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8	UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON			
9	AT TACOMA			
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11	QUILEUTE TRIBE, a federally recognized Indian	) Case No. CV-		
12	tribe, Plaintiff,	) Case No. CV-		
13	v.	) ) COMPLAINT FOR INJUNCTIVE RELIEF AND		
14		DAMAGES WITH JURY DEMAND		
15	NATIONAL ENTERTAINMENT ) COLLECTIBLES ASSOCIATION, INC., a New )			
16	Jersey corporation,			
17	Defendant.	)		
18	I. <u>INTRODUCTION</u>			
19	The Quileute Tribe brings this Complaint against National Entertainment Collectibles			
20 21	Association, Inc. ("NECA") for unfair competition and for violation of the Indian Arts and Crafts Act.			
22	In this action, the Quileute Tribe seeks to protect its heritage from Defendant's improperly marketed			
23	and advertised products, and to ensure that consumers are no longer deceived, confused or misled in			
24	their pursuits to find and acquire authentic and genuine Quileute products.			
25	2. The Quileute people have lived on the Olympic Peninsula for thousands of years, and			
<ul><li>26</li><li>27</li></ul>	have their own unique language, art and folklore. Quileute art and artifacts are prized for their			
28	distinctive character, and are displayed in museums throughout Washington.			
	COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES - 1	LAW OFFICES OF KYME A.M. McGAW PLLC		
	00811.NEWMMS/5836185.1	1700 SEVENTH AVENUE, STE 2100		

- 3. As alleged herein, NECA has advertised, promoted, and sold its goods under the "Quileute" name on the Internet and in various retail stores across the United States. Defendant's conduct is designed to convey to consumers a false association or affiliation with the Quileute Tribe, and to unfairly trade off of the fame, reputation and goodwill of the Quileute Tribe.
- 4. Consumers have been misled as to the source, origin, sponsorship, or affiliation of Defendant's products sold under the "Quileute" name. If Defendant is permitted to continue to market and retail its products, many consumers will conclude that the goods sold by NECA were originated from, jointly developed by, licensed, certified, supported by or are otherwise affiliated with the Quileute Tribe, which they are not.
- 5. In addition, NECA sells its goods by falsely suggesting they are the product of the Quileute Tribe, are Indian-produced or are the product of an Indian Tribe, in violation of the Indian Arts and Crafts Act.
- 6. The Quileute Tribe accordingly brings this action, seeks damages, and seeks to enjoin NECA from using the "Quileute" name for the marketing and sale of goods.

### II. THE PARTIES

### A. Plaintiff

7. The Quileute Tribe is a sovereign, federally acknowledged Indian tribe. The Quileute Tribe has approximately 800 enrolled tribal members. Since 1855, the Quileute Tribe has owned, controlled, and exercised jurisdiction over a 1.6 mile territory around La Push, Washington, where approximately 400 Quileute tribal members now reside. The Quileute Tribe is a political body that acts through its governing body, the Quileute Tribal Council.

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COMPLAINT FOR INJUNCTIVE RELIEF AND DAMAGES - 3 00811.NEWMMS/5836185.1

# B. <u>Defendant</u>

8. Defendant NECA is a merchandising company, with its headquarters located at Hillside, New Jersey. Defendant markets its merchandise throughout the United States, including in Washington. Defendant also maintains a significant presence on the World Wide Web or Internet, and markets and promotes its products online at its website: www.necaonline.com.

## III. JURISDICTION AND VENUE

- 9. This Court has personal jurisdiction over Defendant because Defendant transacts business in the State of Washington and transacts business through the internet into Washington.
- 10. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§

  1331 and 1338, because one or more of the claims at issue arises under federal law, specifically the

  Lanham Act, 15 U.S.C. §§ 1051 et seq., and the Indian Arts and Crafts Act, 25 U.S.C. §§ 305e(b), (c),

  and (d)(1)(B)(i) and (iii). Furthermore, the Quileute Tribe is an Indian tribe recognized by the

  Secretary of the Interior, and this matter arises under the "Constitution, laws, or treaties of the United

  States" for purposes of jurisdiction pursuant to 28 U.S.C. § 1362.
- 11. Venue is proper in this District pursuant to 28 U.S.C. § 1391, because a substantial portion of the events giving rise to the claims in this action occurred in this District, the injuries presented in this action occurred in this District, and Defendant may be found in this District.

