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In-N-Out Burgers
8

9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
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13 IN-N-OUT BURGERS, a California
corporation,

14 Plaintiff,

15 vs.

16 SMASHBURGER IP HOLDER LLC,
17 a Delaware limited liability company;
and SMASHBURGER
18 FRANCHISING LLC,
19 a Delaware limited liability company,

20 Defendants.
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Case No. 8:17-cv-1474

**PLAINTIFF IN-N-OUT BURGERS’
COMPLAINT FOR: (1)
FEDERAL TRADEMARK
INFRINGEMENT [15 U.S.C. § 1114];
(2) FEDERAL UNFAIR
COMPETITION [15 U.S.C. § 1125(a)];
(3) FEDERAL TRADEMARK
DILUTION [15 U.S.C. § 1125(c)]; (4)
CALIFORNIA STATUTORY
TRADEMARK INFRINGEMENT
[Cal. Bus. & Prof. Code §§ 14320(a),
14330)]; (5) CALIFORNIA
STATUTORY TRADEMARK
DILUTION [Cal. Bus. & Prof. Code §
14247]; (6) COMMON LAW UNFAIR
COMPETITION; AND (7)
CALIFORNIA STATUTORY
UNFAIR COMPETITION [Cal. Bus.
& Prof. Code §§ 17200 *et seq.*]**

JURY TRIAL DEMANDED

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1 Plaintiff In-N-Out Burgers (“In-N-Out”) alleges as follows:

2 **JURISDICTION AND VENUE**

3 1. This is a civil action seeking monetary damages and injunctive relief
4 under federal and California law based upon trademark infringement, unfair
5 competition, and trademark dilution by defendants Smashburger IP Holder LLC and
6 Smashburger Franchising LLC (collectively, “Smashburger”). Smashburger has
7 recently adopted the TRIPLE DOUBLE and SMASHBURGER TRIPLE DOUBLE
8 marks to sell burgers in direct competition with In-N-Out, which sells burgers under,
9 *inter alia*, the DOUBLE-DOUBLE, TRIPLE TRIPLE, and QUAD QUAD marks,
10 each of which is protected by federal and California trademark registrations.
11 Smashburger’s use of the TRIPLE DOUBLE and SMASHBURGER TRIPLE
12 DOUBLE marks is likely to confuse and mislead the consuming public, and injure
13 In-N-Out, by causing consumers to believe incorrectly that Smashburger’s products
14 originate from or are authorized by In-N-Out.

15 2. The Court has federal question jurisdiction under 15 U.S.C. § 1121 and
16 28 U.S.C. §§ 1331 and 1338(a) over In-N-Out’s First, Second, and Third Claims for
17 Relief for infringement of federally registered trademarks, unfair competition, and
18 trademark dilution actionable under the Lanham Act, 15 U.S.C. §§ 1051 *et seq.*,
19 because the claims arise under an act of Congress relating to trademarks. The Court
20 has jurisdiction pursuant to 28 U.S.C. § 1338(b) over Smashburger’s Fourth, Fifth,
21 Sixth, and Seventh Claims for Relief under California law for infringement of
22 California-registered trademarks, dilution of trademarks, common law unfair
23 competition, and statutory unfair competition under Cal. Bus. & Prof. Code §§ 17200
24 *et seq.* because those claims are joined with substantial and related claims under the
25 trademark laws, and the Court also has supplemental jurisdiction over those claims
26 under 28 U.S.C. § 1367(a) because those claims are so related to In-N-Out’s claims
27 within the Court’s original jurisdiction that they form part of the same case or
28 controversy under Article III of the United States Constitution.

1 3. This Court has personal jurisdiction over Smashburger, and venue is
2 proper in the Central District of California pursuant to 28 U.S.C. § 1391(b). In-N-
3 Out is informed and believes, and based thereon alleges, that Smashburger operates
4 its restaurants throughout the Central District of California, including in Orange
5 County. The effects of Smashburger’s infringing acts have been felt in the State of
6 California and in this District, where In-N-Out is located.

7 **THE PARTIES**

8 4. In-N-Out is a California corporation having its principal place of
9 business in Irvine, California. In-N-Out operates a chain of quick-service restaurants
10 specializing in hamburger and cheeseburger sandwiches and other products and
11 services.

