IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

NORTH CENTRAL INDUSTRIES, INC. )
Plaintiff, )
)
v. )
)
WINCO FIREWORKS, INC., )
WINCO FIREWORKS INTERNATIONAL, LLC )
CREATIVE LICENSING CENTER CORP. )
Defendants. )

Case No. 1:19-cv-2720

**COMPLAINT FOR TRADEMARK INFRINGEMENT AND RELATED CLAIMS**

Comes now the Plaintiff, North Central Industries, Inc. ("Plaintiff") by its President, Richard B. Shields, and counsel, John H. Brooke, Brooke Stevens, PC and for its Complaint against Defendant, Winco Fireworks, Inc. and Winco Fireworks International, LLC, ("Winco Defendants"), Creative Licensing Center Corp. and Studiocanal S.A.S (Licensing Defendants) and alleges and states as follows:

## NATURE OF ACTION, JURISDICTION AND VENUE

**1.** This is an action for trademark infringement, trademark dilution, false designation of origin, and unfair competition, under inter alia, the Lanham Act, 15 U.S.C. §§ 1051, et seq.; and state common law.

**2.** This Court has subject matter jurisdiction over the matter pursuant to 28 U.S.C. §§ 1331 and 1338 and 15 U.S.C. § 1121. In addition, jurisdiction exists under 28 U.S.C. § 1332. The Court has supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. §§ 1367(a) and 1338(b).

**3.** Venue is proper under, inter alia, 28 U.S.C. §§ 1391 and 1400 in that, on information and belief, all of the Defendants conduct business, in the District and the Winco Defendants maintains retail consumer fireworks stores or their agent(s) are subject to personal jurisdiction in the district.

**4.** This Court may exercise personal jurisdiction over the Defendants because of Defendants' systematic contacts with and purposeful availment of this forum. Specifically, and without limitation, Winco Defendants sell, offer for sale, and market the subject infringing goods in this judicial district directly at locations in Clarksville, Indianapolis and through customers that purchase consumer fireworks for resale in Indiana.

**5.** Licensing Defendants have entered into a license agreement to allow companies to market and sell consumer fireworks devices that have the infringing name on the devices in Indiana and throughout the United States.

## THE PARTIES

**6.** Plaintiff, North Central Industries, Inc. is an Indiana corporation with its principal place of business located at 1500 East Washington St., Muncie, IN 47305. The President of the Plaintiff corporation is Richard B. Shields.

**7.** Defendant, Winco Fireworks, Inc. is a Kansas corporation with its principal place of business at 5200 West 94th Terrace, Suite 114, Prairie Village, Kansas 66207 according to the records of the Kansas Secretary of State.

**8.** David Collar is the CEO of Winco Fireworks, Inc. as of the most recent filing with the Kansas Secretary of State and Mike Collar is the President.

**9.** Defendant, Winco Fireworks International, LLC is a Kansas limited liability corporation with its principal place of business at 5200 West 94th Terrace, Suite 114, Prairie Village, Kansas

66207 according to the records of the Kansas Secretary of State.

**10.** Winco Fireworks, Inc. is a member of the Winco Fireworks International, LLC owning 5% or more of the limited liability corporation according to the December 2018 annual report filed with the Kansas Secretary of State.

**11.** Defendants operate fireworks wholesale businesses and have two certificate of compliance licenses with the Indiana State Fire Marshal, License numbers FW32646 and FW16562.

**12.** Defendants also operate retail locations for the sale of consumer fireworks under the name "Pyro City" in Indiana and many other states in the United States.

**13.** Creating Licensing Corporation is a California corporation with its offices located at 10940 Wilshire Blvd., suite 1600, Los Angeles, CA and is in the business of acting as agent for Studiocanal S.A.S with regard to certain trademarks.

**14.** Plaintiff is a consumer fireworks importer, wholesaler and retailer that has been in business in Indiana for over 50 years.

**15.** Plaintiff has several registered trademarks and also has a trademark that is registered with the United States Patent and Trademark Office (USPTO), registration number 2745764 for the name "Terminator".

