

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF FLORIDA
PANAMA CITY DIVISION**

SLEP-TONE ENTERTAINMENT
CORPORATION,
Plaintiff,

v.

Civil Action No. 5:11cv69

ARTHUR ALLEN; BRAND X
ENTERTAINMENT; CURTIS DAVIS;
BRANDON LYNCH; DONOVAN'S REEF
LOUNGE & PACKAGE STORE, INC.;
GREEN GLASS MALL, INC.; ROBERT T
IAVARONE; CRAIG BOYD; DAN
SPRING; BIG LOU, INC.; ANTHONY E
REBELLO; JAIMI PUTZKE; MATT
ALLEN; KLAUDETTE'S KARAOKE;
CLAUDETTE R ERVIN; ROBERT ERVIN;
BRITANNIA PUBS LLC; TONEJAM
L.L.C.; ALL MUSIC PRODUCTIONS, LLC;
DAN LEWIS; LANCE G MARTIN;
ABRAHAM F OTTO; KMJ
ENTERTAINMENT INC; ANTHONY
GRIFFIN; ALWAYS ENTERTAINMENT;
RUSSELL HOLLIDAY; MELISSA
DESRUISSEAU; JONATHAN HANSON;
BYRON K SUTTON; MALCOLM BONDS;
SONNY L SCHENCK; DARLENE SALA;
STARZ N BARZ KARAOKE; DOMINIQUE
GRIFFIN; MATHEW GRIFFIN; RICK
PAYNE; CHARLES CASEY ASTON;
KARAOKE WITH BILL & JOSE; BILL
MASON; JOHN DOE NO. 1; CASEY
BURROUGH; and JOHN DOE NO. 2,
Defendants.

COMPLAINT

The Plaintiff, Slep-Tone Entertainment Corporation (“Slep-Tone”), by its undersigned counsel, complains of the Defendants and for its complaint alleges as follows:

INTRODUCTION

Slep-Tone is the manufacturer and distributor of karaoke accompaniment tracks sold under the name “Sound Choice.” Slep-Tone was founded 25 years ago by Kurt and Derek Slep, two brothers with a vision to nurture the development of karaoke in America as a participatory entertainment phenomenon. During that time, Sound Choice came to be recognized as one of the leading producers of high-quality karaoke accompaniment tracks. The company invested over \$18 million to re-record and replicate the authentic sound of popular music across different eras and genres of music.

The Sleps’ dedication to producing music of the highest quality and the most authentic character led its music to become the staple of almost every karaoke show in the country. As karaoke grew in popularity, Sound Choice became the brand that nearly every karaoke fan wanted to sing and that nearly every karaoke jockey (“KJ”) wanted in his or her library.

KJs play karaoke songs using compact discs containing files written in one of two special encoded formats, either “CD+G” (“compact disc plus graphics”) or

“MP3G” (“MP3¹ plus graphics”), in which the disc contains the music and the lyrics, which will display on a screen. In recent years, computer technology, cheap file memory devices, and the internet have made it possible for karaoke discs to be decoded and “ripped” (copied) to a user’s hard drive and easily copied and distributed between KJs. This technology has proven irresistible to KJs, many of whom have used this opportunity to copy one purchased disc to several different computer based systems, copy a singer’s personal discs if they use them during a show, “swap” song files among each other, download them from illegal file-sharing sites and build libraries of tens of thousands of karaoke songs without paying for them. Whereas in the past a KJ would buy multiple copies of an original disc if he or she desired to operate multiple systems, now they simply “clone” their songs for multiple commercial systems or even their entire karaoke song libraries to start a new operation. Additionally, many KJs or operators starting in the business simply buy computer drives pre-loaded with thousands of illegally copied songs.

These practices have become so widespread that Slep-Tone and its sister company, Sound Choice Studios, Inc., have been driven nearly out of business. At its peak, the Sound Choice family of companies employed 75 individuals and

¹ MP3 is an acronym standing for “Moving Picture Experts Group Audio Layer 3.” MP3G is a far newer format than CD+G and is significantly more portable than CD+G. The Plaintiff has only recently begun distributing its karaoke tracks in this format, and only under tight contractual controls that require user registration and audits, confine possession to professional karaoke operators, include serialization of licensed discs, and prohibit file sharing under pain of forfeiture of license rights.

produced as many as 5 new karaoke discs per month. Today, the enterprise employs fewer than 10 individuals. Sound Choice Studios, which is responsible for production of new material, has virtually ceased making new discs, because the companies have lost money on every recent new karaoke disc. The most recent new disc did not produce enough revenue even to cover the production and licensing costs associated with it—yet the songs from that disc can be found on as many as 30,000 karaoke systems around the United States.

For KJs, karaoke is a commercial enterprise. KJs who legitimately acquired all of their music at great cost are being forced by illicit competition to produce shows for lower and lower fees. Illegitimate competitors offer libraries of tens of thousands of songs, which would have cost \$50,000 to \$100,000 or more to acquire legitimately, but produce shows for one-third the rates a legitimate KJ can offer. The result is significant financial pressure on once-legitimate KJs to skirt or ignore the law and become pirates, simply to stay in business.

Slep-Tone has been forced to undertake this litigation in order to ensure that it survives and continues to produce the high-quality karaoke music its fans demand and to level the playing field for the legitimate KJs.

JURISDICTION AND VENUE

1. This is an action for trademark infringement and unfair competition arising under §§ 32 and 43 of the Trademark Act of 1946, 15 U.S.C. §§ 1114 and

1125. This Court has exclusive jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, in that this is a civil action arising under the laws of the United States.

