

**UNITED STATES DISTRICT COURT**

**DISTRICT OF MAINE**

**WOMEN TO WOMEN, INC.,** )  
 )  
 **Plaintiff** )  
 )  
 v. ) **Civil No. 02-52-P-H**  
 )  
 **WOMAN TO WOMAN CO.,** )  
 )  
 **Defendant** )

**RECOMMENDED DECISION ON PLAINTIFF'S  
MOTION FOR DEFAULT JUDGMENT**

Plaintiff Women to Women, Inc. ("Plaintiff") moves pursuant to Federal Rule of Civil Procedure 55(b)(2) for a default judgment against defendant Woman to Woman Co. ("Defendant") in this trademark-infringement action. *See* Application for Default Judgment Pursuant to Fed.R.Civ.P. 55(b)(2) ("Motion") (Docket No. 5); Complaint (Docket No. 1). On March 18, 2003, following notice to Plaintiff's counsel of record and Defendant's last known counsel, a hearing as to damages was held before me at which Plaintiff's counsel appeared but no appearance was made on behalf of the Defendant. With the benefit of that hearing, I recommend that the court grant the Motion and, except in one particular, provide the relief sought.<sup>1</sup>

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<sup>1</sup> In lieu of live testimony, Plaintiff's counsel submitted an affidavit with attached exhibits to establish its damages. *See* Declaration of John G. Osborn, Esq. ("Osborn Decl."), attached to Bench Memorandum on Damages in Support of Plaintiff's Application for Default Judgment ("Bench Memo") (Docket No. 8), & exhibits thereto. The remainder of the brief hearing was devoted to oral argument. Plaintiff's counsel also submitted a post-hearing letter memorandum. *See* Letter dated March 18, 2003 from John G. Osborn, Esq. to Susan Hall, Clerk ("Letter Memo") (Docket No. 9).

## I. Applicable Legal Standards

Unless a plaintiff's claim is for a sum certain or a sum that can by computation be made certain, "the party entitled to judgment by default shall apply to the court therefor[.]" Fed. R. Civ. P. 55(b)(2). Rule 55(b)(2) further provides, in relevant part:

If, in order to enable the court to enter judgment or to carry it into effect, it is necessary to take an account or to determine the amount of damages or to establish the truth of any averment by evidence or to make an investigation of any other matter, the court may conduct such hearings or order such references as it deems necessary and proper . . . .

*Id.*

"There is no question that, default having been entered, each of plaintiff's allegations of fact must be taken as true and each of its claims must be considered established as a matter of law." *In re The Home Rests., Inc.*, 285 F.3d 111, 114 (1st Cir. 2002) (citation and internal punctuation omitted). "A hearing may be required, however, to set damages when the amount is in dispute or is not ascertainable from the pleadings." *Id.*; *see also, e.g., KPS & Assocs., Inc. v. Designs by FMC, Inc.*, 318 F.3d 1, 19 (1st Cir. 2003) ("While a default judgment constitutes an admission of liability, the quantum of damages remains to be established by proof unless the amount is susceptible of mathematical computation.") (citation and internal punctuation omitted).

## II. Context

The Plaintiff filed the instant complaint on March 5, 2002, alleging, *inter alia*:

1. Plaintiff . . . owns and uses in connection with its business a federally registered trademark for the term "Women to Women" (the "Women to Women" Mark). [Plaintiff] sells various health care products which are offered by, and sold under the brand of, Women to Women. Defendant . . . has used a name nearly identical in sound, meaning and appearance to the mark owned by [Plaintiff] and sells a progesterone cream under that name in violation of [Plaintiff's] rights. Despite [Plaintiff's] assertions of its rights, [D]efendant has refused to cease and desist from its infringing actions.

2. Plaintiff . . . is a Maine corporation with a principal place of business in Cumberland County, Maine.

3. Defendant . . . is, on information and belief, a corporation with its principal place of business in Goleta, California.

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12. [Plaintiff] has been using the “Women to Women” Mark as a trademark in connection with the sale of pharmaceuticals since November of 1988 or earlier.

13. Defendant did not use the “Woman to Woman” Mark as a trademark in interstate commerce prior to November 1988.

14. On or about May 12, 2000, [Plaintiff] applied to the United States Patent and Trademark Office (the “PTO”) to register the “Women to Women” Mark for use in Class 5, pharmaceutical products.

