3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169 Telephone. (702) 792-3773 Facsimile: (702) 792-9002	1   2   3   4   5   6   7   8   9   10   11   12   13   14   15   16   17   18   19   20		Case No.  COMPLAINT FOR DAMAGES AND INJUNCTIVE RELIEF  (1) Trademark Infringement under 15 U.S.C. § 1114  (2) Unfair Competition under 15 U.S.C. § 1125(a)  (3) Common Law Trademark Infringement  (4) Deceptive Trade Practices under N.R.S. 598.0903, et seq.  (5) State Trademark Dilution under NRS 600.435	
	20 21		(6) Intentional Interference with Prospective Economic Advantage	
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	23	For their complaint against Defendant, FRIAS HOLDING COMPANY and ACE CAB INCORPORATED ("Plaintiffs," "Frias" or "Ace Cab") complain and allege as follows:  NATURE OF ACTION  1. This is an action for trademark infringement and unfair competition under federal statutes, with pendent claims for common law trademark infringement, state		
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	28	deceptive trade practices, and intention	nal interference with prospective economic	

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advantage. FRIAS HOLDING COMPANY and ACE CAB, INC., seek damages, attorneys' fees, costs, and preliminary and permanent injunctive relief.

## JURISDICTION

- 2. This Court has subject matter jurisdiction over this case pursuant to 28 U.S.C. §§1331 and 1338(a). This Court has supplemental jurisdiction over Defendant's state law claims pursuant to 28 U.S.C. § 1367(a). This Court has personal jurisdiction over Defendant based upon the following: (a) it is the transportation-planning agency for Southern Nevada and is based in Las Vegas, Nevada; (b) it was created by Nevada State Statute; and (c) it is responsible for maintaining a transportation system in Southern Nevada.
- Venue is proper in the United States District Court for the District of Nevada under 28 U.S.C. § 1391(b) and (c). Venue lies in the unofficial Southern Division of this Court.

## **PARTIES**

- FRIAS HOLDING COMPANY is a Nevada corporation with its principal place of business in Las Vegas, Nevada.
- ACE CAB, INC., is a Nevada corporation with its principal place of business in Las Vegas, Nevada.
- Defendant The REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA (the "RTC"), is a agency organized under the laws of the State of Nevada.

# ALLEGATIONS COMMON TO ALL COUNTS

### STANDARD FACTS REGARDING PLAINTIFFS

- 7. In or around 1962, Plaintiffs' founder, Charlie Frias, purchased ABC Union Cab Company which at that time operated in and around Las Vegas, Nevada.
- 8. Within a short period of time, Charlie Frias purchased additional companies including Ace Cab, Vegas-Western Cab and A-North Las Vegas Cab companies, and later founded Virgin Valley Cab.

- 9. In or around 1975, Charlie Frias, entered into the luxury limousine transportation market by establishing Las Vegas Limousines to meet the demands created by the increasing number of resorts being built in Las Vegas.
- 10. Charlie Frias, and the Frias name have become well-known in the Nevada transportation market as the source of reputable and reliable public transportation services for almost fifty (50) years.
- 11. Plaintiff, FRIAS HOLDING COMPANY is the holding company for five (5) of the Frias cab companies including ACE CAB, INC.
- 12. ACE CAB, INC., was incorporated in Nevada in November 1963, and since that time has been continuously using the ACE name and mark between the public in relation to transportation services in Nevada, serving both tourists and local in the Las Vegas valley.
- 13. The ACE name and mark is among the most widely recognized names in the cab and transportation industries in Las Vegas, and throughout the region. Almost two hundred cabs in a day travel on the streets, highways, and throughways of Clark County using the ACE brand name. Ace Cab offers high quality services and has served millions of people in the region in the almost fifty (50) years since its creation.
- 14. Frias and its affiliates have spent substantial sums of money to advertise and promote the ACE Marks in print, broadcast media and on the Internet through the Frias web sites, accessible at <lvcab.com>. In addition, consumers order a substantial numbers of Ace Cab's transportation services through the Frias websites, from the telephone directory and yellow pages, and from seeking cab services on the streets, and at all the hotels, casinos, airport and at other businesses in and around Las Vegas, and beyond.
- 15. Frias has made extensive use of the ACE Marks on, among other things, signage, sales and promotional materials, including displayed on the cabs themselves as they drive around, Las Vegas, and elsewhere in Nevada and has made the ACE name famous for cab service in Southern Nevada.
  - 16. Frias is the owner of a federal registration for the ACE CAB Mark, Reg. No.

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3.666.230 for "Hired Car Transport: Taxi Transportation services, in International Class 39) (The "ACE" mark).

