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11 DESILU STUDIOS, INC., a Delaware
12 corporation

13 UNITED STATES DISTRICT COURT
14 FOR THE CENTRAL DISTRICT OF CALIFORNIA

15 DESILU STUDIOS, INC., a
16 Delaware corporation,

17 Plaintiff,

18 vs.

19 CBS STUDIOS, INC., a Delaware
20 corporation,

21 Defendants.

CASE NO:

COMPLAINT FOR:

- 22 1. **Declaratory Relief**
- 23 2. **Trademark Infringement**
- 24 3. **Tortious Interference with**
25 **Prospective Economic Relations**
- 26 4. **Unfair Business Acts and Practices**
27 **in Violation of Cal. Bus. & Prof.**
28 **Code §§ 17200, et seq.**
5. **Accounting**

1 Plaintiff DESILU STUDIOS, INC., a Delaware corporation authorized to
2 conduct business in California (“Desilu”), by and through its undersigned counsel of
3 record, hereby alleges the following:

4 **THE PARTIES**

5 1. Desilu is, and at all relevant times herein was, a corporation existing
6 under and by virtue of the laws of the State of Delaware and authorized to conduct
7 business in the State of California, with its principal place of business located at 1600
8 Rosecrans Avenue, Manhattan Beach, California 90266.

9 2. Desilu is informed and believes and, on the basis of such information and
10 belief, alleges that Defendant CBS STUDIOS, INC. (“CBS”) is, and at all relevant
11 times herein was, a corporation existing under and by virtue of the laws of the State of
12 Delaware, with its principal place of business located at 51 West 52nd Street, New
13 York City, New York 10019.

14 **JURISDICTION & VENUE**

15 3. This Court has subject matter jurisdiction over Desilu’s claims pursuant
16 to 15 U.S.C. §§ 1121(a) and 1125(d), and 28 U.S.C. §§ 1331 and 1338(a) and (b),
17 because this lawsuit arises, in part, from a claim for trademark infringement under the
18 Lanham Act. Additionally, this Court has supplemental jurisdiction over all
19 additional non-federal claims, pursuant to 28 U.S.C. § 1367.

20 4. This Court has personal jurisdiction over CBS because, among other
21 things, CBS is doing business in the State of California and in this judicial district, the
22 acts of infringement complained of herein occurred in the State of California and in
23 this judicial district, and CBS has caused injury to Desilu and Desilu’s intellectual
24 property within the State of California and within this judicial district.

25 5. Venue is proper in the Central District of California pursuant to 28
26 U.S.C. § 1391(b) because a substantial part of the events giving rise to the Complaint
27 occurred in this District.

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1 **FACTS COMMON TO ALL CAUSES OF ACTION**

2 **A. The History Of Desilu Productions**

3 6. In or about 1950, many years prior to Desilu’s current existence, silver
4 screen icons Lucille Ball and Desi Arnaz, who are best known for starring in the
5 critically acclaimed television series *I Love Lucy*, coined the term “Desilu” and used it
6 as the name of their production company Desilu Productions, Inc. (“Desilu
7 Productions”).

8 7. In or about 1967, Desilu is informed and believes and, on the basis of
9 such information and belief, alleges that Desilu Productions, which at this point had
10 acquired and built an impressive library of television series’ that included *Star Trek*
11 and *Mission: Impossible*, was acquired in its entirety by Gulf & Western Industries,
12 Inc., the parent company of Paramount Pictures Corporation (collectively,
13 “Paramount”).

14 8. Desilu is informed and believes and, on the basis of such information and
15 belief, alleges that Paramount continued operating Desilu Productions until on or
16 about December 29, 1967, when the company was dissolved and reincorporated as
17 Paramount Television.

18 9. Desilu is informed and believes and, on the basis of such information and
19 belief, alleges that from in or about 1997 to in or about 2001, Paramount filed
20 applications for federal trademark registration of sixteen (16) different trademarks
21 bearing the word “Desilu”. Every single application was filed on a Section 1-B intent-
22 to-use basis, and every single application was eventually abandoned before being used
23 in interstate commerce.

24 10. On or about December 31, 2005, Plaintiff is informed and believes and,
25 on the basis of such information and belief, alleges that Paramount contributed the
26 stock of Desilu Productions to CBS. As part of this transaction, Paramount, vis-a-vis
27 Desilu Productions, transferred the rights to some of Desilu Productions’ television
28 series library (i.e. the “Television Business”) to CBS (collectively, the “Television

1 Business Transaction”).

2 11. However, Desilu is informed and believes and, on the basis of such
3 information and belief, herein alleges that, in this transaction, Paramount specifically
4 excluded some television rights, and did not transfer any of the rights to any of Desilu
5 Productions’ feature film library. CBS ensured this acquisition included specific
6 trademark rights in many of the specific television programs it acquired, including all
7 of the rights in every trademark related to *I Love Lucy*. To Desilu’s knowledge,
8 however, CBS did not acquire any federally registered or common law trademark
9 rights in any marks bearing the word “Desilu.”

