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FILED
IN CLERKS OFFICE
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★ **AUG 27 1998** ★

P.M. _____
TIME A.M. _____

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NEW YORK

ROTO-ROOTER CORPORATION,)
AN IOWA CORPORATION,)

Plaintiff,)

vs.)

MARK CARLSON, d/b/a)
ROOTS ROOTER,)

Defendant.)

CIVIL ACTION NO. CV-98-9635

(PROPOSED)
FINAL JUDGMENT OF
INJUNCTION UPON DEFAULT

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This action for injunctive relief having been commenced by the filing of the complaint and issuance of a summons on May 14, 1998; and the summons and complaint having been served upon defendants, proof of that service having been filed in the office of the Clerk of this Court; and the defendant Mark Carlson, d/b/a Root Rooter, having failed to appear, answer or otherwise move with respect to the Complaint, and the time for such appearance and answer having expired; now, upon motion of plaintiff, and pursuant to Rule 55 of the Federal Rules of Civil Procedure, the Court finds and concludes as follows:

1. This is an action at law and in equity for trademark infringement, dilution injury to business reputation, and unfair competition under 15 U.S.C. §§1114 and 1125(c); and

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under the statutory and common law of the state of New York. This Court has jurisdiction over the subject matter and parties pursuant to 28 U.S.C. §§1331, 1332 and 1338. Venue is proper in this judicial district pursuant to 28 U.S.C. §1391 in that defendant Mark Carlson resides in this judicial district.

2. Plaintiff, Roto-Rooter Corporation, is an Iowa corporation having its principal place of business at 300 Ashworth Road, West Des Moines, Iowa 50265.

3. Defendant, Mark Carlson, d/b/a Roots Rooter, has a home and/or business address at 197 Lambert Lane, Staten Island, New York 10314.

4. Since 1935 nationally, and since at least 1955 in New York, Roto-Rooter Corporation has engaged directly, and through licensees and franchisees, in the business of providing commercial, industrial and residential plumbing services and sewer, drain and pipe cleaning services under the ROTO-ROOTER name and marks. It has also developed an extensive nationwide network of franchisees and licensees who perform such services under the ROTO-ROOTER name and marks. Roto-Rooter Corporation and its licensees and franchisees have expended large sums of money over a long period of time in the advertising of goods and services under the ROTO-ROOTER name and marks throughout the United States, including in the state of New York. As a result of this long and widespread provision of sewer and drain cleaning services and extensive promotion and advertising engaged in by the plaintiff and its licensees and franchisees, plaintiff and its licensees and franchisees have become well known to the trade and the general public and have established extensive good will, public recognition and secondary meaning for the ROTO-ROOTER name and marks as an exclusive identification of plaintiff and its licensees and franchisees in the United States and the state of New York. As a

plaintiff and its licensees and franchisees in the United States and the state of New York. As a result of the activities by Roto-Rooter Corporation, its licensees and franchisees, the ROTO-ROOTER mark is distinctive and has become famous.

5. Roto-Rooter Corporation is the owner of the United States service mark registrations listed below:

ROTO-ROOTER, U.S. Reg. No. 597,721, registered November 2, 1954, for municipal, industrial, and domestic sewer, drain, and pipe cleaning services;

ROTO-ROOTER, U.S. Reg. No. 745,984, registered February 26, 1963, for cleaning sewer, oil, and water pipes, field, and drain tile conduits for electric cable;

ROTO-ROOTER, U.S. Reg. No. 1,199,063, registered June 22, 1982, for municipal, industrial, and domestic sewer, drain, and pipe cleaning services;

ROTO-ROOTER, U.S. Reg. No. 1,221,194, registered December 21, 1982, for commercial Industrial and residential plumbing services; sewer, drain and pipe cleaning services; and

ROTO-ROOTER U.S. Reg. No. 1,270,267 registered March 13, 1984, for commercial, industrial, and residential sewer, drain, and pipe cleaning services.

Each of these registrations is valid and subsisting, and each has become incontestable under 15 U.S.C. §1065.

6. Roto-Rooter Corporation is the owner of the New York state registration

listed below:

ROTO-ROOTER, recorded as Service Mark Registration No. S-6263, for use in connection with municipal, industrial and domestic sewer, drain and pipe cleaning services;

ROTO-ROOTER (AND DESIGN OF A ROUND SEWER DRAINPIPE WITH WATER COMING THROUGH), recorded as Service Mark Registration No. S-6262, for use in connection with municipal, industrial and domestic sewer, drain and pipe cleaning services.

Each of these registrations is valid and subsisting.