The federal registration claims a date of first use of the ACE mark as January 17. 29, 1964.

#### FACTS REGARDING DEFENDANT

- 18. Upon information and belief, RTC is a state of Nevada agency charged with providing public transportation services, including bus services, throughout Nevada.
- 19. Upon information and belief, the RCT has been offering its transportation services under various names and marks including the Deuce, which services the Las Vegas Strip, the Max and the Silver Star line. Executives at the RTC were award of ACE branded cabs by at least 2009.
- 20. Upon information and belief, on or about March 28, 2010, RTC launched two new rapid transit services in Las Vegas under the ACE Gold Line and ACExpress brands.
- 21. On or about, April 8, 2010, RTC issued a press release celebrating the ground breaking for a new rapid transit line, the ACE Green Line, which is expected to begin service in 2011.
- 22. By using a name containing ACE trademarks, Defendant was attempting to trade on the reputation and goodwill of Ace Cab which has been offering transportations services to the public in Nevada for almost fifty years.
- 23. By using a name containing ACE trademarks, Defendant was and is attempting to create an association between their infringing ACE names and the ACE trademarks.
- 24. The ACE mark at issue in this case was famous and distinctive in Las Vegas at the time Defendant began using the ACE name in March 2010, because it had been used for almost fifty years and had gained a reputation in the region as the source of reliable, public transportation services.
- 25. Upon information and belief, the Defendant began using the infringing name with the bad faith intent to profit from the well-known ACE marks.

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- 26. Upon information and belief, the Defendant has no trademark or other intellectual property rights in the infringing name.
- 27. Upon information and belief, the Defendant had no prior use of the infringing ACE name in connection with the bona fide offering of any goods or services in public transportation or otherwise in Southern Nevada.
- 28. Upon information and belief, the Defendant intended to divert customers from the Plaintiffs' transportation services to its own services under the ACE name in manner that could harm the goodwill represented by the ACE marks.
- 29. ACE marks incorporated in Defendant's marks are distinctive and well-known having been using in this region for almost fifty years and have acquired a degree of fame amongst the members of the public that use public transporters such as cabs.
- 30. Upon information and belief, the Defendant did not believe or have reasonable grounds to believe that the use of the ACE mark was a fair use or otherwise lawful.

## FIRST CLAIM FOR RELIEF (Trademark Infringement under the Lanham Act, 15 U.S.C. § 1114)

- 31. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- Defendant has used and/or is using in commerce a name which contains the ACE trademark, and, thus is confusingly similar to the ACE names and trademarks.
- 33. Defendant's use in commerce of Defendant's marks and/or a mark confusingly similar to Plaintiffs' trademarks for Defendant's services, and Defendant's use of the ACE name on its transportation services and associated web site identified in the Allegations Common to All Counts section above, constitutes a reproduction, copying, counterfeiting, and colorable imitation of ACE trademarks in a manner that is likely to cause confusion or mistake or is likely to deceive consumers.
- 34. By using ACE marks and/or marks confusingly similar to Plaintiffs' trademarks with the knowledge that Plaintiffs own and have used, and continue to use, their trademark

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in Las Vegas, and beyond, Defendant has intended to cause confusion, cause mistake, or deceive consumers.

- 35. Defendant is using a mark substantially identical to and/or confusingly similar to ACE trademarks in connection with the sale, offering for sale or advertising of transportation services in a manner that is likely to cause confusion, or to cause mistake, or to deceive consumers as to an affiliation, connection, or association with Ace Cab or as to the origin, sponsorship, or approval of Defendant's services or commercial activities by Ace Cab.
- 36. Defendant's use of ACE marks and/or marks confusingly similar to Plaintiffs' trademarks has created a likelihood of confusion among consumers who may falsely believe that Defendant's transportation services are associated with Plaintiffs' transportation services, or Plaintiffs sponsor or approve of Defendant's services or commercial activities.
- 37. As a direct and proximate result of Defendant's infringement, Plaintiffs have suffered, and will continue to suffer, monetary loss and irreparable confusion injury to their business, reputation, and goodwill.

# SECOND CLAIM FOR RELIEF (Unfair Competition under the

Lanham Act, 15 U.S.C. § 1125(a))

- 38. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- 39. Defendant's use in commerce of marks identical and/or confusingly similar to Plaintiffs' trademarks in connection with Defendant's transportation services, constitutes a false designation of origin and/or a false or misleading description or representation of fact, which is likely to cause confusion, cause mistake, or deceive as to affiliation, connection, or association with Plaintiffs, or as to the origin, sponsorship, or approval of Defendant's services or commercial activities.
- 40. Defendant's use in commerce of ACE marks and/or marks confusingly similar to ACE trademarks with the knowledge that Plaintiffs own and have used, and continue to

41. As a direct and proximate result of such unfair competition, Plaintiffs have suffered, and will continue to suffer, monetary loss and irreparable injury to their business, reputation, and goodwill.

