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22 and WIZARDS OF THE COAST LLC

23 **UNITED STATES DISTRICT COURT**
24 **CENTRAL DISTRICT OF CALIFORNIA**

25 **CV 13-03406 - DMG (JCG)**

26 HASBRO, INC., a Rhode Island
27 corporation; and WIZARDS OF THE
28 COAST LLC, a Delaware limited
29 liability company,

30 Plaintiffs,

31 vs.

32 SWEETPEA ENTERTAINMENT, INC.,
33 a Delaware corporation; and
34 SWEETPEA B.V.I. LTD., a British
35 Virgin Islands corporation,

36 Defendants.

Case No.:

COMPLAINT FOR:

- 1. **COPYRIGHT INFRINGEMENT**
- 2. **TRADEMARK INFRINGEMENT**
- 3. **FALSE DESIGNATION OF ORIGIN**
- 4. **TRADEMARK DILUTION**
- 5. **DECLARATORY RELIEF**

DEMAND FOR JURY TRIAL

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1 Plaintiffs Hasbro, Inc. (“HI”) and Wizards of the Coast LLC (“Wizards”) (HI and
2 Wizards are collectively referred to herein as “Hasbro”), for their Complaint against
3 Defendants Sweetpea Entertainment Inc. (“SEI”) and Sweetpea B.V.I. Ltd. (“SBL”) (SEI
4 and SBL are collectively referred to herein as “Sweetpea”), allege as follows:

5 **JURISDICTION AND VENUE**

6 1. This Court has jurisdiction over the subject matter of this action pursuant to
7 28 U.S.C. §§ 1331 (federal question), 1338(a) (copyright and trademark) and 15 U.S.C. §
8 1121(a) (trademark). Further, 28 U.S.C. § 2201 authorizes this Court to grant the
9 requested declaratory relief.

10 2. Upon information and belief, this Court has personal jurisdiction over
11 Defendants and venue is proper pursuant 28 U.S.C. §§ 1391(a)(1) and (c), because each
12 of the Defendants has its principal place of business and/or transacts substantial business
13 in Los Angeles, California.

14 **NATURE OF THE ACTION**

15 3. This is an action for copyright and trademark infringement arising from
16 Sweetpea’s unauthorized production of a theatrical motion picture (the “Infringing
17 Motion Picture”) based on the *Dungeons & Dragons* property (the “Property”), the
18 copyrights and trademarks in which are owned by Hasbro. Hasbro seeks a permanent
19 injunction enjoining Sweetpea from violating its exclusive rights in the Property, as well
20 as a judgment declaring that the rights to produce and exploit theatrical or non-theatrical
21 motion pictures based on the Property belong to Hasbro.

22 4. Within the last several weeks, Hasbro learned that Sweetpea was actively
23 working with Warner Bros. Pictures (“WB”) to produce a *Dungeons & Dragons* movie.
24 The Infringing Motion Picture is to be marketed and distributed for theatrical release
25 under the *Dungeons & Dragons* trademark, using a script entitled *Chainmail* that is based
26 upon, and contains many protected elements from, the Property. In recent
27 correspondence from Sweetpea and in reports in the media, Sweetpea has alleged that it,
28

1 and not Hasbro, owns the rights to produce and exploit, and to license others (including
2 WB) the right to produce and exploit, a theatrical motion picture based on the Property.

3 5. Sweetpea bases its claim of ownership of the theatrical motion picture rights
4 upon a license agreement between the predecessors-in-interest of Hasbro and Sweetpea,
5 dated September 1, 1994 (the "New License Agreement"), as amended by agreements
6 dated March 19, 1998 (the "First Amendment") and June 8, 1998 (the "Second
7 Amendment") (collectively, the "License"). Copies of the New License Agreement, First
8 Amendment and Second Amendment are annexed hereto as Exhibits A, B and C,
9 respectively.

10 6. Pursuant to the License, Hasbro granted Sweetpea the right to make one
11 live-action theatrical motion picture based on the Property, a right which Sweetpea
12 exercised by producing the first *Dungeons & Dragons* movie, released in U.S. theaters on
13 December 8, 2000 (the "Picture"). Hasbro further granted Sweetpea the right to make
14 one or more sequels, prequels or remakes based on the Picture, the Picture Creations (*i.e.*,
15 materials Sweetpea independently created for the Picture) and the Property, for theatrical
16 or non-theatrical release (collectively, "Sequel Rights"). *See* Ex. B. ¶ 6. In addition,
17 Sweetpea received a separate and independent right to make one or more live-action
18 television series or television motion pictures based on the Picture, the Picture Creations
19 and the Property (collectively, "Television Rights"). *Id.* ¶ 10.