2. This Court further has jurisdiction pursuant to 28 U.S.C. § 1338(a), in that this civil action arises under an Act of Congress relating to trademarks, and, as to the Plaintiff's Lanham Act unfair competition claim, pursuant to 28 U.S.C. § 1338(b), in that the claim is joined with a substantial and related claim under the trademark laws of the United States.
3. This Court has supplemental jurisdiction over the subject matter of the Plaintiff's state-law claims pursuant to 28 U.S.C. § 1367(a), in that those claims are so related to the Plaintiff's federal claims that they form part of the same case or controversy.
4. Alternatively, this Court has jurisdiction over the subject matter of the Plaintiff's state-law claims pursuant to 28 U.S.C. § 1332(a), in that this is an action between citizens of different States, and the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs.
5. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b), because all of the defendants reside in this State, and at least one of the defendants resides in this judicial district.

THE PLAINTIFF

6. Plaintiff SLEP-TONE is a North Carolina corporation having its principal place of business at 14100 South Lakes Drive, Charlotte, North Carolina.

THE DEFENDANTS

7. Defendant ARTHUR ALLEN is an individual who has his principal place of business in Panama City Beach, Florida. Defendant ARTHUR ALLEN is engaged in the business of providing karaoke entertainment, and he conducts his business activities at multiple venues in this State.
8. Defendant BRAND X ENTERTAINMENT is an unincorporated association and, upon information and belief, a general partnership whose general partners include at least Defendant CURTIS DAVIS and Defendant BRANDON LYNCH. Defendant BRAND X ENTERTAINMENT has its principal place of business in Tallahassee, Florida, and is engaged in the business of providing karaoke entertainment, conducting its business activities at multiple venues in this State.
9. Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. is a Florida corporation having its principal place of business in Panama City Beach, Florida, at which it operates a drinking and karaoke establishment of that name.

10. Defendant GREEN GLASS MALL, INC. is a Florida corporation that does business as SWEET DREAMS SING & DANCE HALL, a drinking and karaoke establishment. Defendant GREEN GLASS MALL, INC., has its principal place of business in Panama City Beach, Florida.
11. Upon information and belief, Defendants DONOVAN’S REEF LOUNGE & PACKAGE STORE, INC. and GREEN GLASS MALL, INC. are under common ownership and control.
12. Defendant ROBERT T IAVARONE is an individual who does business as “Time Machine Productions” and who has his principal business address in Orlando, Florida. Defendant ROBERT T IAVARONE is engaged in the business of providing karaoke entertainment, and he conducts his business activities at multiple venues in this State.
13. Defendant CRAIG BOYD is an individual who has his principal business address in Apopka, Florida. Defendant CRAIG BOYD is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
14. Defendant DAN SPRING is an individual who does business as “Dan The Man” and who has his principal business address in Orlando, Florida. Defendant DAN SPRING is engaged in the business of providing karaoke

entertainment, and he conducts his business activities at one or more venues in this State.

15. Defendant BIG LOU, INC. is a Florida corporation with its principal business address in or near Winter Park, Florida. Defendant BIG LOU, INC. operates an eating and drinking establishment known as “Devaney’s Sports Pub” at which karaoke entertainment is provided.
16. Defendant ANTHONY E REBELLO is an individual who does business as “Genre Entertainment” and who has his principal business address in Dundee, Florida. Defendant ANTHONY E REBELLO is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
17. Defendant JAIMI PUTZKE is an individual who does business as “Karaoke Nights” and who has her principal business address in Winter Springs, Florida. Defendant JAIMI PUTZKE is engaged in the business of providing karaoke entertainment, and she conducts her business activities at one or more venues in this State.
18. Defendant MATT ALLEN is an individual who does business as “Karaoke Unlimited” and who has his principal business address in or near Orlando, Florida. Defendant MATT ALLEN is engaged in the business of providing

karaoke entertainment, and he conducts his business activities at multiple venues in this State.

19. Defendant KLAUDETTE'S KARAOKE is an unincorporated association and, upon information and belief, a general partnership whose general partners include at least Defendant CLAUDETTE R ERVIN and Defendant ROBERT ERVIN.
20. Defendants CLAUDETTE R ERVIN and ROBERT ERVIN are individuals who together operate Defendant KLAUDETTE'S KARAOKE, and who have their principal business address in or near Altamonte Springs, Florida. Defendant KLAUDETTE'S KARAOKE and its general partners are engaged in the business of providing karaoke entertainment, and they conduct their business activities at multiple venues in this State.
21. Defendant BRITANNIA PUBS LLC is a Florida limited liability company having its principal place of business in Orlando, Florida. Defendant BRITANNIA PUBS LLC operates an eating and drinking establishment known as "Orlando George and Dragon" at which karaoke entertainment is provided.
22. Defendant TONEJAM L.L.C. is a Florida limited liability company having its principal place of business in Winter Garden, Florida. Defendant

TONEJAM L.L.C. is in the business of providing karaoke entertainment and it conducts its business activities at multiple venues in this State.

