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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92053594
Party	Defendant Deckers Outdoor Corporation
Correspondence Address	DECKERS OUTDOOR CORPORATION 495-A SOUTH FAIRVIEW AVENUE GOLETA, CA 93117 UNITED STATES
Submission	Motion to Suspend for Civil Action
Filer's Name	Ulana Holubec
Filer's e-mail	ulanaholubec@quinnemanuel.com, claudiabogdanos@quinnemanuel.com
Signature	/ulanaholubec/
Date	04/25/2011
Attachments	92053594-Motion to Suspend-Reply (with exhibit).pdf (68 pages)(1336797 bytes)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

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Ugglebo Clogs, LLC,

Petitioner,

v.

Deckers Outdoor Corporation

Registrant.

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Cancellation No.: 92053594

Mark: **UGG**

Registration Nos.: 3050925, 3050903, 3050902, 3050865, and 3360442

REPLY TO OPPOSITION TO
MOTION TO SUSPEND THE PROCEEDING

Pursuant to 37 CFR § 2.127(a) and TBMP § 502.02(b), Registrant Deckers Outdoor Corporation ("Deckers" or "Registrant") respectfully requests that the Trademark Trial and Appeal Board (the "TTAB" or the "Board") consider this Reply Brief in support of its Motion to Suspend, particularly because the circumstances surrounding this proceeding have changed since Registrant's motion was first filed.[1] Specifically, in light of the Answer and Counterclaim filed by Registrant in *Ugglebo Clogs, LLC v. Deckers Outdoor Corporation*, Case No. 11 cv 213 ("Civil Action") on April 11, 2011, the Civil Action will have an even more direct bearing on this proceeding than when Registrant's motion was first filed. Accordingly, the Board should suspend this proceeding pending resolution of the Civil Action, which involves the same parties, the same trademarks, and the same legal issues.

[1] *See, e.g., Seculus da Amazonia S/S Toyota Jidosha Kabushiki Kaisha*, 66 U.S.P.Q.2d 1154 n.4 (TTAB 2003) (considering reply brief that clarified issues under consideration); *Harjo v. Pro-Football, Inc.*, 45 U.S.P.Q.2d 1789, 1792 (denying motion to strike reply brief).

FACTUAL BACKGROUND

Registrant is the owner of numerous world-famous UGG trademarks (the "UGG Marks") in connection with footwear and related goods and services, including the five registrations that are the subject of this proceeding (the "UGG Registrations"). Almost five years to the day after most of the UGG Registrations issued, Petitioner initiated the present proceeding alleging, *inter alia*, a likelihood of confusion between the UGG Marks and Petitioner's various common-law marks. Just over a week later, on January 28, 2011, Petitioner filed a Complaint with the United States District Court for the District of Minnesota (the "District Court" or the "Court") raising many of the same issues implicated in the instant proceeding.

In light of these overlapping issues, on March 16, 2011, Registrant filed a Motion to Suspend the Proceeding, to which Petitioner responded with its Opposition to Motion to Suspend the Proceeding, filed on April 5, 2011. On April 11, 2011, Registrant filed its Answer and Counterclaim to the Civil Action ("Answer," attached hereto as **Exhibit 1**), in which, in addition to challenging Petitioner's claims of priority of use of its infringing UGGLEBO common law marks ("Petitioner's Marks"), Registrant seeks declaratory judgment with respect to the validity of the registrations that are the subject of the instant proceeding.[2]

[2] In its counterclaim Registrant seeks, *inter alia*, "a declaration that the UGG® Mark is valid and enforceable under federal, state and common law; a declaration that [Registrant]'s rights in the UGG® Mark are superior nationwide to the putative rights alleged by [Petitioner] in the "Ugglebo" designation; and a declaration that [Registrant] has not infringed any trademark or related interests for which [Petitioner] claims ownership . . . " (Answer at ¶61.)

ARGUMENT

I. THE ISSUES RAISED IN THE CIVIL ACTION BEAR DIRECTLY ON THE INSTANT PROCEEDING.

The standard for suspension of a TTAB proceeding in light of a court action does not require an exact duplication of the issues raised in each venue, merely that the issues in the court action "have a bearing on" those raised before the TTAB. *See* 37 CFR § 2.117(a); TBMP § 510.02(a). Each of the legal issues in the instant proceeding, as identified by Petitioner in its Brief in Support of its Opposition to the Motion to Suspend the Proceeding ("Petitioner's Brief"), is pending before the District Court as well. The relief sought in the two actions also overlaps. Because the Civil Action so directly "bear[s]" upon the TTAB proceeding, the Board should suspend the proceeding.

A. The Validity Of Registrant's Trademark Registrations Is Now Pending Directly Before Both The District Court And The TTAB

In light of Registrant's recently filed Counterclaim seeking declaratory judgment with respect to the validity of the UGG Registrations, the District Court is now poised to adjudicate Registrant's rights explicitly with respect to the registrations that are the subject of the instant proceeding. Petitioner's stated "purpose of the cancellation proceeding"[3] is thus squarely before the District Court, and accordingly, Petitioner's main argument against suspension of the instant proceeding is now moot.

[3] Petitioner's stated goal in bringing the cancellation action is ". . . to establish that [Registrant] does not, in fact, have registration rights in the UGG marks and should not, therefore, be able to assert registered rights in the UGG marks against any of [Petitioner's] potential retail partners." (Petitioner's Brief at 4.)

B. The Injunctive Relief Sought By Petitioner In The Civil Action Duplicates The Remedy Sought From The TTAB.

Were Petitioner to be awarded the injunctive relief it seeks from the District Court, such an award would moot the need for the TTAB to rule on the UGG Registrations. Petitioner inaccurately argues in its Opposition that any determination by the District Court would do nothing to clarify Registrant's rights *vis à vis* third parties. (Petitioner's Brief at 5 ("The district court action will resolve only those issues that exist directly between [Petitioner] and [Registrant]. . . ").) On the contrary, a primary purpose of the Lanham Act, pursuant to which Petitioner's claims in the Civil Action were brought, is the protection of third-parties and the general public.[4] The injunction that Petitioner seeks would bear directly on Respondent's continued use of the UGG Marks and ownership of the UGG Registrations – and thus, by extension, Petitioner's reputation in the eyes of third-party retailers and its relationship with consumers.[5]

Specifically, an injunction on use would bar Registrant from maintaining the UGG Registrations (as Registrant would be unable to submit the requisite evidence of use) and would ultimately result in their cancellation (*see* 15 U.S.C. §1058) – the precise remedy sought by

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[4] *See, e.g.*, *Plastics Corp. v. Titan Technologies, Inc.*, 823 F. Supp. 1137, 1143 (S.D.N.Y. 1993), *aff'd*, 33 F.3d 50 (2d Cir. 1994) ("Trademark laws are designed, in part, to protect marketer who owns trademark, but the overriding concern has always been to protect the purchasing public from confusing the product it desires to purchase with a similar product from a different source."); H. Peter Nesvold and Lisa M. Pollard, *Half a Century of Federal Trademark Protection: The Lanham Act Turns Fifty*, 7 Fordham Intellectual Property, Media & Entertainment Law Journal 49, 49-50 ("Nesvold") ("The [Lanham] Act . . . serves to balance the interests of a consuming public, the business community, and fair competition.").