20 7. Sweetpea's claim of ownership of the theatrical motion picture rights in the
21 Property is baseless because the Sequel Rights have reverted to Hasbro.

22 8. Specifically, the First Amendment contains two separate reversion
23 provisions – one related to the Sequel Rights and one related to the Television Rights –
24 each operating independently. The First Amendment provided that the Sequel Rights
25 would "revert on a rolling basis . . . on the earlier of (i) five (5) years from of [sic] the
26 initial U.S. release or (ii) seven (7) years from final director's cut of the immediately
27 prior picture." *Id.* ¶ 6. A second separate provision in the First Amendment provided
28 that the Television Rights would revert to Hasbro if Sweetpea failed to "commence a

1 production based on the [Television Rights] on a rolling basis within five (5) years after
2 the initial broadcast of the final original episode of any television series or of any
3 television motion picture[.]” *Id.* ¶ 12.

4 9. Following the release of the Picture, Sweetpea produced two television
5 motion pictures. The first such television motion picture, entitled *Wrath of the Dragon*
6 *God* (the “First TV Movie”), premiered in the United States on the Syfy Channel (p/k/a
7 Sci-Fi Channel) on October 8, 2005. Thereafter, Sweetpea produced a second television
8 motion picture, entitled *The Book of Vile Darkness* (the “Second TV Movie”), which
9 premiered on the Syfy Channel on November 24, 2012.

10 10. Despite initial plans to release the First TV Movie as a theatrical or non-
11 theatrical sequel based upon the Picture, the production actually was released in the
12 United States as a television motion picture. Thus, the First TV Movie represented an
13 exercise of the Television Rights and did not reset the Sequel Rights’ five-year reversion
14 clock.

15 11. In contrast to the First TV Movie, the parties at all times intended, treated,
16 referred to, produced and released the Second TV Movie as a made-for-television motion
17 picture based on the Property, without any connection to the Picture or the First TV
18 Movie. The Second TV Movie was financed in part by, and produced for distribution on,
19 the Syfy Channel, thus representing an exercise of Sweetpea’s *Television Rights*, not an
20 exercise of the separate Sequel Rights.

21 12. Significantly, in connection with the production of the Second TV Movie,
22 Sweetpea paid, and Hasbro accepted, a payment of \$20,000 – the amount contractually
23 tied *only* to the exploitation of Television Rights, and consistent with the parties’ mutual
24 understanding that the Second TV Movie was a made-for-television production for
25 release on the Syfy Channel. *Id.* ¶ 11. Were the Second TV Movie planned or released
26 as a theatrical or non-theatrical sequel, prequel or remake based on the Picture, Sweetpea
27 would have paid the greater amount required under the License for exercising the Sequel
28 Rights.

1 13. In addition, the Second TV Movie neither continued, contained, nor referred
2 to any of the characters, storylines, settings or events from the Picture or the First TV
3 Movie. The Second TV Movie was always a stand-alone television motion picture, not a
4 sequel, prequel or remake.

5 14. Thus, the Sequel Rights reverted to Hasbro as early as December 8, 2005,
6 but in no event later than October 8, 2010, five years after the initial broadcast of the First
7 TV Movie.

8 PARTIES

9 15. Plaintiff HI is, and at all relevant times was, a corporation duly organized
10 and existing under the laws of the State of Rhode Island, with its principal place of
11 business in Pawtucket, Rhode Island.

12 16. Plaintiff Wizards is, and at all relevant times was, a limited liability
13 company duly organized and existing under the laws of the State of Delaware, with its
14 principal place of business in Renton, Washington. Wizards is a wholly-owned
15 subsidiary of HI.

16 17. Upon information and belief, Defendant SEI is a corporation organized
17 under the laws of the State of Delaware with its principal place of business located in Los
18 Angeles, California.

19 18. Upon information and belief, Defendant SBL is a corporation organized
20 under the laws of the British Virgin Islands with its principal place of business located in
21 Los Angeles, California. Upon information and belief, Sweetpea B.V.I. Ltd. is the
22 successor-in-interest to Sweetpea Entertainment Corporation ("SEC").