# THIRD CLAIM FOR RELIEF (Common Law Trademark Infringement)

- 42. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- 43. By virtue of having used and continuing to use the ACE trademarks for almost fifty years, Plaintiffs have acquired common law rights in those marks.
- 44. Defendant's use of marks identical and/or confusingly similar to ACE trademarks infringes Plaintiffs' common law rights in their trademarks, and this use is likely to cause confusion, mistake, or deception among consumers, who will believe that Defendant's transportation services, originate from, or are affiliated with, or endorsed by Ace Cab and Frias when, in fact, they are not.
- 45. As a direct and proximate result of Defendant's infringement of Plaintiffs' common law trademark rights under Nevada and other common law, Plaintiffs have suffered, and will continue to suffer, monetary damages and irreparable injury to their business, reputation, and goodwill.

# FOURTH CLAIM FOR RELIEF

(Deceptive Trade Practices under N.R.S. § 598.0915)

- 46. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- 47. Upon information and belief, in the course of conducting Defendant's business, Defendant knowingly made false representations as to affiliation, connection and/or association with Plaintiffs by using a mark confusingly similar to the ACE trademarks

and otherwise engaged in deceptive trade practices.

48. As the direct and proximate result of Defendant's conduct, Plaintiffs have suffered, and will continue to suffer, monetary damages and irreparable injury to their business, reputation, and goodwill.

#### FIFTH CLAIM FOR RELIEF (Trademark Dilution under NRS 600.435)

- 49. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- 50. The ACE mark for cabs has become famous in Southern Nevada as a result of its wide public use in servicing both local residents and visiting tourist to the region.
- 51. Ace Cabs have regular and repeat customers who rely upon the transportation services provided to them by the company under the ACE brand.
- 52. Defendant adopted the ACE mark for its business after the ACE mark had become famous for transportation services in the state of Nevada.
- 53. Defendant's use of the ACE mark is causing the ACE mark to be diluted and become less distinctive in Southern Nevada for transportation services provided by the Plaintiff, Ace Cab, Incorporated.

## SIXTH CLAIM FOR RELIEF (Intentional Interference with Prospective Economic Advantage)

- 54. Plaintiffs incorporate the allegations in the preceding paragraphs as if fully set forth herein.
- 55. Upon information and belief, at the time Defendant adopted and began using the ACE name and marks and since that time, Defendant knew and has known that Ace Cab is in the business of providing public transportation services in Las Vegas, and in the surrounding region, and that Plaintiffs have been providing these services for almost fifty years.
- 56. Upon information and belief, Defendant committed acts intended or designed to disrupt Plaintiffs' prospective economic advantage arising from advertising and/or

providing these services.

- 57. Defendant's actions have disrupted or are intended to disrupt Plaintiffs' business by, among other things, diverting the public away from Plaintiffs' transportation services to its own.
  - 58. Defendant has no legal right, privilege or justification for its conduct.
- 59. As a direct and proximate result of Defendant's intentional interference with Plaintiffs' prospective economic advantage, Plaintiffs have suffered, and will continue to suffer, monetary damages and irreparable injury.
- 60. Based on the intentional, willful and malicious nature of Defendant's actions, Plaintiffs are entitled to recover exemplary damages and reasonable attorneys' fees and costs incurred in connection with this action.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiffs, FRIAS HOLDING COMPANY and ACE CAB, INC., respectfully pray that the Court grant the following relief:

- A. A preliminary and permanent injunction prohibiting Defendant, its respective officers, agents, servants, employees and/or all persons acting in concert or participation with it, from: (1) using ACE trademarks or confusingly similar variations thereof, alone or in combination with any other letters, words, letter strings, phrases or designs, in commerce or in connection with any business or for any other purpose (including, but not limited to, for transportation services); and (2) registering, owning, leasing, selling, or trafficking in any names, including but not limited to domain names, containing ACE trademarks or confusingly similar variations thereof, alone or in combination with any other letters, words, phrases or designs;
- B. An award of compensatory, consequential, statutory, and punitive damages to Plaintiffs in an amount to be determined at trial;
- C. An award of interest, costs and attorneys' fees incurred by Plaintiffs in prosecuting this action; and

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D. All other relief to which Plaintiffs are entitled.

DATED this 5th day of May, 2010.

GREENBERG TRAURIG, LLP

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FRIAS HOLDING COMPANY d/b/a ACE CAB, INC