[5] Petitioner claims as follows:

> Ugglebo depends on retailers to sell its product. But, lately, retailers have begun to show concern about selling Ugglebo products because they believe Ugglebo may be infringing on [Registrant's] trademarks. . . . These companies fear that selling Ugglebo products may result in legal action against them by [Registrant]. . . . This particular harm . . . will not be addressed in the district court action.

(Petitioner's Brief at 3-4.)

Petitioner in the instant proceeding.[6] In fact, the Civil Action goes further in addressing Petitioner's rights as against third parties by implicating both registration and use, while the instant cancellation proceeding is limited to issues of registration only. Registrant in no way concedes the propriety of the relief requested by Petitioner;[7] Registrant's arguments related to any injunction that were to issue against it are for purposes of the instant motion only and to illustrate the unnecessarily duplicative nature of the dual remedies Petitioner seeks.

C. Likelihood Of Confusion Between Petitioner's And Registrant's Marks Is At Issue In Both The Civil Action And The Instant Proceeding.

The Civil Action and the TTAB proceeding involve the same legal issues. Indeed, Petitioner concedes that likelihood of confusion is an "overlapping issue" in the Civil Action and the instant proceeding. (Petitioner's Brief at 8.) Petitioner's argument that the USPTO's refusal of Petitioner's trademark applications on the basis of likely confusion somehow renders this issue resolved, (*id.* at 7-8), is unfounded.[8]

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[6] This result, though not justified by the law and facts of the case, could have been brought to the forefront sooner by Petitioner's inclusion in its Complaint of claims specifically attacking Registrant's rights to the UGG Registrations. Indeed, if as Petitioner claims, fickle footwear trends demand speedy action, (Petitioner's Brief at 5), it is curious that Petitioner did not expedite adjudication of this issue either by including it at the outset or by amending its Complaint in the Civil Action to include such claims. In any event, in light of Registrant's Counterclaim, this point is now moot.

[7] Registrant specifically reserves all rights and challenges in connection with Petitioner's requested injunctive and other relief.

[8] The PTO's preliminary finding of likely confusion in refusing Petitioner's trademark applications did not follow a thorough review of the facts and is not dispositive of the issue. Indeed, the PTO was never given an opportunity to review many of the facts that both the TTAB and the District Court would consider in the likelihood-of-confusion analysis currently pending before both tribunals, such as evidence of Petitioner's alleged priority of use and of alleged confusion. On the contrary, not only did Petitioner fail to provide evidence to support its assertion of priority, it did not provide the PTO with any evidence of use at all, and in fact, filed its application, not on the basis of use, but as an intent-to-use application. Moreover, that the PTO's determination with respect to likelihood of confusion is not binding on either the TTAB or the District Court, (*see, e.g.,* 15 U.S.C. §§ 1070 (authorizing appeal of examiner determinations to TTAB) and 1071(b) (authorizing appeal of TTAB decisions regarding examiner determinations to district court)), further undermines Petitioner's argument that the refusal of

The TTAB's analysis does not end because Registrant is not denying likely confusion. Before making any ruling regarding the cancellation of Registrant's registrations, the TTAB would still need to review evidence and make a determination regarding priority of use, also an issue before the District Court as part of Registrant's Counterclaim.[9] (Answer at ¶¶ 19, 33-61.) Because the issues of likelihood of confusion and priority are before the District Court in the Civil Action and thus "have a bearing" on the instant matter, this proceeding is ripe for suspension.

II. THE TTAB PROCEEDING WILL NOT NECESSARILY BE RESOLVED FASTER AND MORE EFFICIENTLY THAN THE CIVIL ACTION.

By virtue of the limits of subject matter jurisdiction of the TTAB, the Civil Action, where questions of both use and registration can be adjudicated, is a more efficient vehicle for redress by the Parties. This forum determination is supported not only by the availability – and likely critical role – of live witness testimony before the District Court, (*see* n. 9 *supra*), but also by the probable need for the depositions and testimony of non-U.S. parties, which are available in the Civil Action but not before the TTAB. Petitioner's claims of priority of use stem from the alleged inception of the Ugglebo brand in Sweden.[10] All of the claims raised between the

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Petitioner's trademark application should be accepted as an adjudication of the likelihood of confusion issue. Petitioner's statement that "the district court action will not resolve the issues with respect to Decker's *registration* of its Uggs marks," (Petitioner's Brief at 3 (emphasis in original)), is erroneous.

[9] The District Court's use of live testimony also make it the preferred venue for this matter, as the ultimate determination of the issues before both the District Court and the TTAB may turn on the reliability and credibility of witnesses, which is harder to gauge in the paper-submission context of a TTAB proceeding.

[10] For example, according to the Complaint, Christer Carlsson was the manager of the Ugglebo family business in the 1960s (Complaint at ¶ 4), when Petitioner's goods were first sold in the U.S. (*Id.* at ¶ 7), and he "remains an integral part of" the production of Petitioner's goods in Sweden (Complaint ¶ 4, 5). Mr. Carlsson's testimony would be invaluable in this case, especially as Petitioner's president and owner David Giese only became officially associated with Ugglebo approximately 18 months ago (*see* <http://www.uggleboclogs.com/about-us/index.php>), and can have no first-hand knowledge of – and in

Parties regarding the UGG Registrations – Petitioner's unfair-competition claims and Registrant's requested determinations regarding infringement and the validity of its registrations – can and should be decided by the District Court.

Petitioner provides no support for its conclusion that a TTAB cancellation proceeding will be resolved faster than a comparable civil action. On the contrary, Petitioner's statement that under the current schedule the instant proceeding "would be concluded in just over a year," (Petitioner's Brief at 4), evidences a lack of understanding of the TTAB process and is ultimately incorrect. While Plaintiff's 15-day Rebuttal Period is indeed scheduled to end "just over a year" from now, on April 27, 2012, Petitioner fails to take into account in its calculation the at-least-105 days allotted for briefing of the case, (*see* TBMP §801.02), plus potential oral argument and the time necessary for the panel's deliberation and decision.[11] Thus, even without any further delays, a decision prior to late-2012 is not likely, and that estimate does not even consider extra time for post-decision rehearing, reconsideration, or modification.

Further, it is a fact of life and litigation that many factors known and as yet unknown can contribute to inevitable delays in the progression of any sort of proceeding. Petitioner's overly optimistic timetable does not consider the extensions of times that are commonplace in TTAB proceedings, to accommodate discovery delays, for example, or to schedule mutually agreeable

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fact, was not even alive for – the Ugglebo mark's first use. Indeed, as Petitioner appears to have been in existence only since November 2009, it seems likely that some if not all of the documents that would be relevant to the discovery process in this proceeding might need to be obtained from Sweden.

[11] *See* TTAB Facts and Questions (<http://www.uspto.gov/trademarks/process/appeal/guidelines/ttabfaq.jsp#siq5ref>) ("Presently, the TTAB is rendering decisions in [opposition and cancellation] proceedings approximately 10 weeks after the case is ready for decision."). Registrant does not intend to engage in the TTAB's Accelerated Case resolution process.

times for discovery and trial depositions.[12] Thus, there really is no way to predict how long before this cancellation proceeding is resolved.

