# Jay Calhoun (AZ Bar No. 022836) 1 Isagenix International LLC 2225 S. Price Road Chandler, AZ 85248 Tel: (480)889-5747 3 Fax: (480) 889-5769 jay calhoun@isagenix.net 4 Attorney for Plaintiff 5 Isagenix International LLC 6 UNITED STATES DISTRICT COURT 7 DISTRICT OF ARIZONA 8 9 Case No. ISAGENIX INTERNATIONAL LLC, 10 **COMPLAINT** an Arizona limited liability company, 11 Plaintiff, 12 13 VS. ARON SPERLING and JANE DOE 14 15 SPERLING, individually and the marital community comprised thereof; 16 ARON SPERLING d/b/a SUBLIME 17 TECHNOLOGY LIMITED; 18 WILLIAM J. MCCRACKEN and 19 JANE DOE MCCRACKEN, 20 individually and the marital community 21 comprised thereof; ABC Corporation 22 and XYZ Corporation, 23 Defendants 24 25

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1 Plaintiff, Isagenix International LLC (Isagenix), by its 2 undersigned counsel, for its Complaint in this action alleges: PARTIES, JURISDICTION AND VENUE 3 This is a civil action arising under: (a) the Declaratory 4 5 Judgment Act, 28 U.S.C. SS 2201-2202 and the United States 6 Trademark Act of 1946, as amended, 15 U.S.C. § 1501, et seq 7 ("Lanham Act"), for declaratory judgment of trademark infringement, dilution, and unfair competition, (b) 15 U.S.C. § 8 1125(d) for cyber squatting, (c) 28 U.S.C. §§ 2201-2202 and the 9 10 laws of the State of Arizona for declaratory judgment of 11 trademark infringement and unfair competition under the common 12 law, (d) civil conspiracy committed under the common law of Arizona, and (e) copyright infringement under 17 U.S.C. § 101 et 14 seq. This Court has subject matter jurisdiction over this case under 28 U.S.C. §§2201-2202, 15 U.S.C. § 1121, 28 U.S.C. §§ 1331 and 1338 and the principles of supplemental jurisdiction. Isagenix International LLC is an Arizona limited liability company with its principal place of business at 2225 S. Price Road, Chandler, AZ 85248. Isagenix is the owner of the trademark "ISAGENIX" for health and wellness products and services of numerous types, including network marketing. 23

Canadian citizen.

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On information and belief, Defendant Aron Sperling is a

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- 1 | 6. Defendant Sperling started doing business with Isagenix,
- 2 an Arizona company, and became an Isagenix Independent Associate
- 3 on November 10, 2006.
- 4 | 7. On information and belief, William J. McCracken is a
- 5 | Canadian Citizen.
- 6 8. Defendant McCracken started doing business with
- 7 | Isagenix, an Arizona company, and became an Isagenix Independent
- 8 Associate on December 26, 2006.
- 9 9. On information and belief, Defendant Sublime Technology
- 10 | Limited (Sublime) is a "doing business as" alias for Defendants
- 11 | Sperling and McCracken with a mailing address at Room 211,
- 12 | Wellbourne Comm. Ctr 8 Java Rd North Point, Hong Kong.
- 13 | 10. On information and belief, Defendant Sperling registered
- 14 | the domain names <isagenix.com.hk> and <isagenix.hk> (Infringing
- 15 | Domain Names) on January 24, 2007.
- 16 | 11. On information and belief, Defendant Sperling is the
- 17 | agent and owner of the Infringing Domain Names and websites.
- 18 | 12. Defendant Sperling has identified himself in e-mails
- 19 sent to Isagenix as being the owner having the ability to
- 20 | transfer the Infringing Domain Names and website to Isagenix.
- 21 | 13. On information and belief, Defendants controls the
- 22 | actions of Sublime Technology Limited.
- $23 \mid 14$ . On information and belief, between November 2006 and
- 24 March 23, 2007 defendants Sperling and McCracken maliciously
- 25 conspired together with the intent to injure Plaintiff.

