

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

LAVATEC LAUNDRY TECH. GMBH,
Plaintiff,

No. 3:13-cv-00056 (SRU)

v.

VOSS LAUNDRY SOLUTIONS, et al.,
Defendants.

RULING AND ORDER

This case involves a dispute over ownership of the trademark “Lavatec.” After a bench trial, I held that the mark belonged to the plaintiff, Lavatec Laundry Technology GmbH (“LLT”), rather than the defendants, Voss Laundry Solutions, Lapauw International, and Lapauw Inc. (collectively, “Voss”). I issued a preliminary injunction enjoining Voss from using the mark. I now must decide whether to award LLT additional remedies for Voss’s infringement.

I. Standard of Review

Section 35(a) of the Lanham Act provides that a successful plaintiff “shall be entitled, . . . subject to the principles of equity, to recover (1) defendant’s profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action.” 15 U.S.C. § 1117(a). In calculating profits for purposes of the statute, “the plaintiff shall be required to prove defendant’s sales only; defendant must prove all elements of cost or deduction claimed.” *Id.* “If the court shall find that the amount of the recovery based on profits is either inadequate or excessive,” the statute allows the court “in its discretion [to] enter judgment for such sum as the court shall find to be just, according to the circumstances of the case.” *Id.* Finally, the Lanham Act permits—but does not require—an “award [of] reasonable attorney fees to the prevailing party” in “exceptional cases.” *Id.*

II. Background¹

The present case is a lengthy trademark dispute between the successors of a German commercial laundry machine manufacturer and its American subsidiary. Plaintiff LLT is the successor in interest to Lavatec AG and Lavatec Wäschereimaschinen GmbH & Co. KG (collectively, “Lavatec Germany”). Defendant Voss—previously known as Lavatec, Inc. (“New Lavatec”)²—is the successor in interest to Lavatec Germany’s former wholly-owned U.S. subsidiary, Lavatec, Inc. (“Old Lavatec”). Both Lavatec Germany and Old Lavatec filed for bankruptcy in 2009, after which their assets and intellectual property rights were respectively purchased by the plaintiff and defendant in this case. *See Lavatec Laundry Technology GmbH v. Lavatec, Inc.*, 47 F. Supp. 3d 138, 143–44 (D. Conn. 2014).

On January 11, 2013, LLT filed suit against Voss for infringing upon the Lavatec trademark. *See* Compl., Doc. No. 1. Following a bench trial, I held that LLT, as successor in interest to Lavatec Germany, owned the Lavatec trademark, because “Lavatec Germany was the first to use the Lavatec mark in the United States,” and “Lavatec Germany . . . controlled the use of the mark with respect to the quality of goods and services offered.” *Id.* at 151. On November 13, 2014, I issued a preliminary injunction—amended on November 21, 2014—that prohibited Voss from (1) “using the Lavatec name or the Lavatec logo, or any variation thereof, as part of any corporate or trade name, trademark, or domain name”; (2) “using the Lavatec name or logo, or any variation thereof, in the manufacture or sale of any products, or in any advertising,

¹ The factual background of this case is set forth at greater length in *Lavatec Laundry Technology GmbH v. Lavatec, Inc.*, 47 F. Supp. 3d 138, 140–45 (D. Conn. 2014).

² New Lavatec changed its name to Voss Laundry Solutions after my ruling on ownership, a change that was not reflected on the docket until March 20, 2015. For simplicity’s sake, I will refer to the defendant throughout as “Voss.”

promotion, or offer to sell”; (3) “using the Lavatec name or logo, or any confusingly similar trademarks, within any domain name, extensions, metatags, or other markers within website source code; or on any webpage, in the title of any web page, within any advertising links, or in any other way that either is visible to computer users or serves to direct computer searches to websites registered, owned, or operated by the defendant”; and (4) “using a website or any other online service located at lavatec.com, lavatec.biz, or any other variation thereof.” *See Lavatec Laundry Tech. GmbH v. Lavatec, Inc.*, 2014 WL 6633047, at *2 (D. Conn. Nov. 21, 2014).

On December 12, 2014, Voss moved for clarification, requesting that I “confirm[] that the forwarding of email addressed to Defendant’s old email address, ‘lavatec.com’ . . . , is not in violation of the preliminary injunction.” Mot. Clarification, Doc. No. 148, at 2. LLT opposed Voss’s motion for clarification and cross-moved for contempt, asserting that Voss had “violated the Injunction Order by continuing to (a) sell and manufacture products with the Lavatec trademark and logo imprinted, (b) use the Lavatec name as a domain name, extension or metatag, (c) advertise . . . on the lavatec.com website, and (d) advertise itself as Lavatec.” Cross-Mot. Contempt, Doc. No. 156, at 1–2. LLT later filed a second contempt motion, adding that Voss had “violated the Injunction Order by using [LLT]’s exclusively owned LAVATEC trademark in its promotions for the upcoming industry ‘Clean Show.’” Mot. Contempt, Doc. No. 159, at 1.

I heard argument on the motions for clarification and for contempt on March 20, 2015. Mot. Hr’g Tr., Doc. No. 204. At the hearing, I concluded that it was “problematic” for Voss to “advertis[e] for the upcoming trades show . . . us[ing] the identification . . . ‘formerly Lavatec, Inc.’” because that language “advertise[d] for new customers” by “trad[ing] off the Lavatec name,” and might “wrongfully confuse some people [into] thinking that Lavatec . . . is not in business anymore.” *Id.* at 29–30. I ordered Voss to remove the “formerly Lavatec, Inc.”

designation from the trade show advertisements within one week. *See id.* at 32. I also ordered that, within seven days, Voss end email forwarding from the “lavatec.com” address and inform its customers that its “email address ha[d] changed.” *Id.* at 43, 45.

At the conclusion of the hearing, I granted Voss’s motion for clarification, ordering that Voss not “use the Lavatec, Inc. name in advertising, even if [it] sa[id] ‘formerly known as’ or ‘we used to be.’” *Id.* at 49. I denied without prejudice LLT’s motions for contempt, stating that, although I was “not happy with what[had] been going on,” I was “not prepared on the current record to say [it was] a matter of bad faith that ought to be sanctioned.” *Id.* I noted, however, that “if the email problem [was] not fixed in seven days, that w[ould] demonstrate to me that it [was] a matter of bad faith,” and I would “not hesitate to hold [Voss] in contempt.” *Id.*

Subsequent to my ruling on ownership and the March 20, 2015 hearing, Voss continued to pursue various counterclaims against LLT. LLT moved to dismiss those counterclaims on April 20, 2015, arguing that Voss’s federal counterclaims had been resolved by my order on ownership, and that Voss’s state counterclaims should be dismissed either for lack of jurisdiction or as a matter of discretion. *See* Mem. Supp. Mot. Dismiss Counterclaims, Doc. No. 165, at 3. Voss opposed LLT’s motion, asserting that subject matter jurisdiction existed because Voss raised “false designation claims” under section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a). *See* Opp’n to Mot. Dismiss Counterclaims, Doc. No. 168, at 3. Specifically, Voss argued that LLT violated the Lanham Act by falsely advertising itself as “the original Lavatec.” *Id.* at 7.

I heard argument on the motion to dismiss Voss’s counterclaims on June 5, 2015. Mot. Hr’g Tr., Doc. No. 182. At the hearing, I expressed the view that Voss’s counterclaim theory was “frivolous,” and stated that—“[i]n light of [the] ruling that I[] issued about ownership of the mark . . . [and] the history of the competing entities”—Voss’s argument that LLT could not

claim to be “the original Lavatec . . . boggle[d] the mind.” *Id.* at 8; *see also id.* at 12 (“How is it possible that you can . . . still make an argument that is not frivolous that they are not the original Lavatec?”); *id.* at 28 (describing counterclaim as “a frivolous claim on its face in light of my ruling” and “a frivolous claim for false advertising . . . entirely inconsistent with the ruling”). Furthermore, I voiced “frustration” that Voss and its attorney “seemingly d[id]n’t understand the effect of the ruling on the ownership issue,” and called Voss’s failure to recognize that LLT “own[ed] the trademark . . . mind-boggling.” *Id.* at 57–58.

In the course of the hearing, LLT orally renewed its motion for sanctions, a motion that it subsequently “specif[ied] in writing.” *See id.* at 56; Mot. Sanctions, Doc. No. 191, at 1. I deemed LLT’s motion for sanctions a “strong motion,” but ultimately decided to take it under advertisement. Mot. Hr’g Tr., Doc. No. 182, at 58. I dismissed with prejudice “all claims premised upon . . . [LLT]’s assertions of being the ‘original’ Lavatec.” Order, Doc. No. 177. I also “decline[d] to exercise supplemental jurisdiction over the remaining state-law claims” and dismissed those claims “without prejudice to filing in state court.” *Id.*

Following an additional period of discovery, several settlement conferences, and briefing from the parties on damages, *see* Docs. Nos. 215 & 217, on March 29, 2016, LLT and Voss reported that the case had settled. *See* Docs. Nos. 224 & 225. As a result of the settlement, on the same day, I denied as moot LLT’s motions for sanctions. Order, Doc. No. 223.

On August 23, 2016, the parties reported that the settlement agreement had fallen through. *See* Doc. No. 236. I scheduled a damages hearing, Doc. No. 239, which ultimately was held on March 15, 2017. Doc. No. 244. The hearing largely served to substantiate the claims made in the parties’ damages briefs, but LLT also made the new argument that it was entitled to costs and attorneys’ fees under the Connecticut Unfair Trade Practices Act (“CUTPA”) as an

alternative to the Lanham Act. *See* Damages Hr’g Tr., Doc. No. 246, at 87–88. I requested supplemental briefing, *id.* at 100, which the parties provided. *See* Docs. Nos. 245 & 247.