15. The PTO registered the “Women to Women” Mark for [Plaintiff] to use in Class 5 on or about August 28, 2001.

16. On or about July 1, 1998, Defendant obtained the Internet domain name “womantowomanco.com.”

17. Since that date, Defendant has used the “Woman to Woman” Mark in interstate commerce and in Maine by selling progesterone cream under the name Woman to Woman in Maine, by making its Internet web site at “[www.womantowomanco.com](http://www.womantowomanco.com)” available in Maine, and by other means.

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27. This case is an “exceptional” one within the meaning and scope of 15 U.S.C.A. § 1117, so that attorney’s fees should be awarded to [Plaintiff]. Defendant copied [Plaintiff’s] mark and has refused to cease and desist from that use even after confronted with [Plaintiff’s] federal registration of the mark.

Complaint ¶¶ 1-3, 12-17, 27. The Plaintiff alleged that the Defendant’s conduct constituted trademark infringement in violation of the Lanham Act and state law (Count I), “passing off” in violation of the Lanham Act (Count II) and “passing off” in violation of the Maine Deceptive Trade Practices Act (Count III). *Id.* ¶¶ 21-36.

On July 9, 2002 the Plaintiff requested entry of default by the Clerk’s Office, asserting *inter alia* that the Defendant had been served with a summons and complaint on June 15, 2002, was

required to respond by July 5, 2002 and had failed to do so. *See* Affidavit and Request for Entry of Default by the Clerk (Docket No. 2). Default was entered that day. *See* Endorsement to *id.* On July 29, 2002 the Plaintiff filed a motion to set aside the entry of default, stating that it had been contacted on July 18 by Defendant's counsel, who informed it that service had been made on a person unauthorized to accept service on the Defendant's behalf. *See* Motion To Set Aside Default (Docket No. 3). The motion requested that a new answer deadline of August 12, 2002 be set. *See id.* at 2. The motion was granted on July 30, 2002. *See* Endorsement to *id.*<sup>2</sup>

On September 25, 2002 the Plaintiff again requested entry of default by the Clerk's Office. *See* Affidavit and Request for Entry of Default by the Clerk (Docket No. 4). Among other things, the Plaintiff noted that (i) the Defendant had agreed to the revised answer deadline of August 12, (ii) after passage of that deadline, the Plaintiff had delayed in moving for entry of default based on the Defendant's representations that it would work with the Plaintiff to achieve an amicable resolution, (iii) Plaintiff's counsel had faxed a letter to Defendant's counsel (Darla Anderson, Esq. of Santa Barbara, California) directing the Defendant to file an answer to the Complaint or reach an agreement regarding the dispute by September 20, 2002 to avoid entry of a second default and (iv) the Defendant had not responded to the Complaint. *See id.* & exhibits thereto. Default was again entered on September 26, 2002. *See* Endorsement to *id.*

The instant motion for default judgment was filed on October 23, 2002. *See* Motion at 1. On December 27, 2002 I held a telephone conference with counsel, at my initiative, to address the status of service of process on the Defendant and its representation by counsel in this matter as well as the Plaintiff's request for leave to serve requests for admissions with an expedited response period of ten

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<sup>2</sup> Plaintiff's counsel represent that, during the July 18, 2002 phone conversation with Defendant's counsel, Darla Anderson, Esq., they asked if Defendant would agree that service had been made as of the date of the conversation if the Plaintiff were to agree to remove the default. *See* Motion at 2. According to Defendant's counsel, Anderson agreed to that proposal. *See id.*

days. *See* Report of Conference of Counsel and Order (Docket No. 6) at 1. Anderson participated on behalf of the Defendant, with John G. Osborn, Esq. and Todd S. Holbrook, Esq., participating on behalf of the Plaintiff. *See id.* Anderson, who is not a member of the bar of this court, acknowledged that she had been authorized to accept, and had accepted, service of process on behalf of the Defendant. *See id.* She indicated that Thomas Newman, Esq., would enter his appearance as the Defendant's local counsel the following week. *See id.* She confirmed that she would serve as the Defendant's lead counsel in this matter, and I advised her of her obligation to promptly file with the court the certificate required by Local Rule 83.1(c)(1) of visiting lawyers. *See id.* at 1-2. As to the matter of requests for admissions, Anderson stated that the Defendant would like to have twenty days from the date of service of the same within which to respond. *See id.* at 2. She acknowledged that service on her would constitute service on the Defendant. *See id.* I granted the Defendant's request for twenty days within which to respond. *See id.*

As of the date of hearing on March 18, 2003 no counsel had entered an appearance on behalf of the Defendant. In addition, as of that date, the Defendant had failed to respond in any manner to the Plaintiff's Request for Production of Documents regarding damages (served on October 29, 2002) or to its Requests for Admissions (served on December 27, 2002). *See* Osborn Decl. ¶¶ 2-8 & Exhs. 1-2 thereto.<sup>3</sup> As of March 18, 2003 the Defendant continued to sell infringing products from its Internet web site, [www.womantowomanco.com](http://www.womantowomanco.com). *See* Osborn Decl. ¶ 9 & Exh. 3 thereto. In its Request for Admissions, the Plaintiff asked the Defendant to "[a]dmit that [its] total sales in the past six years of all products and services labeled with or advertised under the name 'Woman to Woman'" exceeded amounts ranging from \$10,000 to \$1 million. Exh. 2 to Osborn Decl.