# IV. FACTUAL BACKGROUND

# A. The Recent Publicity Surrounding The Quileute Tribe

12. Though the Quileute Tribe is relatively small in terms of relative affluence and membership compared to other Native American tribes, the Quileute Tribe has become famous in U.S. popular culture. Recently, the Quileute people have been depicted in the series of books and movies known as the "Twilight Saga." While much of the Twilight Saga's fictionalized depiction of the

Quileute people and culture is inaccurate, the Twilight Saga has raised interest in authentic Quileute art, folklore and culture. In particular, the Twilight Saga has raised particular public interest in Quileute mythology, which depicts the first Quileute tribal member as being created by the transformation of a wolf.

- 13. Additionally, the Quileute people have long been known for the quality of their craftsmanship. Quileute jewelry, baskets, carvings, and blankets are all especially prized by purchasers of Native American products. Further, the art of the Quileute people has been displayed in museums throughout this State, including recent exhibitions in the Seattle Art Museum and Burke Museum of Natural History and Culture.
- 14. The Quileute Tribe sells Quileute-made products and merchandise on its website "www.quileute-store.com." On its website, the Quileute Tribe sells Quileute-made clothing, jewelry and baskets, among other things.

### B. NECA's improper use of the "Quileute" name

- 15. NECA has been using the Quileute name to sell its products, and has been attempting to pass off products as if they were of Quileute-origin and made by Quileute people.
- 16. For example, NECA has marketed and sold a product called a Quileute metal cuff.

  Besides using the name "Quileute," the cuff also depicts a stylized wolf artwork, making it seem as if the cuff were of Quileute origin:

Price \$19.99

Only 15 left in Ships from and sol Want it tomorrow at checkout. Detail

Inspired by Nev Features charaGreat gift
Highly collectible
Great quality by

2 new from \$18.99

Twilight New Moon "Quileute" Metal Cuff
by NECA

7 customer reviews

Price \$19.99 Prime

Only 15 left in stock (more on the way).
Ships from and sold by Arnazon.com. Gift-wrap available.

Want it tomorrow, Dec. 12? Order within 4 hrs 49 mins and choose One-Day Shipping at checkout. Details

Inspired by New Moon the movie
Features characters from the Twilight Saga
Great gift
Highly collectible
Great quality by NECA

2 new from \$18.99

1 collectible from \$14.99

17. NECA has also marketed and sold a product called a "Quileute Tribal Pendant/Choker."



18. NECA never took a license for any of these products from the Quileute Tribe, or even sought permission to use its name.

# C. NECA's acts and omissions that falsely suggest It is displaying and selling Indian <a href="mailto:products">products</a>

19. NECA is not a Native American or an American Indian enterprise, entity or instrumentality. Nor is Defendant an Indian arts and crafts association or an Indian artisan. Further, NECA has no affiliation, relationship, or valid connection with the Quileute Tribe, its political

subdivisions, instrumentalities, officers, employees, or authorized agents, nor any other federally-acknowledged Indian tribe.

- 20. A non-Indian maker of products in an Indian style, motif, or design cannot use the terms "Native American," "American Indian," "Tribal," or the name of a particular Indian tribe in advertising or marketing its products, unless said maker qualifies the usage of such terms so that consumers are not suggested to be purchasing authentic Indian-made products.
- 21. Defendant has offered, advertised, marketed, and displayed for sale and sold its goods in manners that falsely suggested Defendant's products are an Indian product, Indian produced, or the product of an American Indian tribe, or the product of an Indian arts and crafts organization within the United States.
- 22. NECA did not qualify its use of "Quileute" connection with the sale of its goods. Moreover, several of Defendant's retail products convey the false suggestion that they are Indian products include, but are not limited to, Defendant's "Quileute Metal Cuff" and "Quileute Tribal Pendant/Choker."
- 23. NECA's sale of its retail goods under the name of a particular Indian tribe falsely suggests Defendant's products are Indian products of the Quileute Tribe, an Indian artist and crafts association, or an Indian artisan, when in fact Defendant's products are not Indian products of the Quileute Tribe, an American Indian Tribe, an Indian arts and crafts organization, or an Indian artisan.
- 24. At various times relevant hereto, Defendant has been advertising, marketing, offering, displaying for sale, and selling products in manners that falsely suggested its products are Indianmade, an Indian product, a product of an Indian tribe, or the product of an Indian arts and crafts organization within the United States.

