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12				
13	UNITED STATES DISTRICT COURT			
14	CENTRAL DISTRICT OF CALIFORNIA			
		Case No. 2:19-cv-10074-PA-RAO		
15	GIANNI VERSACE S.R.L.,			
16		COUNTERCLAIMS FOR		
17	Plaintiff,	DECLARATION OF NON-		
18	- against -	INFRINGEMENT AND INVALIDITY		
	FASHION NOVA, INC.,			
19				
20	Defendant.			
21		District Judge: Percy Anderson		
22		Complaint Filed: Nov. 25, 2019		
23	For its counterclaims against Gianni	Versace S.r.l. (hereinafter, "Versace"),		
24				
25	Counterclaimant, Fashion Nova, Inc. (herei	nafter, "Fashion Nova"), alleges on		
26	knowledge as to its own conduct and on inf	ormation and belief as to all other		
27				
	matters, as follows:			
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1	Jurisdiction and Venue
2	1. These Counterclaims arise out of the causes of actions asserted in the
3	Complaint, and further arise under the Federal Declaratory Judgment Act, 28
4	U.S.C. §§ 2201 et seq.
5	2. This Court has original jurisdiction over this action pursuant to 28
6	U.S.C. §§ 1331 and 1338, and 15 U.S.C. § 1121.
7	3. This Court has personal jurisdiction over Versace because, by filing
8	its Complaint in this Court, Versace has consented to personal jurisdiction in this
9	District.
10	4. Venue is proper in this District under 28 U.S.C. § 1391.
11	<u>Facts Common To All Counts</u>
12	5. Fashion Nova is a global fashion brand and leader in the fast-fashion
13	and e-commerce apparel industries.
14	6. Fashion Nova was established in 2006, with a single retail mall store
15	in the San Fernando Valley in Los Angeles, California. Adhering to the mantra
16	that women of all colors and sizes can wear sexy, body-conscious clothing,
17	Fashion Nova has achieved tremendous notoriety and success and grown to a
18	highly successful business. Today, Fashion Nova markets and sells a diverse
19	range of lifestyle clothing and accessories for men, women, and children, with six
20	retail stores in major shopping malls throughout Southern California, a dynamic
21	consumer website located at <u>www.FashionNova.com</u> selling its products
22	2 Counterclaims
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1	nationally and internationally with new offerings daily, and substantial marketing		
2	on its frequently-updated social media feeds, including on the social media		
3	platforms Facebook, Instagram, Twitter, Pinterest, Snapchat, and YouTube.		
4	7. In particular, the explosive growth of Fashion Nova's social media		
5	accounts has spurred its consumer reach and catapulted its ongoing sales growth.		
6	Fashion Nova's social media presence today includes more than 17 million		
7	followers on Instagram, nearly 2.5 million followers on Facebook, and over		
8	146,000 followers on Twitter, and continues to grow.		
9	8. Fashion Nova has also achieved international acclaim and recognition		
10	through its partnerships and/or endorsements from celebrities such as platinum-		
11	selling rapper Cardi B.		
