

1 GERARD R. KILROY (State Bar No. 94023)  
2 NEAL C. PESKIN (State Bar No. 185973)  
3 15535 San Fernando Mission Blvd., Suite 310  
4 Mission Hills, California 91345  
5 (818) 838-0606

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Attorneys for Plaintiff

7 UNITED STATES DISTRICT COURT  
8 CENTRAL DISTRICT OF CALIFORNIA

11 UNICOM SYSTEMS, INC., a  
12 California corporation,  
13 Plaintiff,

14 vs.

16 LEONARD ADAM ROSENTHAL, AKA  
17 Chip Rosenthal, DBA UNICOM  
18 SYSTEMS DEVELOPMENT, an  
19 individual,

20 Defendant.

Case No. 01-09386 GHK (SHx)

COMPLAINT FOR:

1. CYBERPIRACY (15 U.S.C. §1125(d));
2. TRADEMARK INFRINGEMENT (15 U.S.C. §1114(1));
3. FALSE DESIGNATION OF ORIGIN (15U.S.C. § 1125(a));
4. TRADEMARK DILUTION (15 U.S.C. § 1125(c); CAL. BUS. & PROF. CODE § 14330);
5. TRADE NAME INFRINGEMENT (CAL.BUS. & PROF. CODE § 14415);
6. COMMON LAW TRADEMARK INFRINGEMENT; AND,
7. DILUTION IN VALUE
8. UNFAIR COMPETITION (CAL. BUS.& PROF.CODE § 17200 ET SEQ.)

1  
2 Plaintiff UNICOM SYSTEMS, INC. ("UNICOM") complains of  
3 Defendant LEONARD ADAM ROSENTHAL, AKA Chip Rosenthal, DBA UNICOM  
4 SYSTEMS DEVELOPMENT, an individual ("Rosenthal") and alleges as  
5 follows:  
6

7 **THE PARTIES**  
8

9 1. Plaintiff UNICOM is a corporation organized and  
10 existing under the laws of the State of California and having  
11 its principle place of business in Mission Hills, California.  
12

13 2. Upon information and belief, Rosenthal is an  
14 individual residing in Austin, Texas and doing business as,  
15 *inter alia*, UNICOM SYSTEMS DEVELOPMENT.  
16

17 **JURISDICTION AND VENUE**

18 3. This Court has subject matter jurisdiction over this  
19 action pursuant to 28 U.S.C. §§ 1331, 1335, 1338(a) and 15  
20 U.S.C. § 1121. This Court has supplemental jurisdiction over  
21 claims in this Complaint that arise under state statutory and  
22 common law pursuant to 28 U.S.C. § 1338(b) and §1367(a) in that  
23 the state law claims are so related to the federal claims that  
24 they form part of the same case or controversy and derive from a  
25 common nucleus of operative facts.  
26

27 4. Venue is proper under 28 U.S.C. § 1391(b) in that a  
28 substantial part of the events giving rise to this action

1 occurred in this District.

2  
3 **COMMON ALLEGATIONS**  
4

5 5. UNICOM is an internationally-known provider of  
6 information technology systems and services. UNICOM develops,  
7 markets, and supports software systems and provides professional  
8 services related to those systems. UNICOM products and services  
9 are used by corporations worldwide.

10 6. Since at least 1989, UNICOM has continuously used the  
11 name "UNICOM" as its trade and service mark in connection with  
12 their products and services. UNICOM is the owner of federal  
13 Trademark Registration No. 2308224 by which UNICOM has certain  
14 exclusive rights to the word "UNICOM" (the "Mark"). Attached  
15 hereto as Exhibit A is a true and correct copy of Trademark  
16 Registration No. 2308224 which is incorporated herein by this  
17 reference as though set forth in full.

18 7. Due to UNICOM's extensive use, worldwide promotion,  
19 and resulting national and international technology press  
20 coverage, the Mark has acquired distinctiveness and is  
21 recognized nationally and worldwide. UNICOM has caused the Mark  
22 to be registered on the Principal Register in the United States.  
23 In 2001 alone, UNICOM spent thousands of dollars advertising and  
24 promoting products and services identified by the Mark. The Mark  
25 has been prominently featured in advertisements, promotional  
26 materials, product packaging and the Internet, including the web  
27 site accessible at <www.UNICOMSI.com>. Attached hereto as  
28

1 Exhibit B are true and correct exemplars of the Mark from  
2 various advertisements, articles, and promotional materials.