- 25. Defendant has advertised, marketed, offered, displayed for sale, and sold goods in manners that falsely suggested they are Indian-made, an Indian product, a product of an Indian tribe, or the product of an Indian arts and crafts organization resident within the United States, including Indian products consisting of jewelry and clothing in a traditional Indian style, printed design, or medium.
- 26. The Indian-style goods Defendant has advertised, displayed, offered for sale, and sold, including those advertised, sold, displayed, and offered for sale alleged herein, are not, and were not Indian produced, an Indian product made by an Indian, or the product of an Indian arts and crafts organization in the United States, or any non-member Indian artisan properly certified by an Indian tribe.

### D. The Quileute Tribe's Efforts to Stop NECA's Improper Activity

- 27. On July 26, 2013, counsel for the Quileute Tribe sent a cease and desist letter to NECA, informing NECA that its market and sales were in violation of the Lanham Act and the Indian Arts and Crafts Act.
- 28. NECA did not respond to the letter; rather, its counsel stated by telephone that it would need to confer with a licensor concerning indemnification, and would provide a written response later.
- 29. By telling the Quileute Tribe that it was going to seek indemnification from "its licensor," NECA seemed to be suggesting that it thought it had permission to use the Quileute name and to promote its products as if they were made by Quileute artists. The Quileute Tribe has never licensed its name or affiliation to any entity; accordingly, no organization would have the authority to grant NECA permission to use the Quileute name. Nor would any organization have the authority to grant NECA the right to claim that NECA's products were of Quileute-origin or made by Quileute artists.

30	Despite NECA's representation, it did not provide a response to the July 26, 2013 letter
According	ly, counsel for the Quileute Tribe sent a second letter on October 7, 2013, again demanding
a response	from NECA, by no later than October 11, 2013.

31. Again, NECA did not provide any response. Finally, on March 19, 2014, counsel for the Quileute tribe sent another letter to NECA, asking for a response by March 24, 2014. NECA did not respond to the letter; thus, the Quileute Tribe initiated the present suit.

### **COUNT ONE**

# DEFENDANT IS LIABLE TO THE QUILEUTE TRIBE FOR UNFAIR COMPETITION PURSUANT TO THE LANHAM ACT'S SECTION 43.

- 32. The Quileute Tribe realleges the previous paragraphs of this Complaint as if fully set forth herein.
- 33. NECA's use of the "Quileute" name promote, market, and sell its retail items in competition with the Quileute Tribe's constitutes Unfair Competition pursuant to 15 U.S.C. § 1125(a) through false advertising.
- 34. NECA's unfair competition has caused, and will continue to cause, damage to the Quileute Tribe; and further, NECA's conduct is causing irreparable harm to the Quileute Tribe for which there is no adequate remedy otherwise available at law.
- 35. Such irreparable harm will continue unless Defendant's acts are restrained and enjoined during the pendency of this action, and permanently thereafter.

#### **COUNT TWO**

# DEFENDANT IS LIABLE TO THE QUILEUTE TRIBE FOR VIOLATIONS OF THE INDIAN ARTS AND CRAFTS ACT, 25 U.S.C. § 305 et seq.

36. The Quileute Tribe realleges the previous paragraphs of this Complaint as if fully set forth herein.

 37. The Indian Arts and Crafts Act ("IACA") prohibits non-Indian businesses and individuals from misrepresenting that their goods are the product of an Indian tribe, or American Indian or Native American person(s) through selling any good "in a manner that falsely suggests it is . . . an Indian product." 25 U.S.C. § 305e(a).

