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5
6 **UNITED STATES DISTRICT COURT**
7 **NORTHERN DISTRICT OF CALIFORNIA**

9 **PINE BROTHERS, LLC,**

10 Plaintiff,

11 v.

12 **RECKITT BENCKISER, LLC,**

13 Defendant.

Case No.

COMPLAINT FOR:

**DECLARATORY JUDGMENT OF
NON-INFRINGEMENT OF
UNREGISTERED TRADE DRESS**

JURY TRIAL DEMANDED

14 Pine Brothers, LLC, hereby alleges the following on information and belief:

15 **JURISDICTION**

16 1. This is an action for declaratory judgment of non-infringement of unregistered trade
17 dress under the Lanham Act, 15 U.S.C. § 1051 *et seq.* and under California law.

18 2. This Court has subject matter jurisdiction pursuant to the Federal Declaratory Judgments
19 Act, 28 U.S.C. §§2201(a), 2202 and 28 U.S.C. §§ 1331 (federal question), 1338 (a)(trademarks), and
20 15 U.S.C. § 1121 (Lanham Act), and supplemental jurisdiction pursuant to 28 U.S.C. §§1338 (b) and
21 1367 (b).

22 3. This Court has personal jurisdiction over Reckitt Benckiser because it conducts business
23 in the State of California and within this District, including contracts with California corporations and
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1 the advertising and sale of its products through retail stores and over the internet to California residents.
2 Acts giving rise to the claims asserted herein have been expressly aimed at, have occurred in, and will
3 continue to occur in California and this District.

4 4. An actual case or controversy has arisen because Reckitt Benckiser has threatened
5 litigation against Pine Brothers, LLC, and has asserted that the packaging of its VICTORIA'S FAMILY
6 FORMULA brand of immune support dietary supplement infringes the trade dress of Reckitt
7 Benckhiser's AIRBORNE brand of immune support dietary supplement. These statements threaten
8 injury to Pine Bros.

9 **VENUE**

10 5. Venue properly lies within this District pursuant to 28 U.S.C. § 1391(a) and (b).

11 **INTRADISTRICT ASSIGNMENT**

12 6. Pursuant to Civil Local Rule 3-2(c) this is an intellectual property matter which is to be
13 assigned on a district-wide basis.

14 **THE PARTIES**

15 7. Pine Brothers, LLC ("Pine Bros."), is a California limited liability company with its
16 principal place of business at 200 Clocktower Place, Carmel, California 93923. It is in the business of
17 making and selling nutritional supplements and other health care products. It is a small, family-owned
18 business and is owned by Rider McDowell and Victoria Knight-McDowell.

19 8. Defendant Reckitt Benckiser, LLC, ("Reckitt") is a Delaware limited liability company
20 with its principal place of business at 399 Interpace Parkway, Parsippany, New Jersey, 07054-0225. It
21 has a registered office at 2730 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833. It is in the
22 business of making and selling health, hygiene and home products. It is the United States affiliate of
23 the global conglomerate Reckitt Benckiser Group plc ("RBG") in Slough, England. RBG's products
24

1 are sold in over 200 countries. Its reported gross revenues in 2017 were £11.512 billion. This is
2 approximately US \$16 billion at current exchange rates.

3 **NATURE OF THE CASE**

4 9. Pine Bros. sells an immune support dietary supplement under its VICTORIA'S
5 FAMILY FORMULA brand. Reckitt sells a competitive product under its AIRBORNE brand. Reckitt
6 claims that the trade dress of the Pine Bros. product infringes the trade dress of Reckitt's product. It
7 has demanded that Pine Bros. immediately cease and desist sales of its product, pay over its profits to
8 Reckitt (instead of charity), and pay the attorneys' fees for Reckitt's lawyer in New York City. The
9 trade dress claim is simply a proxy for Reckitt's true business objective. Ms. McDowell is the creator
10 of the original AIRBORNE formula and product, she has created a new and improved product formula,
11 and Reckitt does not want her competing with them.