10 **B. Creation Of Desilu Studios And The New Desilu Brand**

11 12. In or about 2013, Desilu’s founder Charles Hensley, who has
12 successfully created and operated several large corporations, decided to re-launch
13 Desilu as a new, technology-focused film and television studio.

14 13. Accordingly, on or about May 4, 2017, Mr. Hensley formed Desilu
15 Studios, Inc. On or about March 2, 2018, Mr. Hensley also formed Desilu
16 Corporation.

17 14. On or about October 28, 2016, Mr. Hensley filed an application for
18 registration of the word mark DESILU with the United States Patent and Trademark
19 Office, bearing Application Number 87/220,063 in International Class 041 (for
20 motion picture and television film production and distribution) on an intent-to-use
21 basis (the “Application”).

22 15. The Application was published for opposition on or about March 8, 2017.
23 No one, including CBS, opposed the Application. Thus, on or about January 16,
24 2018, Mr. Hensley obtained registration of the word mark DESILU, bearing
25 Registration Number 5,381,889 (the “Mark”).¹ A true and correct copy of Plaintiff’s
26 Certificate of Registration of the Mark is attached hereto as Exhibit “A” and
27

28 ¹ The Mark has since been assigned in its entirety to Desilu Corporation, and licensed to Plaintiff Desilu Studios, Inc.

1 incorporated herein by this reference.

2 **C. The Current Dispute**

3 16. In or about early 2018, Desilu began conversations with Lucy Arnaz, the
4 daughter of Lucille Ball and Desi Arnaz, and her family. The Arnaz family was
5 excited about Desilu's resurrection and potential to regain prominence, and gave Mr.
6 Hensley the family's blessing to continue with his efforts. The parties therefore
7 discussed various ventures that could be jointly spearheaded under the new Desilu
8 brand. At the time of these initial conversations, all parties involved expressed great
9 interest in engaging in a long-term business relationship.

10 17. However, Desilu is informed and believes and, on the basis of such
11 information and belief, herein alleges that CBS contacted Ms. Arnaz after learning
12 about her developing relationship with Desilu, and instructed her not to have any
13 further conversations with Desilu regarding the same.

14 18. Accordingly, Desilu necessarily files this Complaint, which seeks a
15 declaratory judgment of Desilu's rights in the Mark, and monetary damages resulting
16 from CBS' infringement of the Mark, to the extent that CBS has used a confusingly
17 similar "Desilu" trademark (the "Competing Mark") on competing services.

18 **FIRST CAUSE OF ACTION**

19 **Declaratory Relief**

20 **(By Plaintiff Against Defendant)**

21 19. Plaintiff repeats, realleges, and incorporates herein by this reference each
22 and every allegation contained in ¶¶ 1 through 18, as though set forth in full herein.

23 20. An actual controversy exists between Desilu and CBS regarding whether
24 CBS possesses common law trademark rights to exploit the Competing Mark.

25 21. An actual controversy exists between Desilu and CBS regarding whether
26 a likelihood of confusion exists between the Mark and CBS' use of the Competing
27 Mark in interstate commerce.

28 22. An actual controversy exists between Desilu and CBS regarding whether

1 CBS' use of the Competing Mark in interstate commerce infringes upon the Mark.

2 23. Desilu reasonably anticipates litigation regarding the Mark, based upon
3 Desilu's possession and use of the Mark, and CBS' attempts to interfere with such use
4 of the Mark by Desilu. On that basis, an actual controversy exists between Desilu and
5 CBS. Therefore, Desilu requests that this Court grant declaratory relief, declaring that
6 (a) CBS possesses no common law trademark rights in the Competing Mark; and (b) a
7 likelihood of confusion exists between the Mark and CBS' use of the Competing
8 Mark in interstate commerce amounting to infringement of the Mark by CBS.

9 24. Desilu is informed and believes and, on the basis of such information and
10 belief, alleges that CBS' wrongful activities have caused, and unless enjoined by this
11 Court will continue to cause, irreparable injury and other damage to Desilu's business,
12 reputation, and goodwill. Desilu has no adequate remedy at law.

13 **SECOND CAUSE OF ACTION**

14 **Trademark Infringement**

15 **(By Plaintiff Against Defendant)**

16 25. Plaintiff repeats, realleges, and incorporates herein by this reference each
17 and every allegation contained in ¶¶ 1 through 24, as though set forth in full herein.

18 26. To the extent CBS has used the Competing Mark as a trademark in
19 connection with competing television production and distribution services, CBS'
20 actions constitute trademark infringement in violation of 15 U.S.C. § 1114 and
21 1125(a).

22 27. As a direct and proximate result of CBS' actions as alleged herein, Desilu
23 is entitled to recover damages in an amount to be determined at trial, profits made by
24 CBS in using the Competing Mark in interstate commerce for as long as Desilu has
25 possessed valid rights in the Mark, and the costs of this action.