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- 1 | 15. On further information and belief, Defendant McCracken 2 | participated in the conspiracy to injure Plaintiff.
- 3 16. On further information and belief, Defendant McCracken
- 4 encouraged Defendant Sperling to register the Infringing Domain
- 5 Names to extort payment from Plaintiff.
- 6 | 17. On further information and belief, Defendant McCracken
- 7 | knowingly gave substantial aid to Defendant Sperling, who he
- 8 knew, intended to infringe on Plaintiff's trademarks and trade
- 9 | name.
- 10 18. This dispute concerns Defendants' unauthorized
- 11 registration and use of the Infringing Domain Name
- 12 | <isagenix.com.hk> and <isagenix.hk>.
- 13 | 19. Defendant Sperling is aware of Isagenix's objection to
- 14 Defendant's registration of the Infringing Domain Names.
- 15 20. This Court has personal jurisdiction over the Defendants
- 16 | because Defendants purposefully availed themselves of conducting
- 17 | business in Arizona. Further, Defendants have committed a tort
- 18 || in or directed at the forum.
- 19  $\parallel$  21. Moreover, this Court has personal jurisdiction over
- 20 | Defendants because they agreed to jurisdiction in Arizona as a
- 21 part of their terms and agreement as Isagenix Independent
- 22 | Associates.
- 23 | 22. Venue is proper under 28 U.S.C. § 1391 because at least
- 24 some of the events giving rise to the claims alleged herein

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occurred in this District and Defendants are subject to personal jurisdiction in this District.

#### PERTINENT FACTS/GENERAL ALLEGATIONS

- 23. Isagenix was founded in Chandler, AZ, in 2000. Isagenix is a front runner in the health and wellness industry with operations in four countries, most recently Hong Kong, with sales approaching \$200 million, 250 employees and more than 150,000 Independent Associates around the world.
- 24. Isagenix has used the term "ISAGENIX" continuously in connection with the sale of health and wellness products and services since at least as early as 1997.
- 25. Isagenix has sold millions of dollars worth of health and wellness products and services in the United States and Canada in connection with its "ISAGENIX" mark.
- 26. Isagenix's "ISAGENIX" mark is well known in the United States and Canada.
- 27. Isagenix advertises its health and wellness products and services via the Internet and in print advertising in connection with its "ISAGENIX" mark and through a network of independent associates worldwide.
- 28. Isagenix promotes and sells its health and wellness products and services over the Internet in connection with its "ISAGENIX" mark.

- 2 29. Isagenix's main Internet site on which it promotes and sells products in connection with its "ISAGENIX" mark utilizes the domain name "isagenix.com."
- 4 | 30. Isagenix's website at www.isagenix.com is available to 5 | consumers, who can purchase products from the website.
- 6 31. Isagenix's Internet site located at www.isagenix.com
  7 prominently displays the "ISAGENIX" mark.
- 8 | 32. Since at least as early as 2000, Isagenix has maintained a website at www.isagenix.com in connection with the sale and marketing of its health and wellness products in connection with the "ISAGENIX" mark.

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- 33. Isagenix is the owner of numerous service marks and trademark registrations worldwide for its "ISAGENIX" mark, including the following incontestable registrations, which are conclusive proof of Isagenix's ownership of the marks:
- (a) Registration No. 2198293 for ISAGENIX filed on September 22, 1997 and registered on October 20, 1998.
- (b) Registration 3203741 for ISAGENIX (design plus words) filed on January 31, 2006 and registered on January 30, 2007.
- 34. As a result of Isagenix's registrations for the "ISAGENIX" mark, Defendants had at least constructive notice of Isagenix's ownership of its "ISAGENIX" mark. 15 U.S.C. § 1072.
- 23 35. Isagenix owns the domain name registrations for converge co

