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8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

10
11 DAISY KEECH, an individual,
12 Plaintiff,
13 vs.

14 THOMAS PETROU, an individual,
15 CHASE HUDSON, an individual, THE
16 HYPE HOUSE LLC, a California
Limited Liability Company, THE
17 HYPE HOUSE LA LLC, a California
Limited Liability Company, and DOES
1 through 15, inclusive,
18 Defendants.

CASE NO.

COMPLAINT FOR:

1. **FALSE DESIGNATION OF ORIGIN, UNFAIR COMPETITION;**
2. **COMMON LAW TRADEMARK INFRINGEMENT;**
3. **COMMON LAW UNFAIR COMPETITION;**
4. **CALIFORNIA STATUTORY UNFAIR COMPETITION;**
5. **BREACH OF CONTRACT;**
6. **CONVERSION; and**
7. **BREACH OF COVENANT OF GOOD FAITH AND FAIR DEALING**

DEMAND FOR JURY TRIAL

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25 Plaintiff Daisy Keech (“Keech”), an individual, for her complaint against
26 Defendants Thomas Petrou (“Petrou”), Chase Hudson (“Hudson”) and The Hype
27 House, LLC (“LLC”), The Hype House LA, LLC (“LA LLC”) and Does 1-15,
28 inclusive (collectively, “Defendants”) alleges as follows:

1 **JURISDICTION AND VENUE**

2 1. This action arises under the trademark laws of the United States, 15
3 U.S.C. §1125(a), and under the statutory and common law of trademark
4 infringement and unfair competition as well as the common law of the State of
5 California.

6 2. This Court has jurisdiction under 28 U.S.C. § 1331, 1338, and 1367
7 and 15 U.S.C. § 1116, 1117, 1121 and 1125.

8 3. Venue lies in this judicial district pursuant to 28 U.S.C. § 1391.

9 4. This Court has personal jurisdiction over Defendants as such are
10 doing business in California and this District and are subject to the jurisdiction of
11 this Court.

12 5. Keech does not know the true names and capacities of the Defendants
13 sued herein as Does 1 through 15, inclusive, and therefor sues such by fictitious
14 names. Keech will amend this Complaint to allege the true names and capacities of
15 Does 1 through 15, inclusive, when ascertained. Keech is informed and believes,
16 and on such information and belief alleges, that each Defendant sued herein as Does
17 1 through 15, inclusive, is responsible on some manner for the occurrence, injury
18 and other damages alleged herein.

19 6. Keech is informed and believes, and on such information and belief
20 alleges, that at all times mentioned herein, each of the Defendants was a co-
21 conspirator, alter-ego, agent, employee, licensee, guarantor, invitee, assignee,
22 successor of the other and in doing the things hereinafter mentioned, was acting
23 within the course and scope of such conspiracy, agency, employment, assignment,
24 license and/or relationship in doing the acts alleged herein.

25 **NATURE OF ACTION**

26 7. This is an action for trademark infringement, unfair competition and
27 false designation of origin under the Lanham Act, 15 U.S.C. §1125(a), common law
28 trademark infringement, statutory unfair competition under California Business and

1 Professions Code §17200, common law unfair competition, conversion, breach of
2 contract, and breach of implied covenant of good faith and fair dealing.

3 **THE PARTIES**

4 8. Keech is an individual residing in the County of Los Angeles, State
5 of California and is a well-known creator and influencer in social media with over
6 three million followers. She is one of the founders of the concept house known as
7 The Hype House.

8 9. Petrou is an individual residing in the County of Los Angeles, State
9 of California and is one of the founders of The Hype House.

10 10. Hudson is an individual residing in the County of Los Angeles,
11 State of California and is one of the founders of The Hype House.

12 11. Keech is informed and believes, and on such information and belief
13 alleges that LLC is a California Limited Liability Company with its principal place
14 of business in the County of Los Angeles, State of California. Keech is further
15 informed and believes, and on such information and belief alleges, that LLC was
16 formed by Petrou and Hudson on January 23, 2020, to the exclusion of Keech, or
17 any other creators, and has as its agent the father of Hudson and that LLC has
18 participated and aided and abetted in the actions alleged herein and is in some
19 manner liable and responsible for the facts alleged herein.

