COMPLAINT - SCIENTIFIC SOFTWARE SOLUTIONS, INC. V. PEDIAWORKS, INC. ET AL.

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COMPLAINT FOR TRADEMARK INFRINGEMENT, UNFAIR COMPETITION, AND DILUTION.

Plaintiff, Scientific Software Solutions, Inc. ("Scientific Software"), by its attorneys identified below, brings this action against Defendants, PediaWorks Inc. and PediaCath, Inc. (the "Defendants"), and alleges that:

THE PARTIES

- 1. Scientific Software is a corporation organized and existing under the laws of Virginia, having an office at 317 Monte Vista Ave., Charlottesville, Virginia 22903.
- 2. On information and belief, Defendant PediaWorks, Inc. ("PediaWorks") is a company existing under the laws of Ohio, having offices at 11000 Cedar Avenue, Cleveland, OH 44106, and is conducting business in this District and elsewhere.
- 3. On information and belief, Defendant PediaCath, Inc. ("PediaCath") is a company existing under the laws of Ohio, having offices at 11000 Cedar Avenue, Cleveland, OH 44106, and is conducting business in this District and elsewhere.

ALLEGATIONS COMMON TO ALL COUNTS

- 4. This action arises under the trademark, unfair competition, and dilution laws for trademark infringement, as a result of Defendants' willful infringement of valid rights in the Scientific Software's PedCath trademark and other unlawful activities conducted by Defendants in connection with such infringement.
- 5. This court has jurisdiction under 15 U.S.C. Section 1121, and 28 U.S.C. Sections 1331, and 1332 and pendant jurisdiction over the claims arising under state law pursuant to 28 U.S.C. § 1338(b). The amount in controversy exceeds the sum or value of \$75,000 exclusive of interests and costs.
 - Venue is proper under 28 U.S.C. Sections 1391(b) or (c). 6.

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Scientific Software has been and now is engaged in the business of selling 7. goods and services ("Scientific Software's Goods and Services") under the trademark "PedCath" ("the Mark") continuously since at least 13 October 1995 in interstate commerce.

- 8. The Mark is used extensively on and in connection with Scientific Software's Goods and Services, e.g., on its products, in brochures and other printed promotional materials distributed by Scientific Software, and on the Internet.
- 9. Scientific Software's Goods and Services in connection with which the Mark has been used have been extensively promoted and marketed through various forms of media. As a result of such promotional and marketing efforts, and the quality of Scientific Software's Goods and Services, the Mark has become widely and favorably known, a valuable asset of Scientific Software and symbol of its goodwill, and has acquired distinctiveness and secondary meaning.
- On information and belief, Defendants are also engaged in the business of 10. selling goods and/or services ("Defendants' Goods and Services") in the same medical goods and services markets as those of Scientific Software.
- On information and belief, Defendants conduct business activities, directly 11. and indirectly, over the Internet including Pediaworks' fully interactive website, which seeks and has received donations from this District and elsewhere.
- 12. On information and belief, Pediacath is a successor in interest to Pediaworks and has benefitted from donations obtained from the Pediaworks website.
- 13. On information and belief, Defendants had actual knowledge of Scientific Software's Mark.
- On information and belief, the phrase "Pediacath", a moniker being used 14. by the Defendants in conjunction with selling their goods and services, is confusingly similar to the mark "PedCath", which has created and continues to

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likely to cause the Mark to lose its significance as indicators of origin. 19 18.

create a likelihood of confusion of origin among purchasers of goods and/or services provided by the Defendants.

15. Notwithstanding Scientific Software's continuous and exclusive use of and well-known prior rights in its Mark, Defendants have sought to compete unfairly with Scientific Software by appropriating for use the Mark on and in connection with goods and/or services that are sold in the same market as the Scientific Software's Goods and Services.

COUNT I Violation of 15 U.S.C. Section 1125(a) **Federal Unfair Competition**

Scientific Software incorporates by reference the allegations of Paragraphs 16. 1-15.

Upon information and belief, the unauthorized use by Defendants in

- commerce of the Pediacath moniker on goods and services in the same markets as those served by Scientific Software is likely to cause the public to mistakenly believe that Defendants' business activities and goods and services originated from, are sponsored by, or are in some way associated with Scientific Software, constitutes false designations of origin or false descriptions or representations and is
- No adequate remedy at law exists to make the Scientific Software whole for the Defendants' continued unfair competition.
 - 19. On information and belief, this complaint is likely to succeed on its merits.
- 20. On information and belief, irreparable harm has been done, and continues to be done, to the Scientific Software as a result of Defendants' continued willful infringement of the Mark.
 - Defendants' acts are willful, knowing, and malicious. 21.
- 22. On information and belief, Defendants will experience no significant hardships as a consequence of being barred from infringing the Mark.