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- 1 the home page of Isagenix's www.isagenix.com website is attached
- 2 hereto as Exhibit 1.
- 3 36. On information and belief, the owner of the Infringing
- 4 | Domain Names <isagenix.com.hk> and <isagenix.hk> is Defendant
- 5 | Sperling.
- 6 37. On information and belief, Sublime Technology Limited is
- 7 | merely Defendant Sperling's purchased contact address to fulfill
- 8 | Hong Kong's requirements to register a domain name as a
- 9 | foreigner.
- 10 38. On information and belief, Sublime Technology Limited
- 11 | has no control authority over the Infringing Domain Names and
- 12 Defendant Sperling is the owner and agent for the Infringing
- 13 | domain names <isagenix.com.hk> and <isagenix.hk>.
- 14 | 39. On March 23, 2007, Plaintiff called Sublime Technology
- 15 | Limited at its registered phone number (+61-03-97831800) and it
- 16 | had been disconnected.
- 17 | 40. HDKNR is the registrar of the domain name
- 18 | <isagenix.com.hk> and <isagenix.hk>. On information and belief,
- 19 | HDKNR is a Hong Kong company with its principle place of business
- 20 | in Hong Kong.
- 21 | 41. A true and correct copy of a record of the domain
- 22 | ownership information for the Infringing Domain Names
- 23 | <isagenix.com.hk> and <isagenix.hk> is attached hereto as Exhibit
- 24 | 2.

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- 1 | 42. On information and belief, seeking to capitalize on the success of the "ISAGENIX" mark and the goodwill associated therewith, and to extort payment from Isagenix, the Infringing Domain Names <isagenix.com.hk> and <isagenix.hk> were caused to
- be registered by Defendant McCracken through Defendant Sperling
- 6 | with HKDNR on January 24, 2007.
- 7 43. On information and belief, Defendant's Infringing websites were active with content between January 20-30, 2007.
- 9 44. On information and belief, the registration was caused
- 10 by Defendant Sperling, to interfere with Isagenix's opening of
- 11 lits Hong Kong Office, in an attempt to extort money from Isagenix
- 12 and in an attempt to evade the laws of the United States.
- 13 | 45. On information and belief, on or between January 20-30,
- 14 2007, the content on the websites located at
- 15 | <www.isagenix.com.hk> and <www.isagenix.hk> was provided by
- 16 Defendant Sperling.
- 17 | 46. On January 30, 2007, Glen Rawlins (Rawlins), Vice
- 18 | President of Special Projects at Isagenix e-mailed Defendant
- 19 | Sperling informing him of his unauthorized use of the "ISAGENIX"
- 20 | mark.
- 21 | 47. A true and correct copy of the January 30, 2007, e-mail
- 22 referenced in the preceding paragraph is attached hereto as part
- 23 of the collective Exhibit 3.
- 24 | 48. On February 3, 2007, Defendant Sperling did not respond
- 25 to Rawlins, but sent a reply to Isagenix's compliance department

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- 1 and stated that he owned the Infringing Domain Names and also
- 2 || stated that "I [Sperling] can only assume that the one I have
- 3 | chosen may have been over looked by Isagenix International as a
- 4 | very important name for the Asian Market."
- 5 | 49. A true and correct copy of the February 3, 2007, e-mail
- 6 | referenced in the preceding paragraph is attached hereto as part
- 7 | of the collective Exhibit 3.
- 8 | 50. On February 8, 2007, Rawlins responded to Defendant
- 9 | Sperling's email and informed him that Isagenix was in the
- 10 | process of notifying all infringing domain names that contained
- 11 | Isagenix's trade name to relinquish them and offered to reimburse
- 12 | Defendant Sperling for cost.
- 13 | 51. A true and correct copy of the February 8, 2007, e-mail
- 14 referenced in the preceding paragraph is attached hereto as part
- 15 of the collective Exhibit 3.
- 16 | 52. On February 12, 2007, Defendant Sperling emailed Warren
- 17 | TeBrugge (TeBrugge), Isagenix's President of International
- 18 | Expansion and stated that he, Sperling, owned the domain names
- 19 | and had deactivated the Infringing web sites and request for
- 20 | compensation for doing so.
- 21 | 53. A true and correct copy of the February 12, 2007, e-mail
- 22 referenced in the preceding paragraph is attached hereto as part
- 23 of the collective Exhibit 3.
- 24 54. On February 13, 2007, Lisa Conty in Isagenix's
- 25 | compliance department emailed Defendant Sperling and advised him