12 **THE GENUINE AND IMMEDIATE DISPUTE**

13 10. Reckitt's AIRBORNE product is the second best-selling immune support dietary
14 supplement in the United States. The brand was purchased by Reckitt in November 2012 for a reported
15 \$1.4 billion.

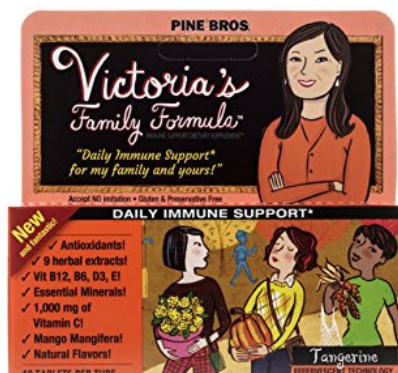
16 11. Reckitt's AIRBORNE product is currently sold in the packaging set forth below:



The packaging has different background colors depending on the flavor of the product.

1 12. Reckitt's AIRBORNE product is sold nationally through chain retailers and drug stores
 2 such as Wal-Mart, Target, Rite-Aid, GNC and Walgreen's. It is also sold over the internet through
 3 retailers such as Amazon and eBay. AIRBORNE is sold in this District. The AIRBORNE formula
 4 was developed in this District. This District is an important market for Reckitt.

5 13. In March 2016, Pine Bros. added an immune support dietary supplement to its product
 6 portfolio. This product was named VICTORIA'S FAMILY FORMULA after the co-owner of Pine
 7 Bros., Victoria Knight-McDowell. As she had done with AIRBORNE, Ms. Knight-McDowell
 8 developed the new formula on her own following twenty (20) years of experimentation. VICTORIA'S
 9 FAMILY FORMULA contains antioxidants plus D and B vitamins, added zinc, and seven powerful
 10 and natural herbal extracts such as Astragalus, Mango Mangifera, Thyme, Oregano, Black Elderberry,
 11 and deodorized garlic, with all natural flavors including pomegranate, tangerine, and lime.
 12 VICTORIA'S FAMILY FORMULA is unique in that, unlike AIRBORNE or virtually every other
 13 immune support product on the market, it does its primary herbal extracting in America from
 14 whole plant material (stem, root, leaves) and imports no powdered herbal blends, which can have
 15 questionable potency and origin questions as well as possible safety issues. As she did with
 16 AIRBORNE, Ms. Knight-McDowell initially gave the formulation to her friends and family who found
 17 it to be far superior to other similar products on the market, including AIRBORNE. She then decided
 18 to commercialize the product. The packaging for this product is depicted below:



1 14. VICTORIA'S FAMILY FORMULA is sold in retail outlets and on-line through such
2 retailers as Amazon and eBay. It is also sold over the Pine Bros. and the Victoria's Family Formula
3 web sites.

4 15. Competitive immune support dietary supplements are also sold in a rectangular package
5 with a hang tag. The packages contain a tube with ten (10) tablets and the hang tag allows the packages
6 to be merchandized on a horizontal rod at retail point of purchase. Competitive packages also have
7 different background colors depending on the flavor of the tablets.

8 16. Pine Bros. has modeled the VICTORIA'S FAMILY FORMULA business after the
9 PAUL NEWMAN line of products. This means that 100% of the after-tax profits will be given to
10 charity, specifically pediatric cancer research. The owners of Pine Bros. were motivated to do this
11 because their son is a cancer patient.

12 17. On March 16, 2018, a lawyer in New York City sent a demand letter to Pine Bros.
13 regarding the VICTORIA'S FAMILY FORMULA product. Prior to that, Pine Bros. had no indication
14 that Reckitt had any issues with the product even though the product had been on the market for two
15 years. The letter claimed that Reckitt had protectable rights in its trade dress consisting of "the back
16 panel, black bar, white lettering and overall color combinations of each pack and the line as whole,
17 along with a stylized cartoonish illustration of a person." The letter further asserted that Pine Bros.
18 "copied" Reckitt's trade dress to create a "strikingly similar" package that creates a "nearly identical"
19 commercial impression on the shelf.