Petitioner's timing argument also does not take into account the appeal process. Even once the TTAB has issued its ruling in the instant proceeding, the losing party has an opportunity to seek review of the Board's decision via a new civil action – possibly in the very District Court before which the Civil Action is already pending. *See* 15 U.S.C. § 1071 (authorizing review of TTAB decision by district court, as well as election by either party to have appeal heard in district court); 37 CFR § 2.145; TBMP 901.01. It is counterproductive, inefficient, and wasteful to forego resolution of a dispute already pending in one district court when the same dispute before the TTAB may well end up on appeal before that or another district court. Simple logic dictates that the TTAB matter be suspended to avoid unnecessary and duplicative outcomes.

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[12] One commentator in 2004 analyzing a statistical subset of TTAB cases found that "[t]he time to final decision . . . ranged from 216 days to 18.2 years," with a median time of 3.2 years. John M. Murphy, *Playing the Numbers: A Quantitative Look at Section 2(d) Cases before the Trademark Trial and Appeal Board*, 94 The Trademark Reporter 801, July-August 2004. Though predating the TTAB rules changes in 2007, these statistics are still a useful reference. "By comparison, the median interval between filing and disposition for federal civil cases that go to trial has ranged, in recent years, from . . . 1.5 years to . . . 1.8 years." *Id.* (citation omitted.) Indeed, of the "no less than 25 suits" filed by Registrant in the last three years, (Petitioner's Brief at 4 n.1), over 80% have already been closed – and 19 of them within a year of having been filed.

CONCLUSION

For the foregoing reasons, Registrant's motion to suspend the instant proceeding pending resolution of the Civil Action should be granted.

Respectfully Submitted,

Dated: New York, New York
April 25, 2011

QUINN EMANUEL URQUHART
& SULLIVAN, LLP

By: _____

Robert Raskopf
robertraskopf@quinnemanuel.com
Claudia Bogdanos
claudiabogdanos@quinnemanuel.com
Ulana Holubec
ulanaholubec@quinnemanuel.com

51 Madison Avenue, 22nd Floor
New York, New York 10010-1601
(212) 849-7000

Attorneys for Registrant
Deckers Outdoor Corporation

CERTIFICATE OF SERVICE

I, Ulana Holubec, certify that on April 25, 2011, a copy of Registrant's REPLY TO OPPOSITION TO MOTION TO SUSPEND THE PROCEEDING in *Ugglebo Clogs, LLC v. Deckers Outdoor Corporation* (Cancellation No.: 92053594) was served on counsel by First Class U.S. mail to:

J. Derek Vandenburgh
Carlson, Caspers, Vandenburgh & Lindquist, P.A.
225 South Sixth Street, Suite 3200
Minneapolis, Minnesota 55402

Ulana Holubec, Esq.

EXHIBIT 1

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UGGLEBO CLOGS, LLC, Plaintiff, vs. DECKERS OUTDOOR CORPORATION, Defendant.	Court File No.: 11-CV-0213 (PJS/FLN) **ANSWER AND COUNTERCLAIM OF DECKERS OUTDOOR CORPORATION**
DECKERS OUTDOOR CORPORATION, Counterclaimant, vs. UGGLEBO CLOGS, LLC, Counterdefendant.	**JURY TRIAL DEMANDED**

Defendant and Counterclaimant Deckers Outdoor Corporation (hereinafter "Defendant, "Counterclaimant," or "Deckers"), by and through its undersigned counsel, for its Answer and Counterclaim to the Amended Complaint filed by Plaintiff and Counterdefendant Ugglebo Clogs, LLC (herein "Plaintiff," "Counterdefendant," or "Ugglebo Clogs"), states and alleges as follows:

knowledge or information to form a belief as to the allegations in Paragraph 6 of the Amended Complaint and on that basis denies such allegations.

7. Lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 7 of the Amended Complaint and on that basis denies such allegations.

8. Avers that Paragraph 8 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 8 of the Amended Complaint and on that basis denies such allegations.

9. Admits that clogs are being sold in the United States but, given the vagueness of this general allegation, lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 9 of the Amended Complaint and on that basis denies such allegations.

10. Avers that Paragraph 10 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, avers that Deckers has used the trademark UGG® in connection with its sale of footwear and other goods, including clogs; and otherwise denies the allegations in Paragraph 10 of the Amended Complaint.

11. Avers that Paragraph 11 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, denies the allegations in the first sentence of Paragraph 11; avers that UGG® boots were sold to California surfers, among others, in the late 1970s; and otherwise lacks sufficient

knowledge or information to form a belief as to the allegations in Paragraph 11 of the Amended Complaint and on that basis denies such allegations.

12. Avers that UGG® boots were sold to California surfers, among others, in the late 1970s; avers that in 1995 Deckers acquired Ugg Holdings, Inc., including the rights in the trademark UGG®; avers that the volume of UGG® product sales increased after 1995; and otherwise lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 12 of the Amended Complaint and on that basis denies such allegations.

13. Avers that Paragraph 13 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, avers that the trademark UGG® as used by Deckers is a valid and enforceable trademark, including for its boots sold in the United States; avers that Deckers uses its valid and enforceable trademark UGG® on products other than boots, including clogs, slippers (including moccasin-inspired slippers), and other non-sheepskin products; and otherwise denies the allegations in Paragraph 13 of the Amended Complaint.

14. Avers that Paragraph 14 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, lacks sufficient knowledge or information to form a belief as to the allegations in the first sentence regarding "when the Carlsson family first used Ugglebo on its website" and on that basis denies such allegations; and otherwise denies the allegations in Paragraph 14 of the Amended Complaint.

15. Avers that Paragraph 15 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, denies that Deckers's use of its valid and enforceable trademark UGG® on its products harms Plaintiff; avers that the letters "U," "G," and "G" are the first three letters of the word "ugglebo"; avers that Plaintiff does not have valid and enforceable trademark rights in its designation "Ugglebo"; and otherwise lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 15 of the Amended Complaint and on that basis denies such allegations.

16. Avers that Paragraph 16 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, avers that Plaintiff's use of the designation "Ugglebo" on clogs is likely to create consumer confusion with Deckers's valid and enforceable trademark UGG®; denies that any conduct of Deckers is likely to create consumer confusion; and otherwise denies the allegations in Paragraph 16 of the Amended Complaint.

17. Avers that Paragraph 17 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, avers that consumers of Plaintiff's clogs bearing the designation "Ugglebo" are likely to believe mistakenly that such products are manufactured by or authorized, endorsed, or sponsored by Deckers; lacks sufficient knowledge or information to form a belief as to the allegations in the second sentence of Paragraph 17 of the Amended Complaint and on that basis denies such allegations; denies that any conduct of Deckers is likely to create

consumer confusion; and otherwise denies the allegations in Paragraph 17 of the Amended Complaint.

18. Lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 18 of the Amended Complaint and on that basis denies such allegations.

19. Avers that Paragraph 19 purports to set forth conclusions of law to which no responsive pleading is required, but to the extent a response is required, denies the allegations in Paragraph 19 of the Amended Complaint.

20. Lacks sufficient knowledge or information to form a belief as to the allegations in Paragraph 20 of the Amended Complaint and on that basis denies such allegations.