- that the use of Isagenix's trade name was unauthorized and infringing on Isagenix's trademark and trade name.
- 3 | 55. A true and correct copy of the February 13, 2007, e-mail
- 4 | referenced in the preceding paragraph is attached hereto as part
- 5 of the collective Exhibit 3.
- 6 | 56. On February 14, 2007, TeBrugge replied to Defendant
- 7 | Sperling's email and explained to Defendant Sperling the reasons
- 8 | why he must not use the Isagenix trade name.
- 9 | 57. A true and correct copy of the February 14, 2007, e-mail
- 10 | referenced in the preceding paragraph is attached hereto as part
- 11 of the collective Exhibit 3.
- 12 | 58. On February 15, 2007, Sperling replied and offered to
- 13 negotiate the sale of an assignment of the Infringing Domain
- 14 | Names to Isagenix.
- 15 | 59. A true and correct copy of the February 15, 2007, e-mail
- 16 | referenced in the preceding paragraph is attached hereto as part
- 17 | of the collective Exhibit 3.
- 18 | 60. On February 15, 2007, TeBrugge replied to Sperling's
- 19 email and informed him that Isagenix required him, Sperling, to
- 20 | transfer the Infringing Domain Names to Isagenix.
- 21 | 61. A true and correct copy of the February 15, 2007, e-mail
- 22 || referenced in the preceding paragraph is attached hereto as part
- 23 of the collective Exhibit 3.
- 24 | 62. On February 15, 2007, Defendant Sperling replies to
- 25 | TeBrugge's February 15th email and re-acknowledged that he

- 1 "legally owned the domain names" and offered to sale the 2 Infringing Domain Names to Isagenix.
- 3 63. A true and correct copy of the February 15, 2007, e-mail referenced in the preceding paragraph is attached hereto as part
- 5 of the collective Exhibit 3.
- 6 64. On February 20, 2007, Defendant Sperling sent an email
- 7 | to TeBrugge stating that he would leave the infringing domain
- 8 names active to see if Isagenix had an interest in purchasing
- 9 them and stated that he is "looking for more than being
- 10 | compensated for just what I [Sperling] paid for them."
- 11 | 65. A true and correct copy of the February 20, 2007, e-mail
- 12 referenced in the preceding paragraph is attached hereto as part
- 13 of the collective Exhibit 3.
- 14 | 66. When Isagenix did not respond to Defendant Sperling's
- 15 | February 20, 2007 email, on February 24, 2007, Defendant Sperling
- 16 | sent an email to TeBrugge stating that he is willing to negotiate
- 17 | a price to transfer the Infringing Domain Names.
- 18 | 67. A true and correct copy of the February 24, 2007, e-mail
- 19 | referenced in the preceding paragraph is attached hereto as part
- 20 of the collective Exhibit 3.
- 21 68. On February 26, 2007, TeBrugge replied to Defendant
- 22 | Sperling's February 24th email stating that he left Defendant
- 23 | Sperling a voicemail in which Isagenix offered to assist
- 24 Defendant Sperling with building his Isagenix Independent
- 25 | Associate business.

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- 1 | 69. A true and correct copy of the February 26, 2007, e-mail
  2 | referenced in the preceding paragraph is attached hereto as part
  3 | of the collective Exhibit 3.
  - 70. On February 26, 2007, Defendant Sperling replied to TeBrugge's Feb. 26<sup>th</sup> email declining the offer stating it was not "reasonable" and that the offer was "weak." Defendant Sperling wrote "[a]greements have been made for incredible amounts of money for dot com domains, in many cases, for millions of dollars. I am certainly not looking for an outrageous settlement
  - 71. A true and correct copy of the February 26, 2007, e-mail referenced in the preceding paragraph is attached hereto as part of the collective Exhibit 3.
  - 72. On February 26, 2007, TeBrugge replied to Defendant Sperling's email and informed him that Steven Kochen (Kochen), Isagenix's Chief Corporate Counsel, would contact him later that day.
  - 73. A true and correct copy of the February 26, 2007, e-mail referenced in the preceding paragraph is attached hereto as part of the collective Exhibit 3.
- 74. On February 26, 2007, Kochen called Defendant Sperling
  to discuss the transfer of the Infringing domain names and
  offered Sperling \$300 and three months free membership in
  Isagenix's lead pool valued at \$1500.00.

from Isagenix."