23. Defendant ALL MUSIC PRODUCTIONS, LLC is an unincorporated association and, upon information and belief, a general partnership whose general partners include at least Defendant DAN LEWIS, Defendant LANCE G MARTIN, and Defendant ABRAHAM F OTTO.
24. Defendants DAN LEWIS, LANCE G MARTIN, and ABRAHAM F OTTO are individuals who together operate Defendant ALL MUSIC PRODUCTIONS, LLC, and who have their principal business address in or near Winter Haven, Florida. Defendant ALL MUSIC PRODUCTIONS, LLC and its general partners are engaged in the business of providing karaoke entertainment, and they conduct their business activities at one or more venues in this State.
25. Defendant KMJ ENTERTAINMENT INC is a Florida corporation with its principal business address in Altamonte Springs, Florida. Defendant KMJ ENTERTAINMENT INC is in the business of providing karaoke entertainment and it conducts its business activities at a venue in this State.
26. Defendant ANTHONY GRIFFIN is an individual who does business as “Rockstar Karaoke & DJ Services” and who has his principal business address in or near New Port Richey, Florida. Defendant ANTHONY

GRIFFIN is engaged in the business of providing karaoke entertainment, and he conducts his business activities at multiple venues in this State.

27. Defendant ALWAYS ENTERTAINMENT is an unincorporated association and, upon information and belief, a general partnership whose general partners include at least Defendant RUSSELL HOLLIDAY and Defendant MELISSA DESRUISSEAUX.
28. Defendants RUSSELL HOLLIDAY and MELISSA DESRUISSEAUX are individuals who together operate Defendant ALWAYS ENTERTAINMENT, and who have their principal business address in or near Davenport, Florida. Defendant ALWAYS ENTERTAINMENT and its general partners are engaged in the business of providing karaoke entertainment, and they conduct their business activities at multiple venues in this State.
29. Defendant JONATHAN HANSON is an individual who has his principal business address in or near Orlando, Florida. Defendant JONATHAN HANSON is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
30. Defendant BYRON K SUTTON is an individual who has his principle business address in Kissimmee, Florida. Defendant BYRON K SUTTON

operates an eating and drinking establishment, known as Blue Max Tavern, at which karaoke entertainment is provided.

31. Defendant MALCOLM BONDS is an individual who does business as “DJ Double Oh!” and who has his principal business address in or near Orlando, Florida. Defendant MALCOLM BONDS is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
32. Defendant SONNY L SCHENCK is an individual who does business as “Lighter Side Karaoke and Entertainment” and who has his principal business address in or near North Fort Myers, Florida. Defendant SONNY L SCHENCK is engaged in the business of providing karaoke entertainment, and he conducts his business activities at multiple venues in this State.
33. Defendant DARLENE SALA is an individual who does business as “Fantasy Karaoke” and as “Karaoke by Darlene” and who has her principal business address in or near Hudson, Florida. Defendant DARLENE SALA is engaged in the business of providing karaoke entertainment, and she conducts her business activities at one or more venues in this State.
34. Defendant STARZ N BARZ KARAOKE is an unincorporated association and, upon information and belief, a general partnership whose general partners include at least Defendant DOMINIQUE GRIFFIN and Defendant

MATHEW GRIFFIN. These defendants do business as “Starz N Barz Karaoke” and as “Matinique Entertainment.”

35. Defendants DOMINIQUE GRIFFIN and MATHEW GRIFFIN are individuals who together operate Defendant STARZ N BARZ KARAOKE, and who have their principal business address in or near Weeki Wachee, Florida. Defendant STARZ N BARZ KARAOKE and its general partners are engaged in the business of providing karaoke entertainment, and they conduct their business activities at one or more venues in this State.
36. Defendant RICK PAYNE is an individual who has his principal business address in or near Orlando, Florida. Defendant RICK PAYNE is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
37. Defendant CHARLES CASEY ASTON is an individual who does business as “Sports Time Entertainment Mobile DJ Service” and who has his principal business address in or near Orlando, Florida. Defendant CHARLES CASEY ASTON is engaged in the business of providing karaoke entertainment, and he conducts his business activities at multiple venues in this State.
38. Defendant KARAOKE WITH BILL & JOSE is an unincorporated association and, upon information and belief, a general partnership whose

general partners include at least Defendant BILL MASON and Defendant JOHN DOE NO. 1. Defendant JOHN DOE NO. 1 is an individual known to the Plaintiff only as “Jose” despite efforts to identify him by his true name.

39. Defendants BILL MASON and JOHN DOE NO. 1 are individuals who together operate Defendant KARAOKE WITH BILL & JOSE, and who have their principal business address in or near Orlando, Florida. Defendant KARAOKE WITH BILL & JOSE and its general partners are engaged in the business of providing karaoke entertainment, and they conduct their business activities at multiple venues in this State.
40. Defendant CASEY BURROUGH is an individual who has his principal business address in or near Orlando, Florida. Defendant CASEY BURROUGH is engaged in the business of providing karaoke entertainment, and he conducts his business activities at one or more venues in this State.
41. Defendant JOHN DOE NO. 2 is an individual known to the Plaintiff only as “Tom T” despite efforts to identify him by his true name. Defendant JOHN DOE NO. 2 is an individual who does business as “Let the Good Times Roll” and who has his principal business address in or near Naples, Florida. Defendant JOHN DOE NO. 2 is engaged in the business of providing

karaoke entertainment, and he conducts his business activities at one or more venues in this State.