COUNT I
(Federal Unfair Competition)
(Lanham Act § 43(a), 15 U.S.C. § 1125(a))

21. Refers to and incorporates by reference its responses to Paragraphs 1 through 20 of the Amended Complaint.

22. Denies the allegations in Paragraph 22 of the Amended Complaint.

23. Avers that Plaintiff's use of the designation "Ugglebo" in connection with its products is likely to cause confusion, or to cause mistake, or to deceive as to affiliation, connection or association between Plaintiff's products and Deckers's UGG® products; and otherwise denies the allegations in Paragraph 23 of the Amended Complaint.

24. Denies the allegations in Paragraph 24 of the Amended Complaint.

25. Denies the allegations in Paragraph 25 of the Amended Complaint.

COUNT II
(Minnesota Deceptive Trade Practices Act)
(Minn. Stat. § 325D.44, et seq.)

26. Refers to and incorporates by reference its responses to Paragraphs 1 through 25 of the Amended Complaint.

27. Denies the allegations in Paragraph 27 of the Amended Complaint.

28. Denies the allegations in Paragraph 28 of the Amended Complaint.

AFFIRMATIVE DEFENSES

By alleging the Affirmative Defenses set forth below, Deckers does not agree or concede that it bears the burden of proof or the burden of persuasion on any of these issues, whether in whole or in part.

First Affirmative Defense (Failure to State a Claim)

The Amended Complaint fails to state a valid claim upon which relief can be granted.

Second Affirmative Defense (Lack of Standing)

Plaintiff's claims are barred, in whole or in part, to the extent they are based on alleged infringement of trademarks that Plaintiff does not (or did not) own, and for which Plaintiff does not (or did not) control, the exclusive right allegedly infringed at the time of the infringement.

Third Affirmative Defense (No Distinctiveness)

Plaintiff's claims are barred, in whole or in part, because the designation "Ugglebo" is not inherently distinctive and has not acquired secondary meaning as that term is construed by applicable precedent.

Fourth Affirmative Defense (Geographically Descriptive)

Plaintiff's claims are barred, in whole or in part, because the designation "Ugglebo" is geographically descriptive.

Fifth Affirmative Defense (Not Source Identifier)

Plaintiff's claims are barred, in whole or in part, because the designation "Ugglebo" does not serve as a source identifier.

Sixth Affirmative Defense (Abandonment)

Plaintiff's claims are barred, in whole or in part, because of Plaintiff's abandonment of the designation "Ugglebo."

Seventh Affirmative Defense (Acquiescence)

Plaintiff's claims are barred, in whole or in part, by the doctrine of acquiescence.

Eighth Affirmative Defense (Estoppel)

Plaintiff's claims are barred, in whole or in part, by the doctrine of estoppel.

Ninth Affirmative Defense (Waiver)

Plaintiff's claims are barred, in whole or in part, by the doctrine of waiver.

Tenth Affirmative Defense (Unclean Hands)

Plaintiff's claims are barred, in whole or in part, by the doctrine of unclean hands.

Eleventh Affirmative Defense (Laches)

Plaintiff's claims are barred, in whole or in part, by the doctrine of laches.

Twelfth Affirmative Defense (Lack of Priority)

Plaintiff's claims are barred, in whole or in part, because Plaintiff's alleged use of the designation "Ugglebo" does not have priority over Deckers's use of its valid and enforceable trademark UGG®, under federal, state, or common law.

Thirteenth Affirmative Defense (Failure to Mitigate)

Plaintiff's claims are barred, in whole or in part, by its failure to mitigate damages, if any.

COUNTERCLAIM

By way of this Counterclaim ("Counterclaim") against Ugglebo Clogs, Deckers refers to and incorporates by reference its responses to Paragraphs 1 through 28 of the Amended Complaint and its Affirmative Defenses, and alleges as follows:

PARTIES

1. Deckers is a Delaware corporation, having a principal place of business at 495-A South Fairview Avenue, Goleta, California 93117.

2. On information and belief, Ugglebo Clogs is a Minnesota limited liability company, having a principal place of business at 11130 Lake Point Drive, Chisago City, Minnesota 55013.

JURISDICTION AND VENUE

3. This Court has jurisdiction pursuant to 28 U.S.C. §§ 2201, 2202, 1331, 1338, and 1367; 15 U.S.C. § 1119 and 1121; and the doctrines of ancillary and pendent jurisdiction.

4. This Court has personal jurisdiction over Ugglebo Clogs because, on information and belief, Ugglebo Clogs resides in and conducts business in the State of Minnesota, and has committed the acts giving rise to this action in this District. In addition, Ugglebo Clogs has established minimum contacts with the forum such that the exercise of jurisdiction over it would not offend traditional notions of fair play and substantial justice.

5. Ugglebo Clogs has been and continues to do business in this District, advertising, promoting, and selling products, including clogs.

6. Venue is proper in this District under 28 U.S.C. § 1391 because Ugglebo Clogs resides in this District. In addition, a substantial part of the events giving rise to this litigation occurred in this District.

GENERAL ALLEGATIONS

7. Deckers is the owner of the famous and highly distinctive trademark "UGG." Deckers holds valid and enforceable U.S. Trademark Registrations for its UGG trademark, as described herein, and also holds valid and enforceable common law rights in its UGG trademark through its continuous, material, and un-abandoned use of the UGG trademark on its products nationwide, as described herein. These federal and common law trademark rights are collectively referred to herein as the "UGG® Mark."

8. To date, Deckers and its predecessors have spent tens of millions of dollars over more than 30 years promoting the UGG® Mark, making it nationally recognizable and one of Deckers's most valuable business assets.

9. Deckers, through its predecessor companies, began selling sheepskin boots in the U.S. no later than in late 1978. Since that time, Deckers (and its predecessors) have devoted extensive time, effort, and money promoting the UGG® Mark in the U.S. (and select countries abroad), turning the UGG® Mark into a famous luxury brand.

10. In 1978, Brian Smith ("Smith") was the proprietor of a business entity (whose rights were eventually acquired by Deckers), which imported sheepskin boots from Australia. Smith marketed and sold these sheepskin boots in the U.S. as UGG®-brand boots.

11. On October 13, 1987, a U.S. trademark registration for ORIGINAL UGG BOOT UGG AUSTRALIA (with Ram Head Design) was issued to Ugg Imports, Inc. (a predecessor to Ugg Holdings, Inc.) with Registration No. 1,460,992. Through a series of transactions, this trademark, among others, came to be owned by Ugg Holdings, Inc.

12. Deckers acquired Ugg Holdings, Inc. in 1995. Deckers merged with this subsidiary in September 2004. Through this acquisition, Deckers acquired all trademark rights held by Ugg Holdings, Inc., including rights to the UGG® Mark.

13. Deckers has spent tens of millions of dollars extensively advertising and promoting its UGG® Mark through various channels, including print, film, and the Internet. Deckers uses the UGG® Mark with its distinctive sheepskin boots and other goods, resulting in strong secondary meaning of the UGG® Mark in the U.S.

14. Through Deckers's extensive marketing, innovative product designs, and other efforts, the UGG® Mark has achieved widespread familiarity and fame in U.S. households. For example, according to BB&T Capital Markets analyst Scott Krasik, who was quoted in the September 9, 2010 *Wall Street Journal Magazine* article "The Golden Fleece," "you can put [UGG®] on a level with Apple in terms of the attention the brand has brought."

15. Deckers has made the UGG® Mark famous through extensive investment in time, money, and resources and through marketing campaigns that have proven very successful, as is evidenced by its year-over-year sales growth. Deckers has built substantial goodwill in the UGG® Mark such that the UGG® Mark is now an iconic and exceptionally valuable asset.