23 FACTS

24 (a) *Dungeons & Dragons: The Role Playing Game*

25 19. *Dungeons & Dragons* ("D&D") is a role-playing game set in fantasy worlds
26 of magic, monsters and dragons, in which each player in a group takes on the role of a
27 fantasy hero (e.g., warrior, wizard, thief, healer, etc.) and participates in an imaginary
28 adventure through collaborative storytelling, multi-sided dice, intricate rules, maps and

1 adventure books. Each D&D game requires a Dungeon Master, who presents the group
2 with challenges, adjudicates the rules and narrates the adventure.

3 20. D&D was originally designed by Gary Gygax and Dave Arneson and was
4 first published in 1974 by Tactical Studies Rules, Inc., which later became TSR, Inc.
5 (“TSR”). In 1997, TSR was acquired by Wizards, which in turn, was acquired by HI in
6 1999.

7 21. Hasbro owns the copyright in the Property (D&D itself and certain
8 derivative works based on D&D), including, but not limited to, the exclusive right to
9 produce and distribute theatrical motion pictures based on D&D.

10 22. In addition, Hasbro owns the worldwide trademark rights in the name
11 *Dungeons & Dragons* (the “D&D Trademarks”). Hasbro has used and continues to use
12 the D&D Trademarks to brand entertainment products and services. Hasbro also has
13 used, and continues to use, the D&D Trademarks on a wide variety of goods and services
14 in connection with a highly successful worldwide merchandizing program.

15 23. Today, D&D is played by as many as 6 million people around the world and
16 consumers have spent more than \$1 billion on D&D products.

17 **(b) The License**

18 24. On or about May 3, 1991, TSR and SEC entered into an Option Agreement,
19 pursuant to which TSR granted SEC an option to license from TSR “the rights in and to
20 the Property to produce and exploit one (1) motion picture based thereon[.]” Annexed as
21 an exhibit to the Option Agreement was a form license agreement (the “Old License
22 Agreement”) that would go into effect in the event that SEC elected to exercise its option
23 under the Option Agreement.

24 25. Pursuant to a letter agreement dated January 5, 1993, the Old License
25 Agreement was replaced with the New License Agreement, which is attached hereto as
26 Exhibit A.

1 26. Pursuant to an Assignment and Acknowledgement Agreement dated
2 December 15, 1993, SEC assigned to SBL the rights that SEC acquired from TSR under
3 the Option Agreement.

4 27. On or about September 2, 1994, SBL exercised its option under the Option
5 Agreement and the terms of the New License Agreement went into effect.

6 **(c) The 1998 Action**

7 28. On February 20, 1998, TSR commenced an action against Sweetpea in the
8 Superior Court for the County of Los Angeles (the "1998 Action") that, on March 2,
9 1998, was removed to this District Court (Case No. 98 Civ. 1439 (RAP)).

10 29. In the 1998 Action, TSR alleged that Sweetpea failed to commence principal
11 photography of the Picture pursuant to the New License Agreement and that,
12 consequently, the rights granted thereunder reverted to TSR.

13 **(d) The First Amendment**

14 30. As part of an effort to settle the 1998 Action, on or about March 19, 1998,
15 TSR and Sweetpea entered into the First Amendment, which is annexed hereto as Exhibit
16 B.

17 31. Pursuant to the First Amendment, the parties agreed that Sweetpea would
18 resume principal photography of the Picture before a certain date. *See* Ex. B ¶ 1.

19 32. With respect to Sequel Rights, the parties agreed as follows:

20 TSR grants to Sweetpea the rights to make one or more sequels (which
21 shall be defined to include prequels) or remakes based on the Picture, the
22 Picture Creations and the Property. *These rights shall revert on a rolling
23 basis (but not the Picture Creations) to TSR on the earlier of (i) five (5)
years from of [sic] the initial U.S. release or (ii) seven (7) years from
final director's cut of the immediately prior picture.*

24 *Id.* ¶ 6 (emphasis added).