BACKGROUND FACTS

42. The term “karaoke” means “empty orchestra” in Japanese. Karaoke entertainment has grown into a multi-million dollar business in the United States.
43. Karaoke compact disc plus graphics or MP3 plus graphics recordings contain re-created arrangements of popular songs for use as “accompaniment tracks.”
44. Typically, the lead vocal tracks in an accompaniment track are omitted so that a karaoke participant can sing along, as though he or she were the lead singer. In other situations, the lead vocal track by a sound-alike artist might be included, and some formats allow the lead vocal to be selectively muted upon playback so that the accompaniment track may be listened to either with or without the lead vocals.
45. The “graphics” portion of a karaoke recording refers to the encoding of the recording with data to provide a contemporaneous video display of the lyrics to the song, in order to aid the performer.

46. This graphics data is also utilized to mark the accompaniment tracks with the Sound Choice trademarks and to cause the Sound Choice trademarks to be displayed upon playback.
47. Entertainers who provide karaoke services in bars, restaurants, and other venues are known as karaoke jockeys (“KJs”), karaoke hosts, or karaoke operators. The services provided by KJs typically include providing the karaoke music and equipment for playback, entertaining the assembled crowd for warm-up purposes, and organizing the karaoke show by controlling access to the stage, setting the order of performance, and operating the karaoke equipment.
48. Typically, a KJ will maintain a catalog of songs available for performance in order to aid participants in selecting a song to sing.
49. Legitimate KJs purchase equipment and purchase or license compact discs containing accompaniment tracks and charge for the above-mentioned karaoke services.
50. Many KJs, such as some of the present Defendants, obtain, copy, share, distribute and/or sell media-shifted copies of the accompaniment tracks via pre-loaded hard drives, USB drives, CD-R’s, or the Internet.

51. Neither SLEP-TONE nor any of its associated companies has ever authorized the digitization of its songs for commercial use in producing karaoke shows.
52. SLEP-TONE tolerates, but does not authorize, the shifting of its accompaniment tracks from the original medium to another medium, such as a computer hard drive, provided that the KJ strictly follows SLEP-TONE's media-shifting policy by maintaining "one-to-one correspondence."
53. "One-to-one correspondence" requires (1) that each track stored on an alternative medium have originated from an original Sound Choice compact disc; (2) that the tracks from the original Sound Choice compact disc be shifted to one, and only one, alternative medium at a time; (3) that the KJ maintain ownership and possession of the original Sound Choice compact disc while its content is shifted to the alternative medium; and (4) that the original Sound Choice compact disc not be used for any commercial purpose while its content is shifted to the alternative medium.
54. The copying, sharing, distribution, and selling of media-shifted tracks is not accompanied by the payment of any royalty to SLEP-TONE, nor authorized by any license agreement.
55. SLEP-TONE and its affiliated companies pay statutory and negotiated royalties to the owners of copyright in the underlying musical works for

their activities in legitimately creating, copying, distributing, and selling compact discs containing karaoke accompaniment tracks.

56. Those persons, including the Defendants, who illegitimately obtain, copy, share, distribute, and/or sell media-shifted copies of the Plaintiff's accompaniment tracks do not pay royalties to the owners of copyright in the underlying musical works.
57. SLEP-TONE and its affiliated companies have spent millions of dollars building and maintaining studios, hiring artists, building a distribution facility, paying royalties to copyright owners, building a company that is capable of reliably producing high-quality karaoke versions of current and historical musical hits, and building a brand that is one of the pre-eminent brands in the industry.
58. The widespread creation of counterfeit copies of SLEP-TONE's karaoke discs has denied SLEP-TONE the benefit of its investments.
59. These counterfeits include SLEP-TONE's registered trademarks, such that to the consumers of the illegitimate KJs' services, the counterfeits are virtually indistinguishable from genuine Sound Choice materials.
60. For each of the several recent releases of new karaoke music by SLEP-TONE, dozens of illegitimate copies of the contents of the disc have been created, on average, for each legitimate copy sold. SLEP-TONE, its

affiliated companies, and its licensors have lost a considerable amount of money due to this widespread piracy.

61. Such widespread illegal copying of music has been made possible by improving and ever cheaper computer technology and memory devices and the easy distribution of digital content over the internet.
62. Widespread pirating of songs has contributed to the loss of more than sixty jobs at the Plaintiff's location in Charlotte, North Carolina, as well as several consecutive years of operating losses, as revenues do not cover fixed costs.
63. Legitimate KJs spend thousands of dollars acquiring SLEP-TONE's accompaniment tracks, an irreducible overhead cost that must be recovered over a significant number of engagements.
64. Illegitimate KJs, who acquire the songs in their libraries illegally, have an unfair advantage over legitimate KJs, because the illegitimate KJs are able to provide karaoke services with a considerably lower overhead cost and significantly more songs through the pirating of SLEP-TONE's tracks.
65. Piracy therefore unfairly increases the profits of illegitimate KJs and unfairly decreases the profits of legitimate KJs, a condition that pressures legitimate KJs to either commit piracy instead of doing business with SLEP-TONE and other karaoke music producers or lose their shows to KJs offering more songs at cheaper prices to the same venues.

66. Because of piracy, it is nearly impossible for legitimate KJs to compete against illegal KJs, who are able to provide less expensive karaoke services and a greater number of tracks due to their lower overhead costs.

THE RIGHTS OF THE PLAINTIFF

67. Plaintiff SLEP-TONE is the owner of U.S. Trademark Registration No. 1,923,448 for the trademark SOUND CHOICE.
68. Plaintiff SLEP-TONE is also the owner of U.S. Trademark Registration No. 2,000,725, for a display trademark as follows:



69. Plaintiff SLEP-TONE has, for the entire time its marks (“the Sound Choice Marks”) have been federally registered, provided the public, including the Defendants, with notice of its federal registrations through the consistent display of the symbol ® with its marks as used.