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- 1 75. On February 27, 2007, Kochen sent a confirmation email regarding the February 26<sup>th</sup> phone call.
- 76. A true and correct copy of the February 27, 2007, e-mail referenced in the preceding paragraph is attached hereto as part
- 5 of the collective Exhibit 3.

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- 77. On February 27, 2007, Defendant Sperling sent a reply to Kochen's email but did not address the transfer of the Infringing Domain Names.
- 9 78. A true and correct copy of the February 27, 2007, e-mail referenced in the preceding paragraph is attached hereto as part of the collective Exhibit 3.
- 79. On March 2, 2007, Lisa Conty in Isagenix's compliance department sent email to Defendant Sperling that Isagenix would extend its offer until March 5<sup>th</sup> and if Sperling did not comply his Isagenix account would be suspended.
  - 80. A true and correct copy of the March 2, 2007, e-mail referenced in the preceding paragraph is attached hereto as part of the collective Exhibit 3.
  - 81. On March 7, 2007, Rohit Parekh, emails Isagenix informing us that he is Defendant Sperling's attorney, to follow-up on the Kochen's phone call and requested Isagenix 2006 & 2007 Policies and Procedures.
- 23 82. A true and correct copy of the March 7, 2007, e-mail
  24 referenced in the preceding paragraph is attached hereto as part
  25 of the collective Exhibit 3.

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On March 13, 2007, prior to filing this lawsuit, 83. Isagenix's in-house counsel sent a letter to Defendant Sperling, explaining among other things, that Defendants offer to sell the Infringing Domain Names to Isagenix, was a violation of the law and constituted domain name piracy under the Lanham Act and requested that Defendant transfer or assign the Infringing Domain Names <isagenix.com.hk> and <isagneix.hk> to Isagenix. A copy of the letter is attached as Exhibit 4. The letter demonstrated that Sperling is violating the Lanham Act and the Anticybersquatting Consumer Protection Act, committing unfair competition and acting in bad faith. On March 15, 2007, Defendant Sperling responded to the letter via email but he did not offer to transfer or assign the

- Infringing Domain Names.
- On March 15, 2007, Kochen spoke with Defendant Sperling Defendant Sperling and Sperling again declined to assign the Infringing Domain Names but offered to re-direct the Infringing websites to Isagenix's corporate website.
- On March 19, 2007, Defendant Sperling emailed Isagenix's in-house counsel stating that he received Isagenix's cease and desist letter.
- 22 A true and correct copy of the March 19, 2007, e-mail 23 referenced in the preceding paragraph is attached hereto as part of the collective Exhibit 3. 24

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- 1 88. On March 23, 2007, Defendant Sperling sent an email to 2 TeBrugge and carbon copied Isagenix in-house counsel to inform
- 3 them that he had forwarded his Infringing Websites to Isagenix's
- 4 | corporate website.
- 89. A true and correct copy of the March 23, 2007, e-mail
- 6 referenced in the preceding paragraph is attached hereto as part
- 7 of the collective Exhibit 3.
- 8 90. Isagenix did not authorize Defendant Sperling to
- 9 redirect his Infringing websites to its official corporate
- 10 | website.
- 11 91. Defendant Sperling has not agreed to assign the
- 12 | Infringing Domain Name <isagenix.com.hk> and <isagenix.hk> to
- 13 | Isagenix or to cease his plans to use the marks.
- 14 92. A true and correct copy of Infringing websites
- 15 referenced in the preceding paragraph is attached hereto as part
- 16 of the Exhibit 5.
- 17 | 93. As an Isagenix Independent Associate, Defendant Sperling
- 18 | agreed not to use the name "ISAGENIX" in any domain name or e-
- 19 | mail address.
- 20 94. Defendants' activities and use complained of herein are
- 21 | likely to cause confusion in the marketplace by creating the
- 22 | false or erroneous impression that Defendants activities are
- 23 | affiliated with, connected to, associated with, sponsored by and
- 24 originated from or approved by Isagenix.