25 33. The First Amendment set forth various amounts that Sweetpea would be
26 obligated to pay TSR for each theatrical or non-theatrical sequel, prequel or remake, with
27 a minimum amount of \$116,667 payable for non-theatrical exploitation. *See id.* ¶¶ 7-9.
28

1 34. In addition to and independent of the Sequel Rights, TSR separately granted
2 to Sweetpea certain Television Rights. The First Amendment provided, in relevant part,
3 that:

4 TSR grants to Sweetpea the right to make one or more live-action
5 television series or television motion pictures (individually and
6 collectively ‘Television Program(s)’) based on the Picture, the Picture
Creations and the Property . . . , provided that Sweetpea shall first have
released the Picture.

7 *Id.* ¶ 10. Unlike the Sequel Rights, the Television Rights do not require the productions
8 to be “sequels,” “prequels” or “remakes” based on the Picture.

9 35. Paragraph 11 of the First Amendment contained the royalty schedule for
10 Television Rights, providing, in relevant part, as follows:

11 Sweetpea shall pay to TSR for such live-action television rights to [sic] the
12 following:

- 13 a. For each episode not exceeding 30 minutes, \$5,000;
- 14 b. For each episode not exceeding 60 minutes, \$7,500;
- 15 c. For each episode of more than 60 minutes, \$10,000;
- 16 d. For each movie of the week or miniseries, \$10,000 per hour and no more
17 than \$80,000 in the aggregate.

18 *Id.* ¶ 11.

19 36. The First Amendment also contained a separate and independent reversion
20 provision governing the Television Rights, providing that:

21 If Sweetpea does not commence a production based on the rights
22 referenced in Paragraph 11 hereunder on a rolling basis within five (5)
23 years after the initial broadcast of the final original episode of any
24 television series or any television motion picture, such rights shall revert
25 to TSR (but not the Picture Creations). . . .

26 *Id.* ¶ 12.

27 **(e) The Second Amendment**

28 37. At the time the parties entered into the First Amendment, they contemplated
negotiating and entering into a long-form “formal amendment” at a later date. Although
the parties exchanged several drafts of a “formal amendment” that, if executed, would
have superseded the terms of the First Amendment, they were unable to agree on certain
key terms.

1 38. On or about June 8, 1998, TSR and Sweetpea entered into the Second
2 Amendment, which is annexed hereto as Exhibit C.

3 39. The Second Amendment provided, among other things, as follows:

4 All references in the [First] Amendment to a “formal amendment” are
5 deleted. The parties acknowledge that this amendment, when taken
6 together with the [New License] Agreement, constitutes a valid binding,
7 enforceable and fully integrated agreement between the parties.”

8 Ex. C ¶ 12.

9 40. On or about October 8, 1998, the parties entered into a Settlement
10 Agreement and Mutual Release, pursuant to which the parties released all claims against
11 the other and they agreed to dismiss the 1998 Action.

12 41. On October 16, 1998, the District Court dismissed the 1998 Action with
13 prejudice in its entirety.

14 **(f) *Dungeons & Dragons: The Theatrical Motion Picture***

15 42. On December 8, 2000, the Picture, entitled *Dungeons & Dragons*, was
16 released in theaters in the United States.

17 43. The Picture underperformed at the box office, grossing \$33,807,422
18 worldwide on a production budget of \$45 million. See Box Office Mojo,
19 <http://www.boxofficemojo.com/movies/?id=dungeonsanddragons.htm> (last visited May
20 9, 2013).

21 **(g) First TV Movie: *Wrath of the Dragon God***

22 44. On October 8, 2005, the First TV Movie, entitled *Wrath of the Dragon God*,
23 premiered in the United States on the Syfy Channel.

24 45. Despite initial plans to release the First TV Movie as a theatrical or non-
25 theatrical sequel based upon the Picture, the production actually was released in the
26 United States as a television motion picture.

27 **(h) Second TV Movie: *The Book of Vile Darkness***

28 46. On or about June 30, 2010, Hasbro learned that Sweetpea, by and through its
sub-licensee Silver Pictures, was planning to produce two made-for-television *Dungeons*

1 & *Dragons* movies, each of which would premiere on the Syfy Channel. Hasbro also
2 learned that the Syfy Channel had agreed to pay a portion of the production financing for
3 the television movies.

4 47. On or about October 7, 2010, Sweetpea paid, and Hasbro accepted, a
5 payment in the amount of \$20,000 for Sweetpea's exercise of its Television Rights
6 pursuant to paragraph 11 of the First Amendment. *See* Ex. B ¶ 9.