3 8. By reason of the foregoing, the Mark has achieved fame  
4 and recognition.

5 9. On or about February 26, 1990, Rosenthal registered  
6 the domain name "UNICOM.com" (the "Domain Name") with Network  
7 Solutions, Incorporated ("NSI"), a registrar in the United  
8 States for domain names on the Internet. UNICOM is informed and  
9 believes and therefore alleges that Rosenthal falsely  
10 represented in his Domain Name registration application that the  
11 "registration of the domain name does not interfere with the  
12 rights of any third party, and that the domain name is not being  
13 registered for any unlawful purpose."

14 10. Rosenthal's representation on his Domain Name  
15 application is false. Rosenthal's web page advertises under the  
16 names UNICOM, UNICOM SYSTEMS DEVELOPMENT and UNICOM.com,  
17 products and services confusingly similar to products and  
18 services offered by UNICOM.

19 11. UNICOM is informed and believes and therefore alleges  
20 that prospective and existing UNICOM clients attempt to access  
21 UNICOM's web page but are instead diverted to Rosenthal's web  
22 address www.UNICOM.com. that refers to software products and  
23 services confusingly similar to UNICOM's products and services.  
24 Furthermore and notwithstanding the above, Rosenthal's web page  
25 is amateurish, incomplete and vague which UNICOM is informed and  
26 believes and therefore alleges has caused confusion regarding  
27 the products and services that may be available from UNICOM as  
28

1 opposed to Rosenthal. In this manner, UNICOM is informed and  
2 believes and therefore alleges that Rosenthal's actions have  
3 interfered with present and prospective clients' ability to find  
4 UNICOM's web sites and further, has caused confusion regarding  
5 UNICOM's products and services and UNICOM's affiliation with and  
6 sponsorship of Rosenthal's activities.

7 12. When UNICOM became aware that Rosenthal had registered  
8 the Domain Name, UNICOM informed Rosenthal of its rights in the  
9 Mark and requested that Rosenthal surrender the Domain Name.

10 13. Rosenthal has refused to surrender the Domain Name,  
11 but instead has indicated that he would sell UNICOM the Domain  
12 Name for fifty thousand dollars (\$50,000.00).

13 14. Rosenthal's demand for fifty thousand dollars  
14 (\$50,000.00) is extortionate as Rosenthal has no right to use  
15 the "UNICOM" logo in his Domain Name and is attempting to hold  
16 plaintiff's asset, the Mark, hostage to his unreasonable demand.  
17

18  
19 **FIRST CAUSE OF ACTION**

20 **(Cyberpiracy In Violation of 15 U.S.C. § 1125(d))**

21  
22 15. UNICOM incorporates and realleges herein by this  
23 reference as though set forth in full Paragraphs 1 through 14.

24 16. UNICOM is informed and believes and therefore alleges  
25 that Rosenthal, in bad faith and with the intent to derive a  
26 profit from the unauthorized exploitation of the Mark,  
27 registered, trafficked in and/or used the Domain Name with the  
28 knowledge that the Domain Name was identical to and/or

1 confusingly similar to and/or dilutive of, the Mark.

2 17. UNICOM is informed and believes and therefore alleges  
3 that Rosenthal registered the Domain Name only after UNICOM's  
4 Mark had become distinctive.

5 18. Rosenthal owns no trademark or other intellectual  
6 property rights in the Domain Name yet he has offered to  
7 transfer, sell, or otherwise assign the Domain Name to UNICOM  
8 and others for valuable consideration without having used the  
9 Domain Name in the bona fide offering of any goods or services  
10 during the time that it has been employed.

11 19. As a direct and proximate result of Rosenthal's  
12 unlawful conduct, UNICOM has incurred damages in an amount to be  
13 proved at trial consisting of, among other things, lost  
14 revenues, injury to its business relationships, and diminution  
15 in the value of and goodwill associated with the Mark.  
16 Alternatively, UNICOM is entitled to the remedies provided for  
17 in 15 U.S.C. § 1125(d).

18 20. Rosenthal's wrongful acts have caused and continue to  
19 cause irreparable harm to UNICOM. Rosenthal's actions, if not  
20 preliminarily and permanently enjoined, will continue. UNICOM  
21 has no adequate remedy at law in that Rosenthal's conduct is  
22 irreparably harming UNICOM, and the amount of its damages is  
23 difficult to ascertain. UNICOM is therefore entitled to a  
24 preliminary and permanent injunction prohibiting Rosenthal from  
25  
26  
27  
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1 using the Mark, or any mark similar thereto, including but not  
2 limited to as a domain name, and requiring Rosenthal to transfer  
3 the Domain Name to UNICOM.