After the damages hearing, LLT also filed a fourth motion for contempt, Doc. No. 248, contending that Voss had “violated the Injunction Order by shipping parts bearing the exclusively owned LAVATEC trademark.” *Id.* at 2. Voss responded that the parts were sold by Maxi-press, “a parts distributor unrelated to [] Voss,” which had bought the parts with the Lavatec mark as part of a “bulk purchase of Voss’[s] inventory of parts.” Opp’n Mot. Contempt, Doc. No. 251, at 1. Maxi-press was aware of “[t]he necessity of covering the Lavatec name,” but “apparently overlooked” the issue when reselling the parts. *Id.* at 2. LLT replied that, regardless of Maxi-press’s involvement, Lavatec’s “considered decision not to remove the logo hardly constitutes ‘diligent and energetic’ attempts to comply,” and represents “just the latest in a series of failures to comply with the Court’s prior orders.” Doc. No. 252, at 2.

III. Discussion

LLT seeks (1) disgorgement of Voss’s net profits from 2011 through 2014, Pl.’s Damages Br., Doc. No. 215, at 10, doubled, *id.* at 23; (2) pre-judgment interest, *id.* at 24; (3) costs and attorneys’ fees, *id.*; and (4) contempt sanctions in the form of all profits made “since November 19, 2014 (the earliest date LLT has evidence of [Voss]’s contempt) through the present.” Mem. Supp. Mot. Contempt, Doc. No. 284-1, at 5. Voss responds that LLT is not entitled to disgorgement, enhancement, or costs and attorneys’ fees because Voss’s infringement of the Lavatec trademark was not “willful.” Def.’s Damages Br., Doc. No. 217, at 6. Voss also denies that it has been in contempt. Mem. Opp’n Mot. Contempt, Doc. No. 251, at 7.

A. Liability

As an initial matter, I note that it appears to me that no finding of liability was ever made against Voss with regard to the causes of action in LLT's complaint. Although I held in my September 3, 2014 ruling that "LLT is the owner of the 'Lavatec' trademark," and directed that "[a] declaratory judgment shall issue that LLT is owner of the mark," I simultaneously denied the parties' cross-motions for summary judgment as moot. *See Lavatec*, 47 F. Supp. 3d at 140, 151. Two months later, I awarded LLT a preliminary injunction against Voss's use of the Lavatec trade name. *Lavatec*, 2014 WL 6633047, at *1. Since then, the parties and I seem to have simply assumed that my ruling on ownership and award of a preliminary injunction constituted findings that Voss was liable to LLT for trademark infringement.

LLT's Amended Complaint sounded in five counts: (1) trademark infringement and false designation of origin in violation of both section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), and also Conn. Gen. Stat. § 35-11i; (2) trademark infringement and unfair competition in violation of Connecticut common law; (3) violation of the Anticybersquatting Consumer Protection Act ("ACPA"), 15 U.S.C. § 1125(d); (4) tortious interference with business relations; and (5) violation of CUTPA.³ *See* Am. Compl., Doc. No. 121, at 11–18. Before my ruling on ownership, LLT cross-moved for summary judgment on the "trademark claims in Counts One, Two[,] and Five," *See* Pl.'s Cross-Mot. Summ. J., Doc. No. 60, at 1, and both parties have treated my ruling on ownership as tantamount to a grant of LLT's motion for summary judgment. I now formally grant LLT's summary judgment motion and hold Voss liable on those counts on the basis of my previous rulings.

³ The Amended Complaint also purported to state claims for injunctive relief (Count Six) and declaratory relief (Count Seven), but those are remedies, not causes of action. *See* Am. Compl., Doc. No. 121, at 18–20.

1. *Count One: Trademark Infringement and False Designation of Origin in Violation of 15 U.S.C. § 1125(a) and Conn. Gen. Stat. § 35-11i*

LLT's principal cause of action against Voss is for violation of section 43(a) of the Lanham Act. That statute provides:

Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which—

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

15 U.S.C. § 1125(a)(1).

In my September 3, 2014 ruling, I held that “LLT is the owner of the ‘Lavatec’ trademark.” *Lavatec*, 47 F. Supp. 3d at 140. When ruling on LLT's motion for a preliminary injunction on November 21, 2014, I further held that “likelihood of confusion . . . [was] clear” because Voss both “persist[ed] in using a mark and logo that [were] not merely similar but in fact *identical* to LLT's,” and also “persist[ed] in using them on the same class of goods and services as LLT's.” 2014 WL 6633047, at *2. In such circumstances, “evidence of actual confusion” was unnecessary “because with identical marks and similarity of use, there is great likelihood of confusion” as a matter of law. *See Kiki Undies Corp. v. Promenade Hosiery Mills*, 411 F.2d 1097, 1100–01 (2d Cir. 1969); *see also Pappan Enters. v. Hardee's Food Sys.*, 143 F.3d 800, 804 (3d Cir. 1998) (“[W]here the identical mark is used concurrently by unrelated

entities, the likelihood of confusion is inevitable.”). As a result, Voss’s use of the Lavatec trademark and trade name clearly entailed “uses in commerce [of] any word, term, name, symbol, or device . . . which . . . [was] likely to cause confusion.” *See* 15 U.S.C. § 1125(a)(1); *see also Brennan’s, Inc. v. Brennan’s Rest.*, 360 F.3d 125, 128–29 (2d Cir. 2004) (“The test for infringement is whether the actor’s use of a designation as a trademark . . . creates a likelihood of confusion”) (quoting Restatement (Third) of Unfair Competition § 21 cmt. a (1995)). As I observed in my November 21, 2014 ruling, “[i]t can hardly be doubted that confusion w[ould] result when a consumer [was] faced with [Voss]’s laundry-folding machines bearing a name and mark identical to LLT’s, or with materials related to [Voss]’s laundry-machine servicing business bearing that same name and mark.” *Lavatec*, 2014 WL 6633047, at *1; *see Vitarroz Corp. v. Borden, Inc.*, 644 F.2d 960, 966 (2d Cir. 1981) (“[W]hen a junior user has affixed a senior user’s mark to substantially identical products directed at the same market and sold through the same outlets, we have found a likelihood of confusion as a matter of law.”) (internal quotation marks omitted). Therefore, I formally hold that Voss violated section 43(a) of the Lanham Act by infringing upon LLT’s trademark.

LLT also claimed in its complaint that Voss violated Connecticut’s trademark statute, Conn. Gen. Stat. § 35-11i(a). It is not clear that LLT’s trademark is registered in Connecticut, however, and the statute only protects “mark[s] registered” in the state.”⁴ *See id.* Moreover, LLT’s motion for summary judgment focused exclusively on its federal claim for trademark infringement, and it “has requested no relief under Connecticut [statutory] law beyond what it will obtain under its successful Lanham Act claim.” *See Morningside Grp. Ltd. v. Morningside*

⁴ As of the time of the cross-motions for summary judgment, LLT stated that “Lavatec Germany’s mark was unregistered” in the United States. *See* Mem. Supp. Pl.’s Cross-Mot. Summ. J., Doc. No. 61, at 5.

Capital Grp., 182 F.3d 133, 144 (2d Cir. 1999). As a result, I will not find Voss liable under Conn. Gen. Stat. § 35-11i(a). Voss's liability on Count One will rest solely on LLT's federal claim for trademark infringement.

2. *Count Two: Common Law Trademark Infringement and Unfair Competition*

LLT's complaint also claims that Voss's infringing acts violated Connecticut's common law prohibition on unfair competition. "The common law action of unfair competition is a general tort covering many activities that may be harmful to commercial interests." *Prime Publishers v. Am.-Republican*, 160 F. Supp. 2d 266, 284 (D. Conn. 2001). In Connecticut, the tort bars the "appropriation by one corporation of a distinctive portion of the name of another [which] cause[s] confusion and uncertainty in the latter's business, injure[s] them pecuniarily and otherwise, and deceive[s] and mislead[s] the public." *Mohegan Tribe of Indians of Conn. v. Mohegan Tribe & Nation, Inc.*, 255 Conn. 358, 376 (2001) ("*Mohegan Tribe*").

Connecticut federal courts generally have concluded that "[t]he test for trademark infringement and unfair competition under Connecticut [common] law is identical to the test under the Lanham Act." *Verilux, Inc. v. Hahn*, 2007 WL 2318819, at 10 (D. Conn. Aug. 10, 2007) (Dorsey, J.); *see also, e.g., Suisman, Shapiro, Wool, Brennan, Gray, & Greenberg, P.C. v. Suisman*, 2006 WL 387289, at *12 (D. Conn. Feb. 15, 2006) (Hall, J.) ("In light of the analysis of the likelihood of confusion under the Lanham Act, the plaintiff . . . has established that it is entitled to prevail as a matter of law on its unfair competition claim."); *Country Floors v. Mizak*, 1993 WL 566217, at *6 (D. Conn. June 16, 1993) (Cabranes, J.) ("[T]he same facts which would support a finding of liability under Sections 32 and 43 of the Lanham Act also support a finding of trademark infringement and unfair competition under Connecticut common law."). Because I already have concluded with respect to the Lanham Act claim that Voss's use of the Lavatec

trademark “cause[d] confusion in the public mind as between the plaintiff’s business and that of the defendant,” I also hold that Voss is liable on LLT’s common law claims in Count Two. *See Mohegan Tribe*, 255 Conn. at 376.

3. *Count Five: Violation of CUTPA*

CUTPA provides that:

No person shall engage in unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce.

