

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO**

David A. Kupernik  
**Plaintiff,**

v.

24K Real Estate Group, Inc.  
**Defendant.**

CIVIL ACTION NO.:

**VERIFIED COMPLAINT AND DEMAND FOR TRIAL BY JURY**

Plaintiff David A. Kupernik (hereinafter “Mr. Kupernik” or “Plaintiff”), by and through its undersigned counsel, files this Complaint against Defendant, 24K Real Estate Group, Inc. (hereinafter “24K RE” or “Defendant”), and states as follows:

**I. NATURE OF ACTION**

1. This is an action for trademark infringement under the Lanham Act, 15 U.S.C. §1114(a), unfair competition, passing off, and false designation of origin under the Lanham Act, 15 U.S.C. §1125(a), common law trademark infringement, and violation of the Colorado Consumer Protection Act, C.R.S. § 6-1-105m, arising from Defendant’s unauthorized use of Plaintiff’s Federal Trademark Registration, 24K REAL ESTATE<sup>®</sup>, for real estate brokerage services, as well as a Declaratory Judgment that Plaintiff’s Federal Registration No. 4,691,674 is valid.

2. Defendant brought an action before the US Trademark Trial and Appeals Board (“TTAB”), Proceeding No. 92065525, to cancel Plaintiff’s Registration to the mark 24K REAL ESTATE<sup>®</sup>. Plaintiff is moving to stay the TTAB proceeding in light of this action.

## **II. PARTIES**

3. Mr. Kupernik is an individual residing in Parker, Colorado, having a valid Colorado Real Estate Broker’s license as seen in Exhibit A (Real Estate License). Mr. Kupernik serves Colorado clients and out-of-state clients who are relocating to and from Colorado.

4. Upon information and belief, Defendant is a corporation organized under the laws of the state of New Mexico, whose sole director is Kay Azbill, with a principal place of business at 6225 Agate Ave. NW, Albuquerque, New Mexico.

5. Upon information and belief, 24K RE regularly solicits and does business with parties located and domiciled in Colorado through real estate acquisitions and corporate relocation services in New Mexico.

## **III. JURISDICTION AND VENUE**

6. This Court has subject matter jurisdiction over this action pursuant to the Lanham Act, 15 U.S.C. §1121, and Title 28 of the United States Code, 28 U.S.C. §§1331, 1338(a) and (b) and 1367. The amount in controversy exceeds \$75,000. Therefore, this Court also has jurisdiction under 28 U.S.C. §1332.

7. Venue is proper in this District pursuant to 28 U.S.C. §1391(b) and (c).

8. This Court has personal jurisdiction over Defendant pursuant to C.R.S. § 13-1-124 (a) because Defendant has purposefully directed its activities and availed itself of the

privilege of carrying out business with residents of Colorado. Claims and damages in this lawsuit are attributable to those activities, along with federal due process principles.

### **FACTUAL ALLEGATIONS**

9. On June 30, 2014, Mr. Kupernik, acting pursuant to Section 1(a) of the Lanham Act, 15 U.S.C. §1051(a), filed his application with the United States Patent and Trademark Office (“USPTO”) to register 24K REAL ESTATE®, in International Class 36 for real estate brokerage services. Plaintiff’s application was assigned serial number 86-324943. The USPTO issued Registration No. 4,691,674 on February 24, 2015.

10. Mr. Kupernik owns U.S. Trademark Registration No. 4,691,674 for the mark 24K REAL ESTATE® for real estate brokerage services in International Class 36. A copy of the Certificate of Registration is attached as Exhibit B (the “24K Registration”). The Certificate of Registration is valid and subsisting, and Mr. Kupernik owns record title to the 24K REAL ESTATE® mark.

11. The 24K REAL ESTATE® Certificate of Registration is *prima facie* evidence of the validity of the 24K REAL ESTATE® trademark, Mr. Kupernik’s ownership of the registered trademark, and Mr. Kupernik’s exclusive right to use the registered trademark in connection with the services listed in the certificate of registration under 15 U.S.C. §1115(a), as well as nationwide constructive notice of Mr. Kupernik’s claim of ownership under 15 U.S.C. §1072.