ACTIVITIES OF DEFENDANTS

70. Each of the Defendants has possessed, used, or authorized or benefited from the use and display of unauthorized counterfeit goods bearing the Sound

Choice Marks, or has provided, advertised, or authorized or benefited from the provision of services in connection with the Sound Choice Marks.

71. Defendant ARTHUR ALLEN was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
72. In connection with that show, Defendant ARTHUR ALLEN repeatedly displayed the Sound Choice Marks without right or license.
73. Defendant ARTHUR ALLEN has advertised or otherwise indicated that he is in possession of a library containing at least approximately 40,000 tracks stored on his karaoke system.
74. Defendant BRAND X ENTERTAINMENT, operating through its general partners Defendants CURTIS DAVIS and BRANDON LYNCH, operates a karaoke system to produce karaoke shows at venues in this State in which counterfeit goods bearing the Sound Choice Marks are used.
75. Defendants BRAND X ENTERTAINMENT, CURTIS DAVIS, and BRANDON LYNCH have advertised or otherwise indicated that they are in a possession of a library containing more than 30,000 tracks and as many as 65,000 tracks stored on their karaoke system.

76. The library possessed by Defendants BRAND X ENTERTAINMENT, CURTIS DAVIS, and BRANDON LYNCH contains a substantial number of karaoke tracks marked with the Sound Choice Marks.
77. Upon information and belief, Defendant BRAND X ENTERTAINMENT and its general partners possess the ability to download karaoke accompaniment tracks on demand for use at their karaoke shows, and have done so on many occasions.
78. Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. was observed, acting through an employee or contractor, operating a karaoke system to produce a karaoke show at its Panama City Beach location in which counterfeit goods bearing the Sound Choice Marks were being used.
79. In connection with that show, Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. repeatedly displayed the Sound Choice Marks without right or license.
80. Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. has advertised or otherwise indicated that it is in possession of a library containing more than 10,000 tracks stored on its karaoke system.
81. Upon information and belief, Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. offers karaoke entertainment to its customers each day on which it is open for business.

82. Upon information and belief, Defendant GREEN GLASS MALL, INC., operating through an employee or contractor, operates a karaoke system to produce karaoke shows at its Panama City Beach location in which counterfeit goods bearing the Sound Choice Marks are used.
83. In connection with those shows, Defendant GREEN GLASS MALL, INC. repeatedly displays the Sound Choice Marks without right or license.
84. Upon information and belief, Defendant GREEN GLASS MALL, INC. offers karaoke entertainment to its customers each day on which it is open for business.
85. Upon information and belief, Defendant DONOVAN'S REEF LOUNGE & PACKAGE STORE, INC. and Defendant GREEN GLASS MALL, INC. have shared unauthorized counterfeit copies of karaoke accompaniment tracks bearing the Sound Choice Marks between one another.
86. Defendant ROBERT T IAVARONE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
87. In connection with that show, Defendant ROBERT T IAVARONE repeatedly displayed the Sound Choice Marks without right or license.

88. Defendant ROBERT T IAVARONE has advertised or otherwise indicated that he is in possession of a library containing more than 80,000 tracks stored on his karaoke system.
89. Upon information and belief, ROBERT T IAVARONE hosted as many as eighteen karaoke shows per week with a staff of five employees.
90. Upon information and belief, ROBERT T IAVARONE operates, or at one point operated, at least three and as many as six separate karaoke systems to produce karaoke shows at venues in this State.
91. Upon information and belief, each of Defendant ROBERT T IAVARONE's karaoke systems includes a library containing more than 80,000 accompaniment tracks.
92. Defendant CRAIG BOYD was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
93. In connection with that show, Defendant CRAIG BOYD repeatedly displayed the Sound Choice Marks without right or license.
94. Defendant CRAIG BOYD has advertised or otherwise indicated that he is in possession of a library containing more than 70,000 tracks stored on his karaoke system.

95. Defendant DAN SPRING was observed operating a karaoke system to produce a karaoke show at defendant BIG LOU, INC.'s establishment Devaney's Sports Pub, in which counterfeit goods bearing the Sound Choice Marks were being used.
96. Upon information and belief, the karaoke system described in the preceding paragraph is directly owned by Defendant DAN SPRING and/or by Defendant BIG LOU, INC.
97. In connection with that show, defendant DAN SPRING repeatedly displayed the Sound Choice Marks without right or license.
98. Defendant DAN SPRING has advertised or otherwise indicated that he is in possession of a library containing more than 76,000 tracks stored on his karaoke system.
99. Defendant DAN SPRING has advertised or otherwise indicated that he will put approximately 77,000 karaoke tracks on a hard drive for \$50.
100. Upon information and belief, Defendant DAN SPRING supplied Defendant BIG LOU, INC. with its karaoke library.
101. Upon information and belief, Defendant BIG LOU, INC. is in possession of a library containing more than 76,000 tracks stored on its karaoke system.

102. Defendant ANTHONY E REBELLO was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
103. In connection with that show, Defendant ANTHONY E REBELLO repeatedly displayed the Sound Choice Marks without right or license.
104. Defendant ANTHONY E REBELLO has advertised or otherwise indicated that he is in possession of a library containing between 200,000 and 300,000 tracks stored on his karaoke system.
105. Defendant JAIMI PUTZKE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
106. In connection with that show, Defendant JAIMI PUTZKE repeatedly displayed the Sound Choice Marks without right or license.
107. Defendant JAIMI PUTZKE has advertised or otherwise indicated that she is in possession of a library containing more than 50,000 tracks stored on her karaoke system.
108. Defendant MATT ALLEN was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.