12 5. In-N-Out is informed and believes, and based thereon alleges, that
13 defendants Smashburger IP Holder LLC and Smashburger Franchising LLC are both
14 Delaware limited liability companies, each having a principal place of business at
15 3900 East Mexico Avenue, Suite 1200, Denver, Colorado 80210. In-N-Out is further
16 informed and believes, and based thereon alleges, that Smashburger operates a chain
17 of quick-service restaurants specializing in hamburger and cheeseburger sandwiches
18 and other products and services.

19 **IN-N-OUT’S BUSINESS AND MARKS**

20 6. Founded in 1948 by Harry Snyder and his wife Esther Snyder, In-N-Out
21 operates a highly recognizable and successful chain of quick-service restaurants
22 specializing in hamburger and cheeseburger sandwiches and other products and
23 services. In-N-Out remains a family owned and operated business and currently
24 operates more than 300 restaurants in the United States.

25 7. Celebrated for its fresh food and other high standards of quality, In-N-
26 Out consistently rates as the top quick-service restaurant in customer satisfaction
27 surveys. In 2015, Zagat users rated In-N-Out as the favorite chain restaurant in Los
28 Angeles. In April 2015, In-N-Out earned the top ranking from consumers for the

1 third year in a row in the Limited-Service category in Nation’s Restaurant News’
 2 annual Consumer Picks report.

3 8. In 2014, the National Restaurant Association ranked In-N-Out as the
 4 nation’s top hamburger spot, “head and shoulders above the rest.” Also in 2014, OC
 5 Metro magazine named In-N-Out as the most trustworthy brand in Orange County
 6 for the second consecutive year, based on a consumer survey. In 2013, the Quick
 7 Service Restaurant (QSR) Benchmark Study rated In-N-Out as “America’s Favorite
 8 Burger Brand.”

9 9. In 2011, Zagat’s fast food survey lauded In-N-Out as the number one
 10 large quick service chain in the “Top Food” category. In 2010, Consumer Reports
 11 ranked In-N-Out as the nation’s top burger sandwich chain

12 10. In-N-Out has amassed tremendous consumer goodwill over the
 13 decades. It is an iconic brand, and its products and services have acquired renown
 14 and a fiercely devoted fan base throughout the country, including in its home state of
 15 California.

16 11. In-N-Out owns a family of marks, along with the goodwill associated
 17 therewith, that are comprised of a number followed by another number and that are
 18 used in its restaurants in association with its food offerings, including the following
 19 valid and subsisting United States trademark registrations (collectively, the “Federal
 20 Registered Marks”) registered on the Principal Register of the United States Patent
 21 and Trademark Office (the “USPTO”):

Exhibit	Mark	U.S. Registration No.	Registration Date	Description of Services or Goods
A	DOUBLE- DOUBLE	1,002,370	1/21/1975	Specially prepared sandwich as part of restaurant services (IC 042)

Exhibit	Mark	U.S. Registration No.	Registration Date	Description of Services or Goods
B	DOUBLE DOUBLE	1,165,723	8/18/1981	Hamburger Sandwiches for Consumption On or Off the Premises (IC 030)
C	DOUBLE- DOUBLE	3,572,485	2/10/2009	A sandwich, namely, a burger the principal ingredients of which are two meat patties and two slices of cheese (IC 030)
D	DOUBLE- DOUBLE	4,446,247	12/10/2013	Sandwiches; custom-made sandwiches (IC 030); prepared meals consisting primarily of meat and vegetables and including bread and cheese, and the aforesaid meals provided in bowls, boxes, bags and trays (IC 029)
E	DOUBLE DOUBLE	4,625,449	10/21/2014	Aprons; Hats; Shirts for infants, babies, toddlers and children (IC 025)
F	TRIPLE TRIPLE	1,598,825	5/29/1990	Hamburger sandwiches and cheeseburger sandwiches, for consumption on or off the premises (IC 030)

Exhibit	Mark	U.S. Registration No.	Registration Date	Description of Services or Goods
G	QUAD QUAD	1,598,826	5/29/1990	Hamburger sandwiches and cheeseburger sandwiches, for consumption on or off the premises (IC 030)
H	2 X 2	1,609,251	8/7/1990	Hamburger sandwiches and cheeseburger sandwiches, for consumption on or off the premises (IC 030)
I	3 X 3	1,602,609	6/19/1990	Made-to-order cheeseburger sandwiches having three cooked beef hamburger patties and three cheese slices, for consumption on or off the premises (IC 030)
J	4 X 4	1,955,465	2/13/1996	Made-to-order cheeseburger sandwiches having four cooked beef hamburger patties and four cheese slices for consumption on or off the premises (IC 030)

12. True and correct copies of the registration certificates for the Federal Registered Marks are attached hereto as **Exhibits A-J**, respectively, and are incorporated by reference.