16. Deckers currently owns U.S. Trademark Registrations for the UGG® Mark, including the following:

(a) U.S. Registration No. 3,412,734 (registered April 15, 2008) (attached as Exhibit 1);

(b) U.S. Registration No. 3,360,442 (registered December 25, 2007) (attached as Exhibit 2);

(c) U.S. Registration No. 3,166,352 (registered October 31, 2006) (attached as Exhibit 3);

(d) U.S. Registration No. 3,166,351 (registered October 31, 2006) (attached as Exhibit 4);

(e) U.S. Registration No. 3,166,350 (registered October 31, 2006) (attached as Exhibit 5);

(f) U.S. Registration No. 3,061,278 (registered February 21, 2006) (attached as Exhibit 6);

(g) U.S. Registration No. 3,050,925 (registered January 24, 2006) (attached as Exhibit 7);

(h) U.S. Registration No. 3,050,903 (registered January 24, 2006) (attached as Exhibit 8);

(i) U.S. Registration No. 3,050,902 (registered January 24, 2006) (attached as Exhibit 9); and

(j) U.S. Registration No. 3,050,865 (registered January 24, 2006) (attached as Exhibit 10).

17. In addition to its U.S. Trademark Registrations, Deckers holds valid and enforceable common law rights in the UGG® trademark through its continuous, material, and un-abandoned use of the trademark throughout the U.S.

UGGLEBO CLOGS'S ILLEGAL ACTS

18. Upon information and belief, Ugglebo Clogs was formed in 2009 by Dave Giese, President of Ugglebo Clogs. Ugglebo Clogs manufactures and sells clogs bearing the designation "Ugglebo."

19. Deckers has nationwide priority of use of the UGG® Mark over Ugglebo Clogs's use of the designation "Ugglebo," both through Deckers's U.S. Trademark Registrations in the UGG® Mark and Deckers's common law rights in the UGG® Mark.

20. The first three letters of the designation "Ugglebo" are U-G-G, which constitutes the entirety of Deckers's valid and enforceable trademark UGG®.

21. Ugglebo Clogs was assigned an existing application to register the designation "Ugglebo" that had been previously filed by a third party on an "intent to use" basis with the United States Patent and Trademark Office. In an Office Action dated May 7, 2010, the examining attorney refused the registration "because of a likelihood of confusion with the marks in U.S. Registration Nos. 3050925 and 3360442," both of which are Deckers's U.S. Trademark Registrations for the UGG® Mark. Although Ugglebo Clogs responded to the Office Action on October 27, 2010 by alleging that "Applicant has priority of use over the cited marks," the examining attorney maintained the rejection on November 4, 2010 because "The applicant claims priority use, but did not provide any evidence of such use. Additionally, there is currently no indication of priority use currently [sic] in the record."

22. Upon information and belief, Ugglebo Clogs's use of the UGG® Mark to sell clogs and other footwear in the U.S. is being done in bad faith, with full knowledge of Deckers's ownership of and exclusive rights in the UGG® Mark, and with the intent to deceive and mislead the public into believing Ugglebo Clogs's products are sponsored, licensed, or authorized by or affiliated, connected or otherwise associated with Deckers.

23. Ugglebo Clogs's use of the UGG® Mark in the designation "Ugglebo" is likely to cause confusion or mistake or deceive consumers into thinking that Ugglebo Clogs's clogs are authorized or affiliated, connected, or otherwise associated with

Deckers. Upon information and belief, Ugglebo Clogs intentionally, willfully, and in bad faith continues to foster this misimpression.

24. Ugglebo Clogs's continued use of the UGG® Mark to sell its clogs and other footwear is likely to diminish, blur, and tarnish the meaning of Deckers's famous UGG® Mark, thereby diluting its distinctive quality.

25. Ugglebo Clogs competes unfairly against Deckers by engaging in unlawful, deceptive, and inequitable activities to profit from the goodwill, recognition, and fame associated with the UGG® Mark.

INJURY TO DECKERS

26. Ugglebo Clogs's unauthorized use of the UGG® Mark in connection with the sale of Ugglebo Clogs's clogs and other footwear falsely indicates to consumers that Ugglebo Clogs's products are in some manner connected with, sponsored by, affiliated with, or related to Deckers.

27. The UGG® Mark is famous and is widely recognized by U.S. consumers. Ugglebo Clogs's use of the UGG® Mark in the U.S. began after the UGG® Mark had become famous. Ugglebo Clogs's unauthorized use of the UGG® Mark has and will continue to have an adverse effect upon the value and distinctive quality of the UGG® Mark. Ugglebo Clogs's acts blur, dilute, and whittle away the distinctiveness and identity-evoking quality of the UGG® Mark by lessening its capacity to identify and distinguish Deckers exclusively as the source of goods bearing the UGG® Mark, as well as tarnish the UGG® Mark.

28. Ugglebo Clogs's conduct has created and will continue to create confusion in the marketplace, as consumers are likely to believe that Ugglebo Clogs's clogs are authorized or endorsed by Deckers or that Ugglebo Clogs's clogs are somehow associated, affiliated with, or sponsored by Deckers.

29. Ugglebo Clogs's use of the UGG® Mark is illegal, flagrant, and unabashed. Ugglebo Clogs's use of the UGG® Mark is in bad faith, with full knowledge of Deckers's rights in the UGG® Mark and with the intent to deceive and mislead the public into believing that Ugglebo Clogs's clogs are sponsored, licensed, authorized by, affiliated, connected, or otherwise associated with Deckers.

30. Ugglebo Clogs's use of the famous and distinctive UGG® Mark is likely to diminish, blur, and/or tarnish the UGG® Mark, thereby diluting the distinctive qualities and causing reputational harm to Deckers.

31. Deckers has sustained and will continue to sustain damages as a result of Ugglebo Clogs's wrongful conduct.

32. Ugglebo Clogs's wrongful conduct is ongoing. As a direct and proximate result of Ugglebo Clogs's acts alleged above, Deckers has sustained and will sustain damages. Deckers has no adequate remedy at law to redress all of the injuries that Ugglebo Clogs has caused and intend to cause by its conduct. Deckers will continue to suffer irreparable damage and harm to its reputation and sustain lost profit until Ugglebo Clogs's actions alleged above are enjoined.

CAUSES OF ACTION

FIRST CLAIM FOR RELIEF
Federal Trademark Infringement—Lanham Act, 15 U.S.C. § 1114(1)

33. Deckers hereby repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

34. Ugglebo Clogs, without the consent of Deckers, has used and will continue to use in commerce designations confusingly similar to Deckers's federally registered UGG® Mark, including the designation "Ugglebo," in connection with the sale, offering for sale, distribution and advertising of goods with which such intended use is likely to cause confusion, or to cause mistake, or to deceive.

35. The aforesaid acts of Ugglebo Clogs constitute trademark infringement in violation of Section 32(a) of the Lanham Act, 15 U.S.C. § 1114(1).