- 38. The IACA prohibits non-Indians from engaging in "unqualified use" of the name of an Indian Tribe in connection with products they market and retail for sale.
- 39. Defendant has offered, advertised, marketed, and displayed for sale, and sold its goods via its catalogs, web-sites, and retail stores in manners that falsely suggest Defendant's products are Indian products pursuant to the IACA.
- 40. Defendant's advertisement, display, offering for sale, and sale of Indian style goods in a manner that falsely suggests Defendant's goods are Indian products is illegal, and must be enjoined, because no adequate remedy at law is otherwise available.
- 41. With its marketing and retailing, having marketed and retailed, or having caused to be marketed and retailed, its products under the Quileute name, and using Indian designs and motifs, without qualification, Defendant is misrepresenting that its products are Indian products within the meaning of the IACA.
- 42. Defendant offered and offers for sale its goods in a manner that falsely suggests they were and are the products of an Indian Tribe, when in fact Defendant's products are not the products of any Indian Tribe.
- 43. Defendant's acts, therefore, violate the IACA, and Defendant is accordingly strictly liable to the Quileute Tribe for its acts.
- 44. The Quileute Tribe has been injured and damaged as a result of Defendant's actions alleged herein.

- 45. Defendant's false suggestions have caused, and will continue to cause damage to the Quileute Tribe for which there is no adequate remedy otherwise available at law.
- 46. The Quileute Tribe is a competitor of Defendant, which sells similar products, and the Quileute Tribe has suffered competitive injuries as a result of Defendant's actions alleged herein, as well as other damages including: (1) Members of the Quileute Tribe have lost sales as the direct and indirect result of Defendant's offer, display, and sale of similar Indian-style products to those offered, displayed, and sold by Quileute artists through similar media and markets; (2) NECA's imitation products have driven down prices of authentic Quileute Indian products, forcing the Quileute Tribe and Quileute artists to offer and garner revenues for authentic products at lower prices; (3) the Quileute Tribe and Quileute artists have suffered a loss of goodwill and reputation because of Defendant's counterfeit products; and (4) Defendant has made a gross profit on all of the products alleged herein by its unlawful and unprivileged conduct.
- 47. The Quileute Tribe advertises, markets, and sells authentic Indian-made products similar to those products advertised, offered, displayed, and sold by Defendant, by which Defendant has falsely suggested to be Indian-made products; including, but not limited to, crafts, jewelry, clothing, carvings, and accessories in a traditional Indian style or medium.
  - 48. The Quileute Tribe sells authentic Indian-made products.
- 49. The injuries suffered by the Quileute Tribe include, but are not limited to, advertising injuries arising out of Defendant's misappropriation of the Quileute Tribe's advertising ideas and styles of doing business.
- 50. The injuries suffered by the Quileute Tribe include, but are not limited to, disparagement of its products and advertising injuries, and web-site injuries arising out of Defendant's disparagement of authentic Quileute products.

- 51. The injuries suffered by the Quileute Tribe include, but are not limited to, advertising injuries and web-site injuries arising out of Defendant's infringement of title by falsely suggesting and misrepresenting that its products are Indian-made, when they were not.
- 52. The injuries suffered by the Quileute Tribe include but, are not limited to, advertising injuries arising out of Defendant's use of another's advertising ideas.
- 53. The injuries suffered by Quileute Tribe include, but are not limited to, advertising injuries and web-site injuries arising out of Defendant's infringing upon the Quileute Tribe's identity, culture, and cache associated with being a producer of authentic Indian products.
- 54. Liability for compensatory damages pursuant to the IACA is strict liability and not dependent upon intentional conduct.
- 55. The IACA provides for damages that are the greater of treble damages or \$1,000 for each day on which the offer or display for sale for each type of good falsely suggests or suggested to be Indian-produced, an Indian product, or the product of an Indian, an Indian Tribe, or an Indian arts and crafts organization continues at the time of filing.
- 56. The Quileute Tribe is entitled to compensation via monetary damages and injunctive relief being imposed on Defendant for the acts stated herein.