20 18. The letter asserted that Pine Bros. had engaged in "unfair competition under the Lanham
21 Act and state law." It also asserted that Reckitt may be entitled to treble damages and its attorneys'
22 fees because the infringement was "intentional."

23 19. The letter then demanded that Pine Bros. agree to the following by March 30, 2018, or
24 face litigation:

1 a. “[I]mmediately ... cease use of the current trade dress (and any similar variation
2 thereof), change sales and marketing materials, remove the infringing trade dress from
3 thevictoriasfamilyforumla.com website and request retailers to remove any infringing products from
4 sale, both online and in stores;”

5 b. “[P]rovide an accounting of the number of units and the total revenues for all products
6 sold under the current trade dress and the number of units currently in inventory;”

7 c. “[A]gree to pay [Reckitt] an amount to be determined based upon the sales to date;” and

8 d. “[A]gree to pay [Reckitt’s] attorneys’ fees to date.”

9 20. The letter closed by reserving the right to bring additional claims against Pine Bros. if it
10 did not capitulate completely by March 30, 2018.

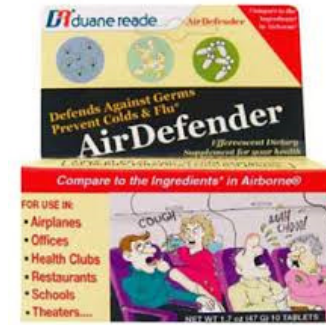
11 21. Complying with this demand would cause substantial, immediate and significant injury
12 to Pine Bros., including the payment of money to Reckitt that would otherwise have gone to charity.
13 This would irreparably harm the purpose of the business, which is to donate its net profits to charity.
14 Reckitt would rather take those net profits for itself than have them donated to charity.

15 22. Pine Bros. did not create its VICTORIA’S FAMILY FORMULA packaging with the
16 intention of deliberately appropriating Reckitt’s goodwill, if any, in the AIRBORNE trade dress. The
17 woman on the hang tag is Ms. McDowell. She is standing in front of a classroom blackboard because
18 she is a former schoolteacher. The blackboard serves as the background for the brand name
19 VICTORIAS FAMILY FORMULA which is written in cursive in white lettering resembling chalk as
20 it would be in a classroom. The three women on the front panel are carrying ingredients.

21 23. The use of stylized people or cartoon characters on packaging is not unique to
22 AIRBORNE. Many immune support dietary supplements contain cartoon figures on their packaging.
23 Some of them are illustrated below:

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CLAIM ONE

(Declaration of Non-Infringement of Unregistered Trade Dress, 15 U.S.C. § 1051 et seq.)

24. The allegations of Paragraphs 1-23 of this Complaint are hereby incorporated by reference.

25. Reckitt has claimed that it owns protectable trade dress in its AIRBORNE packaging.

26. Reckitt has claimed that based solely on the alleged “nearly identical” nature of the trade dress, consumers are likely to purchase Pine Bros.’ VICTORIA’S FAMILY FORMULA product in the mistaken belief that it originated with, was sponsored by, or was licensed by AIRBORNE. It further claims that this “copying” was “intentional.”

27. On this basis, Reckitt claims that Pine Bros. has engaged in trade dress infringement and has threatened to bring a lawsuit against Pine Bros. on this basis.

28. An actual, present and justiciable controversy has arisen between Pine Bros. and Reckitt concerning Pine Bros. right to use its packaging.

29. Pine Bros. seeks declaratory judgment from this Court that its packaging does not infringe Reckitt’s trade dress rights.

WHEREFORE, Pine Bros. prays for relief as set forth below.

CLAIM TWO

(Declaration of No California Unfair Competition, B & P § 17200)

30. The allegations of Paragraphs 1-29 of this Complaint are hereby incorporated by reference.

31. Reckitt claims that Pine Bros.’ use of its packaging constitutes unfair competition under state law and has threatened litigation against Pine Bros. on that basis.

32. Reckitt has not suffered the direct injury and damage required to maintain a cause of action under B & P § 17200.