13. Out of the ten Federal Registered Marks, the following eight are incontestable registrations pursuant to 15 U.S.C. § 1065: U.S. Reg. Nos. 1,002,370, 1,165,723, 3,572,485, 1,598,825, 1,598,826, 1,609,251, 1,602,609, and 1,955,465.

1 14. Moreover, In-N-Out owns a similar family of California trademark and
 2 service mark registrations that are also comprised of a number followed by another
 3 number, including the following marks (collectively, the “State Registered Marks”)
 4 registered with the California Secretary of State:

Exhibit	Mark	California Registration No.	Registration Date	Description of Services or Goods
K	DOUBLE- DOUBLE	2539	9/19/1973	Restaurant services in connection with the sale of food such as hamburgers, cheeseburgers (Class No. 100)
L	DOUBLE- DOUBLE	51534	9/19/1973	Restaurant foods such as hamburgers, cheeseburgers (Class No. 46)
M	TRIPLE TRIPLE	91353	1/12/1990	Hamburger and cheeseburger sandwiches for consumption on or off the premises (Class No. 46)
N	QUAD QUAD	91373	1/17/1990	Hamburger and cheeseburger sandwiches for consumption on or off the premises (Class No. 46)
O	2 X 2	91354	1/12/1990	Hamburger and cheeseburger sandwiches for consumption on or off the premises (Class No. 46)
P	3 X 3	91381	1/17/1990	Hamburger and cheeseburger sandwiches for consumption on or off the premises (Class No. 46)

Exhibit	Mark	California Registration No.	Registration Date	Description of Services or Goods
Q	4 X 4	91368	1/17/1990	Hamburger and cheeseburger sandwiches for consumption on or off the premises (Class No. 46)

15. True and correct copies of the registrations for the State Registered Marks, with the most recent renewal certificates, are attached hereto as **Exhibits K-Q**, respectively, and are incorporated by reference.

16. In-N-Out owns all right, title and interest in and to the Federal Registered Marks and the State Registered Marks (collectively, the “Registered Marks”). As shown above, In-N-Out has obtained trademark and service mark registrations for the Registered Marks for a range of food and other products and services, including, *inter alia*, restaurant services, and hamburger and cheeseburger sandwiches.

17. The Registered Marks have been used in interstate commerce, including extensively in California, to identify and distinguish In-N-Out’s products and services for decades, and they serve as symbols of In-N-Out’s quality, reputation, and goodwill. In-N-Out’s menu has largely stayed the same since it opened its first restaurant almost seventy (70) years ago and it has become well known across the United States for its dedication to serving fresh, high quality and delicious food.

18. Since at least as early as 1963, In-N-Out has continuously used its registered DOUBLE-DOUBLE trademark in connection with hamburger sandwiches in interstate commerce. Since at least as early as 1966, In-N-Out has continuously used its registered TRIPLE TRIPLE trademark in connection with hamburger sandwiches in interstate commerce.

1 19. In-N-Out uses its Registered Marks in association with food and
2 restaurant services for its customers. As one example, In-N-Out uses its Registered
3 Marks on its menu, food packaging, advertising materials and promotional items.

4 20. As another example, In-N-Out uses the Registered Marks on its “Not-
5 So-Secret Menu” and through customer use. The Not-So-Secret Menu refers to menu
6 items that are not shown on the menu in In-N-Out’s restaurants but are publicized and
7 widely known and used by customers, whether by word of mouth or, more recently,
8 by online communications like social media and blog posts. Ordering such items
9 from the Not-So-Secret Menu is known to be a unique and popular feature of In-N-
10 Out that appeals to customer enjoyment and satisfaction.