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<sup>3</sup> At hearing, Plaintiff's counsel represented that (i) a copy of the Bench Memo would be sent to the Defendant through Anderson that day and (ii) the Defendant, via Anderson, had received all other materials filed with this case.

Plaintiff's counsel clarified at hearing that the Plaintiff now seeks, as damages, the Defendant's profits in the amount of \$1 million plus costs and reasonable attorney fees incurred in bringing the instant action. *See also* Bench Memo at 3. Plaintiff's counsel also stated at hearing that the Plaintiff presses no claim for treble damages and that it seeks the following injunctive relief: (i) a permanent injunction barring the Defendant from using the offending mark and (ii) an order directing transfer of the domain name "womantowomanco.com" to the Plaintiff.

### **III. Analysis**

The entry of default in this case establishes that the Defendant has violated the Lanham Act and the Maine Deceptive Trade Practices Act in the manner alleged in the Complaint. The Plaintiff's evidence and arguments demonstrate its entitlement to the following relief:

1. A permanent injunction barring the Defendant from further use of the "Woman to Woman" Mark in conjunction with the advertising or sale of any International Class 5 products (pharmaceuticals), including its use in a domain name. *See* Motion at 6; *see also* 15 U.S.C. § 1116(a); U.S. Patent & Trademark Office, *Trademark Manual of Examining Proc.* § 1401.02(a) (3d ed. 2002).

2. An award of the Defendant's profits in the amount of \$1 million. *See* 15 U.S.C. § 1117(a). "In assessing profits the plaintiff shall be required to prove defendant's sales only; defendant must prove all elements of cost or deduction claimed." *Id.* With leave of the court, the Plaintiff served on the Defendant a request to admit, among other things, that its total sales in the past six years of all products and services labeled with or advertised under the name "Woman to Woman" exceeded \$1 million. The Defendant did not respond within the allotted twenty-day period requested by its own counsel; indeed, the Defendant had not responded as of the date of hearing on March 18, 2003. In the absence of any response, the request is deemed admitted. *See* Fed. R. Civ. P. 36(a); *see also* *Brook Vill. N. Assocs. v. General Elec. Co.*, 686 F.2d 66, 73-74 (1st Cir. 1982) (defendant

deemed to have admitted truth of plaintiff's expert's letter, including estimate of cost of re-roofing, by virtue of untimely response to plaintiff's requests for admissions). Inasmuch as the Plaintiff (by virtue of the deemed admission) proves sales totaling at least \$1 million and the Defendant adduces no evidence of costs or other deductions, the Plaintiff is entitled to the amount requested. *See Nintendo of Am., Inc. v. NTDEC*, 1995 WL 135996, at \*4 (9th Cir. Mar. 28, 1995) (noting, in Lanham Act case, "[i]n light of defendants' failure to appear, plaintiff was the court's only source of information. If plaintiff chose not to provide information from which the court could infer defendants' costs, the court was not required to order plaintiff to produce additional evidence and argue defendants' case.").

3. Costs of the instant action. *See* 17 U.S.C. § 1117(a).

4. Reasonable attorney fees. *See id.* ("The court in exceptional cases may award reasonable attorney fees to the prevailing party."). This qualifies as an "exceptional case" given (i) the court's acceptance, in light of the Defendant's default, of the allegations of the Complaint as true, including allegations that the Defendant refused to desist from its infringing practices, (ii) evidence adduced in connection with the damages hearing that even as of March 18, 2003 the Defendant persisted in using the infringing mark and domain name and (iii) the Defendant's disregard of the legal process, despite its counsel's acknowledgement that service of process was duly made and ongoing notification of the Defendant (via Anderson) of matters related to this litigation. *See Tamko Roofing Prods., Inc. v. Ideal Roofing Co.*, 282 F.3d 23, 32 (1st Cir. 2002) ("Fraud or bad faith may justify an attorneys' fees award in some [Lanham Act] cases, but a finding of bad faith or fraud is not a necessary precondition. Willfulness short of bad faith or fraud will suffice when equitable considerations justify an award and the district court supportably finds the case exceptional.") (footnote omitted); *Microsoft Corp. v. Wen*, No. C99-04561 MEJ, 2001 WL 1456654, at \*7 (N.D. Cal. Nov. 13, 2001) ("Here, by default, Defendants have admitted and the Court finds that, Defendants

have willfully infringed the rights of Plaintiff in its federally registered copyrights and trademarks making the award of attorneys' fees appropriate."); *Discovery Communications, Inc. v. Animal Planet, Inc.*, 172 F. Supp.2d 1282, 1292 (C.D. Cal. 2001) (defendant's failure to appear supports a request for attorney fees under Lanham Act).