4 21. Rosenthal's piracy of the Mark is deliberate, willful,  
5 fraudulent and without any extenuating circumstances, and  
6 constitutes a knowing use of the Mark. UNICOM is therefore  
7 entitled to recover three times the amount of its actual damages  
8 as well as its attorneys' fees and costs incurred in this  
9 action.  
10

11 **SECOND CAUSE OF ACTION**

12 **(Trademark Infringement in Violation of 15 U.S.C. § 1114(1))**  
13

14  
15 22. UNICOM incorporates and realleges herein by this  
16 reference as though set forth in full Paragraphs 1 through 20.

17 23. Rosenthal's use of the Mark constitutes trademark  
18 infringement in violation of 15 U.S.C. § 1114 (1).

19 24. Rosenthal's wrongful acts have caused and continue to  
20 cause irreparable harm to UNICOM. Rosenthal's actions, if not  
21 preliminarily and permanently enjoined, will continue. UNICOM  
22 has no adequate remedy at law in that Rosenthal's conduct is  
23 irreparably harming UNICOM, and the amount of its damages is  
24 difficult to ascertain. UNICOM is therefore entitled to a  
25 preliminary and permanent injunction prohibiting Rosenthal from  
26 using the Mark, or any mark similar thereto, including but not  
27 limited to as a domain name, and requiring Rosenthal to transfer  
28 the Domain Name to UNICOM.





1 or characteristics of any products or services of UNICOM and  
2 Rosenthal, and or any affiliation, sponsorship or other  
3 connection between Rosenthal and/or his activities and the  
4 business activities of UNICOM.

5 29. Rosenthal's wrongful acts have caused and continue to  
6 cause irreparable harm to UNICOM. Rosenthal's actions, if not  
7 preliminarily and permanently enjoined, will continue. UNICOM  
8 has no adequate remedy at law in that Rosenthal's conduct is  
9 irreparably harming UNICOM, and the amount of its damages is  
10 difficult to ascertain. UNICOM is therefore entitled to a  
11 preliminary and permanent injunction prohibiting Rosenthal from  
12 using the Mark, or any mark similar thereto, including but not  
13 limited to as a domain name, and requiring Rosenthal to transfer  
14 the Domain Name to UNICOM.

15 30. As a direct and proximate result of Rosenthal's  
16 unlawful conduct, UNICOM has incurred damages in an amount to be  
17 proved at trial consisting of, among other things, lost  
18 revenues, injury to its business relationships, and diminution  
19 in the value of and goodwill associated with the Mark. In the  
20 alternative, UNICOM is entitled to the remedies provided for in  
21 15 U.S.C. § 1116 et. seq.

22 31. Rosenthal's use of the Mark is deliberate, willful,  
23 fraudulent and without any extenuating circumstances, and  
24 constitutes a knowing use of the Mark. UNICOM is therefore  
25 entitled to recover three times the amount of its actual damages  
26 as well as its attorneys' fees and costs incurred in this  
27 action.  
28

1  
2 **FOURTH CAUSE OF ACTION**

3 **(Dilution in Violation of Section 43(c)(1) of the Lanham Act, 15**  
4 **U.S.C. § 1125(c))**

5  
6 32. UNICOM incorporates and realleges herein by this  
7 reference as though set forth in full Paragraphs 1 through 30.

8 33. The Mark is entitled to protection from dilution.  
9 UNICOM is informed and believes and therefore alleges that  
10 Rosenthal commenced use of the Mark after it became famous and  
11 intended to trade on UNICOM's reputation and/or to cause  
12 dilution of the Mark.

13 34. Rosenthal's wrongful acts have diluted the Mark in  
14 violation of 15 U.S.C. § 1125(c).

15 35. As a direct and proximate result of Rosenthal's  
16 conduct, UNICOM has incurred damages in an amount to be proved  
17 at trial consisting of, among other things, lost revenues,  
18 injury to its business relationships, and diminution in the  
19 value of and goodwill associated with the Mark. In the  
20 alternative, UNICOM is entitled to the remedies provided for in  
21 15 U.S.C. §§ 1117(a), 1118, and 1125(c).