7. Defendant, Mark Carlson, d/b/a Roots Rooter, has obtained a listing in the March 1998-February 1999 edition of the Bell Atlantic Yellow Pages for the Elizabeth Area of New Jersey in which defendant advertises plumbing and sewer and drain cleaning services under the designation "Roots Rooter" (hereinafter "Bell Atlantic Yellow Pages"). The defendant's listing in the Bell Atlantic Yellow Pages appears under the heading "Plumbing" at page 531.

8. Plaintiff has a franchisee who services the Elizabeth, New Jersey area and who advertises its services under the ROTO-ROOTER name and mark on page 521 of the Bell Atlantic Yellow Pages under the same "Plumbing" heading as defendant's advertisement.

9. The defendant provides the same types of services to the same customers as the authorized franchisee of Roto-Rooter Corporation serving the Elizabeth, New Jersey area.

10. Prior to his use of the "Roots Rooter" designation, defendant operated under the name "Rooto Sewer Service". In a letter dated May 23, 1997, Roto-Rooter Corporation notified defendant that his use of the "Rooto" designation infringed upon the ROTO-ROOTER mark. In response to that notice, defendant agreed to change his name.

11. Despite the notice of infringement, defendant adopted the "Roots Rooter" designation with the intent to trade off of the goodwill associated with the ROTO-ROOTER mark and to cause confusion, mistake or deception as to the affiliation, connection or association of defendant with Roto-Rooter Corporation when in fact defendant has no connection with or authorization from Roto-Rooter Corporation.

12. In operating a business under the "Roots Rooter" designation the defendant has induced and deceived customers of plaintiff to believe that they are purchasing the services of plaintiff when in fact they are not. The defendant has taken advantage of plaintiff's valuable good will, public recognition, and secondary meaning in and to the ROTO-ROOTER name and marks, which has been developed by plaintiff and its licensees and franchisees in the state of New York, and nationally, over a long period of time. This activity of the defendant has injured and will continue to injure the business reputation and has diluted and will continue to dilute the distinctive quality of plaintiff's marks in violation of §360-1 of the New York General Business Law.

NOW, THEREFORE, it is hereby ORDERED, ADJUDGED AND DECREED as

follows:

A. Defendant Mark Carlson and all those in active concert or participation with him, are hereby permanently enjoined and restrained from any use of the "Roots Rooter" designation, or any other colorable imitations or variations of the ROTO-ROOTER name and/or marks, and from any other acts which will injure or be likely to injure the business reputation of plaintiff.

B. Defendant Mark Carlson and all those in active concert or participation with him, are hereby permanently enjoined and restrained from representing or passing off by words or implication that they are affiliated or associated with, or sponsored or authorized by, Roto-Rooter Corporation or its franchisees.

C. Defendant Mark Carlson is ordered to deliver up for destruction all advertising and promotional materials containing the "Roots Rooter" designation or any other colorable imitation or variant of the ROTO-ROOTER name and/or marks.

D. Defendant Mark Carlson is ordered to remove any and all listings in any telephone directory assistance database, yellow pages and/or white pages, including any listing with the Bell Atlantic successor to New York Telephone Company, NYNEX Information Resources Company, and/or NYNEX Corporation (hereinafter referred to collectively as "BELL ATLANTIC"), that includes the "Roots Rooter" designation, or any other colorable imitation of plaintiff's ROTO-ROOTER mark.

E. Defendant Mark Carlson is hereby ordered to authorize BELL ATLANTIC to place a telephone intercept, at his expense, on the number (800) 260-3354 under which the defendant has advertised and offered the "Roots Rooter" services. Pursuant to the

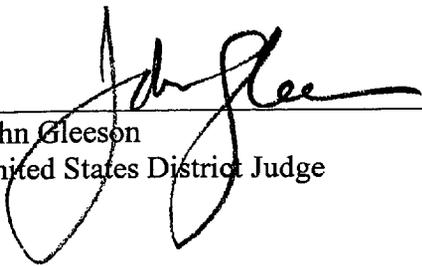
intercept, all calls to (800) 260-3354 shall be directed to the telephone number (732) 297-5300, Roto-Rooter Corporation's authorized franchisee servicing Elizabeth, New Jersey, and the surrounding area. This telephone intercept shall remain in effect until February 1999, or until such time as defendant's listings for "Roots Rooter" no longer appear in a published telephone directory or in a directory assistance database.

F. Defendant is so ordered to file with this Court and serve on plaintiff within thirty (30) days after the service of such injunction a report in writing under oath setting forth in detail the manner and form in which defendant has complied with the injunction.

G. In the event that defendant Mark Carlson does not take the actions specified in paragraphs D and E within thirty (30) days after service of this Order, BELL ATLANTIC is authorized to remove any listings of defendants as specified in paragraph D and to place the intercept specified in paragraph E, all at defendant's expense.

IT IS SO ORDERED

Signed this 14th day of August, 1998.



John Gleeson
United States District Judge