

III. JURISDICTION

10. This is an Action for violations of the Trademark Act of 1946, 15 U.S.C. §§ 1051 *et seq.* (the "Lanham Act"), and related causes of action. This Court has original subject matter jurisdiction over this Action pursuant to the provision of the Lanham Act, 15 U.S.C. § 1121, as well as under 28 U.S.C. §§ 1331 and 1338(a) and (b).

11. This Court has supplemental subject matter jurisdiction over the pendent state law claims under 28 U.S.C. § 1367, because these claims are so related to Cisco's claims under federal law that they form part of the same case or controversy and derive from a common nucleus of operative facts.

12. This Court has personal jurisdiction over Defendants, who have engaged in business activities in this district, misled consumers in this district, knowingly and purposefully directed business activities at this district, and have committed tortious acts, knowing Cisco would suffer any injuries in this district.

13. Cisco is informed and believes, and thereon alleges, that both LSI's and Ezzell Enterprise Inc.'s owners and management are citizens and residents of the State of Tennessee, and/or are doing business in the State of Tennessee, and/or participated in or undertook obligations or rights arising out of the subject events and happenings herein referred to, engaged in actions or omissions, either intentional or negligent, regarding the subject events and happenings herein referred to, and/or benefited unjustly from the efforts, work, and goods of Cisco.

14. Cisco is informed and believes, and thereon alleges, that Defendant HES (and its associated DBA's listed above) is doing business in the State of Tennessee, and/or participated in or undertook obligations or rights arising out of the subject events and happenings herein referred to, engaged in actions or omissions, either intentional or negligent, regarding the subject events and happenings herein referred to, and/or benefited unjustly from the efforts, work, and goods of Cisco.

IV. VENUE

15. Venue is proper in this district, pursuant to 28 U.S.C. § 1391, because a substantial part of the events or omissions giving rise to Cisco's claims occurred in this judicial district, and a substantial part of the property that is the subject of the action is situated in this district. Venue is further proper in this district, pursuant to 28 U.S.C. § 1400(a), as Defendants or their agents may be found in this district.

V. FACTUAL ALLEGATIONS RELEVANT TO CISCO, ITS INTELLECTUAL PROPERTY, AND DEFENDANTS' UNLAWFUL SCHEME

A. <u>Cisco's Business And History</u>

16. Founded in 1984, Cisco is the worldwide leader in developing, implementing, and providing the technologies behind networking communications, and information technology products and services. Cisco develops and provides a broad range of networking products and services that enable seamless communication among individuals, businesses, public institutions, government agencies, and service providers. Specifically, the thousands of engineers who work at Cisco develop and provide networking and communications hardware, software, and services that utilize cutting-edge technologies to transport data, voice, and video within buildings, across cities and campuses, and around the world.

17. Since its founding, Cisco has pioneered many of the important technologies that created and enabled global interconnectivity. During the past three decades, Cisco has invested billions of dollars, and the time and dedication of thousands of its engineers, in the research, development, and sale of industry leading networking and communications products and services.

18. Cisco has also built up tremendous goodwill and brand reputation among consumers, including corporate and government consumers, through significant investment in advertising, promoting, and delivering products, software, and services of the highest quality under Cisco's trade name and the family of Cisco-related trademarks (the "Cisco Marks"). Cisco has used the family of Cisco Marks to identify goods and services as being genuine and authorized, and therefore, the Cisco Marks are well-recognized signifiers of Cisco's best-in-class products, software, and services.

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