22 36. Rosenthal's wrongful acts have caused and continue to  
23 cause irreparable injury to the value and goodwill of the Mark,  
24 as well as to UNICOM's business, goodwill and reputation.  
25 Rosenthal's actions, if not preliminarily and permanently  
26 enjoined, will continue. UNICOM has no adequate remedy at law in  
27 that Rosenthal's conduct is irreparably harming UNICOM, and the  
28

1 amount of its damages is difficult to ascertain. UNICOM is  
2 therefore entitled to a preliminary and permanent injunction  
3 prohibiting Rosenthal from using the Mark, or any mark similar  
4 thereto, including but not limited to as a domain name, and  
5 requiring Rosenthal to transfer the Domain Name to UNICOM.

6 37. Rosenthal deliberately, willfully, fraudulently and  
7 without any extenuating circumstances, intended to trade on the  
8 reputation of UNICOM and cause the dilution of the Mark. UNICOM  
9 is therefore entitled to recover its actual damages as well as  
10 its attorneys' fees and costs incurred in this action.

11  
12 **FIFTH CAUSE OF ACTION**

13 **(Trade Name Infringement In Violation of Cal. Bus. & Prof. Code**  
14 **§ 14415)**

15  
16 38. UNICOM incorporates and realleges herein by this  
17 reference as though set forth in full Paragraphs 1 through 36.

18 39. Rosenthal's actions constitute trade name infringement  
19 in violation of Cal. Bus. & Prof. Code § 14415.

20 40. Rosenthal's wrongful acts have caused and continue to  
21 cause irreparable harm to UNICOM. Rosenthal's actions, if not  
22 preliminarily and permanently enjoined, will continue. UNICOM  
23 has no adequate remedy at law in that Rosenthal's conduct is  
24 irreparably harming UNICOM, and the amount of its damages is  
25 difficult to ascertain. UNICOM is therefore entitled to a  
26 preliminary and permanent injunction prohibiting Rosenthal from  
27 using UNICOM's trade name, or any trade name similar thereto,  
28

1 including but not limited to as a domain name, and requiring  
2 Rosenthal to transfer the domain name "UNICOM.com" to UNICOM.

3 41. As a direct and proximate result of Rosenthal's  
4 unlawful conduct, UNICOM has incurred damages in an amount to be  
5 proved at trial consisting of, among other things, lost  
6 revenues, injury to its business relationships, and diminution  
7 in the value of and goodwill associated with its trade name.

8 42. Rosenthal's use of the UNICOM trade name has been done  
9 willfully, knowingly, and with conscious disregard of UNICOM's  
10 rights such as to constitute malice. UNICOM is therefore  
11 entitled to punitive damages.  
12  
13  
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15 **SIXTH CAUSE OF ACTION**

16 **(Common Law Trade Mark Infringement)**

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18 43. UNICOM incorporates and realleges herein by this  
19 reference as though set forth in full Paragraphs 1 through 41.

20 44. Rosenthal's actions described above, and specifically,  
21 without limitation, Rosenthal's use of the Mark on the Internet  
22 constitute trade mark infringement under California common law.

23 45. Rosenthal's wrongful acts have caused and continue to  
24 cause irreparable harm to UNICOM. Rosenthal's actions, if not  
25 preliminarily and permanently enjoined, will continue. UNICOM  
26 has no adequate remedy at law in that Rosenthal's conduct is  
27 irreparably harming UNICOM and the amount of its damages is  
28 difficult to ascertain. UNICOM is therefore entitled to a

1 preliminary and permanent injunction prohibiting Rosenthal from  
2 using the Mark or any mark similar thereto, including but not  
3 limited to as a domain name, and requiring Rosenthal to transfer  
4 the Domain Name to UNICOM.

5 46. As a direct and proximate result of Rosenthal's  
6 unlawful conduct, UNICOM has incurred damages in an amount to be  
7 proved at trial consisting of, among other things, lost  
8 revenues, injury to its business relationships, and diminution  
9 in the value of and goodwill associated with the Mark.

10 47. Rosenthal's use of the UNICOM trade name has been done  
11 willfully, knowingly, and with conscious disregard of UNICOM's  
12 rights such as to constitute malice. UNICOM is therefore  
13 entitled to punitive damages.  
14

15 **SEVENTH CAUSE OF ACTION**

16 **(Dilution in Violation of Cal. Bus. & Prof. Code § 14330)**  
17

18 48. UNICOM incorporates and realleges herein by this  
19 reference as though set forth in full Paragraphs 1 through 41.  
20

21 49. UNICOM is informed and believes and therefore alleges  
22 that Rosenthal's registration and use of and refusal to transfer  
23 the Domain Name to UNICOM has diluted and/or is likely to  
24 further dilute the distinctive quality of the Mark, thereby  
25 causing injury to UNICOM's business, reputation, and the Mark  
26 itself which is a valuable asset of UNICOM's.