12. Mr. Kupernik has used the 24K REAL ESTATE® mark since at least 2012, advertising his services in connection with the mark extensively, through his website at 24krealestate.net, including through other channels, including the Employee Relocation Counsel and National Association of Realtors.

13. As a result of Mr. Kupernik's use of the 24K REAL ESTATE® mark since at least 2012, and through extensive interstate advertising and promotional efforts, Mr. Kupernik has built up substantial good will in the 24K REAL ESTATE® mark.

14. Examples of Mr. Kupernik's use of the 24K REAL ESTATE® mark in interstate commerce prior to the filing date of the 24K Registration are attached as Exhibit C. These include:

- Lexicon, a Florida relocation company, hired Plaintiff on December 2, 2013 to sell a client's house so she could relocate to Richmond, Virginia.
- Allegiance Relocation Services, a Virginia relocation company, hired Plaintiff on September 12, 2013 as a vendor to help with relocation of employees to or from Colorado that were referred to Allegiance.
- Robert and Jennifer Allen of San Antonio Texas hired Plaintiff on June 6, 2013 to sell their house in Colorado. Jennifer and Robert had been living in San Antonio for two years when they put their Colorado house on the market and it subsequently sold, as posted on her Facebook page.
- Brian and Ann Harrington of Arkansas hired Plaintiff on May 21, 2014 to sell their house in Colorado. The Warranty Deed was executed in Arkansas, where the Harrington's were living at the time.
- Alisha Ugarte and Diane Hayes hired Plaintiff on May 7, 2014 to purchase a condominium in Colorado. Ms. Hayes signed the Deed of Trust for the condominium in California, where she was living at the time of the purchase.

15. Upon information and belief, Defendant 24K RE was organized in 2016 for the purpose of offering real estate brokerage services to prospective customers for the sale of real estate in and around Albuquerque, New Mexico.

16. Upon information and belief, Defendant has used, and continues to use, “24K Real Estate Group” in connection with soliciting clients from Colorado who are relocating to New Mexico through advertising within Colorado, and throughout the United States.

17. Upon information and belief, beginning at least as early as October 2016, Defendant has used “24K Real Estate Group” in connection with selling properties in New Mexico to residents of Colorado, among other states.

18. On January 26, 2017, Mr. Kupernik, through his attorneys, sent a letter to Defendant providing her with actual notice of his rights to the 24K REAL ESTATE® mark. (Exhibit D).

19. Upon information and belief, both Plaintiff and Defendant have been members of the National Association of Realtors since 2016.

20. The National Association of Realtors is an interstate association, with both parties to this action belonging to Region 11, which consists of Colorado, New Mexico, Arizona, Nevada, Wyoming and Utah.

21. 24K RE is offering identical and related services as Plaintiff, in an identical commercial field, through identical channels of trade, to identical prospective customers, using the identical words “24K Real Estate,” which is confusingly similar to Plaintiff’s registered trademark, 24K REAL ESTATE®.

22. Defendant's use of "24K Real Estate" in conjunction with advertising and selling real estate services is causing, and will continue to cause, confusion in the marketplace between the sources of the like services provided by Plaintiff and Defendant, such that customers are likely to be mistakenly led to believe the Defendant's services are produced or sponsored by Plaintiff.

23. Upon information and belief, Defendant's services, which are offered under the name 24K Real Estate Group are actually causing customers to be confused as to the sponsorship and origin of the services.

24. Upon information and belief, Defendant had actual knowledge of Plaintiff's registered trademark rights since it began use of the infringing name 24K Real Estate Group.

25. Despite having actual knowledge of Plaintiff's trademark rights, Defendant began, and continues to market its services under the infringing 24K Real Estate Group name, including on its website <https://24krealstategroup.com/> (Exhibit E).

26. Upon information and belief, Defendant fraudulently and intentionally copied Plaintiff's registered trademark in an effort to deceive the consuming public and to benefit from the goodwill associated with Plaintiff's services.