109. In connection with that show, Defendant MATT ALLEN repeatedly displayed the Sound Choice Marks without right or license.
110. Defendant MATT ALLEN has advertised or otherwise indicated that he is in possession of a library containing more than 130,000 tracks stored on his karaoke system.
111. Defendant KLAUDETTE'S KARAOKE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
112. In connection with that show, Defendant KLAUDETTE'S KARAOKE repeatedly displayed the Sound Choice Marks without right or license.
113. Defendant KLAUDETTE'S KARAOKE has advertised or otherwise indicated that it is in possession of a library containing between 40,000 and 50,000 tracks stored on its karaoke system.
114. Defendant BRITANNIA PUBS LLC was observed operating, through Defendant TONEJAM L.L.C., a karaoke system to produce a karaoke show at the Orlando George & Dragon establishment in which counterfeit goods bearing the Sound Choice Marks were being used.
115. Upon information and belief, the karaoke system described in the preceding paragraph is directly owned by Defendant BRITANNIA PUBS LLC and/or by Defendant TONEJAM L.L.C.

116. In connection with that show, Defendant BRITANNIA PUBS LLC acting through Defendant TONEJAM L.L.C. repeatedly displayed the Sound Choice Marks without right or license.
117. Defendant BRITANNIA PUBS LLC has advertised or otherwise indicated that it is in possession of a library containing more than 20,000 tracks stored on its karaoke system.
118. Defendant TONEJAM L.L.C. has advertised or otherwise indicated that it is in possession of a library containing between 30,000 and 40,000 tracks stored on its karaoke system.
119. Defendant TONEJAM L.L.C. has indicated that it supplied Defendant BRITANNIA PUBS LLC with some of its karaoke library.
120. Defendant ALL MUSIC PRODUCTIONS, LLC was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
121. In connection with that show, Defendant ALL MUSIC PRODUCTIONS, LLC repeatedly displayed the Sound Choice Marks without right or license.
122. Defendant ALL MUSIC PRODUCTIONS, LLC has advertised or otherwise indicated that it is in possession of a library containing at least 110,000 tracks stored on its karaoke system.

123. Defendant KMJ ENTERTAINMENT INC was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
124. In connection with that show, Defendant KMJ ENTERTAINMENT INC repeatedly displayed the Sound Choice Marks without right or license.
125. Defendant KMJ ENTERTAINMENT INC has advertised or otherwise indicated that it is in possession of a library containing more than 12,000 tracks stored on its karaoke system.
126. Defendant ANTHONY GRIFFIN was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
127. In connection with that show, Defendant ANTHONY GRIFFIN repeatedly displayed the Sound Choice Marks without right or license.
128. Defendant ANTHONY GRIFFIN has advertised or otherwise indicated that he is in possession of a library containing more than 28,000 tracks stored his karaoke system.
129. Defendant ANTHONY GRIFFIN operates at least two separate karaoke systems to produce karaoke shows at venues in this State.

130. Upon information and belief, each of Defendant ANTHONY GRIFFIN's karaoke systems includes a library containing more than 28,000 accompaniment tracks.
131. Defendant ALWAYS ENTERTAINMENT was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
132. In connection with that show, Defendant ALWAYS ENTERTAINMENT repeatedly displayed the Sound Choice Marks without right or license.
133. Defendant ALWAYS ENTERTAINMENT has advertised or otherwise indicated that it in possession of a library containing more than 8,000 tracks stored on its karaoke system.
134. Defendant ALWAYS ENTERTAINMENT regularly performs karaoke shows in at least two separate venues simultaneously.
135. Defendant ALWAYS ENTERTAINMENT operates at least two separate karaoke systems to produce karaoke shows at venues in this State.
136. Upon information and belief, each of Defendant ALWAYS ENTERTAINMENT's karaoke systems includes a library containing more than 8,000 accompaniment tracks.
137. Defendant ALWAYS ENTERTAINMENT has indicated that it downloads karaoke songs from three different websites.

138. Defendant JONATHAN HANSON was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
139. In connection with that show, Defendant JONATHAN HANSON repeatedly displayed the Sound Choice Marks without right or license.
140. Defendant JONATHAN HANSON has advertised or otherwise indicated that he is in possession of a library containing more than 70,000 tracks stored on his karaoke system.
141. Defendant BYRON K SUTTON was observed operating, through Defendant MALCOLM BONDS, a karaoke system to produce a karaoke show at his Blue Max Tavern establishment in which counterfeit goods bearing the Sound Choice Marks were being used.
142. Upon information and belief, the karaoke system described in the preceding paragraph is directly owned by Defendant BYRON K SUTTON and/or by Defendant MALCOLM BONDS.
143. In connection with that show, Defendant BYRON K SUTTON acting through Defendant MALCOLM BONDS repeatedly displayed the Sound Choice Marks without right or license.

