

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

AMAZON.COM, INC., a Delaware corporation;
and VALENTINO S.P.A., an Italian corporation,

Plaintiffs,

v.

KAITLYN PAN GROUP, LLC f/k/a/ “JANE’S
INTERNATIONAL TRADING, LLC”, a New
York limited liability corporation; HAO PAN, an
individual, and JOHN and/or JANE DOES 1-10,

Defendants.

No.

COMPLAINT FOR DAMAGES
AND EQUITABLE RELIEF

I. INTRODUCTION

1. Valentino S.p.A. (“Valentino”) is a legendary luxury fashion brand. Since 1960, Valentino has been synonymous with high fashion apparel and merchandise worn by the well-dressed and fashionistas and beloved and endorsed by countless movie stars and celebrities. Valentino is an acknowledged industry leader, recognized for unique and innovative styling, high-quality materials, and outstanding craftsmanship. Its products have gained a reputation for their quality and bold style.

2. Among Valentino’s most popular and recognizable products are its Rockstud shoes, sold under the Valentino Garavani and Rockstud trademarks, which feature metallic, three-dimensional, pyramid-shaped studs on heels, ballet flats, mules, and sandals. The

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1 distinctive studs and their configuration and placement in the shoe design is unique to Valentino,
2 well-known, and instantly recognized by consumers as a symbol of Valentino's high-quality
3 products, reputation, and goodwill. Since launching in 2010, Valentino Garavani Rockstud
4 shoes have been in consistent demand in the United States and around the world and have been
5 photographed on countless celebrities while earning extensive critical review and acclaim.
6 Within five years of introducing the Rockstud shoes, Valentino's revenues doubled.

7 3. Since opening its virtual doors on the World Wide Web in July 1995,
8 Amazon.com, Inc. ("Amazon") has worked hard to build and maintain customer trust, striving to
9 be the world's most customer-centric company. Each day, millions of consumers use Amazon's
10 store to purchase a wide range of products across dozens of product categories from Amazon and
11 third-party sellers.

12 4. Amazon invests significant resources and effort into building and preserving its
13 customers' trust. To protect consumers and preserve the integrity of the Amazon store, Amazon
14 has robust policies and highly developed fraud detection systems to prevent third-party bad
15 actors from selling counterfeit products in Amazon's store. When Amazon discovers that a bad
16 actor is attempting to violate Amazon's anti-counterfeiting policies, it takes immediate action to
17 remove the bad actor from the store and, in appropriate cases, to permanently enjoin the bad
18 actor from future sales through court orders.

19 5. Valentino's distinctive and bestselling Rockstud designs have been the subject of
20 frequent copying by those attempting to capitalize on Valentino's success. Two of these
21 imitators are Kaitlyn Pan Group, LLC and Hao Pan (collectively "Defendants"), who introduced
22 a line of shoes that blatantly copy the iconic look and design of Valentino Garavani Rockstud
23 shoes, infringing Valentino's trademark and design patents. Defendants advertise and sell the
24 infringing products through their website www.kaitlynpan.com, without Valentino's
25 authorization and in violation of Valentino's valuable intellectual property ("IP") rights.

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1 Defendants also operated a selling account on Amazon's online store through which they
2 unlawfully advertised and sold infringing shoes.

3 6. Defendants' unlawful copying and infringement of Valentino Garavani Rockstud
4 shoe designs is knowing and willful, and continues despite Valentino's cease-and-desist letter to
5 Defendants, as well as notice from Amazon to Defendants of certain of Valentino's claims.

6 7. As a result of their illegal actions, Defendants have infringed and misused
7 Valentino's IP; willfully deceived Amazon and its customers; attempted to compromise the
8 integrity of Amazon's store, which risked undermining the trust that customers place in Amazon
9 and Valentino; tarnished Amazon's and Valentino's brands and reputations; and harmed Amazon
10 and Valentino and their customers. Additionally, Defendants' illegal actions have caused
11 Amazon and Valentino to expend significant resources to investigate and combat Defendants'
12 wrongdoing and to bring this lawsuit to prevent Defendants from inflicting further and continued
13 harm on Amazon, Valentino, and their customers.