11 21. In-N-Out is also widely known for providing variations of its menu
12 items to customize orders for providing an exceptional customer experience.
13 Accordingly, In-N-Out’s customers commonly mix the DOUBLE-DOUBLE,
14 TRIPLE TRIPLE, and QUAD QUAD menu names to form names to customize
15 orders, including “Triple Double.”

16 22. Likewise, In-N-Out’s customers also commonly mix the 2 X 2, 3 X 3,
17 and 4 X 4 menu names to form names to customize orders, including “3 X 2.”

18 23. Through its restaurants and online store, In-N-Out has sold and
19 continues to sell goods throughout the United States.

20 24. In-N-Out makes use of its Registered Marks in interstate commerce,
21 including extensively throughout California, by displaying them on product
22 packaging, menus, signage, promotional materials and advertising materials.

23 25. In-N-Out has invested millions of dollars in developing, advertising and
24 otherwise promoting the Registered Marks in the United States in an effort to create a
25 strong association among In-N-Out’s products and services, its consumer goodwill
26 and its Registered Marks.

27 26. As a result of the care and skill exercised by In-N-Out in the conduct of
28 its business, the high quality of its products and services offered under its Registered

1 Marks, and the extensive advertising, sale and promotion of In-N-Out's products
2 bearing the Registered Marks, the Registered Marks have acquired secondary
3 meaning throughout the United States, and they are widely recognized by the general
4 consuming public as a designation that In-N-Out is the source of the goods and
5 services bearing the Registered Marks.

6 27. Since the date of first use of each of the Registered Marks, In-N-Out has
7 intended to maintain exclusive ownership of the Registered Marks and to continue
8 use of the Registered Marks in interstate commerce, including extensively in
9 California, in connection with In-N-Out's products and services.

10 28. In-N-Out has carefully monitored and policed the use of the Registered
11 Marks and maintains tight control over the use of the Registered Marks.

12 **SMASHBURGER'S INFRINGING ACTS**

13 29. In-N-Out is informed and believes, and based thereon alleges, that
14 Smashburger is in exactly the same industry as In-N-Out, as Smashburger also
15 operates a chain of quick-service restaurants specializing in hamburger and
16 cheeseburger sandwiches.

17 30. In-N-Out is informed and believes, and based thereon alleges, that
18 Smashburger operates more than 345 restaurants across 38 states in the United States,
19 including 36 locations in California.

20 31. In-N-Out is informed and believes, and based thereon alleges, that in
21 July 2017, Smashburger launched a new burger product under the marks TRIPLE
22 DOUBLE and SMASHBURGER TRIPLE DOUBLE in all of its restaurant locations
23 nationwide.

24 32. Smashburger has advertised, and continues to advertise, its
25 TRIPLE DOUBLE burger on the home page of Smashburger's website, where
26 the TRIPLE DOUBLE mark is prominently displayed. *See*
27 <http://smashburger.com/>. A true and correct screenshot of the home page of
28 Smashburger's webpage is attached hereto as **Exhibit R**.

1 33. Smashburger has advertised, and continues to advertise, its
 2 TRIPLE DOUBLE burger on its social media handles. *See*
 3 [https://www.instagram.com/p/BWX6_gHgUY-/?hl=en&taken-](https://www.instagram.com/p/BWX6_gHgUY-/?hl=en&taken-by=smashburgerA)
 4 [by=smashburgerA](https://www.instagram.com/p/BWX6_gHgUY-/?hl=en&taken-by=smashburgerA). A true and correct screenshot of a post on Smashburger’s
 5 Instagram account is attached hereto as **Exhibit S**.

6 34. In-N-Out is informed and believes, and based thereon alleges, that
 7 Smashburger’s burger sold under the TRIPLE DOUBLE and SMASHBURGER
 8 TRIPLE DOUBLE marks has a similar price point to In-N-Out’s DOUBLE-
 9 DOUBLE and TRIPLE TRIPLE burgers.