27. Upon information and belief, Defendant's infringement of Plaintiff's registered trademark is willful, deliberate, fraudulent and intentional.

#### **IV. Claims for Relief**

##### **Count I**

##### **(Trademark Infringement under the Lanham Act, 15 U.S.C. §1114(a))**

28. Plaintiff repeats and realleges all paragraphs of this Complaint as though fully set forth herein.

29. Mr. Kupernik is the exclusive owner of the 24K Registration, which is valid and subsisting.

30. Defendant's aforementioned acts in using the words "24K Real Estate Group" in its advertising and on its website promoting Defendant's identical services constitute trademark infringement in violation of the Lanham Act, 15 U.S.C. §1114(a).

31. Such acts by the Defendant are without authority or permission of Plaintiff, and are likely to cause confusion or mistake or to deceive as to the source of origin and sponsorship of such services, and are believed to already have caused actual confusion in the marketplace.

32. As a direct result of Defendant's infringing actions, Plaintiff has suffered, and will continue to suffer, actual monetary damages in an amount to be established at trial.

33. The actions of Defendant have and will continue to cause irreparable harm to Plaintiff, including but not limited to, irreparable harm to Plaintiff's goodwill associated with its 24K Registration and his reputation, for which there is no adequate remedy at law.

## **Count II**

### **(False Designation -- Lanham Trademark Act, 15 U.S.C. § 1125(a))**

34. Plaintiff repeats and realleges all paragraphs of this Complaint as though fully set forth herein.

35. Plaintiff is the exclusive owner of the trademark 24K Registration, which is valid and subsisting.

36. Defendant has, on or in connection with its services, used in commerce and continues to use in commerce, the nearly identical mark "24K Real Estate Group."

37. Such use is without permission or authority of Plaintiff, and is likely to cause confusion, to cause mistake, and to deceive as to the affiliation, connection, or association of Defendant with Plaintiff, and as to the origin, sponsorship, or approval of Defendant's services by Plaintiff.

38. Defendant's violation of Plaintiff's rights in the 24K REAL ESTATE® mark is knowing, willful, deliberate, fraudulent, and intentional, and was made with the knowledge that such violation would damage Plaintiff and its trademark.

39. As a direct result of Defendant's wrongful conduct, as aforesaid, Plaintiff has suffered, and will continue to suffer, actual monetary damages in an amount to be established at trial.

40. As a direct result of Defendant's violations, as aforesaid, Plaintiff has suffered and will continue to suffer irreparable harm, including but not limited to, irreparable harm to Mr. Kupernik's goodwill associated with the 24K Registration and his reputation, for which there is no adequate remedy at law.

41. Defendant is liable for false designation pursuant to Section 43 of the Lanham Act, 15 U.S.C. §1125.

**Count III**  
**(Common Law Unfair Competition)**

42. Plaintiff repeats and realleges all paragraphs of this Complaint as though fully set forth herein.

43. Defendant, by means of its activities in promoting and offering for sale Defendant's services in the United States, has knowingly, willfully and/or intentionally violated



Plaintiff's Colorado common law unfair competition rights by creating a likelihood of confusion on the part of customers as to the origin and sponsorship of its services.

44. Defendant has intentionally copied Plaintiff's 24K REAL ESTATE® mark in an effort to deceive the consuming public, and to benefit from the goodwill associated with Plaintiff's services and has, as a result, unfairly reaped a substantial commercial advantage to Plaintiff's detriment.

45. As a direct result of Defendant's wrongful conduct, as aforesaid, Plaintiff has suffered, and will continue to suffer, actual monetary damages in an amount to be established at trial.

46. As a direct result of Defendant violating Plaintiff's Colorado common law unfair competition rights, as aforesaid, Plaintiff has suffered and will continue to suffer irreparable harm, including but not limited to, irreparable harm to Plaintiff's goodwill associated with its trademark and reputation, for which there is no adequate remedy at law.