12	9. As a result of its substantial marketing and promotional activities and		
13	the avid popularity of its products among the public, in 2018, Fashion Nova was		
14	the #1 most searched fashion label on Google		
15	10. As part of its business, Fashion Nova developed the trade name		
16	"Fashion Nova", and the stylized logo "FASHIONNOVA" as depicted below		
17	(collectively, the "Fashion Nova Marks"), to identify it as the source of its		
18	products:		
19			
20	FASHION NOVA		
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22	3 Counterclaims		
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1	11. Fashion Nova is the owner of numerous U.S. Trademark
2	Registrations and pending U.S. Trademark Applications filed with the U.S. Patent
3	and Trademark Office (the "USPTO") for the Fashion Nova Marks, including:
4	[a] U.S. Trademark Reg. No. 4,785,079, issued by the USPTO on
5	August 4, 2015, for "Computerized on-line ordering featuring general consumer
6	merchandise; Computerized on-line retail store services in the field of apparel,
7	accessories, and footwear" in International Class 35;
8	[b] U.S. Trademark Reg. No. 4,785,854, issued by the USPTO in
9	August 4, 2015, for "Blouses; Dresses; Pants" in International Class 25;
10	[c] U.S. Trademark Reg. No. 5,276,244, issued by the USPTO on
11	August 29, 2017, for "Retail apparel stores" in International Class 35;
12	[d] U.S. Trademark Reg. No. 5,276,297, issued by the USPTO on
13	August 29, 2017, for "Jewelry" in International Class 14;
14	[e] U.S. Trademark Reg. No. 5,328,984, issued by the USPTO on
15	November 7, 2017, for "Blouses; Bodysuits; Bottoms; Dresses; Hats; Jackets;
16	Jeans; Jump suits; Leggings; Pants; Rompers; Shirts; Shorts; Skirts; Socks;
17	Sweaters; Undergarments" in International Class 25;
18	[f] U.S. Trademark Reg. No. 5,591,086, issued by the USPTO on
19	October 23, 2018, for "Downloadable computer software for the exhibition and
20	sale of consumer merchandise" in International Class 9;
21	
22	4 Counterclaims 2:19-cv-10074-PA-RAO
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1	[g] U.S. Trademark Reg. No. 5,869,081, issued by the USPTO on
2	September 24, 2019, for "Blouses; Bodysuits; Bottoms as clothing; Dresses; Hats;
3	Jackets; Jumpsuits; Leggings; Pants; Rompers; Shirts; Shorts; Skirts; Sweaters;
4	Undergarments" in International Class 25;
5	[h] U.S. Trademark Reg. No. 5,886,070, issued by the USPTO on
6	October 15, 2019, for "Computerized on-line ordering featuring general consumer
7	merchandise; Computerized on-line ordering services in the field of apparel,
8	fashion accessories, jewelry, and footwear; On-line retail store services featuring
9	apparel, fashion accessories, jewelry, and footwear" in International Class 35;
10	[i] Pending U.S. Trademark App. No. 87324722, filed by Fashion
11	Nova with the USPTO on February 4, 2017 and published for opposition by the
12	USPTO on June 13, 2017, for "Cosmetics" in International Class 3.
13	12. As a result of Fashion Nova's widespread use and extensive
14	promotion, marketing, advertising, and use of the Fashion Nova Marks, the
15	Fashion Nova Marks have become famous, and are nationally and intentionally
16	recognized as associated with the fast-fashion, e-commerce brand.
17	13. At all relevant times, Fashion Nova's advertising and marketing,
18	including all social media marketing, relating to the accused products at issue in
19	the Complaint prominently displayed one or both of the Fashion Nova Marks,
20	clearly designating Fashion Nova as the source of the products.
21	
22	5 Counterclaims
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1	14. Furthermore, Fashion Nova did not itself design and produce the		
2	accused products at issue in the Complaint, but rather procured them from U.S		
3	based vendors that represented to Fashion Nova that the accused designs – the		
4	designs with respect to which Versace has claimed to own rights in this action –		
5	were obtained from a Korean company which claimed to be the original creator		
6	and copyright-owner of the designs. As such, Fashion Nova has acted innocently		
7	at all relevant times to this action, under the good faith belief that it was duly		
8	authorized to market and sell the products at issue by the rights-owner thereof.		
9	15. Based on Versace's continued accusations and demands concerning		
10	the accused products at issue in its Complaint, there is an actual controversy		
11	between Fashion Nova and Versace in that Versace contends that the accused		
12	products at issue in its Complaint infringes, dilutes, and/or otherwise violates		
13	copyright, trademark, trade dress, and/or other common law rights allegedly		
14	owned by Versace, and Fashion Nova contends that they do not.		
15	FIRST COUNTERCLAIM		
16	<u>(Declaration of Non-Infringement)</u> (28 U.S.C. § 2201 <i>et seq.</i>)		
17	16. Fashion Nova repeats and incorporates by reference the allegations		
18	set forth in all prior paragraphs of the Counterclaims as though fully set forth		
19	herein.		