20 12. Keech is informed and believes, and on such information and belief
21 alleges that LA LLC is a California Limited Liability Company with its principal
22 place of business in the County of Los Angeles, State of California. Keech is
23 further informed and believes, and on such information and belief alleges, that LA
24 LLC was formed by Petrou and Hudson on or about February 28, 2020 and that
25 Petrou is the agent and that LA LLC has participated and aided and abetted in the
26 actions alleged herein and is in some manner liable and responsible for the facts
27 alleged herein.

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BACKGROUND FACTS

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2 13. In the fall of 2019, Petrou approached Keech and inquired if she
3 would be interested in creating a “content house” that would be used to develop and
4 market content through various social media platforms.

5 14. Keech agreed to help finance the “content house” and use her social
6 media followers in support of the project in return for a percentage of the revenues
7 of the project and Petrou agreed.

8 15. Thereafter Petrou also approached Hudson to join the “content
9 house” and as a co-founder to assist in the financing of the project under the same
10 terms as Keech and Keech is informed and believes that Hudson agreed to same.

11 16. Additional individuals were approached to join the “content house”
12 as co-founders, Alex Warren (“Warren”) and Kouvr Annon (“Annon”) similarly
13 agreed to assist in the financing of the project under the same terms and conditions
14 as Keech.

15 17. As a result, Keech, Petrou, Hudson along with Warren and Kouvr
16 located a residence in Encino, California for the “content house”, with Keech
17 executing the lease as the sole lessee. To finance the lease and the start up of the
18 project, Keech invested \$18,000, Hudson invested \$18,000, Warren and Annon
19 together invested \$5,000 and Petrou invested \$5,000.

20 18. At all times Keech relied upon the agreement with Petrou and
21 Hudson that as a co-founder and as a result of her investment, as well as her social
22 media followers of almost four million, she would participate in a percentage of the
23 revenues received by the “content house” the name of which was to be called “The
24 Hype House.

25 19. As a result of the lower amount of his investment, as well as the
26 limited number of followers on social media as compared to Keech and Hudson,
27 Petrou was to oversee on behalf of all of the participants the various social media
28 and email accounts for the Hype House. Keech, as well as the other founders, were

1 to have access to and be a member of such accounts at all times.

2 20. Keech had repeatedly asked Petrou about preparing a written
3 agreement to reflect the terms of their oral agreement as to the sharing of revenues
4 and the need to form a corporate entity for The Hype House. Having received no
5 response, and wishing to protect her investment in The Hype House, Keech filed
6 applications for U.S. trademarks for THE HYPE HOUSE, one for clothing, Serial
7 No. 88/748806 (“806 App.”), one for bags, Serial No. 88/772394 (“394 App.”),
8 one for entertainment services, Serial No. 88/776774 (“774 App.”) and advised
9 Petrou, Hudson, Warren and Annon that such was to preserve the mark.

10 21. In January 2020, during an interview with the New York Times
11 newspaper, Petrou and Hudson claimed that they were the sole founders of The
12 Hype House and investors therein.

13 22. Keech also repeated her efforts with Petrou and Hudson to have a
14 written document memorializing their agreement as to the division of revenues and
15 for the formation of a corporate entity for The Hype House but Petrou would only
16 state that someone, whom he would not identify, was “handling it”.

17 23. Beginning in December 2019 Petrou and Hudson commenced to
18 exclude Keech from decisions regarding The Hype House and any agreements with
19 third parties Petrou refused to provide Keech with access to The Hype House’s
20 email account through which Petrou and/or Hudson were negotiating various
21 agreements. Keech has now learned that Petrou and/or Hudson, without advising
22 Keech, had negotiated agreements with various brands such as Bang Energy,
23 Chipotle, GOAT, Flight House, Beauty Blender as well as with a musical artist
24 named “Mosey”. Keech is informed and believes, and based on that information
25 and belief alleges, that Petrou and/or Hudson have received income from one or
26 more of these agreements that should have been allocate among all of the co-
27 founders and creators but which was withheld from Keech.

28 24. In February 2020 Keech again requested that a written agreement

1 memorializing the agreement to form the content house be discussed. Keech was
2 then advised by Petrou that LLC had been formed in January but refused to provide
3 any information regarding same. At this same time Keech also learned that Petrou,
4 without notice to or consulting Keech, had entered into an agreement with WME to
5 represent The Hype House brand.