36. The aforesaid acts of Ugglebo Clogs have been intentional, willful, and in bad faith.

37. The aforesaid acts of Ugglebo Clogs have caused, and are causing, great and irreparable harm to Deckers, and unless permanently restrained by this Court said irreparable injury will continue. Accordingly, Deckers is entitled to injunctive relief pursuant to 15 U.S.C. § 1116, damages pursuant to 15 U.S.C. § 1117(a), including Ugglebo Clogs's profits, and/or Deckers's actual damages and/or the costs of this action. Deckers is further entitled to attorneys' fees and costs because of Ugglebo Clogs's conduct.

SECOND CLAIM FOR RELIEF
Federal Trademark Infringement & Unfair Competition—Lanham Act, 15 U.S.C. § 1125(a)

38. Deckers repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

39. Ugglebo Clogs makes, imports, distributes, uses, offers to sell, and sells clogs that directly infringe the UGG® Mark in violation of § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a). Deckers has actively marketed, promoted, and sold products bearing the UGG® Mark such that it has acquired secondary meaning within the relevant market and among the U.S. public and is highly distinctive.

40. Ugglebo Clogs has used the UGG® Mark without the authorization of Deckers and continues to trade off the goodwill created and maintained by Deckers in the UGG® Mark. Ugglebo Clogs's activities are likely to cause confusion, mistake, or deception as to the source of Ugglebo Clogs's products and Ugglebo Clogs's association with Deckers. Accordingly, Deckers is entitled to injunctive relief pursuant to 15 U.S.C. § 1116.

41. Ugglebo Clogs's use of the UGG® Mark has been and continues to be intentional, willful, and in bad faith, and Deckers therefore is entitled to damages pursuant to 15 U.S.C. § 1117(a), including Ugglebo Clogs's profits, and/or Deckers's actual damages and/or the costs of this action. Deckers is further entitled to attorneys' fees and costs because of Ugglebo Clogs's conduct.

THIRD CLAIM FOR RELIEF
Federal Trademark Dilution—Lanham Act, 15 U.S.C. § 1125(c))

42. Deckers repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

43. Deckers has extensively and continuously promoted and used the UGG® Mark in the U.S., and the UGG® Mark has become a famous and well-known indicator of the origin of Deckers's boots.

44. Ugglebo Clogs is making commercial use of the UGG® Mark that dilutes and is likely to dilute the distinctiveness of the UGG® Mark by eroding the public's exclusive identification of the famous UGG® Mark with Deckers, tarnishing and degrading the positive associations and prestigious connotations of the UGG® Mark, and otherwise lessening the capacity of the UGG® Mark to identify and distinguish goods and services.

45. Ugglebo Clogs's actions demonstrate an intentional, willful, and malicious intent to trade on the goodwill associated with the UGG® Mark or to cause dilution of the UGG® Mark, to the great and irreparable injury of Deckers.

46. Ugglebo Clogs has caused and will continue to cause irreparable injury to Deckers's goodwill and business reputation, and dilution of the distinctiveness and value of the famous and distinctive UGG® Mark in violation of 15 U.S.C. § 1125(c), and Deckers therefore is entitled to injunctive relief and to Ugglebo Clogs's profits, actual damages, enhanced profits and damages, costs, and reasonable attorneys' fees pursuant to 15 U.S.C. §§ 1125(c), 1116, and 1117.

FOURTH CLAIM FOR RELIEF
State Trademark Dilution and Injury to Business Reputation

47. Deckers repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

48. Deckers has extensively and continuously promoted and used the UGG® Mark throughout the U.S. and the UGG® Mark has become a famous, highly distinctive and well-known symbol of Deckers's products.

49. Ugglebo Clogs's unauthorized use of the UGG® Mark dilutes the distinctiveness of the famous trademark by eroding the public's exclusive identification of this distinctive mark with Deckers, and tarnishing and degrading the positive associations and prestigious connotations thereof.

50. Ugglebo Clogs is causing and will continue to cause irreparable injury to Deckers's goodwill and business reputation, and dilution of the distinctiveness and value of UGG® Mark in violation of the antidilution laws, whether codified by statute or developed by common law, of all U.S. states, including without limitation: California, CAL. BUS. & PROF. CODE § 14200 *et seq.*, Minnesota, MINN. STAT. ANN. § 333.285; New York, N.Y. GEN. BUS. Law § 360-1; Pennsylvania, 54 PA. CONS. STAT. ANN. § 1124; South Carolina, S.C. CODE ANN. § 39-15-1105; Texas, TEX. BUS. & COM. CODE ANN. § 16.29; Utah, UT. CODE ANN. § 70-3a-403; and Washington, WASH. REV. CODE ANN. § 19.77.160.

51. Deckers therefore is entitled to injunctive relief, damages and costs, as well as, if appropriate, enhanced damages, and reasonable attorneys' fees.

FIFTH CLAIM FOR RELIEF
State Unfair and Deceptive Trade Practices

52. Deckers repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

53. Ugglebo Clogs has been and are passing off its goods as those of Deckers, causing a likelihood of confusion or of misunderstanding as to the source, sponsorship, or approval of Ugglebo Clogs's clogs as to Ugglebo Clogs's affiliation, connection, or association with Deckers, and otherwise damaging the public. Ugglebo Clogs's actions, as complained of herein, have been and will continue to be willful and intentional. Ugglebo Clogs's conduct constitutes unfair and deceptive acts or practices in the course of a business, trade, or commerce in violation of the statute or common law of all U.S. states, including without limitation: laws of California, CAL. BUS. & PROF. CODE § 17200 *et seq.*; New York, N.Y. GEN. BUS. L. § 349; South Carolina, S.C. CODE ANN. §§ 39-5-10 to 39-5-560; and Utah, UTAH CODE ANN. § 13-5-1, *et seq.*; and the unfair and deceptive trade practices statutes and common law of other states, including without limitation: Illinois, 815 ILL. COMP. ANN. 510/1 to 510/7; Maine, ME. REV. STAT. TIT. 10, §§ 1211-1216; Minnesota, MINN. STAT. ANN. §§ 325D.43-325D.48; and Ohio, OHIO REV. CODE ANN. §§ 4165.01 to 4165.04.

54. Ugglebo Clogs's unauthorized use of the UGG® Mark has caused and is likely to cause substantial and irreparable injury to the public and to Deckers, and Deckers is entitled to injunctive relief and to recover damages, punitive damages, costs, and reasonable attorneys' fees.

SIXTH CLAIM FOR RELIEF
(Declaratory Relief)

55. Deckers repeats and re-alleges the allegations set forth in the preceding paragraphs of this Counterclaim.

56. As set forth in Ugglebo Clogs's Amended Complaint, Deckers's Answer and Affirmative Defenses to the same, and this Counterclaim, there is an actual, substantial, and continuing justiciable controversy between Deckers and Ugglebo Clogs concerning the validity and enforceability of the UGG® Mark—including U.S. Trademark Registrations for the UGG® Mark and common law rights in the UGG® Mark—as well as the alleged infringement thereof by Ugglebo Clogs.

57. An Examining Attorney at the United States Patent and Trademark Office denied Ugglebo Clogs's application for federal registration of the proposed trademark "Ugglebo" on the basis that such registration would cause a likelihood of confusion with Deckers's registered UGG® Mark.

58. An Examining Attorney at the United States Patent and Trademark Office rejected Ugglebo Clogs's application to register the designation "Ugglebo" "because of a likelihood of confusion with the marks in U.S. Registration Nos. 3050925 and 3360442," both of which are Deckers's U.S. Trademark Registrations for the UGG® Mark, and later maintained this rejection because "The applicant claims priority use, but did not provide any evidence of such use. Additionally, there is currently no indication of priority use currently [sic] in the record."