Conn. Gen. Stat. § 42-110b. In its supplemental briefing, LLT cites a slew of cases from this district holding that “a Lanham Act violation is an automatic CUTPA violation.” *See Conn. Cmty. Bank v. Bank of Greenwich*, 578 F. Supp. 2d 405, 412 (D. Conn. 2008). As a result, LLT argues that I may “enter judgment as a matter of law under CUTPA when the elements of a Lanham Act violation have been established.” Pl.’s Suppl. Damages Br., Doc. No. 245, at 4 (also citing, e.g., *Timex Corp. v. Stoller*, 961 F. Supp. 374, 381 (D. Conn. 1997); *Dial Corp. v. Manghnani Inv. Corp.*, 659 F. Supp. 1230, 1238–39 (D. Conn. 1997); *Chauvin Int’l v. Goldwitz*, 927 F. Supp. 40, 49 n.22 (D. Conn. 1996), *aff’d mem. sub nom. B.U.M. Int’l v. Goldwitz*, 113 F.3d 1229 (2d Cir. 1997) (table)). Voss complains that LLT did not pursue its CUTPA claim at summary judgment, and suggests that actual damages are required to establish a CUTPA violation. *See* Def.’s Suppl. Damages Br., Doc. No. 247, at 6.

Voss’s first argument founders on courts’ repeated holdings that “CUTPA is co-extensive with the Lanham Act in trademark cases.” *Argus Res. Grp. v. Argus Media*, 562 F. Supp. 2d 260, 279 (D. Conn. 2008). Having argued its Lanham Act claim, LLT was not required to repeat itself to establish liability under the co-extensive state statute. Voss’s second argument contradicts CUTPA’s text—which “expressly contemplates plaintiffs’ judgments which do not include an award of money damages,” *see Hinchliffe v. Am. Motors Corp.*, 184 Conn. 607, 618 (1981)

(citing Conn. Gen. Stat. § 42-110g(d))—and ignores cases in which courts have held defendants liable under CUTPA even without evidence of actual damages. *See Tillquist v. Ford Motor Credit Co.*, 714 F. Supp. 607, 617 (D. Conn. 1989) (awarding punitive damages and attorneys’ fees under CUTPA even though “the plaintiff ha[d] failed to show any actual damages”).

Although “ascertainable losses” are required to obtain an award of *compensatory damages* under CUTPA, liability may be established (and attorneys’ fees and punitive damages awarded) “even if . . . the plaintiff has not suffered ascertainable damages.” *See Jacques All Trades Corp. v. Brown*, 42 Conn. App. 124, 130–31 (1996). Therefore, because I already have held that Voss violated the Lanham Act, I also hold that it violated CUTPA.

B. Remedies

Having formally held that Voss is liable to LLT on Counts One, Two, and Five of the Amended Complaint, I turn to the issue of remedies. First, I convert the preliminary injunction I awarded to LLT into a permanent injunction. In my ruling on LLT’s motion for a preliminary injunction, I invited Voss to “propose[] a sufficiently-limited use of the name [‘Lavatec’] that would not cause confusion or infringe on LLT’s mark.” *See Lavatec Laundry Tech. GmbH v. Lavatec, Inc.*, 2014 WL 6633047, at *2 (D. Conn. Nov. 21, 2014). Voss has not done so. Because LLT “actually succeed[ed] [on] the merits,” *Ladd v. Thomas*, 14 F. Supp. 2d 222, 224 (D. Conn. 1998), I now convert the preliminary injunction into a permanent injunction pursuant to Rule 65. *See Rodriguez ex rel. Rodriguez v. DeBuono*, 175 F.3d 227, 235 (2d Cir. 1999); *see also Am. Freedom Defense Initiative v. Metro. Transp. Auth.*, 889 F. Supp. 2d 606, 611 (S.D.N.Y. 2012) (converting an existing preliminary injunction into a permanent injunction).

With regard to LLT’s requests for additional remedies, I distinguish between Voss’s conduct prior to my ruling on ownership (which did not show bad faith or willful infringement)

and its conduct since. Following my ruling of September 3, 2014 and Injunction Order of November 21, 2014, Voss demonstrated at the very least a lackadaisical attitude toward its duty to comply with the injunction, despite repeated warnings that—should Voss continue to ignore my orders—“I w[ould] not hesitate to hold it in contempt.” *See, e.g.*, Mot. Hr’g Tr., Doc. No. 204, at 49. Because Voss has not “brought [it]sel[f] into substantial compliance” with the Injunction Order, *Latino Officers Ass’n v. City of New York*, 519 F. Supp. 2d 438, 446 (S.D.N.Y. 2007), and has fallen far short of making “diligent and energetic efforts to comply,” *Chao v. Gotham Registry*, 514 F. 3d 280, 293 (2d Cir. 2007), I hold that Voss has been in contempt from June 5, 2015 through February 23, 2017.⁵

As a civil sanction, and as permitted under the Lanham Act, I award LLT a nominal amount in compensation for Voss’s contempt. *See* 15 U.S.C. § 1117(a) (authorizing the court “in its discretion [to] enter judgment for such sum as the court shall find to be just”). I also award LLT costs and attorneys’ fees under the Lanham Act and CUTPA, because Voss’s litigation misconduct renders this case “exceptional.” *Id.*; *see* Conn. Gen. Stat. § 42-110g(d). Nevertheless, because Voss’s initial infringement was not willful, I decline to award LLT disgorged profits (enhanced or otherwise) from 2011 to 2014. Finally, pursuant to ACPA, 15 U.S.C. § 1125(d)(1)(C), I order that Voss transfer ownership of the lavatec.com domain name to LLT.

1. *Before the Ruling on Ownership*

Section 35(a) of the Lanham Act permits a court to award a successful plaintiff the “defendant’s profits.” 15 U.S.C. § 1117(a). Such an award is variously termed disgorgement or

⁵ June 5, 2015 was the date on which I took LLT’s earlier motion for contempt under advisement. *See* Order, Doc. No. 177. February 23, 2017 is the most recent date for which LLT has provided evidence of contempt. *See* Mem. Supp. Mot. Contempt, Doc. No. 248-1, at 7.

an accounting of profits. In calculating profits, “the plaintiff shall be required to prove defendant’s sales only; defendant must prove all elements of cost or deduction claimed.” *Id.*

Although I previously held that Voss infringed LLT’s trademark and have already issued an injunction at LLT’s request, *see Lavatec*, 2014 WL 6633047, “an accounting is not an automatic concomitant of the grant of injunctive relief.” *Scarves by Vera v. Todo Imports*, 544 F.2d 1167, 1175 (2d Cir. 1976) (internal quotation marks omitted). Instead, “[i]n order to recover an accounting of an infringer’s profits, a plaintiff must prove that the infringer acted in bad faith” or with “willful deceptiveness.” *Int’l Star Class Yacht Racing Ass’n v. Tommy Hilfiger, USA*, 80 F.3d 749, 753 (2d Cir. 1996) (“ISCYRA”); *Merck Eprova AG v. Gnosis S.p.A.*, 760 F.3d 247, 261 (2d Cir. 2014); *accord Klein-Becher USA v. Englert*, 711 F.3d 1153, 1161 (10th Cir. 2013) (“Under the Lanham Act, plaintiffs must show . . . willful action on the part of the defendant as a prerequisite to recover disgorgement of profits.”). “[A] court need not find that an infringer acted maliciously to find willful infringement,” however. *Fitzgerald Publ’g Co. v. Baylor Publ’g Co.*, 807 F.2d 1110, 1115 (2d Cir. 1986). Rather, “a defendant’s knowledge that its actions constitute an infringement establishes that the defendant acted willfully,” and “something less than proof of actual knowledge will suffice to establish knowledge and, hence, willfulness.” *Id.* For example, “[b]ad faith may be inferred from the junior user’s actual or constructive knowledge of the senior user’s mark,” so long as the infringer “inten[ded] to promote confusion or exploit good will or reputation.” *Star Indus. v. Bacardi & Co.*, 412 F.3d 373, 388 (2d Cir. 2005); *see Fitzgerald Publ’g Co.*, 807 F.2d at 1115 (“[A] defendant’s knowledge that its actions constitute an infringement establishes that the defendant acted willfully”); *accord Fishman Transducers v. Paul*, 684 F.3d 187, 191 (1st Cir. 2012) (“[W]illfulness requires a conscious awareness of

wrongdoing . . . or at least conduct deemed ‘objectively reckless’ measured against standards of reasonable behavior.”) (quoting *Safeco Ins. Co. of Am. v. Burr*, 551 U.S. 47, 57–58 (2007)).

Once willfulness or bad faith has been established—and assuming that injunctive relief does not “provide[] a complete and adequate remedy,” *Tamko Roofing Prods. v. Ideal Roofing Co.*, 282 F.3d 23, 35 (1st Cir. 2002)—I must “perform [an] equitable analysis” to determine whether the plaintiff is “entitled to any award of profits.” See *Romag Fasteners v. Fossil, Inc.*, 29 F. Supp. 3d 85, 107 (D. Conn. 2014), *aff’d*, 817 F.3d 782 (Fed. Cir. 2016), *vacated on other grounds*, ___ U.S. ___, 137 S. Ct. 1373 (2017). The Lanham Act’s “invocation of equitable principles . . . vests the district court with some degree of discretion in shaping [monetary] relief.” *George Basch Co. v. Blue Coral, Inc.*, 968 F.2d 1532, 1537 (2d Cir. 1992). At the same time, the statutory language also requires that I “weigh ‘principles of equity’ before awarding disgorged profits.” See *Englert*, 711 F.3d at 1161 (quoting 15 U.S.C. § 1117(a)). The Second Circuit has suggested the following non-exhaustive list of equitable factors to consider: “(1) the degree of certainty that the defendant benefited from the unlawful conduct; (2) availability and adequacy of other remedies; (3) the role of a particular defendant in effectuating the infringement; (4) plaintiff’s laches; and (5) plaintiff’s unclean hands.” See *George Basch*, 968 F.2d at 1540; *cf. Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 554 (5th Cir. 1998) (listing similar factors and adding “the public interest in making the misconduct unprofitable”). My discretion “lies in assessing the relative importance of th[o]se factors and determining whether, on the whole, the equities weigh in favor of an accounting.” *George Basch*, 968 F.2d at 1540.