### PRAYER FOR RELIEF

WHEREFORE, the Quileute Tribe prays for judgment and relief as follows:

- 1. That Defendant's conduct be declared improper and unlawful pursuant to common law, the Indian Arts and Crafts Act, and the Lanham Act;
- 2. That Defendant, its subsidiaries, subdivisions, affiliates, officers, employees, agents, and all other persons associated, or in concert with Defendant be permanently enjoined from using the "Quileute" name in advertising, marketing, retailing, promoting, and associating the "Quileute" name

COMPLAINT FOR INJUNCTIVE RELIEF

with Defendant in any manner validly performed by the Quileute Tribe, its political subdivisions, instrumentalities, officers, employees, tribal members, and authorized agents;

- 3. That Defendant be permanently enjoined from falsely designating and falsely associating its corporation, subsidiaries, subdivisions, affiliates, officers, employees, agents, and products with the Quileute name, or otherwise from performing any other act likely to create the appearance or belief that Defendant its subsidiaries, subdivisions, affiliates, officers, employees, agents, and all other persons associated with Defendant are in any way supported, in any manner tacit or active, licensed, assigned, sponsored, endorsed, or otherwise associated with the Quileute Tribe, its political subdivisions, instrumentalities, officers, employees, tribal members, or authorized agents;
- 4. That Defendant be ordered to pay the Quileute Tribe all profits made as a result of Defendant's wrongful conduct;
- 5. That Defendant be ordered to pay the Quileute Tribe three times all profits generated by the marketing and retailing of Defendant's "Quileute" products line pursuant to the Lanham Act;
- 6. That Defendant be ordered to pay the Quileute Tribe the greater amount of either \$1,000 per item for every day for each type of product that is, or has, offered, or displayed for sale, or three times all profits generated by the marketing and retailing of Quileute, Indian, and Native American products pursuant to the Indian Arts and Crafts Act;
- 7. That Defendant be ordered to pay the Quileute Tribe for all of its reasonable costs and attorneys' fees;
- 8. That the Quileute Tribe be awarded exemplary damages for Defendant's willful and intentional conduct, and punitive damages based on Defendants' willful actions pursuant to 25 U.S.C. § 305(e);

1	9. All o	other remedies available	e pursuant to the Indian Arts and Crafts Act, and the Lanham
2	Act, including treble damages, disgorgement of profits, costs, and attorneys' fees;		
3	10. That Defendant be ordered to file a written report with this Court, made under oath within		
5	30 days of this Court's judgment, which sets forth in detail the manner that Defendant has fully complied		
6	with the permanent injunction pursuant to 15 U.S.C. § 1116; and		
7	11. All additional and further relief this Court believes just and proper.		
8	JURY DEMAND		
9	The Quileute Tribe requests its causes of action be tried by jury.		
10	Dated March 25, 20	-	Respectfully submitted,
11	Buted Water 25, 20	/1 I	respectivity submitted,
12		By:	/s/ Marshall M. Searcy III Marshall M. Searcy, CA Bar #169269
13			QUINN EMANUEL URQUHART & SULLIVAN, LLP
14   15			865 S. Figueroa St., 10th Floor Los Angeles, CA 90017
16			T: (213) 443-3000 F: (213) 443-3100
17			E: marshallsearcy@quinnemanuel.com
18			Attorney for Plaintiff Quileute Tribe pro hac vice application pending
19			
20		By:	/s/ Kyme A.M. McGaw Kyme A.M. McGaw, WSBA #21432
21			Law Offices of Kyme A.M. McGaw PLLC 1700 Seventh Avenue, Suite 2100
22			Seattle, WA 98101-1360
23			T: (206) 357-8450 F: (206) 784-5780
24			E: KAMcgaw@kmcgaw.com
25			Local Counsel for Plaintiff Quileute Tribe
26			
27 28			
-0			