20	17. An actual case or controversy exists between the parties by virtue of		
21	Versace's Complaint against Fashion Nova, in which Versace alleged that Fashion		
22	6 Counterclaims		
23	2:19-cv-10074-PA-RAO		

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1	Nova infringes, dilutes, and/or otherwise violates copyright, trademark, trade			
2	dress, and common law rights allegedly owned by Versace by Fashion Nova's			
3	alleged design, manufacture, production, marketing, promotion, offer for sale,			
4	sale, and distribution of certain apparel products.			
5	18. Fashion Nova has denied all liability to Versace with respect to all			
6	matters alleged in the Complaint.			
7	19. Based on the foregoing allegations, there exists between the parties a			
8	substantial controversy of sufficient immediacy and reality to warrant declaratory			
9	relief.			
10	20. Fashion Nova's alleged design, manufacture, production, marketing,			
11	promotion, offer for sale, sale, and distribution of the accused apparel products			
12	identified in the Complaint do not infringe, dilute, or violate any copyright,			
13	trademark, trade dress, or common law rights owned by Versace.			
14	21. Fashion Nova is therefore entitled to a judicial determination that the			
15	accused apparel products identified in the Complaint do not infringe, dilute, or			
16	violate any copyright, trademark, trade dress, or common law rights owned by			
17	Versace.			
18				
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21				
22	7 Counterclaims			
23	2:19-cv-10074-PA-RAO			

1	SECOND COUNTERCLAIM
2	(Declaration of Copyright Registration Invalidity) (28 U.S.C. § 2201 <i>et seq.</i> ; 17 U.S.C. § 411[b])
3	22. Fashion Nova repeats and incorporates by reference the allegations
4	set forth in all prior paragraphs of the Counterclaims as though fully set forth
5	herein.
6	23. An actual case or controversy exists between the parties by virtue of
7	Versace's pre-litigation allegations of copyright infringement against Fashion
8	Nova beginning in approximately July 2019, and the Complaint for, inter alia,
9	copyright infringement filed by Versace against Fashion Nova.
10	24. In its Complaint and pre-litigation allegations of copyright
11	infringement, Versace alleged that Fashion Nova has infringed copyright rights in
12	six works of 2-d art allegedly owned by Versace (collectively, the "Works At
13	Issue").
14	25. Upon information and belief, Versace applied to register copyright
15	claims for the Works At Issue with the U.S. Copyright Office in October 2019 –
16	months after first accusing Fashion Nova of infringing its alleged copyright rights
17	in and to the Works At Issue.
18	26. Upon information and belief, in its copyright applications for the
19	Works At Issue, Versace claimed that it is the exclusive copyright claimant of the
20	Works At Issue, and that the Works At Issue are each original works of authorship
21	
22	8 Counterclaims 2:19-cv-10074-PA-RAO
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created by Gianni Versace, who subsequently transferred the copyrights thereto to Versace by written agreement.

3	27. The Copyright Office subsequently issued copyright registrations for
4	the Works At Issue, naming Versace as copyright claimant, under U.S. Copyright
5	Registration Nos. VA 2-176-201, VA 2-173-519, VA 2-175-854, VA 2-176-199,
6	VA 2-176-205, and VA 2-176-545 (collectively, the "Versace Copyright
7	Registrations").
8	28. Upon information and belief, the Works At Issue are not original
9	works of authorship created by Gianni Versace, the individual identified as the
10	works' author by Versace in its copyright applications for the Works At Issue.
11	29. Upon information and belief, at the time it filed its copyright
12	applications underlying the Versace Copyright Registrations with the U.S.
13	Copyright Office, Versace knew that the Works At Issue are not original works of
14	authorship created by Gianni Versace, the individual identified in the applications
15	as the author of the works.
16	30. Upon information and belief, in its copyright applications filed with
17	the U.S. Copyright Office, Versace knowingly misrepresented that the Works At
18	Issue are original works of authorship created by Gianni Versace, the individual
19	identified in the applications as the author of the works, when in fact that is not the
20	case.