59. Ugglebo Clogs contends that its rights in the designation "Ugglebo" is superior to Deckers's rights in the UGG® Mark, and that Deckers is liable for various violations of Ugglebo Clogs's rights, as set forth in the Amended Complaint. In addition, in its prayer for relief in the Amended Complaint, Ugglebo Clogs seeks, among other things, a judgment "[e]njoining and restraining [Deckers], its officers, agents, servants, employees, attorneys and all others in active concert or participation with [Deckers], during the pendency of this action and thereafter permanently from ... [u]sing the mark Ugg or any confusingly similar designation alone or in combination with other word or design, as a trademark, trade name component or otherwise, to market, advertise, or identify products and services not produced or authorized by [Ugglebo Clogs]." Thus, Ugglebo Clogs seeks to permanently enjoin Deckers from using the UGG® Mark in any manner unless authorized by Ugglebo Clogs.

60. Deckers contends that its rights in the UGG® Mark are superior to Ugglebo Clogs's purported rights, if any exist, in the designation "Ugglebo"; that Deckers has not infringed the purported rights, if any exist, claimed by Ugglebo Clogs; and that Deckers is not otherwise liable for violations of any such purported rights, if any exist, as set forth in Deckers's Counterclaim and its Answer and Affirmative Defenses to the Amended Complaint, all of which are incorporated by reference. Absent a declaration of the validity, enforceability, and superiority of Deckers's rights in its UGG® Mark asserted in this action, including Deckers's non-infringement of Ugglebo Clogs's putative rights, Ugglebo Clogs will continue to assert its putative rights in the designation "Ugglebo" designation against Deckers, thereby causing damage to Deckers.

61. Deckers seeks a declaration that the UGG® Mark is valid and enforceable under federal, state and common law; a declaration that Deckers's rights in the UGG® Mark are superior nationwide to the putative rights alleged by Ugglebo Clogs in the "Ugglebo" designation; and a declaration that Deckers has not infringed any trademark or related interests for which Ugglebo Clogs claims ownership in this action.

PRAYER FOR RELIEF

WHEREFORE, Deckers hereby prays as follows:

1. Ugglebo Clogs take nothing by its Amended Complaint and a judgment be entered in favor of Deckers and against Ugglebo Clogs, denying Ugglebo Clogs all relief requested in its Amended Complaint in this action and dismissing the Amended Complaint with prejudice;

2. Ugglebo Clogs and all of its agents, officers, employees, representatives, successors, assigns, attorneys, and all other persons acting, for, with, by, through, or under authority from Ugglebo Clogs, or in concert or participation with Ugglebo Clogs, and each of them, be enjoined permanently, from: using, copying, reproducing, or imitating Deckers's marks or any confusingly similar or colorable imitation thereof, including the "Ugglebo" designation, in any manner, and that all infringing materials, electronic or otherwise, in possession of Ugglebo Clogs be delivered up and destroyed pursuant to 15 U.S.C. § 1125 and all other state and federal law.

3. Ugglebo Clogs and all of its agents, officers, employees, representatives, successors, assigns, attorneys, and all other persons acting for, with, by, through, or under

authority from Ugglebo Clogs, or in concert or participation with Ugglebo Clogs be enjoined permanently, from:

a. using the "Ugglebo" designation, or any other copy, reproduction, or colorable imitation or simulation of the UGG® Mark, on or in connection with Ugglebo Clogs's goods;

b. using any trademark, identifier, designation or design of any kind, including the "Ugglebo" designation, on or in connection with Ugglebo Clogs's goods that is a copy, reproduction, colorable imitation, or simulation of, or confusingly similar to, the UGG® Mark;

c. using any trademark, identifier, designation or design of any kind, including the "Ugglebo" designation, that is likely to cause confusion, mistake, deception, or public misunderstanding that such goods or services are produced or provided by Deckers, or are sponsored or authorized by Deckers, or are in any way connected or related to Deckers;

d. using any trademark, identifier, designation or design of any kind, including the "Ugglebo" designation, on or in connection with Ugglebo Clogs's goods that dilutes or is likely to dilute the distinctiveness of the UGG® Mark; and

e. passing off, palming off, or assisting in passing off or palming off Ugglebo Clogs's goods as those of Deckers, or otherwise continuing any and all acts of unfair competition as alleged in this Counterclaim.

4. Ugglebo Clogs be ordered to recall all products sold in the U.S. bearing the UGG® Mark or any other confusingly similar variation thereof, including the "Ugglebo" designation, which have been shipped by Ugglebo Clogs or under its authority, to any customer in the U.S., including, but not limited to, any wholesaler, distributor, retailer, consignor, or marketer, and also to deliver to each customer a copy of this Court's order as it relates to said injunctive relief against Ugglebo Clogs.

5. Ugglebo Clogs be ordered to deliver up for impoundment and for destruction all footwear, bags, boxes, labels, tags, signs, packages, receptacles, advertising, sample books, promotional material, stationary or other materials in the possession, custody, or under the control of Ugglebo Clogs in the U.S. that are found to adopt, infringe, or dilute the UGG® Mark or that otherwise unfairly compete with Deckers and its products.

6. Ugglebo Clogs be compelled to account to Deckers for any and all profits derived by Ugglebo Clogs from the sale or distribution of infringing goods in the U.S. as described in this Counterclaim.

7. Deckers be awarded all damages caused by the acts forming the basis of this Counterclaim.

8. Ugglebo Clogs be compelled to account for and turn over to Deckers all gains, profits, and advantages derived by Ugglebo Clogs available under federal, state, and common law.

9. Based on Ugglebo Clogs's knowing and intentional use of confusingly similar imitations of the UGG® Mark, the damages award be trebled and the award of

Ugglebo Clogs's profits be enhanced as provided for by 15 U.S.C. § 1117(a) and the state statutes cited in this Counterclaim.

10. Ugglebo Clogs be required to pay to Deckers the costs and reasonable attorneys' fees that Deckers has and will incur in this action pursuant to 15 U.S.C. § 1117(a) and the state statutes cited in this Complaint or other applicable law.

11. Based on Ugglebo Clogs's willful and deliberate infringement and dilution of the UGG® Mark and to deter such conduct in the future, Deckers be awarded punitive damages.

12. This Court declare that:

a. Deckers's rights in the UGG® Mark are valid and enforceable;

b. Deckers's rights in the UGG® Mark are superior to those of Ugglebo Clogs in the "Ugglebo" designation nationwide;

c. Deckers has not violated any trademark or related interests of Ugglebo Clogs.

13. That Deckers be granted such other and further relief, in law or equity, as this Court may find just and proper.

DEMAND FOR JURY TRIAL

Deckers hereby demands a trial by jury on any and all issues so triable in accordance with Federal Rule of Civil Procedure 38(b).