Here, I “need not perform th[e] equitable analysis” because I conclude that “[LLT] fail[ed] to prove that [Voss]’s trademark infringement was willful.” *Romag Fasteners*, 29 F. Supp. 3d at 107. As noted above, in order to show that Voss willfully infringed LLT’s trademark,

LLT must prove by a preponderance of the evidence that Voss “acted in bad faith,” *ISCYRA*, 80 F.3d at 753, “kn[ew] that its actions constitute[d] an infringement,” *Fitzgerald Publ’g Co.*, 807 F.2d at 1115, or—having “actual or constructive knowledge of [LLT]’s mark”—“inten[ded] to promote confusion or exploit good will or reputation.” *Star Indus.*, 412 F.3d at 388. LLT has not met any of those standards. LLT’s theory is that, after the 2009 bankruptcies, Old Lavatec’s “accountant, tax and business advisor,” Herman Bernstein, “put in motion a plan to hijack the LAVATEC trademark in the United States from Lavatec Germany” because “he felt ‘[he] couldn’t sell the company’ without owning the LAVATEC trademark.” *See* Pl.’s Damages Br., Doc. No. 215, at 4. LLT further alleges that, after purchasing Old Lavatec’s assets, Voss “ratified [] Bernstein’s bad faith attempts to hijack the Lavatec trademark.” *Id.* at 7. LLT notes that Bernstein “never consulted with any attorney concerning ownership of the LAVATEC trademark,” and that his trademark application “listed products never manufactured by Old Lavatec, and . . . contained pictures of products never manufactured by Old Lavatec.” *Id.* at 4–5. In addition, LLT cites email correspondence that (according to LLT) shows that “as early as May 2010, [] Bernstein [and Voss] w[ere] aware that Lavatec Germany’s intellectual property, including the LAVATEC trademark, had been sold to [LLT].” *Id.* at 5.

I do not consider the aforementioned evidence to be as damning as LLT contends. LLT plausibly has shown that Bernstein exceeded his authority in attempting to register the Lavatec trademark, and that he and Voss knew that LLT claimed to own the mark. But I do not think that those actions show that Voss “acted in bad faith” or “kn[ew] that its actions constitute[d] an infringement.” *ISCYRA*, 80 F.3d at 753; *Fitzgerald Publ’g Co.*, 807 F.2d at 1115. First, “refusal to abandon a mark in the face of a cease and desist letter cannot demonstrate bad faith standing alone,” because the alleged infringer might “reasonably believe[] its mark does not

infringe.” *O’Keefe v. Ogilvy & Mather Worldwide*, 590 F. Supp. 2d 500, 525 (S.D.N.Y. 2008). Here, Voss responded to the cease and desist letter by consulting outside counsel, conducting “a due diligence investigation to determine if the U.S. rights to the LAVATEC trademark had actually been sold to [LLT],” and contacting an attorney for the “German [bankruptcy] trustee . . . handling the insolvency of Lavatec Germany,” who apparently told Voss’s counsel “that the rights to the U.S. trademark LAVATEC had not been sold to [LLT].” Def.’s Damages Br., Doc. No. 217, at 8–9. Although I concluded in my ruling on ownership that the German attorney was mistaken, and that the trademark had been sold to LLT, that does not mean that Voss exhibited bad faith in relying reasonably (albeit mistakenly) on her advice.

Second, the complex relationship between Lavatec Germany and Old Lavatec lent itself to confusion about ownership of the mark. Old Lavatec was both Lavatec Germany’s U.S. distributor and (to a much lesser extent) an independent manufacturer. After 1991, Old Lavatec “expanded beyond its role as Lavatec Germany’s distributor and began to manufacture, assemble, and sell non-Lavatec laundry equipment.” *Lavatec*, 47 F. Supp. 3d at 141. The company also “manufacture[d] and s[old] folding machines under the Lavatec name in the United States,” and “ordered nameplates bearing the Lavatec mark from Lavatec Germany and affixed them to the equipment it manufactured and most of the products it sourced from non-Lavatec third parties.” *Id.* “Both Lavatec Germany and Old Lavatec marketed and advertised Lavatec products in the United States,” and both “Germany- and U.S.-based Lavatec representatives were involved” in the first American sale of Lavatec products. *Id.* at 142–43. In addition, before 2009, “no Lavatec entity had applied to register the mark in the United States . . . or entered into any agreement or promulgated a policy concerning use of the mark.” The agreement under which LLT purchased Lavatec Germany’s assets “did not expressly include any

United States trademark,” and “stated that Lavatec Germany did not have the exclusive right to the trade name ‘Lavatec’ everywhere, including in the United States.” *Id.* at 144.

That corporate history undercuts LLT’s arguments that Voss “acted in bad faith” or “kn[ew] that its actions constitute[d] an infringement.” *See ISCYRA*, 80 F.3d at 753; *Fitzgerald Publ’g Co.*, 807 F.2d at 1115. In my ruling on ownership, I noted that “[t]here [was] no evidence that Lavatec Germany endorsed or controlled the decision to apply the Lavatec mark to third-party or Old Lavatec equipment,” nor did the evidence “meaningfully demonstrate that Lavatec Germany controlled the mark with respect to the quality of the U.S.-sourced equipment.” *Lavatec*, 47 F. Supp. 3d at 149–50. Old Lavatec also “eventual[ly] control[led] . . . the advertising of Lavatec products and services to U.S. customers.” *Id.* at 150. Those facts “do not save [Voss]’s claim to the right of ownership of the mark,” *id.* at 151, but they do suggest that Voss could have had a reasonable, good faith belief that it was entitled to use the Lavatec trademark with respect to U.S.-sourced and manufactured products. At the very least, the facts rebut LLT’s claim that Voss intentionally or knowingly infringed upon its trademark.

LLT also argues that I may draw “an inference of bad faith,” *ISCYRA*, 80 F.3d at 753, because Voss—having “actual or constructive knowledge of [LLT]’s mark”—“inten[ded] to promote confusion or exploit good will or reputation.” *See Star Indus.*, 412 F.3d at 388; *see also* Pl.’s Damages Br., Doc. No. 215, at 8 (“Despite awareness of Plaintiff’s trademark rights . . .”). LLT recalls that in my Injunction Order, I “determined that ‘likelihood of confusion is moreover clear simply because New Lavatec persists in using a mark and logo that are not merely similar but in fact identical to LLT’s, and because New Lavatec persists in using them on the same class of goods and services as LLT’s.’” Mem. Supp. Mot. Contempt, Doc. No. 248-1, at 4 (quoting *Lavatec*, 2014 WL 6633047, at *1). But simply because confusion is *likely* does not mean that it

is *intended*, and the record indicates that—far from seeking to “exploit [LLT’s] good will or reputation,” *see Star Indus.*, 412 F.3d at 388—Voss initially wished simply to underscore its continuity with Old Lavatec. For the period prior to my ruling on ownership, I decline to draw “an inference of bad faith,” *see ISCYRA*, 80 F.3d at 753, merely because Voss continued to employ a trade name that “ha[d] been in use for some time.” *See Lavatec*, 2014 WL 6633047.

In short, I conclude that LLT has not carried its burden to show by a preponderance of the evidence that Voss willfully infringed LLT’s trademark during the initial period of use. *See Fishman Traducers v. Paul*, 684 F.3d 187, 194 (1st Cir. 2012) (applying the preponderance of the evidence standard to the Lanham Act). Therefore, I decline to order disgorgement of profits under the Lanham Act for the period prior to my ruling on ownership of the mark.

2. *After the Ruling on Ownership*

I have concluded that, prior to my ruling on ownership, Voss used the Lavatec trademark in good faith. Since the ownership decision, however, Voss’s conduct has “bec[o]me increasingly frivolous, wasting judicial resources and driving up [LLT]’s costs and attorney’s fees.” *See Pl.’s Damages Br.*, Doc. No. 215, at 12. Along with its claim for damages, LLT has brought another motion for contempt, accusing Voss of engaging in “purposefully dilatory tactics,” “frivolous” arguments, and “bad faith” litigation efforts. *See id.* at 11–15. I have called LLT’s previous contempt motions “strong,” *Mot. Hr’g Tr.*, Doc. No. 182, at 58, and warned Voss that if it did not demonstrate compliance, “I [would] not hesitate to hold it in contempt.” *Mot. Hr’g Tr.*, Doc. No. 204, at 49. Despite my indulgence and repeated warnings, however, Voss’s continued noncompliance has forced LLT to file a fourth motion for contempt. Enough is enough. I hereby hold Voss in contempt of court.

a. Contempt Sanctions

“A party who violates an injunction entered by the district court faces the threat of both civil and criminal contempt.” *Paramedics Electromedicina Commercial, Ltda v. GE Med. Sys.*, 369 F.3d 645, 657 (2d Cir. 2004) (“*Paramedics*”). “[C]ivil contempt sanctions”—the only kind sought by LLT here—“may serve dual purposes: to secure future compliance with court orders and to compensate the party that has been wronged.” *Id.* “To the extent that a contempt sanction is coercive,” the district judge has “broad discretion to design a remedy that will bring about compliance.” *Id.* at 657. When a fine “is compensatory in purpose,” however, “the sanction should correspond at least to some degree with the amount of damages.” *Id.* at 658. Civil contempt sanctions may simultaneously “be both coercive and compensatory,” but they “may not be imposed as a purely punitive measure.” *Id.* at 657–58.