6 25. On February 28, 2002, Keech is informed and believes, and on such
7 information and belief alleges that Petrou formed LA LLC and had the Articles of
8 Organization filed with the Secretary of State for the State of California with Petrou
9 as the agent for service of process.

10 26. Thereafter, in late February, early March 2020, without notice to
11 Keech, LLC filed two intent-to-use trademark applications for THE HYPE HOUSE
12 for various goods and services. Serial Nos. 88/811717 (“LLC 717 App.”) and
13 88/818950 (“LLC 950 App.”).

14 27. At or about the same time as the filing of the LLC trademark
15 applications, Petrou changed the passwords for the social media accounts, including
16 the Instagram and Tik-Tok accounts, thereby depriving Keech of access thereto.
17 Petrou and/or Hudson also removed Keech as a member of these sites – causing
18 damage to her reputation.

19 28. Keech is further informed that Petrou, Hudson and/or LLC are
20 selling apparel and other items under “The Hype House” trademark for which Keech
21 has the senior rights by virtue of her use and applications all of which is known to
22 Petrou, Hudson and LLC.

23 29. Defendants by their unauthorized use of THE HYPE HOUSE
24 trademark and related activities have engaged in the acts of trademark infringement,
25 unfair competition, conversion, breach of contract and breach of the covenant of
26 good fair and fair dealing and interference with prospective business advantage.

27 30. Defendants’ activities have damaged and will continue to damage
28 the reputation, business and good will of Keech and unless enjoined by the Court,

1 Defendants will continue and further escalate their unlawful activities.

2 31. Keech has no adequate remedy at law and Defendants' activities
3 have caused and, if not enjoined, will continue to cause irreparable harm to Keech
4 including her business reputation and good will.

5 **FIRST CAUSE OF ACTION**

6 **(False Designation of Origin, Unfair Competition 15 U.S.C. §1125(a))**

7 **(Against All Defendants)**

8 32. Keech incorporates by this reference the allegations contained in
9 Paragraphs 1 through 31, above, as though fully set forth herein.

10 33. Defendants have unlawfully used THE HYPE HOUSE mark in a
11 manner that is likely to cause confusion and deceive consumers with respect to the
12 source and origin of their products and services and have continue to unlawfully
13 benefit from the goodwill that Keech acquired and has developed.

14 34. In connection with commercial advertising and sale of products and
15 services, Defendants continue to use in commerce false and misleading descriptions
16 of fact, or false or misleading representations of fact.

17 35. Defendants' false and misleading descriptions of fact actually
18 deceive or have the tendency to deceive a substantial segment of the relevant
19 consuming public as to the nature, characteristics, or origin of their products and
20 services.

21 36. Defendants' unlawful use of THE HYPE HOUSE mark was
22 intentional, willful, and with reckless disregard and indifference to Keech's rights.

23 37. As a direct and proximate and foreseeable result of the conduct set
24 forth herein, Keech has suffered and will continue to suffer damages and Defendants
25 have been and will continue to be unjustly enriched in an amount to be determined
26 at trial.

27 38. As a direct and proximate result of the foregoing acts and conduct,
28 Keech has sustained and will continue to sustain substantial, immediate, and

1 irreparable injury for which there is no adequate remedy at law, including without
2 limitation the loss of consumer goodwill. Keech is informed and believes, and on
3 such information and belief alleges, that unless enjoined and restrained by the Court,
4 Defendants will continue to engage in conduct in violation of the Lanham Act.

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6 **SECOND CAUSE OF ACTION**
7 **(Common Law Trademark Infringement)**
8 **(Against All Defendants)**

9 39. Keech incorporates by this reference the allegations contained in
10 Paragraphs 1 through 38, above, as though fully set forth herein.

11 40. Defendants have violated Keech's exclusive common law rights in
12 and to THE HYPE HOUSE trademark.

13 41. Keech has used THE HYPE HOUSE mark to identify goods and
14 services she has provided, and as such Keech as obtained common law rights to
15 THE HYPE HOUSE trademark.

16 42. Defendants' acts described herein constitute common law trademark
17 infringement under the laws of the United States, including California.