Isagenix is informed and believes that Defendant will 1 95. not cease and desist from their plans to infringe or otherwise 2 3 exploit Isagenix's "ISAGENIX" mark absent injunctive relief. Defendants' fraudulent actions intentional, 4 are 5 deliberate, calculated, and willful. The willfulness of Sperling's actions is attested to by the fact that, Sperling 6 7 deliberately timed his activities to the opening of Isagenix's 8 Hong Kong office is demonstrative of bad-faith and demonstrates 9 Sperling is a sophisticated cyber squatter. 10 Defendant Sperling's two Infringing Domain Names 11 threatens Isagenix's legitimate business and damages the goodwill 12 Isagenix has earned and fostered over the course of its years in 13 business. Such harm to the Isagenix mark should not be allowed. 14 FIRST CLAIM FOR RELIEF 15 Violation of the ACPA (15 U.S.C. § 1125(d)) 16 98. Isagenix incorporates by reference all previous 17 allegations of this Complaint as if specifically set forth 18 herein. 19 Defendants' registration and use of the domain names 20 <isagenix.com.hk> and <isagenix.hk>, which is confusingly similar 21 to Isagenix's registered and common-law trademarks, constitutes 22 violations of the ACPA. 15 U.S.C. § 1125 (d). 23 The aforesaid willful actions of Defendants have caused,

irreparable injury for which there is no adequate remedy at law.

damage

and

and unless enjoined, will continue to cause

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1	SECOND CLAIM FOR RELIEF
2	Declaratory Judgment of Trademark Infringement (15 U.S.C. § 1114
3	101. Isagenix hereby incorporates by reference all previous
4	allegations of this Complaint as if specifically set forth
5	herein.
6	102. As a result of Isagenix's federal registrations for
7	"ISAGENIX" and the continuous and extensive use by Isagenix of
8	the "ISAGENIX" mark in connection with the promotion and sale of
9	health and wellness products and services, Isagenix has developed
10	extensive rights and goodwill in the "ISAGENIX" mark.
11	103. Defendants use of the term "ISAGENIX" with or without
12	the term "HK," in a manner likely to cause (a) confusion, to
13	cause mistake, or to deceive as to the affiliation, connection,
14	sponsorship, approval or association of Defendants with Isagenix
15	or (b) create confusion as to the origin of Defendants' services
16	and products in violation of \$ 32 of the Lanham Act, 15 U.S.C. \$
17	1114(a).
18	Defendants have refused to discontinue their use of the
19	term "ISAGENIX" with or without the term "HK" despite knowing
20	that Isagenix has rights in the mark and receiving actual notice
21	of Isagenix's rights in the "ISAGENIX" mark.
22	105. Defendants harm of Isagenix is irreparable.
23	106. As a direct and proximate cause of Defendants' planned
24	conduct, Isagenix will be damaged in an amount not totally