**16.** Attached as Exhibit 1 is a true and accurate copy of the registration approval from USPTO.

**17.** The Plaintiff's registered mark in been in continuous use and in commerce since 2000.

**18.** The Registrations have become incontestable pursuant to § 15 of the Lanham Act, 15 U.S.C. § 1065.

**19.** The Registrations are prima facie evidence of the validity of the Registrations, Plaintiff North Central Industries, Inc. ownership of the TERMINATOR Mark, and North Central's exclusive right to use the TERMINATOR Mark in commerce in connection with the goods specified in the

Registrations. The Registrations are also constructive notice of North Central Industries, Inc.'s ownership of the TERMINATOR Mark for consumer fireworks.

**20.** Plaintiffs have been using the TERMINATOR Mark in commerce in connection with essential oils for personal use since at least May 1, 1998; and in connection with consumer fireworks. Plaintiff has developed a national customer base.

**21.** Studiocanal Image S.. A. f/k/a Canal +D. A. originally filed an opposition to the registration by the Plaintiff of the trademark TERMINATOR, but withdrew that opposition on January 31, 2003.

**22.** The opposition filed was dismissed with prejudice by the Trademark Trial and Appeal Board (TTAB) on March 31, 2003.

**23.** The TERMINATOR Mark has become widely recognized for high quality, and fantastic effects and superior performance and has developed extensive goodwill.

**24.** The TERMINATOR Mark is associated with Plaintiffs as an indication of origin of high quality and the TEREMINATOR Mark is a highly valuable asset of Plaintiff.

**25.** Winco Defendants are in the business of offering and selling consumer fireworks at wholesale and retail to customers all over the United States.

**26.** On information and belief, each Defendant is the agent, servant, employee, principal, successor, alter ego, and/or partner of each other Defendant, acting within the course and scope of such capacities and with the permission and consent of each other in doing the acts and engaging in the conduct alleged herein.

**27.** On information and belief, Winco Defendants have manufactured, copied, reproduced, sold, offered for sale, publicly displayed, distributed, and/or imported products which infringe the TERMINATOR Mark.

The Terminator™ Assortment

by wincofireworks | May 29, 2019

# of Shots: 15 (each) Size: 8.5" H X 28" W X 9.5" D Wholesale Information Packing: 1/3 Case Weight: 19.8 lbs UPC: 715244-964376 SKU: MEBC6437 CBM: .123 EX#: FC1112017042351, FC1112017042352, FC1112017042353 The Terminator™ © 2019 Studiocanal S.A.S. ®...


The Terminator™ T-800

by wincofireworks | May 29, 2019

60 Gram 5" Canister Shells with 24 Assorted effects and 4 Fiberglass Tubes. Effects: 4 Tube 24 Shells # of Breaks: 24 Size: 27" H X 9.5" W X 3.5" D Wholesale Information Packing: 4/24 Case Weight: 66 lbs UPC: 652009-119001 SKU: MEF-6003 CBM:...

**28.** Upon information and belief, Defendants entered into a "license agreement" with an entity named "Studiocanal SAS" through its agent Creative Licensing Corporation for the use of the trademark TERMINATOR. (Exhibit 2).

**29.** The license agreement entered into by the Defendants was after the Plaintiff's mark was incontestable and they had been using the TERMINATOR Mark for more than 20 years.

**30.** In March 2019, Defendant Creative Licensing Corporation attempted to make a demand for a "cease and desist" the Plaintiff's use of the TERMINATOR Mark, but that request was withdrawn after it was notified by the Plaintiff's counsel of the incontestability of the TERMINATOR Mark.

**31.** Plaintiff informed Winco Defendants of the Registration and demanded that Defendants cease and desist their infringement, but they failed to do so.

**32.** None of the Defendants are not, and have never been, authorized by Plaintiff to use the TERMINATOR Mark or any mark confusingly similar to the TERMINATOR Mark for consumer fireworks items only.

**33.** The use by Winco Defendants of the TERMINATOR mark is likely to cause confusion

and to deceive the public into believing that Winco Defendants are affiliated or connected with, or are authorized or endorsed by Plaintiff.

**34.** All of the Defendants have actual knowledge of and are willfully infringing Plaintiff's rights in the TEREMINATOR Mar for consumer fireworks devices only, as evidenced by their use of the TERMINATOR name on consumer fireworks devices throughout the United States of America.