- 23. Upon information and belief, the actions by Defendants are in violation of 15 U.S.C. Section 1125(a). Defendants; and otherwise infringing rights in the Mark, and competing unfairly with Scientific Software.
- 24. Scientific Software is entitled, in addition to injunctive and other equitable relief, to damages in amount to be proven at trial.

COUNT II

Trademark Infringement Under Virginia Common Law

- 25. Scientific Software incorporates by reference the allegations of Paragraphs 1-24.
- 26. Scientific Software possesses a valid, prior-established trademark entitled to protection under Virginia law.
- 27. Defendants have continued to use the Pediacath moniker despite constructive and actual notice that the Mark PedCath is a valid Mark, is owned by Scientific Software, and specific notice from Scientific Software to Defendants to cease any and all infringing use of Pediacath.
- 28. Defendants have been and plan to continue to use the Mark without Scientific Software's consent.
- 29. Defendants' infringement is knowing, willful, and intentional, and intended to cause confusion, mistake, and/or deceive.
- 30. Defendants' acts, as described above, constitute trademark infringement of the Mark Pediacath under Virginia law, resulting in irreparable injury to Scientific Software. Defendants are also liable for contributory trademark infringement of the Pedcath trademark under Virginia law.
- 31. Defendants' infringement has damaged Scientific Software in an amount to be determined at trial. For example and without limitation, Defendants have been unjustly enriched through their unlawful and unauthorized use of the Mark Pediacath.

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- 32. Defendants' infringement has caused and, unless restrained by this Court, will continue to cause Scientific Software irreparable injury.
- 33. Scientific Software has no adequate remedy at law for Defendants' infringement of their common law trademark rights.

COUNT III

Unfair Competition Under Virginia State Law

- 34. Scientific Software incorporates by reference the allegations of Paragraphs 1-33.
- 35. Defendants have used the Mark Pediacath unfairly to the detriment of Scientific Software. Defendants' use of the Mark Pediacath is likely to and has confused consumers of Scientific Software's Goods and Services.
- 36. As a result of Defendants' conduct, Scientific Software has suffered and will continue to suffer damage, including reputational damage because of consumer confusion as to the origin of the goods and services of the Defendants. For example, and without limitation, Defendants have been unjustly enriched through their unlawful and unauthorized sales of the Mark Pediacath.
- 37. Defendants' infringement has caused and, unless restrained by this Court, will continue to cause Scientific Software irreparable injury.
 - 38. Scientific Software has no adequate remedy at law.

REQUEST FOR RELIEF

- A. That Defendants be required to pay to Scientific Software such damages, statutory or otherwise greater than \$100,000 pursuant to 15 U.S.C. Section 1117, together with prejudgment interest thereon, as Scientific Software has sustained as a consequence of Defendants' wrongful acts.
- B. Order the disgorgement of all of Defendant's profits and advantages wrongfully gained by Defendants related to Defendant's misconduct

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pursuant to 15 U.S.C. Section 1117(a)(1), estimated to be greater than 1 2 \$100,000. 3 C. That all damages sustained by Scientific Software be trebled pursuant to 15 U.S.C. Section 1117(a). 4 That Defendants be required to pay to Scientific Software's attorney's 5 D. fees, expenses, and costs incurred in this action pursuant to 15 U.S.C. 6 Section 1117(a)(3). 7 That Defendants deliver up for impoundment during the pendency of this E. 8 action, and for destruction upon entry of judgment, all products, fixtures, 9 writings, signage, art work, and other material which infringe Scientific **10** Software's rights, falsely designate source or origin, or otherwise facilitate 11 Defendants' unfair competition with Scientific Software. 12 13 F. That Defendants notify all third-party search engine operators of this order and request that such operators assure there is no longer any association 14 between any of Scientific Software's marks or slogans with any Web site 15 operated or controlled by the Defendants. 16 Permanently enjoin Defendants from use of Scientific Software's Mark G. 17 and/or any confusingly similar marks. 18 H. That Defendants be directed to file with this court and serve on Scientific 19 Software within thirty (30) days after the service of an injunction, a written 20 21 report under oath setting forth in detail the manner and form in which Defendants have complied with this injunction. 22 That Scientific Software be granted such further relief as the Court may 23 I. 24 deem appropriate. 25 **JURY DEMAND** 26 Scientific Software hereby request as trial by jury. 27 Respectfully submitted,

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Dated: September 26, 2012 The Zobrist Law Group By: /s/ Dale R. Jensen Dale R. Jensen Attorneys for Plaintiff Scientific Software Solutions, Inc.

THE ZOBRIST 28 LAW GROUP ATTORNEYS AT LAW