14 8. Defendants' illegal actions as described below breached numerous provisions of
15 Amazon's Business Solutions Agreement ("BSA"), which entitles Amazon to injunctive relief to
16 stop Defendants from infringing and misusing Valentino's IP and to prevent them from selling
17 their infringing products. Defendants' actions also constitute trademark infringement and
18 counterfeiting and unfair competition under the Lanham Act, 15 U.S.C. § 1114 and § 1125,
19 design patent infringement under 35 U.S.C. § 271, and unfair competition under the common law
20 of Washington, for which Amazon and Valentino seek various forms of damages and equitable
21 relief.

22 II. THE PARTIES

23 9. Amazon is a Delaware corporation with its principal place of business in Seattle,
24 Washington. Through its subsidiaries, Amazon owns and operates the Amazon.com website,
25 equivalent international websites, and Amazon stores.

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1 10. Valentino is an Italian corporation with its principal place of business in Milan,
2 Italy. Valentino is the owner of several patented designs and a trademark used in connection
3 with its Rockstud shoe products. Valentino and its licensees, authorized distributors, and
4 affiliates are the sole and exclusive distributors in the United States of women's shoes bearing
5 the protected Rockstud designs and trademark.

6 11. On information and belief, Defendant Kaitlyn Pan Group, LLC, formerly known
7 as Jane International, LLC, is a New York entity with its principal place of business at 1967
8 Wehrle Drive, Ste 1, Buffalo, New York 14221-8452. On further information and belief,
9 Defendant Kaitlyn Pan Group, LLC personally participated in and/or had the right and ability to
10 supervise, direct, and control the wrongful conduct alleged in this Complaint, and derived a
11 direct financial benefit as a result of that wrongful conduct.

12 12. On information and belief, Defendant Hao Pan is either an individual who resides
13 in New York or is an alter ego of Defendant Kailyn Pan Group, LLC. On further information
14 and belief, Hao Pan personally participated in and/or had the right and ability to supervise, direct,
15 and control the wrongful conduct alleged in this Complaint, and derived a direct financial benefit
16 from that wrongful conduct.

17 13. On information and belief, Defendants John and/or Jane Does 1-10 (the "Doe
18 Defendants") are individuals and entities working in active concert to knowingly and willfully
19 manufacture, import, distribute, offer for sale, and sell infringing products.

20 **III. JURISDICTION AND VENUE**

21 14. The Court has subject matter jurisdiction over Valentino's claims for trademark
22 infringement and counterfeiting under 15 U.S.C. § 1121 (action arising under Lanham Act); 28
23 U.S.C. § 1331 (federal question); and subject matter jurisdiction over Valentino's claims for
24 patent infringement under 28 U.S.C. § 1338(a) (any Act of Congress relating to patents or
25 trademarks).

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15. The Court has jurisdiction over Amazon’s breach of contract claim pursuant to 28 U.S.C. § 1332 (diversity) and/or 28 U.S.C. § 1367 (supplemental jurisdiction).

16. The Court has personal jurisdiction over Defendants because they transacted business and committed tortious acts within and directed to the State of Washington, and Amazon's and Valentino's claims arise from those activities. Defendants reached out to do business with Washington residents by operating commercial, interactive internet storefronts through which Washington residents could purchase products that infringed Valentino's IP. Defendants targeted sales to Washington residents by operating these internet storefronts that (i) offered shipping throughout the United States, including Washington; and (ii) sold infringing products to residents of Washington. Defendants are committing tortious acts in Washington and have wrongfully caused Amazon and Valentino substantial injury in Washington.

17. Further, on March 25, 2015, Defendants entered into the BSA with Amazon for their selling account, stipulating that the “Governing Court” for claims to enjoin infringement of IP is state or federal court in King County, Washington.

18. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) because a substantial part of the events giving rise to the claims occurred in the Western District of Washington, and because the BSA explicitly rests venue in this District.

19. Pursuant to Local Civil Rule 3(e), intra-district assignment to the Seattle Division is proper because the claims arose in this Division, where (a) Amazon resides, (b) injuries giving rise to suit occurred, and (c) Defendants directed their unlawful conduct.

IV. FACTS

A. Amazon's Significant Efforts to Prevent the Sale of Counterfeit and Infringing Goods

20. Since opening its virtual doors on the World Wide Web in July 1995, Amazon.com has worked hard to build and maintain customer trust, striving to be the world's most customer-centric company. Each day, consumers use Amazon's store to purchase a wide

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