Nonetheless, I am unpersuaded that the Plaintiff has demonstrated its entitlement to the further relief requested at hearing in the form of an order directing transfer of the Defendant's Internet domain name to the Plaintiff. As an initial matter, the Plaintiff does not clearly request such relief in its Complaint. *See* Complaint at 5-6. Nor is it mentioned in its Motion. *See generally* Motion. Assuming *arguendo*, however, that this request is subsumed in the Plaintiff's prayer for "a permanent injunction, as authorized by 15 U.S.C. § 1116(a), barring Defendant . . . from using the 'Woman to Woman' Mark in any way," Complaint at 6, the Plaintiff's showing in any event falls short.

The Court of Appeals for the Ninth Circuit has observed that "only upon proving the rigorous elements of cyber-squatting under the [Anti-cybersquatting Consumer Protection Act ("ACPA"), 15 U.S.C. § 1125(d)] have plaintiffs successfully forced the transfer of an infringing domain name." *Interstellar Starship Servs., Ltd. v. Tchou*, 304 F.3d 936, 940, 948 (9th Cir. 2002).<sup>4</sup> The Plaintiff makes no cogent argument that these "rigorous elements" (which include a "bad faith intent to profit from [a] mark," as measured by a nine-factor test, *see* 15 U.S.C. § 1125(d)(1)(A)(i) & (B)(i)) have been satisfied.

#### IV. Conclusion

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<sup>4</sup> As the Plaintiff notes, *see* Letter Memo, transfer of a domain name is expressly authorized by 15 U.S.C. § 1125(d)(1)(C). Section 1125(d)(1)(C) is an integral part of the ACPA. The ACPA, in turn, targets "cybersquatting," which has been described as "the Internet version of a land grab." *Tchou*, 304 F.3d at 946. "Cybersquatters register well-known brand names as Internet domain names in order to force the rightful owners of the marks to pay for the right to engage in electronic commerce under their own name." *Id.* The Plaintiff cites *Caesars World, Inc. v. Milanian*, No. CV-S-02-1287-RLHRJJ, 2003 WL 722315 (D. Nev. Feb. 19, 2003), for the proposition that the use of a domain name infringing a trademark owner's rights provides a basis for transferring that domain name. *See* Letter Memo. To the extent that *Milanian* relies on section 1125(d) without undertaking the requisite rigorous ACPA analysis, it is not persuasive authority. *See Milanian*, 2003 WL 722315, at \*33.

For the foregoing reasons, I recommend that the court **GRANT** the Motion and, consistent with the foregoing, enter judgment in favor of the Plaintiff, and against the Defendant, as follows:

A. Permanently enjoining the Defendant, pursuant to 15 U.S.C. § 1116(a), from further use of the “Woman to Woman” Mark in conjunction with the advertising or sale of products in International Class 5 (pharmaceuticals), including use of the mark in a domain name.

B. Awarding the Plaintiff, pursuant to 15 U.S.C. § 1117(a), the Defendant’s profits in the amount of \$1 million.

C. Awarding the Plaintiff, pursuant to 15 U.S.C. § 1117(a), its costs and reasonable attorney fees incurred in pursuing the instant action.

**NOTICE**

*A party may file objections to those specified portions of a magistrate judge’s report or proposed findings or recommended decisions entered pursuant to 28 U.S.C. § 636(b)(1)(B) for which de novo review by the district court is sought, together with a supporting memorandum and request for oral argument before the district judge, if any is sought, within ten (10) days after being served with a copy thereof. A responsive memorandum and any request for oral argument before the district judge shall be filed within ten (10) days after the filing of the objection.*

*Failure to file a timely objection shall constitute a waiver of the right to de novo review by the district court and to appeal the district court’s order.*

Dated this 1st day of April, 2003.

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David M. Cohen  
United States Magistrate Judge

**Plaintiff**  
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V.

**Defaulted Party**

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**WOMAN TO WOMAN COMPANY**