Because “the judicial power of contempt is circumscribed, . . . failure to meet the strict requirements of an order does not necessarily subject a party to a holding of contempt.” *Chao*, 514 F. 3d at 291 (internal quotation marks omitted). A party “may be held in civil contempt for failure to comply with an order of the court” when (1) “the order being enforced is clear and unambiguous,” (2) “the proof of noncompliance is clear and convincing,” and (3) the contemnor “ha[s] not been reasonably diligent and energetic in attempting to accomplish what was ordered.” *Dunn v. N.Y. State Dep’t of Labor*, 47 F.3d 485, 490 (2d Cir. 1995). “[S]anctions for civil contempt can be imposed without a finding of willfulness,” provided that the violations were “substantial” and the contemnor has “fail[ed] to energetically police compliance.” *Manhattan Indus. v. Sweater Bee by Banff*, 885 F.2d 1, 5 (2d Cir. 1989) (internal quotation marks omitted).

Viewed in the context of this case’s entire history, I have no doubt that Voss’s conduct constitutes contempt of court. First, my previous orders were “clear and unambiguous.” *See Dunn*, 47 F.3d at 490. I straightforwardly held that “LLT is the owner of the ‘Lavatec’

trademark” and specifically enjoined Voss from, among other things, “using the Lavatec name or the Lavatec logo, or any variation thereof, as part of any corporate or trade name, . . . in any advertising, . . . [or] on any webpage.” *See Lavatec*, 47 F. Supp. 3d at 140; *Lavatec*, 2014 WL 6633047, at *2. So clear were my orders that I thought it “mind-boggling” that Voss purported not to “understand the effect of the ruling[s].” *See Mot. Hr’g Tr.*, Doc. No. 182, at 57–58.

Second, LLT has provided “clear and convincing” proof of Voss’s noncompliance. *See Dunn*, 47 F.3d at 490. Voss does not seriously contest the incidents that LLT cites as grounds for sanctions. Most damningly, Voss appears to have placed “[t]he Lavatec trademark . . . on both [] parts and [a] Quality Control Test Certificate” that were manufactured in February 2017 and shipped to the parts distributor Maxi-press.⁶ *See Mem. Supp. Mot. Contempt*, Doc. No. 248-1, at 4. Voss does not even address, yet alone challenge, LLT’s damaging inference that the “parts were manufactured, post-injunction, with the LAVATEC trademark.” *Reply Mem. Supp. Mot. Contempt*, Doc. No. 252, at 2. Such conduct evidences a bad faith effort by Voss to trade off goodwill associated with the Lavatec mark, nearly two-and-a-half years after I held that the mark belonged to LLT (and after several warnings that Voss risked being held in contempt of court). *See, e.g.*, *Order*, Doc. No. 177 (taking LLT’s earlier motion for contempt under advisement).

Third, Voss unquestionably “has not been reasonably diligent and energetic in attempting to comply.” *Chao*, 514 F.3d at 291. LLT’s present motion is its fourth meritorious argument that Voss has not complied with the injunction, nearly three years after I ruled that LLT owned the Lavatec trademark. *See Lavatec*, 47 F. Supp. 3d at 140. Despite the age of the injunction and my repeated entreaties, Voss not only has failed to remove the Lavatec trademark from all products

⁶ Lavatec asserts, and Voss does not dispute, that “a Quality Control [T]est is only performed when a part is first manufactured by the manufacturer.” *Mem. Supp. Mot. Contempt*, Doc. No. 248-1, at 4. The Quality Control Test Certificate was dated February 23, 2017. *Id.* at 7.

itself, but also did not adequately induce its distributors to remove the trademark once the products were sold. The most that Voss did, by its own representation, was “sen[d] a letter to Maxi-press reminding [it] of the requirement to remove the Lavatec name before the sale of the panels to a customer.” *See* Opp’n Mot. Contempt, Doc. No. 251, at 2. Given that I repeatedly have put Voss on notice of the need to “energetically police compliance” with the injunction, *Manhattan Indus.*, 885 F.2d at 5, that belated letter to Maxi-press did not remotely satisfy Voss’s duty to make “diligent and energetic efforts to comply.” *Chao*, 514 F.3d at 293.

In deciding whether Voss should be sanctioned for its violations of the injunction, I also take note of Voss’s perverse litigation conduct. Following my ruling on ownership, Voss continued to pursue “frivolous” counterclaims on the theory that—despite being the successor to Lavatec Germany and owning the Lavatec trademark—LLT had “no right to claim that [it was] the original Lavatec” or “the only source of genuine Lavatec parts.” *See* Mot. Hr’g Tr., Doc. No. 182, at 3, 8. At the June 5, 2015 hearing, I called that argument “frivolous . . . on its face,” “entirely inconsistent with the ruling,” and “mind-boggling,” *id.* at 28, 57–58, yet in its recent supplemental damages memorandum, Voss persists in arguing that LLT “clearly was not the prevailing party in challenging the counterclaims” because I dismissed several of the claims without prejudice to refile in state court. Def.’s Suppl. Damages Br., Doc. No. 247, at 11.

Furthermore, in that same memorandum, Voss makes several meritless arguments to oppose LLT’s request for attorneys’ fees under CUTPA. As noted above, LLT cites many cases from this district holding that “a Lanham Act violation is an automatic CUTPA violation.” *Conn. Cmty. Bank*, 578 F. Supp. 2d at 412; *see* Pl.’s Suppl. Damages Br., Doc. No. 245, at 4 (also citing, e.g., *Timex Corp.*, 961 F. Supp. at 381; *Dial Corp.*, 659 F. Supp. at 1238–39; *Chauvin Int’l*, 927 F. Supp. at 49 n.22). Despite that clear authority, however, Voss argues that LLT is not

entitled to attorneys' fees under CUTPA because LLT "failed to make a claim for actual damages," Def.'s Suppl. Damages Br., Doc. No. 247, at 7, even though "profits" are characterized as a form of "damages" under the Lanham Act. *See Louis Vuitton Malletier SA*, 676 F.3d at 105 ("Under [s]ection 35 of the Lanham Act, a plaintiff . . . may recover actual damages equal to '(1) defendant's profits'" (quoting 15 U.S.C. § 1117(a)); *George Basch*, 968 F.2d at 1539 ("Historically, an award of defendant's profits has . . . served as a rough proxy measure of plaintiff's damages."). Moreover, because fees are "based on the work reasonably performed by an attorney and not on the amount of recovery," Conn. Gen. Stat. § 42-110g(d), a court may award damages under CUTPA "even if . . . the plaintiff has not suffered ascertainable damages." *Thames River Recycling v. Gallo*, 50 Conn. App. 767, 795 (1998); *see also Marinos v. Poirot*, 308 Conn. 706, 713 (2013) (CUTPA plaintiffs need not "put a precise dollars and cents figure on their loss."). Again, "a Lanham Act violation is an *automatic* CUTPA violation," *Conn. Cmty. Bank*, 578 F. Supp. 2d at 412 (emphasis added), and Voss provides no authority for its attempt to limit the class of automatic violations to the small set of Lanham Act cases in which actual damages were recovered.

Voss later makes the even more frivolous argument that LLT cannot recover fees under CUTPA because it "has failed to identify attorney fees that are attributable to a CUTPA claim." Def.'s Suppl. Damages Br., Doc. No. 247, at 9. Voss contends that, because "Defendant's profits as an equitable remedy . . . are not available under CUTPA," I must "apportion the fees between the [Lanham Act and CUTPA] claims." *Id.* at 10. That is nonsensical on two counts. First, equitable relief *is* available under CUTPA: the statute specifically permits me to award, "in addition to damages or in lieu of damages, injunctive or other equitable relief." Conn. Gen. Stat. § 42-110g(d). Second, as noted, "a Lanham Act violation is a *per se* violation of CUTPA," and

the two statutes are “co-extensive . . . in trademark cases.” *Indiaweekly.com v. Nehaflix.com*, 596 F. Supp. 2d 497, 506 (D. Conn. 2009); *Argus Res. Grp.*, 562 F. Supp. 2d at 279. Because conduct that violates the Lanham Act “automatically violate[s]” CUTPA, *Chauvin Int’l*, 927 F. Supp. at 49 n.22, there is no reason to apportion fees between the “co-extensive” claims. *Argus Res. Grp.*, 562 F. Supp. 2d at 279. Voss’s argument to the contrary is entirely meritless.

As long ago as June 2015, I observed that it “appear[ed] to me that [Voss] . . . [was] doing everything [it] c[ould] to run up fees [and] keep this case going.” Mot. Hr’g Tr., Doc. No. 182, at 27. The subsequent two-and-a-half years of litigation have not changed my view.