27 50. By and through his wrongful conduct as described  
28 herein, Rosenthal has caused and continues to cause irreparable

1 injury to the business reputation of UNICOM and dilution of the  
2 distinctive quality of the Mark in violation of Cal. Bus. &  
3 Prof. Code § 14330 and UNICOM's rights at common law.  
4 Rosenthal's actions, if not preliminarily and permanently  
5 enjoined, will continue. UNICOM has no adequate remedy at law in  
6 that Rosenthal's conduct is irreparably harming UNICOM, and its  
7 damages are difficult to ascertain. UNICOM is therefore entitled  
8 to a preliminary and permanent injunction prohibiting Rosenthal  
9 from using the Mark, or any mark similar thereto, including but  
10 not limited to as a domain name, and requiring Rosenthal to  
11 transfer the Domain Name to UNICOM.

12  
13 **EIGHTH CAUSE OF ACTION**

14 **(Unfair Competition in Violation of Cal. Bus. & Prof. Code §**  
15 **17200 et. seq.)**

16  
17  
18 51. UNICOM incorporates and realleges herein by this  
19 reference as though set forth in full Paragraphs 1 through 50.

20 52. UNICOM is informed and believes and therefore alleges  
21 that Rosenthal is making use of the Mark for the unlawful  
22 purpose of trading on the value of UNICOM's reputation and good  
23 will and on the goodwill associated with the Mark. Such use  
24 constitutes unfair competition in violation of Cal. Bus. & Prof  
25 Code § 17200 et seq.

26 53. Rosenthal's acts of unfair competition have caused and  
27 continue to cause irreparable injury to UNICOM's business,  
28 goodwill and reputation as well as to the value and goodwill of

1 the Mark. Rosenthal's actions, if not preliminarily and  
2 permanently enjoined, will continue. UNICOM has no adequate  
3 remedy at law in that Rosenthal's conduct is irreparably harming  
4 UNICOM and its damages are difficult to ascertain. UNICOM is  
5 therefore entitled to a preliminary and permanent injunction  
6 prohibiting Rosenthal from using the Mark, or any mark similar  
7 thereto, including but not limited to as a domain name, and  
8 requiring Rosenthal to transfer the Domain Name to UNICOM.

9 54. UNICOM is further informed and believes and therefore  
10 alleges that as a result of Rosenthal's acts of unfair  
11 competition, Rosenthal has been unjustly enriched at UNICOM's  
12 expense. Rosenthal should be required to restore the value of  
13 any such benefits to UNICOM.  
14

15 **PRAYER FOR RELIEF**

16  
17 WHEREFORE, UNICOM prays for judgment against Rosenthal  
18 as follows:

19  
20 1. For an Order preliminarily and permanently enjoining  
21 Rosenthal and each of his agents, servants and employees, and  
22 all others acting in concert with and having knowledge thereof,  
23 from using the Mark, or any colorable imitations thereof, in any  
24 domain name or in any other manner;

25 2. For an Order requiring Rosenthal to transfer or  
26 otherwise relinquish the domain name registration obtained for  
27 the domain name 'UNICOM.com' to UNICOM;  
28

1           3. For an accounting by Rosenthal to UNICOM for any and  
2 all revenues and profits derived from his wrongful actions and  
3 to pay to UNICOM such amounts and all damages which UNICOM has  
4 sustained by reason of acts complained of herein;

5           4. For an Order requiring Rosenthal to restore to UNICOM  
6 any benefits he has received as a result of his use of the Mark;

7           5. For any and all statutory damages provided by law;

8           6. For general damages according to proof;

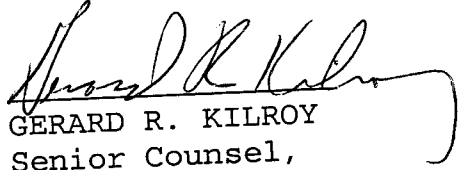
9           7. For punitive damages in an amount sufficient to deter  
10 similar future conduct;

11           8. For costs incurred by UNICOM;

12           9. For attorneys fees incurred by UNICOM;

13           10. For any and all further relief that the Court deems to  
14 be just and proper.

15  
16  
17 Dated: October 30 2001

  
GERARD R. KILROY  
Senior Counsel,  
Unicom Systems, Inc.