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19 **THIRD CAUSE OF ACTION**
20 **(Common Law Unfair Competition)**
21 **(Against All Defendants)**

22 43. Keech incorporates by this reference the allegations contained in
23 Paragraphs 1 through 42, above, as though fully set forth herein.

24 44. Defendants' unauthorized use of THE HYPE HOUSE trademark
25 constitutes unfair competition, and is likely to cause confusion and mistake in the
26 minds of consumers as to the source of the parties' goods and services.

27 45. Keech is informed and believes and on such information and belief
28 alleges that Defendants have intentionally appropriated Keech's THE HYPE

1 HOUSE trademark with the intent of causing confusion, mistake, and deception as
2 to the source of their goods and services and improperly trading upon the reputation
3 and good will of Keech and impairing her valuable rights in THE HYPE HOUSE
4 trademark.

5 46. Defendants' acts herein were and are willful and intentional acts of
6 unfair competition.

7 47. Keech has no adequate remedy at law and if Defendants are not
8 enjoined they will continue to cause irreparable harm and damage to the rights of
9 Keech including damage to her business reputation and good will.

10 **FOURTH CAUSE OF ACTION**
11 **(California Statutory Unfair Competition- California Business & Profession**
12 **Code § 17200 et seq.)**
13 **(Against All Defendants)**

14 48. Keech incorporates by this reference the allegations contained in
15 Paragraphs 1 through 47, above, as though fully set forth herein.

16 49. Defendants, through the conduct alleged herein, have engaged in
17 and continue to engage in unlawful, unfair, and/or fraudulent conduct in violation of
18 Section 17200, *et seq.* of the California Business and Professions Code. Defendants
19 have also engaged in and continue to engage in conduct that is deceptive, untrue and
20 misleading in violation of California Business and Professions Code Section 17500,
21 which also constitutes a violation of Section 17200.

22 50. The unlawful conduct in which Defendants have engaged and
23 continue to engage includes violation of Section 43(a) of the Lanham Act,
24 infringement of Keech's trademark rights and deceptive advertising.

25 51. Keech has no adequate remedy at law for the injuries caused by
26 Defendants' conduct and acts and will be irreparable harmed if such acts are not
27 enjoined.

28 52. Keech is entitled to restitution and injunctive relief pursuant to

1 California Business and Professions Code Section 17203.

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FIFTH CAUSE OF ACTION

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(Breach of Contract)

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(Against Defendants Petrou and Hudson, and Does 1-15)

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53. Keech incorporates by this reference the allegations contained in

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Paragraphs 1 through 52, above, as though fully set forth herein.

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54. Keech, Petrou and Hudson entered into an oral agreement that the

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founding members of the “content house”, subsequently identified as The Hype

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House, in return for their respective monetary investment as well as their respective

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followers on social media would each have access to all of the social media and

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email for The Hype House and would share in all of the revenues generated by The

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Hype House for any and all projects therein.

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55. Keech has performed all conditions, covenants, and promises

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required on her part to be performed in accordance with the agreement including the

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investment of \$18,000, utilizing her followers to promote the work of The Hype

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House and becoming the sole lessee for the lease of the residence being used as the

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location for The Hype House.

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56. Defendants Petrou and Hudson breached their agreement by failing

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to perform their obligations thereunder, including, as Keech is informed and

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believes, entering into agreements for various “brands” but excluding Keech from

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any share any revenues generated by The Hype House; refusing to share access to

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the business email account; by changing the passwords for the social media

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accounts, including Instagram and Tik-Tok accounts, and removing Keech as a

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member thereof; denying Keech access to all of the agreements relating to work

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performed by The Hype House for third parties; and, finally, Keech is informed and

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believes that Defendants have also altered and/or damaged the physical structure of

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the residence without her approval or that of the landlord thereby possibly breaching

1 the terms of the lease.

2 57. As a direct and proximate result of Defendants Petrou's and
3 Hudson's breach. Keech has suffered damages in an amount to be proven at trial.

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5 **SIXTH CAUSE OF ACTION**

6 **(Conversion)**

7 **(Against Defendants Petrou and Hudson and Does 1-15)**

8 58. Keech incorporates by this reference the allegations contained in
9 Paragraphs 1 through 57, above, as though fully set forth herein.