Considering LLT’s multiple motions to induce Voss to comply, as well as Voss’s demonstrably cavalier attitude toward the injunction, I am “persuaded that civil relief is warranted here not merely to compensate [LLT], but to ensure compliance . . . in the future.” *Manhattan Indus.*, 885 F.2d at 6 n.2. I order Voss to pay a nominal amount to LLT as a compensatory contempt sanction, and \$5,000 to the court as a coercive contempt sanction.

i. Compensatory Sanction

In a contempt proceeding, the court “has the authority to award the injured party compensatory damages for injuries suffered as a result of the contempt.” *Fendi Adele S.R.L. v. Burlington Coat Factory Warehouse Corp.*, 642 F. Supp. 2d 276, 299 (S.D.N.Y. 2009). Upon a finding of contempt in trademark cases, courts often award “the net profits defendants earned from selling [] [m]erchandise in violation of the [Injunction] Order.”⁷ *See NBA v. Design Mgmt.*

⁷ In addition to the inherent judicial power of contempt, the Lanham Act also empowers me to award an approximation of Voss’s profits to LLT. Section 35(a) of the statute “entitle[s]” a “successful plaintiff . . . to recover . . . defendant’s profits,” and also permits the court “in its discretion [to] enter judgment for such sum as the court shall find to be just, according to the circumstances of the case.” 15 U.S.C. § 1117(a). Although I have declined to award LLT profits for Voss’s initial infringement on the basis that the infringement was not “willful” or “in bad faith,” *see Gnosis S.p.A.*, 760 F.3d at 261; *ISCYRA*, 80 F.3d at 753, Voss’s infringement during

Consultants, 289 F. Supp. 2d 373, 378 (S.D.N.Y. 2003) (citing *Manhattan Indus.*, 885 F.2d at 7); *see also, e.g., A.V. by Versace v. Gianni Versace S.p.A.*, 87 F. Supp. 2d 281, 296 (S.D.N.Y. 2000) (ordering “a compensatory fine . . . equal to any and all profits earned . . . until [the contemnor] can demonstrate that the advertisement or sale was undertaken in compliance with [the Injunction] Order”), *judgment aff’d*, 213 F. App’x 34 (2d Cir. 2007) (summary order); *Amity Leather Prods. Co. v. RGA Accessories*, 849 F. Supp. 871, 875 (S.D.N.Y. 1994) (“[P]laintiff is entitled to compensation for defendant’s unlawful use [T]o avoid defendant’s unjust enrichment, [defendant] must provide an accounting and pay [plaintiff] the profits made on sales of the [infringing] product”), *aff’d mem.*, 22 F.3d 1091 (2d Cir. 1994) (unpublished).

Although I am convinced that a monetary award is needed “to secure future compliance with court orders and to compensate the party that has been wronged,” *see GE Med. Sys.*, 369 F.3d at 657, LLT has not provided sufficient evidence for me to calculate “the net profits [Voss] earned from . . . violation of the [Injunction] Order.” *See Design Mgmt. Consultants*, 289 F. Supp. 2d at 378. The only evidence of Voss’s profits that LLT has offered covers the period from 2011 through 2014, entirely outside the period of contempt. True, compensatory contempt sanctions need only “correspond . . . to some degree with the amount of damages,” *GE Med. Sys.*, 369 F.3d at 658, but because such sanctions are intended to be “remedial” rather than

the period of contempt stands on different footing. Indeed, Voss’s “contempt . . . , standing alone, establish[es] [] willfulness . . . [and] bad faith” for the period in which Voss has been in contempt. *See Proj. Strategies Corp. v. Nat’l Comm’ns Corp.*, 948 F. Supp. 218, 222 (E.D.N.Y. 1996). As for the Second Circuit’s equitable factors, (1) it is “certain[] that the defendant benefited from the unlawful conduct”; (2) there are no other remedies because LLT’s damages are unquantifiable; (3) Voss individually “effectuat[ed] the infringement”; (4) laches does not apply; and (5) unclean hands does not apply. *See George Basch*, 968 F.2d at 1540. Hence, the Lanham Act also provides ample grounds to order Voss to disgorge its profits to Voss. *See Proj. Strategies Corp.*, 948 F. Supp. at 222–23 (observing that profits award could be “attributable to civil contempt or to a violation of . . . the Lanham Act”).

“punitive,” *see Manhattan Indus.*, 885 F.2d at 6 n.2, I will not allow LLT to reap a windfall of speculative profits that it has not proved. Nor has LLT made any effort to isolate the portion of Voss’s profits that were derived from its contempt; presumably, Voss has not violated the injunction with every sale made since June 2015. Therefore, I will award LLT only the nominal amount of \$100 as a compensatory sanction for Voss’s contempt.

ii. Coercive Sanction

In addition to the nominal compensatory contempt sanction, I conclude that a coercive contempt sanction against Voss is necessary “to secure future compliance with court orders.” *See Paramedics*, 369 F.3d at 657. The Second Circuit has instructed me “to consider several factors in calculating a [coercive] fine,” *id.* at 658, including “‘the character and magnitude of the harm threatened by continued contumacy,’ the ‘probable effectiveness of any suggested sanction in bringing about [compliance],’ and the contemnor’s ability to pay.” *Id.* (quoting *Perfect Fit Indus. v. Acme Quilting Co.*, 673 F.2d 53, 57 (2d Cir. 1982)). The factors support a coercive sanction.

First, “the character and magnitude of the harm threatened by continued contumacy” are substantial. *See id.* This case has dragged on for more than three years following my ruling on ownership precisely because of Voss’s relentless efforts to ignore the effects of that decision. Voss’s conduct wasted my time as well as LLT’s. I do not intend to let Voss continue to “thumb[] its nose at me,” Mot. Hr’g Tr., Doc. No. 204, at 49, by prolonging this case further.

Second, a coercive contempt sanction will be more “effective[]” than the nominal compensatory contempt sanction “in bringing about [compliance].” *See Paramedics*, 369 F.3d at 658. Voss has already shown itself willing to “run up fees [and] keep this case going” in the face of the injunction, *see* Mot. Hr’g Tr., Doc. No. 182, at 27, and I have no reason to believe that a

merely nominal sanction will deter it now. Stronger medicine, in the form of a coercive contempt sanction, is necessary to ensure Voss's compliance.

Finally, although “[a] contemnor may be excused from the burden of a civil contempt sanction if it lacks the financial capacity to comply,” Voss “bears the burden of production in raising such a defense.” *Paramedics*, 369 F.3d at 658. Voss has not carried that burden: the evidence of its lack of profits through 2014 does not show that it is unable to pay a contempt fine today. Voss has long been on notice that it might be held in contempt, and its “failure to provide financial information upon which the burden of a sanction may be evaluated” does “not . . . [mean] that the district court [would] abuse[] its discretion in imposing the sanction.” *See id.*

I hereby order Voss to pay a coercive contempt sanction of \$5,000. That amount is reasonable in light of “the character and magnitude of the harm threatened by continued contumacy,” and appears likely to be “effective[]” in ensuring Voss's compliance. *See id.* Voss has not shown that it “lacks the financial capacity” to pay the fine. *See id.* Therefore, I direct Voss to pay the sum of \$5,000 to the Clerk of Court within 30 days.

b. Costs and Attorneys' Fees

LLT argues that it is entitled to costs and attorneys' fees under either the Lanham Act or CUTPA.⁸ I agree. Voss's contempt since June 2015 makes this case “exceptional” for purposes

⁸ LLT may seek attorneys' fees under either statute, because the Lanham Act does not “preempt[] state unfair competition law.” *Attrezzi, LLC v. Maytag Corp.*, 436 F.3d 32, 41 (1st Cir. 2006); *see also JCW Invs. v. Novelty, Inc.*, 482 F.3d 910, 919 (7th Cir. 2007) (“[T]o the extent that state substantive law survives and is coterminous with federal law in this area, state law remedies should survive as well. In the area of trademark law, preemption is the exception rather than the rule.”); *Macia v. Microsoft Corp.*, 152 F. Supp. 2d 535, 540 (D. Vt. 2001) (“Because the basic purpose of the Lanham Act is to protect trademark holders and the public, state law which arguably provides greater protection does not conflict with the Act, but complements it.”), *judgment aff'd*, 164 F. App'x 17 (2d Cir. 2006) (summary order).

of a fee award under the Lanham Act. *See* 15 U.S.C. § 1117(a). I also exercise my discretion to award LLT fees as a prevailing plaintiff under CUTPA. *See* Conn. Gen. Stat. § 42-110g(d).

i. Basis for Costs and Attorneys' Fees

The Lanham Act permits a court to “award reasonable attorney fees to the prevailing party” in “exceptional cases.” 15 U.S.C. § 1117(a). Construing identical language in the Patent Act, the Supreme Court recently held that “an ‘exceptional’ case is simply one that stands out from others with respect to the substantive strength of a party’s litigating position . . . or the unreasonable manner in which the case was litigated.” *Octane Fitness v. ICON Health & Fitness*, ___ U.S. ___, ___, 134 S. Ct. 1749, 1756 (2014); *see Romag Fasteners v. Fossil, Inc.*, ___ F.3d ___, ___, 2017 WL 3401337, at *3 (Fed. Cir. 2017) (concluding that “the Second Circuit would hold that, in light of *Octane [Fitness]*, the Lanham Act should have the same standard for recovering attorney's fees as the Patent Act.”); *SunEarth, Inc. v. Sun Earth Solar Power Co.*, 839 F.3d 1179, 1180 (9th Cir. 2016) (noting that “the fee-shifting provisions in the Patent Act and the Lanham Act . . . are ‘parallel and identical,’” and holding that *Octane Fitness* establishes “the standard for fee-shifting under the Lanham Act”) (quoting *Ga.-Pac. Consumer Prods. v. von Drehle Corp.*, 781 F.3d 710, 720 (4th Cir. 2015)). “There is no precise rule or formula” for determining that a case is “exceptional,” but district courts may “consider a ‘nonexclusive’ list of ‘factors,’ including ‘frivolousness, motivation, objective unreasonableness (both in the factual and legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence.’” *Octane Fitness*, 134 S. Ct. at 1756 & n.6 (quoting *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 534 & n.19 (1994)).