10 35. Prior to its use of the TRIPLE DOUBLE and SMASHBURGER
 11 TRIPLE DOUBLE marks, Smashburger IP Holder LLC filed four intent-to-use
 12 applications with the USPTO on November 14, 2016, which are summarized in the
 13 following table (collectively, “Smashburger’s Trademark Applications”):
 14

Mark	U.S. App. Serial No.	Filing Date	Description of Services or Goods
TRIPLE DOUBLE	87/236,154	11/14/2016	Carry-out restaurants; restaurant services; self-service restaurants (IC 043)
SMASHBURGER TRIPLE DOUBLE	87/236,167	11/14/2016	Carry-out restaurants; restaurant services; self-service restaurants (IC 043)
TRIPLE DOUBLE	87/236,274	11/14/2016	Sandwiches (IC 030)
SMASHBURGER TRIPLE DOUBLE	87/236,287	11/14/2016	Sandwiches (IC 030)

26 36. The USPTO published all four applications for opposition in the *Official*
 27 *Gazette* on April 4, 2017.
 28

1 37. In-N-Out filed a Consolidated Notice of Opposition with the Trademark
2 Trial and Appeal Board (the “TTAB”) on June 2, 2017, opposing Smashburger’s
3 Trademark Applications. This opposition proceeding is currently pending before the
4 TTAB as *In-N-Out Burgers v. Smashburger IP Holder LLC*, Opp. No. 91/234,860.

5 38. Smashburger was aware of the existence of In-N-Out’s Registered
6 Marks before it began using the TRIPLE DOUBLE and SMASHBURGER TRIPLE
7 DOUBLE marks in commerce, as is evidenced by the fact that Smashburger first
8 commenced use of such marks in commerce after In-N-Out filed its Consolidated
9 Notice of Opposition in which it opposed Smashburger’s Trademark Applications.

10 39. In-N-Out is informed and believes, and based thereon alleges, that
11 Smashburger chose to use the TRIPLE DOUBLE and SMASHBURGER TRIPLE
12 DOUBLE marks because Smashburger knew, prior to its use such marks, that each of
13 In-N-Out’s Registered Marks is famous and connotes a high standard of quality.

14 40. In-N-Out is informed and believes, and based thereon alleges, that
15 Smashburger, being in the same field as In-N-Out, providing the same products as In-
16 N-Out and being aware of In-N-Out’s marks and reputation associated therewith,
17 chose to adopt and use the TRIPLE DOUBLE and SMASHBURGER TRIPLE
18 DOUBLE marks to trade on the goodwill associated with In-N-Out’s Registered
19 Marks.

20 41. In-N-Out is not affiliated in any way with Smashburger’s business.

21 42. Without authorization from In-N-Out, and despite the fact that
22 Smashburger is in no way affiliated with In-N-Out, Smashburger has sold and
23 advertised, and continues to sell and advertise, its TRIPLE DOUBLE burger.

24 43. Smashburger’s unauthorized use of the TRIPLE DOUBLE and
25 SMASHBURGER TRIPLE DOUBLE marks in the sale of its burger products and in
26 its marketing and advertising materials creates a likelihood of consumer confusion
27 because actual and prospective customers are likely to believe that In-N-Out has
28 approved or licensed Smashburger’s use of its marks, or that In-N-Out is somehow

1 affiliated or connected with Smashburger or its services. In fact, In-N-Out has not
2 sponsored, licensed, or authorized Smashburger's goods or services, and
3 Smashburger and its services are not affiliated or connected with In-N-Out.

4 44. Further, Smashburger's use of In-N-Out's famous trademarks implies
5 that the quality of the goods and services offered by Smashburger is the same as that
6 of In-N-Out.

7 **FIRST CLAIM FOR RELIEF**

8 **(Federal Trademark Infringement (15 U.S.C. § 1114))**

9 45. In-N-Out refers to the allegations contained in paragraphs 1 through 44
10 above and incorporates them by reference as though fully set forth herein.

11 46. In-N-Out exclusively owns the Registered Marks, which are valid and
12 enforceable.

13 47. In-N-Out has used the Registered Marks in interstate commerce in
14 connection with the advertising and promotion of its restaurant goods and services.

15 48. Without authorization, Smashburger has used and continues to use the
16 marks TRIPLE DOUBLE and SMASHBURGER TRIPLE DOUBLE in interstate
17 commerce in connection with its restaurant business and hamburger products.

18 49. In-N-Out is informed and believes, and based thereon alleges, that
19 Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
20 SMASHBURGER TRIPLE DOUBLE has caused, and will likely continue to cause,
21 confusion, mistake, or deception in the relevant consumer market.

22 50. Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
23 SMASHBURGER TRIPLE DOUBLE constitutes infringement of federally
24 registered trademarks in violation of 15 U.S.C. § 1114.