ascertainable and will suffer irreparable injury to its goodwill,

1 its rights to its business, unless and until Defendants and 2 others in active concert are restrained from conducting their 3 wrongful acts. 4 THIRD CLAIM FOR RELIEF 5 Declaratory Judgment of Trademark Dilution under 15 U.S.C. § 6 1125 (c) 7 107. Isagenix incorporates by reference all previous 8 allegations of this Complaint as if specifically set forth herein. 10 108. As a result of Isagenix's federal registration for 11 "ISAGENIX" and the continuous and extensive use by Isagenix of 12 the "ISAGENIX" mark in connection with health and wellness 13 products and services, Isagenix has developed extensive rights 14 and goodwill in the "ISAGENIX" mark. 15 109. Defendants use in commerce of the term "ISAGENIX" with 16 or without the term "HK," is likely to cause dilution of the 17 distinctiveness of the "ISAGENIX" make in violation of 15 U.S.C. 18 § 1125 (c). 19 110. Defendants' planned harm to Isagenix is irreparable. 20 As a direct and proximate cause of Defendants' planned 21 conduct, Isagenix will be damaged in an amount not totally 22 ascertainable and will suffer irreparable injury to its goodwill, 23 its rights to its business, unless and until Defendants and 24 others in active concert are restrained from conducting their

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wrongful acts.

FOURTH CLAIM FOR RELIEF

Declaratory Judgment of Unfair Competition under U.S.C. § 1125(a)

112. Isagenix hereby incorporates by reference all previous

allegations of this Complaint as if specifically set forth

herein.

6 113. As a result of Isagenix's federal registrations for "ISAGENIX" and the continuous and extensive use by Isagenix of the "ISAGENIX" mark in connection with the promotion and sale of health and wellness products and services, Isagenix has developed extensive rights and goodwill in the "ISAGENIX" mark.

114. Defendants use of the term "ISAGENIX" with or without the term "HK," is likely to cause (a) confusion, to cause mistake, or to deceive as to the affiliation, connection, sponsorship, approval or association of Defendants with Isagenix or (b) create confusion as to the origin of Defendants' services and products in violation of § 43 (a) of the Lanham Act, 15 U.S.C. § 1125(a).

115. Defendants harm to Isagenix is irreparable.

116. As a direct and proximate cause of Defendants' planned conduct, Isagenix will be damaged in an amount not totally ascertainable and will suffer irreparable injury to its goodwill, its rights to its business, unless and until Defendants and others in active concert are restrained from conducting their wrongful acts.

1	FIFTH CLAIM FOR RELIEF
2	Common Law Trademark Infringement
3	117. Isagenix incorporates by reference all previous
4	allegations of this complaint as if specifically set forth
5	herein.
6	118. Isagenix owns and enjoys common law rights in the State
7	of Arizona and elsewhere in and to the use of the "Isagenix" mark
8	in connection with the sale and promotion of health and wellness
9	products and services.
10	119. Defendants' use of the term "ISAGENIX" with or without
11	the term "HK," constitutes unfair competition and trademark
12	infringement at common law.
13	120. Defendants have refused to discontinue their plans to
14	use the mark "ISAGENIX" with or without the "HK," in the manner
15	described herein despite notification of Isagenix's rights in the
16	"ISAGENIX" mark.
17	121. Defendants' use of "ISAGENIX" with or without the term
18	"HK," irreparably harms Isagenix.
19	122. As a direct and proximate cause of Defendants' planned
20	conduct, Isagenix will be damaged in an amount not totally
21	ascertainable and will suffer irreparable injury to its goodwill,
22	its rights to its business, unless and until Defendants and
23	others in active concert are restrained from conducting their

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wrongful acts.

## SIXTH CLAIM FOR RELIEF 1 Copyright Infringement 2 3 incorporates by reference all previous 123. Isagenix allegations of this complaint as if specifically set forth 4 5 herein. Plaintiff is the owner of copyrights for its website and 6 124. the individual web pages on its web site. Plaintiff has filed applications with the U.S. Copyright Office to register Plaintiff's web site and individual web pages 9 of the web site. 11 Defendants have infringed Plaintiff's copyright by 126. reproducing and distributing copies of, preparing derivative 12 13 works of, and publicly displaying Plaintiffs web site and web pages without the authorization of Plaintiff. 14 15 127. This wrongful conduct constitutes a violation of Section 501 of the Copyright Act, 17 U.S.C. § 501. 17 Defendants conduct has greatly and irreparably damaged 128. 18 Plaintiff and will continue to so damage Plaintiff unless restrained by this Court. 19 20 129. Plaintiff is entitled to an injunction, statutory 21 damages, actual damages, and an award of costs as provided under 17 U.S.C. § 504. 22 23 PRAYER FOR RELIEF 24 Wherefore, Isagenix respectfully prays for relief against

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Defendants s follows:

A. For a declaratory judgment that Defendants' use of "ISAGENIX" with or without the term "HK" infringes or dilutes the Isagenix "ISAGENIX" mark or constitutes unfair competition.