**35.** As a result of the aforesaid acts of Defendants, Plaintiff has suffered and continue to suffer substantial damages and irreparable injury.

**36.** Plaintiff has no adequate remedy at law and, unless Defendants are restrained and enjoined by this Court, said acts will continue to cause damage and irreparable injury to Plaintiff and to its goodwill and business reputation.

**37.** Plaintiff cannot ascertain the precise amount of its damages at this time.

**COUNT I**
**FEDERAL TRADEMARK INFRINGEMENT**

**38.** The preceding allegations are incorporated herein by reference in paragraphs 1 through 37 inclusive.

**39.** Notwithstanding Plaintiffs' right, title, and interest in connection with the TERMINATOR Mark and the associated goodwill, Defendants have continued to sell and offer for sale confusingly-similar goods with actual and/or constructive knowledge and/or reckless disregard of Plaintiff's rights.

**40.** On information and belief, Defendants have purposefully and willfully used the TERMINATOR mark for consumer fireworks only to confuse the public into believing their products were or are endorsed by or connected to Plaintiff, and/or to misappropriate Plaintiff's registered TERMINATOR Mark for consumer fireworks devices through their use of the Internet

and through their selling of goods in interstate commerce.

**41.** Defendants' use of the infringing TERMINATOR mark in selling and advertising their consumer fireworks products is likely to cause confusion, mistake, and deception among consumers as to the source, affiliation, connection, association, origin, or approval of the goods and falsely suggest a sponsorship, connection, license, affiliation or association between Plaintiffs and Defendants, in violation of Lanham Act § 32, 15 U.S.C. § 1114.

**42.** Defendants' continued use of their infringing mark has injured Plaintiffs, and if permitted to continue, will further injure Plaintiffs by damaging their reputation and causing additional monetary damages.

**43.** The Defendants have acted in concert to promote and conduct themselves for the purpose of trading on the goodwill and name associated with the TERMINATOR mark of the Plaintiff.

**44.** Defendants' continued and knowing use of their infringing mark, or their reckless disregard, constitutes willful and/or intentional infringement and unfair competition, and this case is therefore exceptional under the Lanham Act.

**45.** Plaintiffs have no adequate remedy at law and, if Defendants are not enjoined, Plaintiffs will suffer substantial irreparable harm and injury to their goodwill and reputation.

**46.** Plaintiffs cannot ascertain the precise amount of their damages at this time, but they are entitled to recovery of monetary damages, including, but not limited to, actual damages, treble damages, reasonable attorneys' fees, and costs; Plaintiffs are also entitled to recover Defendants' ill-gotten profits.

## COUNT II
## FEDERAL TRADEMARK DILUTION

**47.** The preceding allegations are incorporated herein by reference in paragraphs 1 through 45 inclusive.

**48.** Plaintiff's TERMINATOR Mark is "famous" within the meaning of 15 U.S.C. § 1125(c)(1) and was famous prior to Winco Defendants' wrongful conduct alleged herein.

**49.** Defendants' use in commerce of the infringing consumer fireworks goods dilutes the distinctive quality of Plaintiff's TERMINATOR Mark and was done with willful intent or to otherwise trade on Plaintiff's reputation and thereby caused the dilution of Plaintiff's mark.

**50.** Defendants acted in knowing and willful violation, or in reckless disregard, of Plaintiff's rights under 15 U.S.C. § 1125(c).

**51.** Plaintiff has no adequate remedy at law and, if Defendants are not enjoined, then Plaintiff will suffer irreparable harm and injury to its goodwill and reputation.

**52.** Plaintiff cannot ascertain the precise amount of its damages at this time, but Plaintiff is entitled to recovery of monetary damages, including, but not limited to, actual damages, treble damages, reasonable attorneys' fees, and costs; Plaintiff is also entitled to recover Defendants' ill-gotten profits.

## COUNT III
## FALSE DESIGNATION OF ORIGIN AND UNFAIR COMPETITION

**53.** The preceding allegations are incorporated herein by reference in paragraphs 1 through 52 inclusive.

**54.** Defendants' actions in adopting, marketing, reproducing, publicly displaying, selling, offering to sell, and/or distributing infringing versions of the TERMINATOR Mark in interstate commerce on consumer fireworks devices without Plaintiff's consent constitutes unfair competition and false designation of origin in violation of 15 U.S.C. § 1125(a) and has caused, and continues to cause, a substantial effect on interstate commerce in that a likelihood of confusion, mistake, and deception exists in the minds of the consuming public as to the source, sponsorship, affiliation, and/or connection of Defendants' infringing goods.