21	
22	9 Counterclaims

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1	31. Upon information and belief, had the U.S. Copyright Office been
2	correctly informed that the Works At Issue are not original works of authorship
3	created by Gianni Versace, the individual Versace identified as the author of the
4	Works At Issue in the applications underlying the Versace Copyright
5	Registrations, the Copyright Office would have refused to register the Works At
6	Issue in Versace's name under the Versace Copyright Registrations.
7	32. As a result, pursuant to 17 U.S.C. § 411, the Versace Copyright
8	Registrations are invalid and incapable of supporting Versace's copyright claims
9	as to the Works At Issue.
10	33. Fashion Nova therefore seeks a judicial determination that the
11	Versace Copyright Registrations are invalid and incapable of supporting Versace's
12	copyright claims as to the Works At Issue, and seeks a judgment directing Versace
13	to request the Register of Copyrights to cancel the Versace Copyright
14	Registrations.
15	FASHION NOVA'S PRAYER FOR RELIEF
16	WHEREFORE, Fashion Nova respectfully requests that the Court enter
17	judgment in its favor as follows:
18	(a) That the Complaint and each and every purported claim for relief
19	therein be dismissed with prejudice;
20	(b) That the Court issue a declaration that Fashion Nova's accused
21	apparel products identified in the Complaint do not:
22	10 Counterclaims
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1		[i]	infringe upon any copyright rights of Versace or otherwise
2			violate the U.S. Copyright Act, 17 U.S.C. § 101 et seq.;
3		[ii]	infringe upon any trademark or trade dress rights of Versace or
4			on any common law rights Versace may have accrued;
5		[iii]	violate any of Sections 32, 43(a), or 43(c) of the Lanham Act
6			[15 U.S.C. §§ 1114, 1125(a), 1125(c)];
7		[iv]	dilute any trademark or trade dress owned by Versace under
8			the California anti-dilution statute [Cal. & Bus. Prof. Code §
9			14247] or the anti-dilution law of any other state;
10		[v]	constitute unfair competition under the common law of any
11			state; or
12		[vi]	constitute unfair and deceptive trade practices under the
13			California Unfair Business Practices Act [Cal. & Bus. Prof.
14			Code §§ 17200 et seq.] or the unfair and deceptive trade
15			practices law of any other state.
16	(c)	That	the Court issue a declaration that the Versace Copyright
17	Registrations are invalid and incapable of supporting Versace's copyright claims		
18	as to the Works At Issue;		
19	(d)	That	the Court direct Versace to request the Register of Copyrights to
20	cancel the V	ersace	e Copyright Registrations;
21			
22			11 Counterclaims
23			2:19-cv-10074-PA-RAO

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1	(e)	That the Court award Fashion Nova its attorneys' fees, costs, and	
2	disbursements in accordance with 17 U.S.C. § 505;		
3	(f)	That the Court determine that this is an exceptional case under 15	
4	U.S.C. § 11	17(a) and award Fashion Nova its attorneys' fees, costs, and	
5	disburseme	ents in accordance therewith; and,	
6	(g)	That the Court award Fashion Nova such other and further relief as	
7	the Court d	eems just and proper.	
8	Datada	Los America CA	
9	Dated:	Los Angeles, CA January 9, 2020	
10		Respectfully submitted,	
11		/s/ John F. Olsen	
12		John F. Olsen, Esq. (157465) FERDINAND IP, LLP	
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22		Counsel for Fashion Nova, Inc. 12 Counterclaims 2:19-cv-10074-PA-RAO	
23		2.17 V 100/T-1A-KAO	

PROOF OF SERVICE
I hereby certify that on January 9, 2020, the foregoing COUNTERCLAIMS
as filed electronically. Notice of this filing will be sent to all parties by
peration of the Court's electronic filing system. Parties may access this filing
arough the Court's system.
Is/ John F. Olsen
John F. Olsen
13 Counterclaims 2:19-cv-10074-PA-RAO
F