26 28. Desilu is informed and believes and, on the basis of such information and
27 belief, herein alleges that CBS' actions, as alleged herein, were undertaken willfully
28 and with the intention of causing confusion, mistake, or deception, making this an

1 exceptional case entitling Desilu to recover additional treble damages and reasonable
2 attorneys' fees pursuant to 15 U.S.C. § 1117.

3 29. CBS' actions, if not enjoined, will continue. Accordingly, Desilu is
4 entitled to injunctive relief pursuant to 15 U.S.C. § 1116.

5 **THIRD CAUSE OF ACTION**

6 **Tortious Interference with Business Contracts**

7 **(By Plaintiff Against Defendant Wade and DOES 1-15)**

8 30. Plaintiff repeats, realleges, and incorporates herein by this reference each
9 and every allegation contained in ¶¶ 1 through 29, as though set forth in full herein.

10 31. At all relevant times herein alleged, Desilu was working preliminarily
11 with Lucy Arnaz, and her family, to ideate and develop various projects to be
12 spearheaded by Desilu.

13 32. Desilu is informed and believes and, on the basis of such information and
14 belief, herein alleges that CBS was aware of this developing arrangement between
15 Desilu and the Arnaz family.

16 33. CBS intended to, and did, disrupt the full and complete performance of
17 Desilu's developing arrangement with the Arnaz family, by, among other things,
18 contacting Lucy Arnaz and essentially forcing her to cease working on any projects
19 the Arnaz family was developing with Desilu.

20 34. As a direct and proximate result of CBS' conduct, Desilu has suffered
21 monetary damages in an amount to be proven at trial.

22 **FOURTH CAUSE OF ACTION**

23 **Unfair Business Practices In Violation of**

24 **Cal. Bus. and Prof. Code §§ 17200, et seq.**

25 **(By Plaintiff Against Defendant)**

26 35. Plaintiff repeats, realleges, and incorporates herein by this reference each
27 and every allegation contained in ¶¶ 1 through 34, as though set forth in full herein.

28 36. CBS' conduct, as alleged herein, violates California law, and thus

1 constitutes unfair and unlawful business acts and practices, in violation of California
2 Business and Professions (“Cal. Bus. and Prof.”) Code §§ 17200, *et seq.*

3 37. A violation of Cal. Bus. and Prof. Code §§ 17200, *et seq.* may be
4 predicated on violation of any state or federal law. In the instant case, CBS’ actions
5 in, among other things, infringing upon Desilu’s rights in the Mark via its use in
6 interstate commerce of the Competing Mark, violated, *inter alia*, the Lanham Act.

7 38. Desilu has been personally aggrieved by CBS’ unlawful business acts
8 and practices, as alleged herein, including, but not limited to, through the loss of
9 money and/or property.

10 39. Pursuant to Cal. Bus. and Prof. Code §§ 17200, *et seq.*, Desilu is entitled
11 to an award of reasonable attorneys’ fees pursuant to CCP § 1021.5 and other
12 applicable laws, as well as an award of costs.

13 **FIFTH CAUSE OF ACTION**

14 **Accounting**

15 **(By Plaintiff Against Defendant)**

16 40. Plaintiff repeats, realleges, and incorporates herein by this reference each
17 and every allegation contained in ¶¶ 1 through 39, as though set forth in full herein.

18 41. The amount that CBS owes to Desilu for CBS’ use in interstate
19 commerce of the Competing Mark is uncertain, not readily ascertained by a simple
20 calculation, and can only be ascertained by an accounting.

21 42. Desilu is informed and believes and, on the basis of such information and
22 belief, herein alleges that, as a result of CBS’ infringing use of the Competing Mark as
23 alleged herein, CBS has received profits and/or other monies due and owing to Desilu.

24 43. The precise amount of any profits and/or other monies due and owing
25 from CBS to Desilu cannot be readily ascertained at this time without a full
26 accounting thereof.

27 **PRAYER FOR RELIEF**

28 WHEREFORE, Desilu prays for judgment against CBS as follows:

- 1 1. For temporary injunctive relief;
- 2 2. For permanent injunctive relief;
- 3 3. For a declaration of the rights and obligations of the parties as it relates to
- 4 ownership of the Mark;
- 5 4. For an accounting between Desilu and CBS of all books and records
- 6 pertaining to CBS' unauthorized use of a common law mark identical to
- 7 the Mark;
- 8 5. For general damages in an amount to be proven at trial;
- 9 6. For special damages in an amount to be proven at trial;
- 10 7. For treble damages in an amount to be proven at trial;
- 11 8. For punitive and/or exemplary damages in an amount to be proven at
- 12 trial;
- 13 9. For reasonable attorneys' fees and costs of suit incurred herein;
- 14 10. For pre-judgment interest according to proof at trial; and
- 15 11. For such other and further relief as this Court deems just and proper.

16
17 Dated: April 9, 2018

Respectfully submitted,

ALTVIEW LAW GROUP, LLP

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19
20 By: /s/ John Begakis

JOHN M. BEGAKIS

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Attorneys for Plaintiff

DESILU STUDIOS, INC., a Delaware
corporation