25 51. In-N-Out has suffered, and will continue to suffer, damages as a result of
26 Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
27 SMASHBURGER TRIPLE DOUBLE.
28

1 52. In-N-Out is informed and believes, and based thereon alleges, that
2 Smashburger has acted in bad faith and/or willfully in using the marks TRIPLE
3 DOUBLE and SMASHBURGER TRIPLE DOUBLE in connection with its
4 restaurant services and burger sandwiches.

5 53. Smashburger's infringing acts have caused and will continue to cause
6 In-N-Out to suffer irreparable injuries to its reputation and goodwill. In-N-Out does
7 not have an adequate remedy at law to recover for this harm, and it is therefore
8 entitled to injunctive relief.

9 **SECOND CLAIM FOR RELIEF**

10 **(Federal Unfair Competition (15 U.S.C. § 1125(a)))**

11 54. In-N-Out refers to the allegations contained in paragraphs 1 through 53
12 above and incorporates them by reference as though fully set forth herein.

13 55. In-N-Out is informed and believes, and based thereon alleges, that
14 Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
15 SMASHBURGER TRIPLE DOUBLE in connection with its goods and services
16 constitutes a false designation of origin, a false or misleading description of fact,
17 and/or false or misleading representation of fact, and has caused and is likely to cause
18 confusion, mistake, and/or deception as to:

- 19 a. the affiliation, connection or association of the Registered Marks
20 with Smashburger;
- 21 b. the origin, sponsorship or approval of Smashburger's use of the
22 Registered Marks; and
- 23 c. the nature, characteristics, or qualities of Smashburger's goods
24 that bear and services that are rendered in connection with the
25 marks TRIPLE DOUBLE and SMASHBURGER TRIPLE
26 DOUBLE.

27 56. The aforesaid acts constitute unfair competition in violation of 15 U.S.C.
28 § 1125(a).

1 57. In-N-Out has suffered, and will continue to suffer, damages as a
2 result of Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
3 SMASHBURGER TRIPLE DOUBLE.

4 58. In-N-Out is informed and believes, and based thereon alleges, that
5 Smashburger has acted in bad faith and/or willfully in using the marks TRIPLE
6 DOUBLE and SMASHBURGER TRIPLE DOUBLE in connection with its
7 restaurant services and burger sandwiches.

8 59. Smashburger's infringing acts have caused and will continue to cause
9 In-N-Out to suffer irreparable injuries to its reputation and goodwill. In-N-Out does
10 not have an adequate remedy at law to recover for this harm, and it is therefore
11 entitled to injunctive relief.

12 **THIRD CLAIM FOR RELIEF**

13 **(Federal Trademark Dilution (15 U.S.C. § 1125(c)))**

14 60. In-N-Out refers to the allegations contained in paragraphs 1 through 59
15 above and incorporates them by reference as though fully set forth herein.

16 61. The Registered Marks are distinctive and famous in the United
17 States and were famous before Smashburger's use of the marks TRIPLE
18 DOUBLE and SMASHBURGER TRIPLE DOUBLE.

19 62. Smashburger's actions have and are likely to dilute, blur, and
20 tarnish the distinctive quality of the Registered Marks, and lessen the capacity
21 of the Registered Marks to identify and distinguish In-N-Out's products.

22 63. Smashburger's acts constitute trademark dilution in violation of
23 15 U.S.C. § 1125(c).

24 64. In-N-Out has suffered, and will continue to suffer, damages as a
25 result of Smashburger's conduct constituting trademark dilution.

26 65. Smashburger's acts have caused and will continue to cause In-N-Out to
27 suffer irreparable injuries to its reputation and goodwill. In-N-Out does not have an
28

1 adequate remedy at law to recover for this harm, and is therefore entitled to
2 injunctive relief pursuant to 15 U.S.C. § 1125(c)(2).

3 **FOURTH CLAIM FOR RELIEF**

4 **(Trademark Infringement (Cal. Bus. & Prof. Code §§ 14320(a), 14330))**

5 66. In-N-Out refers to the allegations contained in paragraphs 1 through 65
6 above and incorporates them by reference as though fully set forth herein.

7 67. In-N-Out exclusively owns the State Registered Marks, which are valid
8 and enforceable.