In *Louis Vuitton Malletier SA*, the Second Circuit indicated that “the prerequisite to a finding that the case is sufficiently ‘exceptional’ to warrant an award of fees” under the Lanham

Act “is that the infringement was ‘willful’ or in ‘bad faith.’” 676 F.3d at 108–09. Elsewhere, however, the Second Circuit has held that “a district court has the discretion to award fees” for “a party’s sanctionable conduct,” *see Matthew Bender & Co. v. West Publ’g Co.*, 240 F.3d 116, 121 (2d Cir. 2001), as when “a losing party prosecuted or defended a claim in bad faith.” *Universal City Studios v. Nintendo Co.*, 797 F.2d 70, 77 (2d Cir. 1986). In addition, the reference to willfulness and bad faith in *Louis Vuitton Malletier SA* may no longer be good law after *Octane Fitness*. The Ninth Circuit held that *Octane Fitness* superseded its caselaw requiring that “a plaintiff show that a defendant engaged in ‘malicious, fraudulent, deliberate or willful’ infringement” for a case to be “exceptional.” *SunEarth*, 839 F.3d at 1180; *see id.* at 1181 (“*Octane Fitness* . . . altered the analysis of fee applications under the Lanham Act”). So, too, the Federal Circuit recently predicted that “the Second Circuit [would] follow other circuits which have held that the *Octane [Fitness]* standard applies to the Lanham Act,” which would overturn precedent “allow[ing] recovery of attorney’s fees under 15 U.S.C. § 1117(a) only if there was bad faith or willful infringement.” *Romag Fasteners*, 2017 WL 3401337, at *2.

Regardless whether *Octane Fitness* abrogated *Louis Vuitton Malletier SA*’s requirement of willful infringement, there is “no clearer indicator of conduct that is deliberate and wilful than a finding of civil contempt.” *Proj. Strategies Corp.*, 948 F. Supp. at 223. Voss’s “sanctionable conduct,” which formed the basis for holding Voss in contempt, renders this case “exceptional” for the purpose of awarding attorneys’ fees under the Lanham Act. *See Matthew Bender & Co.*, 240 F.3d at 121. I award LLT reasonable attorneys’ fees during the period of contempt (June 5, 2015, through the date of this order) under the Lanham Act.

As an alternative to seeking fees under the Lanham Act, LLT also asserts that it is entitled to fees under CUTPA.⁹ CUTPA provides that a “court may award, to the plaintiff . . . costs and reasonable attorneys’ fees based on the work reasonably performed by an attorney and not on the amount of recovery.” Conn. Gen. Stat. § 42-110g(d). “Awarding . . . attorney’s fees under CUTPA is discretionary,” but the Connecticut legislature provided for such fees “[i]n order to encourage attorneys to accept and litigate CUTPA cases” and to further the statute’s goals by “encourag[ing] litigants to act as private attorneys general” and “help to enforce the ban on unfair or deceptive trade practices.” *Hinchliffe v. Am. Motors Corp.*, 184 Conn. 607, 617–18 (1981); *Carillo v. Goldberg*, 141 Conn. App. 299, 316–17 (2013). I may award attorneys’ fees under CUTPA “even if . . . the plaintiff has not suffered ascertainable damages.” *Thames River Recycling*, 50 Conn. App. at 795. Here, due to Voss’s unfair and deceptive conduct and LLT’s substantial success on the merits, I also award LLT its reasonable attorneys’ fees under CUTPA. The fees awarded under CUTPA shall account for LLT’s reasonable costs and expenses dating to the beginning of the litigation.

ii. Amount of Attorneys’ Fees

The “lodestar” amount for attorneys’ fees—what the Second Circuit has called the “presumptively reasonable fee,” *Arbor Hill Concerned Citizens Neighborhood Ass’n v. Cnty. of Albany*, 522 F.3d 182, 183 (2d Cir. 2008) (“*Arbor Hill*”)—“is the product of reasonable hours times a reasonable rate.” *City of Burlington v. Dague*, 505 U.S. 557, 559 (1992). In calculating an award of fees, I first determine the “reasonable hourly rate,” that is, “what a reasonable, paying client would be willing to pay.” *Arbor Hill*, 522 F.3d at 184. Then, I multiply that rate by

⁹ As noted in my discussion of Voss’s litigation conduct, Voss raises a number of meritless objections to LLT’s pursuit of attorneys’ fees under CUTPA, which I need not repeat here.

“the number of hours reasonably expended on the litigation.” *Hensley v. Eckerhart*, 461 U.S. 424, 433 (1983). “[I]n exercising [my] considerable discretion,” I may increase or reduce the amount of the award in accordance with equitable considerations such as the *Johnson* factors. *Arbor Hill*, 522 F.3d at 190; *see, e.g., Serricchio v. Wachovia Sec., LLC*, 706 F. Supp. 2d 237, 255, 262–63 (D. Conn. 2010) (reducing award because [i] “a reasonable client [would] experience ‘sticker shock’ and . . . seek to negotiate a lower fee,” [ii] “a savvy client would recognize potential leverage to negotiate a lower fee from the reputational benefits that would accrue to Plaintiff’s counsel for taking on this representation,” and [iii] “administrative and clerical tasks that could have been performed by a paralegal but were performed by Plaintiff’s counsel should be awarded at the paralegal rate”), *aff’d*, 658 F.3d 169 (2d Cir. 2011).

(i) Reasonable Rate

“[A] reasonable hourly rate is the ‘prevailing market rate,’” that is, “the rate ‘prevailing . . . for similar services by lawyers of reasonably comparable skill, experience, and reputation’ . . . [in] the district in which the court sits.” *Farbotko v. Clinton Cnty.*, 433 F.3d 204, 208 (2d Cir. 2005) (quoting *Blum v. Stenson*, 465 U.S. 886, 896 n.11 (1984)). Put simply, “[t]he reasonable hourly rate is the rate a paying client would be willing to pay.” *Arbor Hill*, 522 F.3d at 190. Where, as here, “a sophisticated client pays attorneys’ fees that it does not know it will necessarily recover, the rate paid is presumptively reasonable.” *Wells Fargo Bank v. Konover*, 2014 WL 3908596, at *6 (D. Conn. Aug. 8, 2014) (citing *Blanchard v. Bergeron*, 489 U.S. 87, 93 (1989)); *see Crescent Publ’g Grp. v. Playboy Enters.*, 246 F.3d 142, 144 (2d Cir. 2001) (“[A]ny evidence of the actual billing arrangement between [the party seeking fees] and its counsel should be considered a significant, though not necessarily controlling, factor in the determination of what fee is ‘reasonable’ . . .”).

For purposes of setting the prevailing market rate, the pertinent community typically is “the forum of the litigation”—even if that is not where “counsel has its primary office”—unless the movant shows that “a reasonable, paying client would have retained out-of-district counsel.” *Id.* at 184 n.2; *Smart SMR of N.Y. v. Zoning Comm’n*, 9 F. Supp. 2d 143, 149 (D. Conn. 1998). Hence, Connecticut district courts typically “consider the billing rates of the District of Connecticut,” even if counsel has its primary offices elsewhere. *See Smart SMR of N.Y.*, 9 F. Supp. 2d at 149. “[T]he fee applicant has the burden of showing by ‘satisfactory evidence—in addition to the attorney’s own affidavits’—that the requested hourly rates are the prevailing market rates.” *Farbotko*, 433 F.3d at 209 (quoting *Blum*, 465 U.S. at 896 n.11).

Attorney David A. Slossberg, a Member of Hurwitz, Sagarin, Slossberg & Knuff, LLC, claims an hourly rate of \$525, based on his “29 years of practice experience, including in complex federal court litigation.” Pl.’s Suppl. Damages Br., Doc. No. 245, at 11. Attorney John E. Greene, an Associate at Klein, Moynihan Turco LLP in New York “with 14 years of practice experience,” claims an hourly rate of \$495. *Id.* The named partners at Klein Moynihan Turco LLP claim hourly rates of \$595. LLT characterizes those rates as “customary” and “well within acceptable, reasonable hourly rates approved by courts in the State of Connecticut.” *See id.* In fact, though, a rate of \$525 per hour would be among the highest ever awarded in Connecticut. Judge Arterton, in setting a reasonable rate of \$525 per hour in *Barati v. Metro-North Railroad Co.*, 939 F. Supp. 2d 153 (D. Conn. 2013), noted that the rate was at that time “the highest fee ever awarded in this District.” *See id.* at 156. She allowed it because of the lead attorney’s status as “a leading specialist, . . . his success in [a] unique case, and . . . a rise in the prevailing market rate.” *Id.* Judge Crawford recently awarded \$450 per hour in a case that “required substantial time and labor,” based in part on an affidavit opining that “the prevailing hourly rate currently

charged in complex civil litigation by Connecticut attorneys with more than 40 years of litigation experience is within the range of \$500 to \$550.” *See A. v. Hartford Bd. of Educ.*, 2017 WL 187138, at *3–*7 (D. Conn. Jan. 17, 2017).

Taking into account the aforementioned cases, my own awareness of prevailing rates in Connecticut, *see Miele v. N.Y. State Teamsters Conf. Pension & Retirement Fund*, 831 F.2d 407, 409 (2d Cir. 1987) (district judge “had discretion to rely . . . on his knowledge of New York City rates”); *Smart SMR of N.Y.*, 9 F. Supp. 2d at 149 (relying on the court’s “knowledge of rates charged by counsel in th[e] District”), and the considerable degree of success obtained by LLT, I will apply a 10 percent reduction to the claimed rates. Thus, I will award Attorney Slossberg attorneys’ fees at an hourly rate of \$472.50, and Attorney Geene attorneys’ fees at an hourly rate of \$445.50. I will award the named partners at Klein Moynihan Turco LLP attorneys’ fees at hourly rates of \$535.50, which sufficiently accommodates LLT’s reasonable decision to hire specialized out-of-district counsel.