144. Defendant MALCOLM BONDS has advertised or otherwise indicated that he is in possession of a library containing over 100,000 tracks stored on its karaoke system.
145. Defendant MALCOLM BONDS has indicated that he supplied Defendant BYRON K SUTTON with some of his karaoke library.
146. Defendant SONNY L SCHENCK was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
147. In connection with that show, Defendant SONNY L SCHENCK repeatedly displayed the Sound Choice Marks without right or license.
148. Defendant SONNY L SCHENCK has advertised or otherwise indicated that he is in possession of a library containing more than 135,000 tracks stored his karaoke system.
149. Defendant SONNY L SCHENCK has advertised or otherwise indicated that he operates at least two separate karaoke systems to produce karaoke shows at venues in this State.
150. Upon information and belief, each of Defendant SONNY L SCHENCK's karaoke systems includes a library containing more than 135,000 accompaniment tracks.

151. Defendant DARLENE SALA was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
152. In connection with that show, Defendant DARLENE SALA repeatedly displayed the Sound Choice Marks without right or license.
153. Defendant DARLENE SALA has advertised or otherwise indicated that she is in possession of a library containing more than 27,000 tracks stored her karaoke system.
154. Defendant STARZ N BARZ KARAOKE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
155. In connection with that show, Defendant STARZ N BARZ KARAOKE repeatedly displayed the Sound Choice Marks without right or license.
156. Defendant STARZ N BARZ KARAOKE has advertised or otherwise indicated that it is in possession of a library containing more than 80,000 tracks stored its karaoke system.
157. Defendant RICK PAYNE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.

158. In connection with that show, Defendant RICK PAYNE repeatedly displayed the Sound Choice Marks without right or license.
159. Defendant RICK PAYNE has advertised or otherwise indicated that he is in possession of a library containing more than 138,000 tracks stored his karaoke system.
160. Defendant CHARLES CASEY ASTON operates a karaoke system to produce karaoke shows at venues in this State in which counterfeit goods bearing the Sound Choice Marks are used.
161. In connection with those shows, Defendant CHARLES CASEY ASTON repeatedly displays the Sound Choice Marks without right or license.
162. Upon information and belief, Defendant CHARLES CASEY ASTON has supplied counterfeit copies of SLEP-TONE's karaoke accompaniment tracks to other persons without authorization or right.
163. Defendant KARAOKE WITH BILL & JOSE was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
164. In connection with that show, Defendant KARAOKE WITH BILL & JOSE repeatedly displayed the Sound Choice Marks without right or license.

165. Defendant KARAOKE WITH BILL & JOSE has advertised or otherwise indicated that it is in possession of a library containing more than 150,000 tracks stored its karaoke system.
166. Defendant KARAOKE WITH BILL & JOSE operates at least one and, upon information and belief, as many as two separate karaoke systems to produce karaoke shows at venues in this State.
167. Defendant CASEY BURROUGH was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
168. In connection with that show, Defendant CASEY BURROUGH repeatedly displayed the Sound Choice Marks without right or license.
169. Upon information and belief, Defendant CASEY BURROUGH constructed at least a portion of his karaoke library by obtaining counterfeit copies of SLEP-TONE's karaoke accompaniment tracks.
170. Defendant JOHN DOE NO. 2 was observed operating a karaoke system to produce a karaoke show at a venue in this State in which counterfeit goods bearing the Sound Choice Marks were being used.
171. In connection with that show, Defendant JOHN DOE NO. 2 repeatedly displayed the Sound Choice Marks without right or license.

172. Defendant JOHN DOE NO. 2 has advertised or otherwise indicated that he is in possession of a library containing more than 25,000 tracks stored his karaoke system.
173. Based upon the popularity of SLEP-TONE's music, the size of the Defendants' respective libraries (varying between 10,000 and 200,000 karaoke accompaniment tracks, operated by several of the Defendants on multiple karaoke systems), the use by some Defendants of "burned" discs, and the trafficking by some Defendants in counterfeit copies of the Plaintiff's trademarked goods, the Plaintiff has a good-faith belief that discovery will show that each of the Defendants (a) is in possession of unauthorized counterfeit goods bearing the Sound Choice Marks, or (b) knowingly benefits from and has the capacity to control the infringing conduct of others.
174. Each of the Defendants is accused of committing acts of infringement, unfair competition, and deceptive and unfair trade practices in substantially the same way, namely, through the use of counterfeit karaoke tracks to perform karaoke-related services.
175. Though created through unauthorized duplication, the counterfeit karaoke tracks obtained, made, or trafficked by the Defendants all originated, directly or indirectly in an unbroken sequence, from the same ultimate source,

namely, from compact discs sold by the Plaintiff and made from master recordings belonging to the Plaintiff.

176. As such, the Plaintiff's right to relief, as stated in the paragraphs below, ultimately arises out of the same series of transactions and occurrences.
177. This action raises substantial questions of law and fact common to all of the Defendants hereto.

FIRST CLAIM FOR RELIEF
TRADEMARK INFRINGEMENT

178. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing paragraphs, as though fully set forth herein, and incorporates them herein by reference.
179. Each of the Defendants used, or authorized or directly benefited from the use of, a reproduction, counterfeit, or copy of the Sound Choice Marks in connection with the provision of services including karaoke services, by manufacturing or acquiring the reproduction, counterfeit, or copy of the Sound Choice Marks and by displaying the reproduction, counterfeit, or copy of the Sound Choice Marks during the provision of those services.
180. The Defendants' use of the Sound Choice Marks was "in commerce" within the meaning of the Trademark Act of 1946 as amended.