7 48. On November 2, 2012, the Syfy Channel issued a press release announcing
8 the upcoming release of the Second TV Movie: "**SYFY ORIGINAL MOVIE**
9 **DUNGEONS AND DRAGONS: THE BOOK OF VILE DARKNESS PREMIERES**
10 **SATURDAY, NOVEMBER 24.**" (Emphasis added).

11 49. On November 24, 2012, the Second TV Movie premiered in the United
12 States on the Syfy Channel.

13 50. The Second TV Movie was not a sequel, prequel or remake based on the
14 Picture, Picture Creations and the Property. The Second TV Movie contained none of the
15 same characters, plotlines, settings or events as the prior productions. The Second TV
16 Movie was a stand-alone television motion picture.

17 51. The Second TV Movie is classified by IMDb (Internet Movie Database) as a
18 "TV Movie." *See* IMDb, <http://www.imdb.com/title/tt1733125/> (last visited May 12,
19 2013).

20 **(i) The Reversion of the Sequel Rights to Hasbro**

21 52. Prior to December 8, 2005 or, at the latest, October 8, 2010, Sweetpea
22 neither produced nor released any theatrical or non-theatrical motion picture sequel,
23 prequel or remake.

24 53. By virtue of the reversion provision contained in paragraph 6 of the First
25 Amendment, the Sequel Rights reverted to Hasbro on December 8, 2005 or, at the latest,
26 October 8, 2010, when Sweetpea failed to exercise its Sequel Rights within five years of
27 the U.S. release of the Picture or the First TV Movie, respectively.

1 **(j) The Infringing Motion Picture**

2 54. In or around October 2012, WB approached Hasbro to obtain certain film
3 rights in the Property. WB provided Hasbro with a script for a film entitled *Chainmail*
4 that was based on, and contained many protected elements of, the Property. WB
5 expressed an interest in creating a *Dungeons & Dragons* motion picture based on the
6 script. After several discussions with WB, Hasbro passed on the script.

7 55. Thereafter, Hasbro learned that WB and Sweetpea had entered into
8 discussions concerning the production of the Infringing Motion Picture – a *Dungeons &*
9 *Dragons* movie based on the *Chainmail* script.

10 56. Upon information and belief, Sweetpea falsely represented to WB that
11 Sweetpea continues to hold the Sequel Rights and is authorized to sublicense the Sequel
12 Rights to WB and to market and distribute films pursuant to the Sequel Rights using
13 D&D Trademarks.

14 57. On April 30, 2013, Hasbro sent a letter to Sweetpea advising it that the
15 Sequel Rights, including the theatrical motion picture Sequel Rights, had reverted to
16 Hasbro. Hasbro demanded that all development, production and/or distribution activities
17 related to a theatrical motion picture based on the Picture or the Property immediately
18 cease.

19 58. By letter dated May 2, 2013, Sweetpea responded by, among other things,
20 denying that the Sequel Rights had reverted and confirming that Sweetpea had entered
21 into a contract with WB.

22 59. On May 7, 2013, *Deadline Hollywood* reported:

23 Warner Bros has acquired rights to make a movie based on *Dungeons &*
24 *Dragons*, the perennially popular role-playing game fantasy game. The
25 studio is actually quite far along in the development of the project, as it
26 will use a script by Wrath Of The Titans and Red Riding Hood scribe
27 and Frank Darabont protege David Leslie Johnson. That script,
28 *Chainmail*, was acquired last year as a free-standing project, based on an
obscure game that was also hatched by D&D designer Gary Gygax
before he and Dave Arneson launched D&D. It is being retro-fitted to
fit the much bigger game creation. The film will be produced by The
Lego Movie producer Roy Lee and Courtney Solomon. The latter

1 actually directed a 2000 Dungeons & Dragons feature, a film that starred
Jeremy Irons and did not do well.

2 See Exhibit D, annexed hereto.

3 60. As a result of Sweetpea's actions, including falsely claiming ownership of
4 the Sequel Rights to WB and, upon information and belief, the media and other third
5 parties, Hasbro may not be able to exercise its right to exploit the Sequel Rights.

6 **FIRST CLAIM FOR RELIEF**

7 **(Copyright Infringement)**

8 61. Hasbro repeats and realleges each allegation contained in Paragraphs 1
9 through 60 of this Complaint as if fully set forth herein.

10 62. Hasbro owns registered copyrights in and to the Property. A list of
11 registered copyrights is annexed hereto as Exhibit E.