(ii) Reasonable Hours

“Applications for fee awards should generally be documented by contemporaneously created time records that specify, for each attorney, the date, the hours expended, and the nature of the work done.” *Kirsch v. Fleet Street*, 148 F.3d 149, 173 (2d Cir. 1998). I may “exclude[]” from the award any “[h]ours that are ‘excessive, redundant, or otherwise unnecessary,’” *id.* (quoting *Hensley*, 461 U.S. at 434), and may “appl[y] an across the board reduction” in hours where time entries “are vague and insufficient.” *Smart SMR of N.Y.*, 9 F. Supp. 2d at 152.

Voss challenges LLT’s billing records on several grounds, none of which is persuasive. First, Voss objects that the billing records “include numerous entries that have been redacted by blackout markings.” Def.’s Suppl. Damages Br., Doc. No. 247, at 12. In fee applications,

attorneys commonly redact charges to clients that are unrelated to the litigation and are not claimed as part of the fee. Second, Voss objects that “LLT was represented at each court proceeding and several depositions by two counsel whether it was necessary or not,” and that “the role of the other counsel was little more than a waste of resources.” *Id.* at 13. Considering the length and complexity of this case, however—caused in considerable part by Voss’s own litigation tactics—I conclude that it was reasonable for LLT to rely on the combined efforts of its specialized trademark counsel and its local trial counsel.

Moreover, I note that “the fees sought here are not hypothetical amounts prepared only for purposes of a fee application,” but rather “are embodied in invoices prepared as the litigation progressed, and actually paid by . . . a sophisticated client.” *Bleeker Charles Co. v. 350 Bleeker Street Apt. Corp.*, 212 F. Supp. 2d 226, 230 (S.D.N.Y. 2002) (Lynch, J.). For a “sophisticated and significant” client such as LLT, “acceptance of the rates charged is in itself substantial evidence of their reasonableness.” *Yurman Designs v. PAJ, Inc.*, 125 F. Supp. 2d 54, 58 (S.D.N.Y. 2000), *aff’d*, 29 F. App’x 46 (2d Cir. 2002) (summary order). Because LLT “agreed to be responsible for the[] fees, and paid them, without regard to whether the fees would be recovered at the end of the case,” I may fairly conclude that the rates and hours were “reasonable[] in the market.” *Bleeker Charles Co.*, 212 F. Supp. 2d at 230–31.

Applying the reduced hourly rates, I will award LLT attorneys’ fees for the full hours claimed. The attorneys at Hurwitz, Sagarin, Slossberg & Knuff, LLC are entitled to \$153,137.25 for 324.1 hours of work by Attorney Slossberg; \$576.00 for 1.6 hours of work by Attorney David Belt; \$267.75 for 0.7 hours of work by Attorney Lawrence Grossman; \$21,606.75 for 87.3 hours of work by Attorney Meaghan Miles; \$22,250.25 for 89.9 hours of work by Attorney Nicole Najam; \$162.00 for 0.6 hours of work by Attorney Jeffrey Nichols; and \$6,526.80 for

39.2 hours of work by Paralegal Katharina Cirko, for a total of \$204,526.80. The attorneys at Klein Moynihan Turco LLP are entitled to \$461,181.60 for 1,035.2 hours of work by Attorney Greene; \$157,153.50 for 498.9 hours of work by Attorney Daniel West; \$112,026.60 for 209.2 hours of work by Attorney Sean A. Moynihan; \$1,660.05 for 3.1 hours of work by Attorney David O. Klein; \$2,590.65 for 5.7 hours of work by Attorney Jonathan Turco; \$3,029.40 for 6.8 hours of work by Attorney David Rimas; \$9,132.75 for 20.5 hours of work by Attorney Christine Rafin; \$7,573.50 for 17.0 hours of work by Attorney Neil Asnen; and \$441.00 for 1.4 hours of work by Attorney Joshua Wueller, for a total of \$754,789.05. Combining the total for the two firms, I hold that LLT is entitled to attorneys' fees in the amount of \$959,315.85.

iii. Amount of Costs

CUTPA provides that “the court may award . . . costs’ . . . over and above the[] taxable cost provisions” in state and federal law. *See Bristol Tech. v. Microsoft Corp.*, 127 F. Supp. 2d 64, 82 (D. Conn. 2000) (quoting Conn. Gen. Stat. § 42-110g(d); citing Fed. R. Civ. P. 54(b), Conn. Gen. Stat. § 52-257(b)). The statute “fail[s] to define what ‘costs’ are recoverable,” but courts have awarded costs for reasonable “litigation expenses . . . [that] are often incurred by counsel on behalf of the client.” *See Charts v. Nationwide Mut. Ins. Co.*, 397 F. Supp. 2d 357, 384 (D. Conn. 2005), *rev’d on other grounds sub. nom Chartschlaa v. Nationwide Mut. Ins. Co.*, 538 F.3d 116 (2d Cir. 2008); *Bristol Tech.*, 127 F. Supp. 2d at 84. Examples of recoverable costs include court filing fees, “copying costs, messenger fees[,] and expert witness fees.” *Charts*, 397 F. Supp. 2d at 383, as well as “[c]osts for travel [and] deposition transcripts.” *Bristol Tech.*, 127 F. Supp. 2d at 83. The amount of costs granted is “at [my] discretion,” *id.*, and I may reduce the award “to eliminate duplicative, unrelated[,] or unnecessary expenses.” *Charts*, 397 F. Supp. at 384 (citing, e.g., *Gerner v. Applied Industrial Materials Corp.*, 2005 WL 1805670, at *10 (Conn.

Super. Ct. June 30, 2005) (awarding forty percent of claimed costs for “readily understandable costs of litigation such as copying charges, delivery expenses and transcript costs”).

LLT claims \$15,240.20 in costs incurred by the attorneys at Hurwitz, Sagarin, Slossberg & Knuff, LLC, and \$35,271.97 in costs incurred by the attorneys at Klein Moynihan Turco LLP. I have examined the itemized records provided by LLTs’ counsel, and, with one exception, the expenses appear to be reasonable. The exception is a charge of \$8,909.27 for “Outside Counsel” incurred on May 1, 2013. *See* Doc. No. 245-7, at 18. To the extent that the charge appears to be for the services of attorneys at Hurwitz, Sagarin, Slossberg & Knuff, LLC, I expect that it will be covered by my award of attorneys’ fees. If the entry is intended to represent anything else, then I cannot tell from the records available whether that charge was reasonable. Hence, I will deduct \$8,909.27 from LLT’s claimed costs, and award costs in the amount of \$41,602.90.

c. Ownership of lavatec.com

Although LLT did not move for summary judgment on its ACPA claim, after I ruled that LLT owned the Lavatec trademark, I preliminarily enjoined Voss from “using the Lavatec name or logo . . . within any domain name” and from “using a website or any other online service located at lavatec.com, lavatec.biz, or any other variation thereof.” *See Lavatec*, 2014 WL 6633047, at *2. LLT now seeks an order giving LLT “ownership of the website www.lavatec.com.” Pl.’s Damages Br., Doc. No. 215, at 1. Because such a remedy is properly awarded under the ACPA, 15 U.S.C. § 1125(d)(1)(C), I construe LLT’s request as a motion for summary judgment on its ACPA claim. So construed, I grant LLT’s motion and award LLT ownership of the lavatec.com domain name.

The ACPA provides that:

A person shall be liable in a civil action by the owner of a mark . . . if, without regard to the goods or services of the parties, that person—

(i) has a bad faith intent to profit from that mark . . . ; and

(ii) registers, traffics in, or uses a domain name that—

(I) in the case of a mark that is distinctive at the time of registration of the domain name, is identical or confusingly similar to that mark;

(II) in the case of a famous mark that is famous at the time of registration of the domain name, is identical or confusingly similar to or dilutive of that mark

15 U.S.C. § 1125(d)(1)(A). Upon finding that a defendant has violated the ACPA, “a court may order the forfeiture or cancellation of the domain name or the transfer of the domain name to the owner of the mark.” *Id.* at § 1125(d)(1)(C).

The ACPA “lists nine factors to assist courts in determining when a defendant has acted with a bad faith intent to profit from the use of a mark.” *Sporty’s Farm LLC v. Sportsman’s Mkt.*, 202 F.3d 489, 498 (2d Cir. 2000). The court is “not limited to considering just the listed factors,” for those “factors are . . . expressly described as indicia that ‘may’ be considered along with other facts.” *Id.* (citing 15 U.S.C. § 1125(d)(1)(B)(i)).

Here, Voss’s contemptuous violation of the injunction order suffices to show its “bad faith intent to profit from the use of [the] mark.” *See id.* In addition (as I already have held), Voss’s Lavatec mark was “identical” to LLT’s trademark. *See* 15 U.S.C. § 1125(d)(1)(A). Therefore, I hold Voss liable for violation of the ACPA. I grant LLT’s requested remedy and order Voss to “transfer . . . the [lavatec.com] domain name to the owner of the mark,” LLT. *See id.* at § 1125(d)(1)(C).

IV. Conclusion

I formally grant LLT's motion for summary judgment on Counts One, Two, Three, and Five of the Amended Complaint, and convert the preliminary injunction into a permanent injunction. I also order Voss to transfer ownership of the lavatec.com domain name to LLT.

In addition, I hold Voss in contempt of court, and award LLT \$100.00 in nominal damages as a compensatory contempt sanction. Because this case was "exceptional," I award LLT \$959,315.85 in attorneys' fees and \$41,602.90 in costs, for a total of \$1,001,018.75. The Clerk shall enter judgment in favor of LLT and against Voss in the amount of \$1,001,018.75, and terminate the case.

Finally, I order Voss to pay \$5,000.00 as a coercive contempt sanction to the Clerk of Court by February 8, 2018.

So ordered.

Dated at Bridgeport, Connecticut, this 9th day of January 2018.

/s/ STEFAN R. UNDERHILL
Stefan R. Underhill
United States District Judge