9 68. In-N-Out has used the State Registered Marks in interstate commerce,
10 including extensively in California, in connection with the advertising and promotion
11 of its restaurant goods and services.

12 69. Without consent or authorization, Smashburger has used and continues
13 to use the marks TRIPLE DOUBLE and SMASHBURGER TRIPLE DOUBLE in
14 interstate commerce, including in California, in connection with its restaurant
15 business and hamburger products.

16 70. In-N-Out is informed and believes, and based thereon alleges,
17 that Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
18 SMASHBURGER TRIPLE DOUBLE has caused, and will likely continue to
19 cause, confusion, mistake, or deception in the relevant consumer market.

20 71. In-N-Out has suffered, and will continue to suffer, damages as a result of
21 Smashburger's unauthorized use of the marks TRIPLE DOUBLE and
22 SMASHBURGER TRIPLE DOUBLE.

23 72. Smashburger's unauthorized use of the marks TRIPLE DOUBLE
24 and SMASHBURGER TRIPLE DOUBLE constitutes infringement of state
25 registered trademarks in violation of Cal. Bus. & Prof. Code §§ 14320(a) and
26 14330.

27 73. In-N-Out is informed and believes, and based thereon alleges, that
28 Smashburger has acted in bad faith and/or willfully in using the marks TRIPLE

1 DOUBLE and SMASHBURGER TRIPLE DOUBLE in connection with its
2 restaurant services and burger sandwiches.

3 74. Smashburger's infringing acts have caused and will continue to cause
4 In-N-Out to suffer irreparable injuries to its reputation and goodwill. In-N-Out does
5 not have an adequate remedy at law to recover for this harm, and is therefore entitled
6 to injunctive relief.

7 **FIFTH CLAIM FOR RELIEF**

8 **(Trademark Dilution (Cal. Bus. & Prof. Code § 14247))**

9 75. In-N-Out refers to the allegations contained in paragraphs 1 through 74
10 above and incorporates them by reference as though fully set forth herein.

11 76. In-N-Out is the owner of the Registered Marks, which are famous marks
12 that are inherently distinctive throughout California, both inherently and through
13 acquired distinctiveness as a result of In-N-Out's long-term advertising, publicity,
14 and use of the Registered Marks in California for as long as more than 50 years, as a
15 result of which the Registered Marks are widely recognized by the general
16 consuming public of California as a designation of source of In-N-Out's goods and
17 services. In particular, but without limitation, the Registered Marks are famous and
18 distinctive in each city where Smashburger operates in California.

19 77. Smashburger's use of the marks TRIPLE DOUBLE and
20 SMASHBURGER TRIPLE DOUBLE began after the Registered Marks became
21 famous in California.

22 78. Smashburger's use of the marks TRIPLE DOUBLE and
23 SMASHBURGER TRIPLE DOUBLE is likely to cause dilution of the distinctive
24 nature of the Registered Marks by blurring the Registered Marks, *i.e.*, such use is
25 likely to lessen consumers' association of In-N-Out's famous Registered Marks with
26 In-N-Out's goods and services.

27 79. Smashburger's use of the marks TRIPLE DOUBLE and
28 SMASHBURGER TRIPLE DOUBLE is likely to cause dilution of the distinctive

1 nature of the Registered Marks by lessening the extensive and valuable goodwill,
2 quality, and reputation that is associated with the Registered Marks.

3 80. Smashburger's trademark dilution in violation of Cal. Bus. & Prof. Code
4 § 14247 has caused substantial injury to In-N-Out and is continuing to cause
5 substantial injury. In-N-Out has no adequate remedy at law for these injuries. Unless
6 Smashburger is restrained by this Court from continuing its trademark dilution in
7 violation of Cal. Bus. & Prof. Code § 14247, these injuries will continue to accrue.
8 Pursuant to Cal. Bus. & Prof. Code § 14247, In-N-Out is entitled to preliminary and
9 permanent injunctive relief against Smashburger's trademark dilution, throughout the
10 geographic area in which those marks are found to have become famous prior to
11 commencement of Smashburger's junior use.

12 **SIXTH CLAIM FOR RELIEF**

13 **(Unfair Competition Under the California Common Law)**

14 81. In-N-Out refers to the allegations contained in paragraphs 1 through 80
15 above and incorporates them by reference as though fully set forth herein.