10 59. Pursuant to the agreement entered into by Keech, Petrou and
11 Hudson, Keech had an immediate right to the business email account and was a
12 member and had access to the social media accounts, including Instagram and Tik-
13 Tok.

14 60. Pursuant to the agreement entered into by Keech, Petrou and
15 Hudson, Keech had an immediate right to a share of the revenues received by The
16 Hype House from any third parties.

17 61. Petrou's and Hudson's refusal to provide access to the email
18 account, and then changing the passwords for the social media accounts, including
19 Instagram and Tik-Tok and denying Keech her share of any revenues realized by
20 The Hype House were affirmative acts intended to exercise dominion over those
21 accounts and deny Keech her interest in same.

22 62. Petrou's and Hudson's acts were committed with malice, fraud and
23 oppression entitling Keech to punitive damages.

24 63. Petrou's and Hudson's acts have proximately caused actual injury to
25 Keech

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SEVENTH CAUSE OF ACTION

**(Breach of Covenant of Good Faith and Fair Dealing)
(Against Defendants Petrou and Hudson and Does 1-15)**

64. Keech incorporates by this reference the allegations contained in Paragraphs 1 through 63, above, as though fully set forth herein.

65. Keech, Petrou and Hudson entered into a binding agreement whereby they agreed that Keech, in return for her investment of \$18,000 and social media followers and undertaking to sign the lease on behalf of the other co-founders, would be entitled to a share of all revenues from The Hype House, that Keech would have access to the house’s email account and would have access to and be a member of all of the social media accounts including Instagram and TikTok.

66. As a result of the foregoing, Petrou and Hudson had a duty to refrain from any conduct which would prevent Keech from realizing the benefits of the agreement and had a duty to fully perform their obligations under the agreement.

67. As a result of the foregoing, Petrou and Hudson were subject to the implied covenant of good faith and fair dealing thereby were bound to act fairly and in good faith and breached such by failing to perform under the agreement and preventing Keech from realizing the benefits of the agreement, all to Keech’s damage.

68. As a result of the foregoing, Keech has been damaged in an amount to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Daisy Keech prays for judgment as follows:

- 1. That Defendants, their officers, members, directors, agents, servants, employees, successors, licensees, representatives, assigns and all persons acting in concert or participation with them be permanently

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- enjoined and restrained from:
- a. Importing, distributing, manufacturing, advertising, offering to sell or selling or providing any services of any goods or services under THE HYPE HOUSE trademark, or any colorable imitations thereof;
 - b. Using any false designation of origin, or representing or suggesting directly or by implication that Defendants, or any brands or other source identifiers created by Defendants are affiliated with, associated with, authorized by or otherwise connected with Keech or that Defendants are authorized by Keech to use THE HYPE HOUSE trademark.
 - c. Assisting, aiding, or abetting any other person or business entity in engaging or performing any of the activities referred to in subparagraphs (a)-(b), above. Or effecting any assignments or transfers, forming new entities or associations, or utilizing any other device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in subparagraphs (a)-(b), above.
- 2. For an award of damages caused by Defendants’ unlawful conduct in an amount to be ascertained at trial, including Keech’s damages accruing from her loss of goodwill;
 - 3. For restitution of Defendants’ ill-gotten gains and such sums as would otherwise have been owed or paid to Keech absent Defendants’ violation of the law, in an amount to be ascertained at trial;
 - 4. For an accounting of Defendants’ revenues from the sale of goods, or providing of services at any time after the formation of the content house;
 - 5. For Keech’s attorneys’ fees and costs incurred in this action; and
 - 6. For such other and further relief as this Court may deem just and

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DATED: March 24, 2020

THOMAS S. KIDDÉ
DAVID D. SAMANI
LEWIS BRISBOIS BISGAARD & SMITH LLP

By: _____
Thomas S. Kiddé
Attorneys for Plaintiff Daisy Keech

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DEMAND FOR JURY TRIAL

Plaintiff Daisy Keech demands a jury trial on all matters so triable.

DATED: March 24, 2020

THOMAS S. KIDDÉ
DAVID D. SAMANI
LEWIS BRISBOIS BISGAARD & SMITH LLP

By: _____
Thomas S. Kiddé
Attorneys for Plaintiff Daisy Keech