**Count IV**  
**(Declaratory Judgment, 28 U.S.C. § 2201)**

47. Plaintiff repeats and realleges all paragraphs of this Complaint as though fully set forth herein.

48. Defendant has brought an action before TTAB to cancel Plaintiff's 24K Registration, Proceeding No. 92065525.

49. An actual justiciable controversy exists between Plaintiff and Defendant regarding the validity of Plaintiff's 24K Registration.

50. As a result of the Defendant's actions, Plaintiff seeks the relief as set forth at the end of this Complaint, including that Plaintiff's 24K Registration is valid.

**Count V**  
**(Colorado Consumer Protection Act, C.R.S. § 6-1-105)**

51. Plaintiff repeats and realleges the preceding paragraphs as if fully set forth herein.

52. Defendant's conduct, described above, constitutes deceptive trade practices in violation of the Colorado Consumer Protection Act, C.R.S. § 6-1-105 by its use of "24K Real Estate Group," Defendant knowingly: (1) passes off its services as those of another; (2) makes a false representation as to the source, sponsorship, approval, and/or certification of its services; and (3) makes a false representation as to affiliation, connection, and/or association with Kupernik.

53. Defendant's unlawful acts significantly impact the public as actual or potential consumers of Defendant's real estate brokerage services.

54. As a direct and proximate result of Defendant's actions described herein, Plaintiff has suffered, and will continue to suffer, irreparable injury to its business, reputation, and goodwill, unless and until the Court enjoins Defendant's actions. Plaintiff has no adequate remedy at law.

55. Defendant's wrongful use of the Plaintiff's 24K REAL ESTATE® mark and infringing actions is knowing, deliberate, and willful, meeting the definition of bad faith conduct under C.R.S. § 6-1-105.

**V. Demand for Relief**

**WHEREFORE**, Plaintiff, respectfully demands a judgment in its favor and against Defendant and additional relief as follows:

A. Preliminarily and permanently enjoining Defendant, including its officers, directors, employees, agents, servants, successors and assigns, as well as those in active concert in participation with it, from further infringement of Plaintiff's 24K REAL ESTATE® trademark;

B. Declare that Plaintiff's 24K Registration is valid;

C. Order that all infringing articles in Defendant's possession, including but not limited to labels, signs, prints, packaging and advertisements bearing the infringing mark, be delivered to an officer of the Court to be destroyed;

D. Assess against Defendant, and award to Plaintiff, all monetary damages caused by Defendant's willful infringing conduct, including damage to reputation and goodwill, lost profits, post-judgment and pre-judgment interest, costs, attorney's fees, punitive damages and/or treble damages;

E. Three times the amount of actual damages sustained, as provided for in C.R.S. § 6-1-105; and

F. That the Court grants such other and further relief as the Court deems just and proper.

**Demand for Jury Trial**

Plaintiff hereby demands a jury trial on all claims and issues so triable.

Respectfully submitted,  
Plaintiff, David A. Kupernik  
By his attorneys,

Date: November 7, 2018

/s/ Ralph (Rick) Martin  
Ralph (Rick) Martin, Esq. (CO Bar No.20688)  
PATENT LAW OFFICES OF RICK  
MARTIN, P.C.  
P.O.1839  
Longmont, Colorado 80502  
Telephone: (303) 651-2177  
E-mail: [rmartin@patentcolorado.com](mailto:rmartin@patentcolorado.com)  
[rickpattm@yahoo.com](mailto:rickpattm@yahoo.com)  
*Counsel for Plaintiff*

Jodi-Ann McLane, Esq. (MA Bar No. 635567)  
John T. McInnes, Esq. (MA Bar No. 657488)  
MCINNES & MCLANE, LLP  
128 Dorrance Street  
Suite 220  
Providence, RI 02903  
[jodi@mcmcip.com](mailto:jodi@mcmcip.com)  
[john@mcmcip.com](mailto:john@mcmcip.com)  
Telephone: 401-223-5853

VERIFICATION

David A. Kupernik on oath deposes and says that he has read the attached Verified Complaint, and that the facts alleged therein are true and correct to the best of his knowledge, information and belief.



David A. Kupernik