181. Plaintiff SLEP-TONE did not license any of the Defendants to manufacture or acquire reproductions, counterfeits, or copies, or to use the Sound Choice Marks in connection with the provision of their services.
182. The Defendants' use of the Sound Choice Marks is likely to cause confusion, or to cause mistake, or to deceive the Defendants' customers and patrons into believing that the Defendants' services are being provided with the authorization of the Plaintiff and that the Defendants music libraries contain bona fide Sound Choice accompaniment tracks.
183. The acts of each of the Defendants were willful.
184. Unless enjoined by the Court, the Defendants' infringing activities as described above will continue unabated and will continue to cause harm to the Plaintiff.

SECOND CLAIM FOR RELIEF
UNFAIR COMPETITION UNDER 15 U.S.C. § 1125(a)

185. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing paragraphs, as though fully set forth herein, and incorporates them herein by reference.
186. On each occasion when they caused a SLEP-TONE accompaniment track to be played during a karaoke show, the Defendants displayed the Sound Choice Marks in connection with the Defendants' karaoke services.

187. The display of the Sound Choice Marks is likely to cause confusion, or to cause mistake, or to deceive those present during the display, in that those present are likely to be deceived into believing, falsely, that SLEP-TONE sponsored or approved the Defendants' services and commercial activities.
188. The display of the Sound Choice Marks is also likely to cause confusion, or to cause mistake, or to deceive those present during the display, in that those present are likely to be deceived into believing, falsely, that the works being performed were sold by SLEP-TONE and purchased by the Defendants.
189. The Defendants' use of the Sound Choice Marks in this fashion would have inured to the benefit of the Plaintiff if the Defendants had legitimately acquired genuine Sound Choice discs instead of counterfeiting them or acquiring counterfeit copies, in that the Plaintiff would have received revenue from such sales.
190. Because SLEP-TONE has been denied this revenue, it has been damaged by the Defendants' uses.
191. Unless enjoined by the Court, the Defendants' unfair competition activities as described above will continue unabated and will continue to cause harm to the Plaintiff.

THIRD CLAIM FOR RELIEF
DECEPTIVE AND UNFAIR TRADE PRACTICES

UNDER FLA. STAT. § 501.211

192. Plaintiff SLEP-TONE realleges each and every allegation set forth in the foregoing paragraphs, as though fully set forth herein, and incorporates them herein by reference.
193. Each Defendant has engaged in acts of infringement of the Sound Choice Marks, in derogation of SLEP-TONE's common-law and statutory rights in those marks.
194. Each Defendant's acts of infringement occurred during the conduct of trade or commerce.
195. Each Defendant's acts of infringement constitute deceptive or unfair trade practices within the meaning of Fla. Stat. § 501.204(1) (2009).
196. As a direct and proximate result of each Defendant's acts of infringement, SLEP-TONE has suffered a pecuniary loss, to wit: the loss of revenue associated with sales or distribution of compact discs to karaoke jockeys, commensurate with the demand for the contents of those discs, which revenue would have been received but for the Defendants' acts in creating or acquiring counterfeits of SLEP-TONE's accompaniment tracks.
197. As such, SLEP-TONE is an aggrieved person within the meaning of Fla. Stat. § 501.211(1) (2009).

PRAYER FOR RELIEF

WHEREFORE, Plaintiff SLEP-TONE prays for judgment against each of the Defendants severally and that the Court:

- A. Find that each of the Defendants has committed acts of infringement, including but not limited to counterfeiting, of the federally registered Sound Choice Marks;
- B. Find that each of the Defendants has engaged in unfair competition against Plaintiff SLEP-TONE in violation of 15 U.S.C. § 1125(a);
- C. Find that each of the Defendants has committed deceptive and unfair trade practices under Florida law;
- D. Enter judgment against each of the Defendants and in favor of SLEP-TONE;
- E. Find that Defendants' activities were in all respects conducted willfully and for profit;
- F. Award to SLEP-TONE the Defendants' profits and the damages sustained by SLEP-TONE because of the Defendants' conduct in infringing the Sound Choice Marks, or, in the alternative, statutory damages per trademark infringed by counterfeiting in an amount up to two million dollars per Defendant, per mark infringed;

- G. Award to SLEP-TONE the Defendants' profits and the damages sustained by SLEP-TONE because of the Defendants' acts of unfair competition under 15 U.S.C. § 1125(a);
- H. Award to SLEP-TONE treble, punitive, or otherwise enhanced damages, as available, for the Defendants' acts of willful infringement;
- I. Award to SLEP-TONE its actual damages caused by the Defendants' deceptive and unfair trade practices, plus its attorney's fees and court costs as provided in Fla. Stat. § 501.2105 (2009).
- J. Order that all computer disks, drives, or other media belonging to any of the Defendants, which media contain illegal counterfeits of registered trademarks, be delivered up or otherwise surrendered for destruction;
- K. Grant SLEP-TONE preliminary and permanent injunctive relief against further infringement of the Sound Choice Marks by the Defendants;
- L. Award SLEP-TONE its costs of suit and attorney's fees, to the extent not awarded above; and
- M. Grant SLEP-TONE such other and further relief as justice may require.

Respectfully submitted this the 10th day of March, 2011.

HARRINGTON LAW, P.C.

By: s/James M. Harrington

James M. Harrington, N.C. State Bar No. 30005

jharrington@harringtonlawpc.com

Maria D. Floren, N.C. State Bar No. 41236

mfloren@harringtonlawpc.com

Attorneys for the Plaintiff

HARRINGTON LAW, P.C.

PO Box 403

Concord, North Carolina 28026-0403

Telephone: 704-315-5800

Facsimile: 704-625-9259