12 63. By producing the Infringing Motion Picture, Sweetpea has infringed and,
13 unless enjoined, will continue to infringe, Hasbro's exclusive rights to reproduce, prepare
14 derivatives based upon, distribute and/or publicly perform the Property.

15 64. Moreover, by licensing Sequel Rights to WB, Sweetpea has infringed
16 Hasbro's exclusive right to authorize third-parties to reproduce, prepare derivatives based
17 upon, distribute and/or publicly perform the Property.

18 65. Sweetpea's actions have irreparably injured Hasbro and, unless enjoined,
19 will continue to cause such harm.

20 66. Hasbro has no adequate remedy at law and is entitled to injunctive relief.

21 67. Sweetpea's infringement of Hasbro's copyright in the Property has damaged
22 and will continue to damage Hasbro in an amount that, at present, is not determined.

23 **SECOND CLAIM FOR RELIEF**

24 **(Federal Trademark Infringement)**

25 68. Hasbro repeats and realleges each allegation contained in Paragraphs 1
26 through 67 of this Complaint as if fully set forth herein.

27 69. Hasbro has registered the D&D Trademarks with the United States Patent
28 and Trademark Office. A list of certain federally-registered trademarks owned by Hasbro

1 using the D&D Trademarks is annexed hereto as Exhibit F. Each of these registrations is
2 valid and in effect. In addition, the exclusive right of Hasbro to use its registered D&D
3 Trademarks in commerce for goods and services specified is incontestable pursuant to 15
4 U.S.C. § 1115(b).

5 70. Sweetpea is using, and threatens to use, in commerce, without Hasbro's
6 authorization or consent, and in an explicitly misleading manner, Hasbro's registered
7 D&D Trademarks in connection with the advertisement and offering for sale, and/or sale
8 of a theatrically-released motion picture. Hasbro is informed and believes, and on that
9 basis alleges, that Sweetpea is using the D&D Trademarks with the intent to unfairly
10 compete against Hasbro, to trade upon Hasbro's reputation and goodwill by causing
11 confusion and mistake among customers, and the public, and to deceive the public into
12 believing that the Infringing Motion Picture is associated with, sponsored by, or approved
13 by Hasbro, when it is not.

14 71. Sweetpea's unauthorized use of Hasbro's registered D&D Trademarks is an
15 infringement of Hasbro's federal registrations that include the D&D Trademarks and is
16 likely to cause confusion, mistake or deception in violation of 15 U.S.C. § 1114.

17 72. Unless restrained by this Court, Sweetpea will, upon information and belief,
18 continue to infringe Hasbro's registered trademarks and irreparably harm and impair
19 Hasbro's reputation and brand under its D&D Trademarks. Sweetpea's actions have
20 irreparably injured Hasbro and, unless enjoined, will continue to cause such harm.

21 73. Hasbro has no adequate remedy at law and is entitled to injunctive relief.

22 74. Sweetpea's unauthorized use of the registered D&D Trademarks has
23 damaged and will continue to damage Hasbro's business, reputation, and goodwill.

24 75. As a result of the foregoing, Hasbro has been damaged in an amount that, at
25 present, is not determined.

26
27
28

1 **THIRD CLAIM FOR RELIEF**

2 **(False Designation of Origin and Unfair Competition)**

3 76. Hasbro repeats and realleges each allegation contained in Paragraphs 1
4 through 75 of this Complaint as if fully set forth herein.

5 77. The D&D Trademarks are used in commerce, are non-functional, are
6 distinctive, and have acquired substantial secondary meaning in the marketplace.

7 78. Sweetpea's unauthorized use of Hasbro's registered D&D Trademarks
8 constitutes false designation of origin and unfair competition in violation of 15 U.S.C.
9 § 1125(a)(1)(A).

10 79. Hasbro is informed and believes, and on that basis alleges, that Sweetpea
11 had actual knowledge of Hasbro's ownership and use of the D&D Trademarks prior to
12 commencing the conduct complained of herein.

13 80. Hasbro is informed and believes, and on that basis alleges, that Sweetpea
14 intends to compete unfairly against Hasbro, to trade upon Hasbro's reputation and
15 goodwill by causing confusion and mistake among customers and the public, and to
16 deceive the public into believing that the Infringing Motion Picture is associated with,
17 sponsored by, or approved by Hasbro, when it is not.