16 82. The acts of Smashburger, complained of above, constitute unfair
17 competition in violation of the common law of the State of California.

18 83. Upon information and belief, Smashburger's acts have been committed
19 and are being committed with the deliberate purpose and intent of appropriating and
20 trading on In-N-Out's goodwill and reputation.

21 84. In-N-Out has suffered, and will continue to suffer, damages as a result of
22 Smashburger's unfair competition.

23 85. The actions of Smashburger described herein were taken with substantial
24 certainty that such acts would cause harm to In-N-Out, in conscious disregard for the
25 rights of In-N-Out and by conduct that was done with malice and ill-will and intent to
26 harm In-N-Out, such as to constitute oppression, fraud, malice, and despicable
27 conduct under Cal. Civ. Code § 3294, entitling In-N-Out to exemplary damages in an
28 amount appropriate to punish and set an example of Smashburger.

1 86. The foregoing acts of Smashburger have caused In-N-Out irreparable
2 harm, and, unless enjoined, Smashburger's acts as alleged herein will continue to
3 cause In-N-Out irreparable harm, loss and injury.

4 **SEVENTH CLAIM FOR RELIEF**

5 **(Unfair Competition (Cal. Bus. & Prof. Code §§ 17200 et seq.))**

6 87. In-N-Out refers to the allegations contained in Paragraphs 1
7 through 86 above and incorporates them by reference as though fully set forth
8 herein.

9 88. Smashburger, by doing the acts alleged herein, has acted in violation of
10 15 U.S.C. §§ 1114 and 1125 and Cal. Bus. & Prof. Code § 14247, and has thereby
11 engaged in unfair and unlawful business practices constituting statutory unfair
12 competition in violation of Cal. Bus. & Prof. Code §§ 17200 et seq.

13 89. Smashburger's unfair and unlawful business practices in violation of
14 Cal. Bus. & Prof. Code §§ 17200 et seq. have caused substantial injury to In-N-Out
15 and are continuing to cause substantial injury. In-N-Out has no adequate remedy at
16 law for these injuries. Unless Smashburger is restrained by this Court from
17 continuing its unfair and unlawful business practices in violation of Cal. Bus. & Prof.
18 Code §§ 17200 et seq., these injuries will continue to accrue. Pursuant to Cal. Bus. &
19 Prof. Code § 17204, In-N-Out is entitled to preliminary and permanent injunctive
20 relief against Smashburger's unfair and unlawful business practices constituting
21 statutory unfair competition in violation of Cal. Bus. & Prof. Code §§ 17200 et seq.

22
23 **WHEREFORE**, In-N-Out requests judgment in its favor and against
24 Smashburger as follows:

- 25 a. That Smashburger, its agents, servants, employees, successors,
26 assigns and attorneys and any related companies, and all persons
27 in active concert or participation with one or more of them be
28 permanently enjoined and restrained from unlawfully using the

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marks TRIPLE DOUBLE and SMASHBURGER TRIPLE DOUBLE, or any other mark that is confusingly similar to the Registered Marks;

- b. For a preliminary injunction and a permanent injunction enjoining and restraining Smashburger, and its directors, officers, agents, servants, employees, representatives, successors, assigns and any person acting at their request or direction or in active concert or participation with them, including but not limited to their franchisees, or any company related to Smashburger, from using in California the marks TRIPLE DOUBLE and SMASHBURGER TRIPLE DOUBLE, or any other mark that is likely to dilute the Registered Marks;
- c. For an award of compensatory damages in an amount to be determined at trial;
- d. For a finding that this is an exceptional case under the Lanham Act;
- e. For treble damages pursuant to 15 U.S.C. § 1117;
- f. For exemplary damages as authorized by law;
- g. For an award of reasonable attorney fees, investigatory fees and expenses; and

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h. For any such other relief that the circumstances may require and that the Court deems just and proper.

Dated: August 28, 2017

PILLSBURY WINTHROP SHAW PITTMAN LLP
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DEMAND FOR JURY TRIAL

Plaintiff In-N-Out Burgers hereby demands a jury trial, as provided by Rule 38 of the Federal Rules of Civil Procedure, on all claims that are triable to a jury.

Dated: August 28, 2017

PILLSBURY WINTHROP SHAW PITTMAN LLP
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