**55.** By reason of the foregoing, Plaintiff has been injured in an amount to be proven. In addition, as a result of Defendants' unlawful acts, Plaintiff has suffered and will continue to suffer irreparable harm, and Plaintiff has no adequate remedy at law with respect to this injury. Unless the acts of Defendants are enjoined by the Court, Plaintiff will continue to suffer such harm.

**56.** Defendants' actions have been knowing, intentional, wanton, and willful, or done with reckless disregard of Plaintiffs' rights, entitling Plaintiffs to damages, treble damages, ill-gotten profits, reasonable attorneys' fees, statutory damages, and the costs of this action.

## COUNT IV
## COMMON LAW UNFAIR COMPETITION

**57.** The preceding allegations are incorporated herein by reference in paragraphs 1 through 56 inclusive.

**58.** Plaintiff is informed and believes, and thereon alleges, that Defendants have been passing off their consumer fireworks goods and services as those of Plaintiff, and have been using Plaintiff's intellectual property to promote their own goods and services.

**59.** Plaintiff alleges that they have thereby sustained damage to their reputation, goodwill, and sales, in an amount to be proven at trial.

## PRAYER FOR RELIEF

WHERERFORE, Plaintiff, North Central Industries, Inc., pray for the entry of a judgment from this Court:

(A) That Defendants and their officers, agents, servants, employees, licensees, assignees, transferees, successors, attorneys, and those persons in active concert or participation with them who receive actual notice of the Court's order, be preliminarily and permanently enjoined from:

**i.** using the TERMINATOR Mark or any variation of the term

"TERMINATOR," in connection with the promotion, marketing, advertising, and/or sales of consumer fireworks only;

**ii.** using the Mark or any variation of the word "TERMINATOR" specifically including, but not limited to, any term that includes "TERMINATOR " or on the Internet, as a webpage, domain name, in meta tags, or social media account names, or otherwise engaging in acts or conduct that would cause confusion as to the source, sponsorship, or affiliation of Defendants with regard to consumer fireworks only;

**iii.** diluting, blurring, passing off, or falsely designating the origin of the TERMINATOR Mark on consumer fireworks and from further injuring Plaintiff's goodwill and reputation;

**iv.** engaging in unfair methods of competition with Plaintiff;

**v.** doing any other act or thing likely to induce the belief that Defendants' businesses, services, or products are in any way connected with, sponsored, affiliated, licensed, or endorsed by Plaintiff;

(B) preliminary and permanently ordering and directing Defendants to take any and all action necessary to remove any and all of Defendants' references to the TERMINATOR Mark or any variation of the term "TERMINATOR," in connection with their promotion, marketing, advertising, and/or sales of with regard to consumer fireworks products;

(C) serve upon Plaintiffs, within thirty days after service of any injunction, a report in writing, under oath, setting forth in detail the manner and form in which Defendants have complied with the injunction;

(D) awarding Plaintiff, in accordance with 15 U.S.C. § 1117, Defendants' profits, damages sustained by Plaintiff and three times such amounts as a result of Defendants' willful wrongful actions, including the infringement of federally-registered trademarks, infringement of common law rights, false designation of origin, trademark dilution, and employing unfair methods of competing with Plaintiff;

(E) awarding Plaintiff interest, costs, and reasonable attorneys' fees incurred in connection with this action;

(F) awarding Plaintiffs such other and further relief as this Court may deem to be just.

Respectfully submitted,

Brooke| Stevens, P.C.

*/s/ John H. Brooke*

John H. Brooke #4234-18
112 E. Gilbert Street
Muncie, IN 47305
765-741-1375
jbrooke@brooke-stevens.com

**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury, pursuant to Rule 38 of the Federal Rules of Civil Procedure, as to all issues in this lawsuit.

Respectfully submitted,

Brooke| Stevens, P.C.

*/s/ John H. Brooke*