18 81. As a result of the acts complained of herein, Sweetpea has created a
19 likelihood of injury to Hasbro's business reputation and to the reputation and goodwill
20 surrounding the D&D Trademarks and a strong likelihood of consumer confusion as to
21 the source of origin of, or the relationship between Hasbro and, the Infringing Motion
22 Picture, and have otherwise competed unfairly with Hasbro.

23 82. Hasbro has no adequate remedy at law and is entitled to injunctive relief.

24 83. As a result of the foregoing, Hasbro has been damaged in an amount that, at
25 present, is not determined.

1 **FOURTH CLAIM FOR RELIEF**

2 **(Trademark Dilution)**

3 84. Hasbro repeats and realleges each allegation contained in Paragraphs 1
4 through 83 of this Complaint as if fully set forth herein.

5 85. Hasbro's pervasive and extensive use and promotion of the D&D
6 Trademarks has rendered those trademarks famous and distinctive within the meaning of
7 Section 43(c) of the Lanham Federal Trademark Act, 15 U.S.C. § 1125(c).

8 86. Sweetpea's use and threatened use of the D&D Trademarks in connection
9 with the advertisement and offering for sale, and/or sale of the Infringing Motion Picture
10 is likely to dilute and impair the famous and distinctive quality of the D&D Trademarks
11 in violation of 15 U.S.C. § 1125(c).

12 87. Unless restrained and enjoined by this Court, Sweetpea will, upon
13 information and belief, continue to violate Hasbro's rights under 15 U.S.C. § 1125(c) of
14 the Lanham Act and irreparably impair and damage the famous and distinctive quality of
15 the D&D Trademarks.

16 88. Sweetpea's violation of 15 U.S.C. § 1125(c) by use of the D&D Trademarks
17 has damaged and will continue to damage Hasbro's business, reputation and goodwill.

18 89. Hasbro has no adequate remedy at law and is entitled to injunctive relief.

19 90. As a result of the foregoing, Hasbro has been damaged in an amount that, at
20 present, is not determined.

21 **FIFTH CLAIM FOR RELIEF**

22 **(Declaratory Relief)**

23 91. Hasbro repeats and realleges each allegation contained in Paragraphs 1
24 through 90 of this Complaint as if fully set forth herein.

25 92. Sweetpea has formally notified Hasbro by the May 2, 2013 letter that it
26 claims ownership of the Sequel Rights, including the right to make a theatrical motion
27 picture sequel, prequel or remake based on the Property.
28

1 93. Pursuant to paragraph 6 of the First Amendment, the Sequel Rights reverted
2 to Hasbro on December 8, 2005 or, at the latest, on October 8, 2010, because Sweetpea
3 failed to exercise the Sequel Rights within five years of the initial U.S. release of the
4 Picture or the First TV Movie, respectively.

5 94. By virtue of the contentions in Sweetpea's May 2, 2013 letter, the contract
6 entered into between Sweetpea and WB, and Sweetpea's false representations to third
7 parties, including to WB and members of the press, concerning Sweetpea's alleged
8 ownership of the Sequel Rights, there is a real and appreciable controversy between the
9 parties. Moreover, Hasbro has a real and reasonable apprehension of being subject to a
10 lawsuit if Hasbro exploits its Sequel Rights.

11 95. By claiming ownership of the Sequel Rights, Sweetpea has threatened
12 Hasbro's ability to exploit the Sequel Rights in violation of its copyrights and trademarks
13 in connection with the Property.

14 96. An immediate declaration is necessary and appropriate at this time so that
15 Hasbro and Sweetpea may ascertain who holds the Sequel Rights.

16 97. Hasbro has been, continues to be, and will continue to be, irreparably injured
17 as a result of Sweetpea's actions, and Hasbro has no adequate remedy at law.

18 98. Accordingly, Hasbro seeks a judgment from this Court, pursuant to 28
19 U.S.C. § 2201, declaring that any Sequel Rights that were granted to Sweetpea under the
20 License have reverted to Hasbro.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Hasbro prays for judgment against Sweetpea as follows:

- 23 (a) Pursuant to 17 U.S.C. § 502, this Court enter an injunction enjoining
24 Sweetpea from infringing Hasbro's copyrights in the Property, including,
25 without limitation, by producing or exploiting the Infringing Motion Picture
26 or any other theatrical or non-theatrical motion picture based on the
27 Property;
28