- B. For a temporary restraining order, and preliminary and permanent injunction pursuant to 15 U.S.C. § 1116 and common-law remedies restraining Defendants, their officers, directors, agents, servants, employees and all persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise from doing, abiding, causing, aiding or abetting any of the following:
- (1) in any way using or displaying the terms "ISAGENIX," or any confusingly similar mark, including "ISAGENIX.COM.HK," "ISAGENIX.HK" in connection with (a) the sale, supply, distribution, marketing, or manufacturing of health and wellness products or services, or (b) providing or sponsoring programming or Internet site related to health and wellness;
- (2) otherwise infringing or diluting Isagenix's "ISAGENIX" mark;
- (3) in any way passing off, inducing or enabling others to sell or pass off, as being offered by Isagenix, health and wellness products or services that are not manufactured, distributed by Isagenix or sold under the control or supervision of Isagenix, or approved by Isagenix; and
  - (4) competing unfairly with Isagenix in any manner whatsoever.
- C. That Defendants be directed to account and pay to Isagenix

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- 1 any damages suffered by Isagenix as a result of Defendants'
- 2 | wrongful conduct described herein including its violation of the
- 3 | Lanham Act, pursuant to 15 U.S.C. § 1117 and state law, as well
- 4 as to account for any gains, profits and advantages derived by
- 5 | such wrongful conduct.
- 6 D. That any damages caused by Defendants be trebled in
- 7 | accordance with 15 U.S.C. § 1117 because its proposed
- 8 | infringement of Isagenix's "ISAGENIX" mark is intentional and
- 9 therefore warrants enhanced damages.
- 10 | E. That Isagenix be awarded punitive damages under state law as
- 11 | the Court may find appropriate because Defendants' infringement
- 12 | is willful and intentional.
- 13 F. That Defendants assign to Isagenix the domain name
- 14 | <Isagenix.com.hk> and <isageix.hk>.
- 15 | G. That Isagenix be awarded \$200,000 in statutory damages for
- 16 | Defendants' cyber squatting per domain name. 15 U.S.C. § 1117(d).
- 17 | H. Declare Defendants have engaged in civil conspiracy to
- 18 ||inflict injury upon the Plaintiff, and to therefore be jointly
- 19 | and severally liable for all damages awarded by the Court without
- 20 | allocation, apportionment, or limitation of liability.
- 21 | I. Enjoin Defendants from using Isagenix's web site and
- 22 ||individual pages of the web site.
- 23 | J. That Isagenix be awarded \$200,000 in statutory damages
- 24 | Defendants' willful copyright infringement. 17 U.S.C. § 504
- 25 K. Award Plaintiff punitive damages in such amount as the

1	Court may deem appropriate to penalize Defendants for thei
2	intentional and malicious acts of misconduct.
3	L. That Isagenix be awarded its costs incurred herein under th
4	provisions of 15 U.S.C. § 1117 and 17 U.S.C. § 504.
5	M. That Isagenix be awarded post-judgment interest on th
6	foregoing sums at the maximum rated permitted by law from th
7	date judgment is entered until paid.
8	N. For such other and further relief as the Court deem
9	appropriate under the circumstances.
10	DEMAND FOR JURY TRIAL
11	Pursuant to Federal Rule of Civil Procedure 38, Plaintiff hereby
12	demands trial by jury of all issues triable by a jury.
13	
14	
15	Dated this 28 <sup>th</sup> day of March, 2007
16	/s/ Jay Calhoun
	Jay Calhoun 2225 S. Price Road
17	Chandler, AZ 85248
18	(480)889-5747 ext.4235
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