Dated: April 11, 2011

By: s/ Kevin D. Conneely
Kevin D. Conneely (#192703)
E-mail: kevin.conneely@leonard.com
LEONARD, STREET AND DEINARD, P.A.
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402
Telephone: (612) 335-1500
Facsimile: (612) 335-1657

AND

Robert L. Raskopf (*pro hac vice*)
E-mail: robertraskopf@quinnemanuel.com
Todd Anten (*pro hac vice*)
E-mail: toddanten@quinnemanuel.com
QUINN EMANUEL URQUHART & SULLIVAN, LLP
51 Madison Avenue, 22nd Floor
New York, NY 10011
Telephone: (212) 849-7000
Facsimile: (212) 849-7100

Attorneys for Deckers Outdoor Corporation

EXHIBIT 1

United States Patent and Trademark Office

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TARR Status | ASSIGN Status | TDR | TTAB Status ***(Use the "Back" button of the Internet Browser to return to TESS)***

UGG

Word Mark	**UGG**
Goods and Services	IC 018. US 001 002 003 022 041. G & S: wallets and key cases. FIRST USE: 20040600. FIRST USE IN COMMERCE: 20041129
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Trademark Search Facility Classification Code	LETS-2 UGG Two letters or combinations of multiples of two letters SHAPES-MISC Miscellaneous shaped designs
Serial Number	78551441
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	October 11, 2005
Registration Number	3412734
International Registration Number	0860445
Registration Date	April 15, 2008
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117

Attorney of Record	PAUL G. JUETTNER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 2

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UGG

Word Mark	**UGG**
Goods and Services	IC 025. US 022 039. G & S: footwear, namely, sandals; clothing, namely, vests, mittens, scarves, headwear, caps, visors. FIRST USE: 20050800. FIRST USE IN COMMERCE: 20050800
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Trademark Search Facility Classification Code	LETS-2 UGG Two letters or combinations of multiples of two letters
Serial Number	78551479
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	December 20, 2005
Registration Number	3360442
International	

Registration Number	0905813
Registration Date	December 25, 2007
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	PAUL G. JUETTNER
Prior Registrations	1237456;1973743
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 3

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TARR Status | ASSIGN Status | TDR | TTAB Status *(Use the "Back" button of the Internet Browser to return to TESS)*

UGG

Word Mark	**UGG**
Goods and Services	IC 024. US 042 050. G & S: throws. FIRST USE: 20041119. FIRST USE IN COMMERCE: 20041201
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78551472
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	November 22, 2005
Registration Number	3166352
International Registration Number	0902172
Registration Date	October 31, 2006
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	PAUL G. JUETTNER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 4

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UGG

Word Mark	**UGG**
Goods and Services	IC 027. US 019 020 037 042 050. G & S: rugs. FIRST USE: 20041119. FIRST USE IN COMMERCE: 20041201
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78551465
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	November 22, 2005
Registration Number	3166351
International Registration Number	0902172
Registration Date	October 31, 2006
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	PAUL G. JUETTNER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 5

United States Patent and Trademark Office

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UGG

Word Mark	**UGG**
Goods and Services	IC 020. US 002 013 022 025 032 050. G & S: pillows. FIRST USE: 20041119. FIRST USE IN COMMERCE: 20041201
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78551461
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	November 22, 2005
Registration Number	3166350
Registration Date	October 31, 2006
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	PAUL G. JUETTNER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 6

Trademarks > Trademark Electronic Search System (TESS)

TESS was last updated on Sat Apr 9 04:05:46 EDT 2011

UGG

Word Mark	**UGG**
Goods and Services	IC 018. US 001 002 003 022 041. G & S: Sheepskin handbags, carry-on bags, clutch bags, duffle bags, shoulder bags, tote bags, backpacks, daypacks, handbags, knapsacks, pocketbooks, purses, satchels and waist packs. FIRST USE: 20040629. FIRST USE IN COMMERCE: 20040629
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78976555
Filing Date	January 15, 2004
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	July 5, 2005
Registration Number	3061278
International Registration Number	0860445

Registration Date	February 21, 2006
Owner	(REGISTRANT) DECKERS OUTDOOR CORPORATION CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Assignment Recorded	ASSIGNMENT RECORDED
Attorney of Record	Thomas R. Fitzsimons
Prior Registrations	1973743
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 7

United States Patent and Trademark Office

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TARR Status | ASSIGN Status | TDR | TTAB Status *(Use the "Back" button of the Internet Browser to return to TESS)*

UGG

Word Mark	**UGG**
Goods and Services	IC 025. US 022 039. G & S: Men's, women's and children's footwear, namely, boots, shoes, clogs, slippers; men's, women's and children's clothing, namely, coats, jackets, ponchos; women's clothing, namely, skirts, muffs; children's buntings. FIRST USE: 19791228. FIRST USE IN COMMERCE: 19791228
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78976129
Filing Date	January 21, 2005
Current Filing Basis	1A
Original Filing Basis	1B
Published for Opposition	November 1, 2005
Registration Number	3050925
International Registration Number	0905813

Registration Date	January 24, 2006
Owner	(REGISTRANT) Deckers Outdoor Corporation CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	PAUL G. JUETTNER
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 8

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TARR Status | ASSIGN Status | TDR | TTAB Status *(Use the "Back" button of the Internet Browser to return to TESS)*

UGG

Word Mark	UGG
Goods and Services	IC 003. US 001 004 006 050 051 052. G & S: CLEANER AND CONDITIONER FOR USE ON SHEEPSKIN AND LEATHER. FIRST USE: 19890101. FIRST USE IN COMMERCE: 19890101
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78686857
Filing Date	August 5, 2005
Current Filing Basis	1A
Original Filing Basis	1A
Published for Opposition	November 1, 2005
Registration Number	3050903
International Registration Number	0902172
Registration Date	January 24, 2006
Owner	(REGISTRANT) DECKERS OUTDOOR CORPORATION CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	TOM FITZSIMONS
Type of Mark	TRADEMARK
Register	PRINCIPAL

Live/Dead Indicator LIVE

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UGG

Word Mark	**UGG**
Goods and Services	IC 001. US 001 005 006 010 026 046. G & S: WATER AND STAIN REPELLANT FOR USE ON SHEEPSKIN AND LEATHER. FIRST USE: 19890101. FIRST USE IN COMMERCE: 19890101
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78686794
Filing Date	August 5, 2005
Current Filing Basis	1A
Original Filing Basis	1A
Published for Opposition	November 1, 2005
Registration Number	3050902
International Registration Number	0902172
Registration Date	January 24, 2006
Owner	(REGISTRANT) DECKERS OUTDOOR CORPORATION CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	TOM FITZSIMONS
Type of Mark	TRADEMARK
Register	PRINCIPAL

Live/Dead Indicator LIVE

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UGG

Word Mark	**UGG**
Goods and Services	IC 035. US 100 101 102. G & S: Retail store services, mail order catalog services and on-line retail store services featuring footwear, clothing, handbags and home accessories. FIRST USE: 20000731. FIRST USE IN COMMERCE: 20000731
Standard Characters Claimed	
Mark Drawing Code	(4) STANDARD CHARACTER MARK
Serial Number	78620184
Filing Date	April 29, 2005
Current Filing Basis	1A
Original Filing Basis	1A
Published for Opposition	November 1, 2005
Registration Number	3050865
International Registration Number	0902172
Registration Date	January 24, 2006
Owner	(REGISTRANT) DECKERS OUTDOOR CORPORATION CORPORATION DELAWARE 495-A SOUTH FAIRVIEW AVENUE GOLETA CALIFORNIA 93117
Attorney of Record	T0M FITZSIMONS

Type of Mark	SERVICE MARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE