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13 **UNITED STATES DISTRICT COURT**
14
15 **CENTRAL DISTRICT OF CALIFORNIA**

16 DELOREAN MOTOR COMPANY,
17 a Texas corporation,

18 Plaintiff,

19 vs.

20 NBCUNIVERSAL MEDIA LLC, a
21 Delaware limited liability company,
22 and DOES 1 through 50, inclusive,

23 Defendants.

Case No.: 8:22-cv-02189-DOC-DFM
Hon. David O. Carter

**FIRST AMENDED COMPLAINT
FOR:**

1. Breach of Contract;
2. Accounting; and
3. Trademark and trade dress infringement (15 U.S.C. §1114; 15 U.S.C. §1125(a); 15 U.S.C. §1051, *et seq.*)

JURY TRIAL DEMANDED

1 **INTRODUCTION**

2 1. This action arises out of Defendant NBCUniversal Media LLC's failure
3 to account to and pay Plaintiff DeLorean Motor Company ("DMC") for the use of
4 Plaintiff's famous trademarks and trade dress.

5 **PARTIES**

6 2. Plaintiff DMC is, and at all times mentioned herein, a Texas corporation
7 with offices located in the County of Orange, California.

8 3. Defendant NBCUniversal Media LLC is a Delaware limited liability
9 company with offices located in New York City, New York. NBCUniversal does
10 substantial and continuous business in the State of California, including the County
11 of Orange, California.

12 4. The true names and capacities, whether individual, corporate, associate
13 or otherwise, of Defendants DOES 1 through 50, inclusive, are unknown to Plaintiff
14 at this time. Plaintiff therefore sues those Defendants by their fictitious names.
15 Plaintiff will ask leave of the Court to amend this Complaint to set forth the true
16 names of those Defendants when ascertained. Each of the Defendants, including
17 those named as DOE, are responsible in some manner for the events and happenings
18 herein referred to, including without limitation on an agency, respondent superior,
19 partnership, joint venture, co-conspirator and/or alter ego theory, and are therefore
20 responsible for the damages alleged herein.

21 **JURISDICTION AND VENUE**

22 5. This Court has jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338
23 based on Defendant's violations of the Lanham Act, 15 U.S.C. §§ 1051, et seq. This
24 Court also has jurisdiction over Plaintiff's state law claims pursuant to 28 U.S.C. §
25 1367. Venue in this Court is proper pursuant to 28 U.S.C. § 1441 due to Defendant's
26 removal of this action from Orange County Superior Court.

FACTUAL BACKGROUND

A. John DeLorean creates the DeLorean sports car

6. In or about 1975, John Z. DeLorean—an American engineer, inventor, and businessman—founded that was then the DeLorean Motor Company (“Old DMC”), an American automobile manufacturer.

7. Old DMC produced only one car, the DeLorean. The DeLorean was manufactured and marketed for just a few years in the early 1980s. Compared to other cars on the market during that time—and even today—the DeLorean has a distinctive look and style that makes it instantly recognizable. The car is notable for its gull-wing doors (doors that are hinged at the roof rather than the side), brushed stainless steel outer body panels, and shape:



8. Despite the distinctive appearance of the DeLorean, its sales failed to meet the levels required for Old DMC to survive. And in or about 1982, the company declared bankruptcy. Eventually, following the bankruptcy filing, a holding company acquired Old DMC’s inventory and intellectual property.

B. The DeLorean becomes a pop-culture icon

9. Though production was short-lived, the DeLorean achieved fame and became well-known to the public, which contributed to it being selected as the iconic

1 time machine in the popular *Back to the Future* film franchise. The first film, *Back*
2 *to the Future*, released in 1985, heavily featured a modified DeLorean as a time
3 machine. *Back to the Future* was the highest grossing film of 1985 and became an
4 instant hit. The success of the original film spawned sequels, an animated series, a
5 theatrical adaptation, videogames, and rides at Universal Studios theme parks in the
6 United States and abroad.

7 10. In 1989, Mr. DeLorean and Universal Studios—also known as
8 Universal Pictures—entered into an agreement pursuant to which Universal Studios
9 was granted certain rights in and to the name and appearance of the DeLorean
10 automobile for use in “merchandising and commercial tie-ups” in connection to the
11 *Back to the Future* films. In exchange for these rights, Universal Studios agreed to
12 pay Mr. DeLorean five percent (5%) of its net receipts from the sale of merchandise
13 and commercial tie-ups (comprising both goods and services) in connection to the
14 *Back to the Future* Films. The agreement expressly provided that it was binding and
15 inured to the benefit of Mr. DeLorean’s and Universal Studios’ heirs, legal
16 representatives, successors, and assigns. A true and correct copy of the 1989
17 agreement is attached hereto as **Exhibit 1**.

18 11. Since the execution of the 1989 agreement, the DeLorean has continued
19 to enjoy wide public recognition and the sale of merchandise and commercial tie-
20 ups have been enhanced through its appearance has been featured in other films,
21 including the film *Ready Player One* (without DMC authorization), advertising
22 material for the films, as well as toys, cartoons, videogames, apparel, and other
23 merchandise related to the film franchise.

24 12. The DeLorean was also key feature of the *Back to the Future* ride at
25 Universal Studios theme park locations in California, Florida, and Japan, which are
26 all owned by NBCUniversal. Patrons rode a modified DeLorean, portrayed as a time
27 machine, as in the *Back to the Future* films. The ride first opened in 1991 at the
28 Florida theme park, with subsequent openings in 1993 in California and 2001 in

1 Japan. The ride closed in 2007 in California and Florida and closed in 2016 in Japan.

2 **C. The DeLorean Motor Company acquires the DeLorean trademarks and**
3 **related property**

4 13. In or about 1997, the holding company that had acquired Old DMC's
5 inventory and intellectual property after the automaker filed for bankruptcy was
6 looking to sell. Plaintiff DeLorean Motor Company ("DMC" or "DMC Texas")
7 acquired the intellectual property, as well as the entire stock of cars, parts, inventory,
8 engineering drawings, diagrams, publications, and even the assembly benches and
9 crates used in the original factory. In addition to these assets, DMC also
10 concomitantly acquired rights to the goodwill, trademarks and trade dress used for
11 the continued fabrication and sale of the purchased inventory.

12 14. In 2014, Mr. DeLorean's surviving wife, Sally DeLorean, filed suit
13 against DMC in New Jersey federal court, alleging that DMC had wrongly
14 appropriated intellectual property that she claimed belonged to the Estate of John Z.
15 DeLorean ("DeLorean Estate"). In September 2015, the parties settled the dispute.
16 The settlement agreement was memorialized in a final judgement declaring DMC
17 the true and rightful owner of the rights to use all of the marks associated with the
18 DeLorean automobile.

19 15. Pursuant to the settlement agreement, the DeLorean Estate released and
20 discharged any and all claims "that were sought, or could have been sought," in the
21 action, except for "the obligations of [DMC]" as set forth in the agreement.

22 16. Further, the DeLorean Estate "acknowledge[d] [DMC's] trademark and
23 rights to use the DeLorean automobile brand, and associated products and services."
24 Additionally, per the settlement agreement, the DeLorean Estate—as part of the
25 acknowledgement of rights in DMC —agreed it had no rights and covenanted not to
26 sue DMC for the latter's use of the following words and trademarks: (a) the name
27 "DeLorean Motor Company," (b) the "DMC" logo, and (c) the stylized word
28 "delorean." Mrs. DeLorean, individually and as Administratrix for the DeLorean

1 Estate, also acknowledged “the worldwide rights of [DMC] to use, register, and
2 enforce any of the DeLorean Marks for any and all goods and services, relating to
3 automobile dealerships, automobiles, automobile parts and accessories, clothing,
4 and promotional items.”

5 17. In 2018, Mrs. DeLorean again sued DMC in New Jersey federal court,
6 this time alleging that the DeLorean Estate was entitled to royalty payments that
7 Universal Studios allegedly made to DMC (U.S. District Court for the District of
8 New Jersey Case No. 18-8212(JLL)). Specifically, Mrs. DeLorean alleged that the
9 DeLorean Estate and not DMC was entitled to Universal Studios’ royalty payments
10 per the 1989 agreement between Mr. DeLorean and Universal Studios.

11 18. DMC Texas moved to dismiss Mrs. DeLorean’s complaint and enforce
12 the settlement agreement it previously entered into with her. The U.S. District Court
13 for the District of New Jersey granted that motion on October 11, 2018. The district
14 court determined that the subject matter of the settlement agreement and Universal
15 Studios agreement overlapped, as both agreements apply to the use of the word
16 “DeLorean” and the DMC logo, and relate to the DeLorean automobile’s image and
17 trade dress. The district court also determined that both agreements pertained to the
18 use of these names and trademarks in a similar context—i.e., the manufacturing and
19 merchandising of products displaying the DeLorean automobile’s image and brand.
20 Given all this, the district court concluded that Mrs. DeLorean’s claims under the
21 Universal Studios agreement were incorporated in, and therefore barred by, the
22 settlement agreement.

23 19. DMC remains the sole owner of the above-mentioned DeLorean
24 intellectual property and registered trademarks and trade dress. In the United States,
25 DMC owns the following registered trademarks and trade dress:
26
27
28

Mark/Design	Serial Number	Registration Number
DMC	88813772	6147338
DE LOREAN	87236125	5382005
DMC	87236140	5376560
DELOREAN MOTOR COMPANY	87236137	5371356
DE LOREAN	86681716	4895663
DELOREAN MOTOR COMPANY	86681711	4935970
DMC	85638115	4304360
DE LOREAN	77534722	3914710
DE LOREAN	77977620	3715283
	97049638	6904834

D. NBCUniversal fails to account to and pay the DeLorean Motor Company the royalties to which the DeLorean Motor Company is entitled

20. In or about 2004, Universal Studios and NBC merged, creating NBCUniversal. As such, NBCUniversal is Universal Studios' successor in interest as to the licensing rights granted to Universal Studios by the March 1989 agreement between Mr. DeLorean and Universal Studios. NBCUniversal has substantial ties to California and conducts a majority—or nearly a majority—of its business in California.

21. Since 2004, NBCUniversal has continued to use the DeLorean automobile to sell merchandise and commercial tie-ups (both goods and services) in connection to the *Back to the Future* films. For example, NBCUniversal used the DeLorean trademark and DMC's other intellectual property by incorporating the "DeLorean Motor Company" name, the "DMC" logo, the stylized word "delorean,"

1 and images, likeness and trade dress of the DeLorean in various products and
 2 services sold by NBCUniversal. For example, the images, likeness, and trade dress
 3 of the DeLorean and other DeLorean-related intellectual property can be found in
 4 the form of toys, on posters, in videogames, on t-shirts, on lunchboxes, and in other
 5 products sold and/or licensed to third parties by NBCUniversal.

6 22. Despite NBCUniversal's continuous use of the trademark and trade
 7 dress rights granted to it pursuant to the license originally granted to Universal
 8 Studios, and although NBCUniversal has continued to pay out some royalties,
 9 NBCUniversal has failed to fully pay DMC for such uses per the 1989 agreement.
 10 NBCUniversal has not fully paid DMC five percent (5%) of NBCUniversal's net
 11 receipts from merchandising and commercial tie-ups as agreed.

12 23. DMC has requested that NBCUniversal provide accurate accountings
 13 of the monies owed to DMC, but NBCUniversal has delayed, deflected, and refused
 14 these requests. Notably, DMC has not claimed and does not claim entitlement to
 15 royalties generated by any of the *Back to the Future* or *Ready Player One* motion
 16 pictures themselves. Rather, DMC has only claimed entitlement to royalties resulting
 17 from the sale of products and services featuring the DMC marks and trade dress by
 18 NBCUniversal. NBCUniversal has also refused to disclose to DMC the full scope
 19 and extent of NBCUniversal's use of the rights granted to it by the 1989 license.
 20 DMC thus does not know the full extent of NBCUniversal's use of DMC's valuable
 21 intellectual property.

22 **CAUSES OF ACTION**

23 **FIRST CAUSE OF ACTION**

24 **Breach of Contract**

25 **(Against Defendant and DOES 1 through 50)**

26 24. Plaintiff incorporates by reference paragraphs 1-23 of this Complaint
 27 as though set forth fully at this point.
 28

1 25. In 1989, John Z. DeLorean and Universal Studios entered into a written
2 agreement by which Universal Studios was granted certain rights in and to the name
3 and appearance of the DeLorean automobile for use in merchandising and
4 commercial tie-ups in connection to the *Back to the Future* films. In exchange for
5 these rights, Universal Studios agreed to pay Mr. DeLorean five percent (5%) of its
6 net receipts from merchandising and commercial tie-ups in connection to the *Back*
7 *to the Future* films.

8 26. DMC is the successor in interest to Mr. DeLorean, as it acquired all of
9 Old DMC's DeLorean-related intellectual property. NBCUniversal is the successor
10 in interest to Universal Studios by way of a merger between NBC and Universal
11 Studios in 2004. As such, DMC stands in the shoes of Mr. DeLorean and
12 NBCUniversal stands in the shoes of Universal Studios in relation to the March 1989
13 agreement.

14 27. NBCUniversal has continued to use the name, image, likeness,
15 trademarks and trade dress of the DeLorean automobile in merchandising and
16 commercial tie-ups, as described above. However, in violation of the March 1989
17 agreement, NBCUniversal has failed to fully pay DMC the amount it is owed per
18 the agreement (five percent (5%) of its net receipts from such merchandising and
19 commercial tie-ups.

20 28. DMC has done all, or substantially all, of the significant things the
21 agreement required it to do.

22 29. DMC has been harmed by NBCUniversal's breach and such breach was
23 a substantial factor in causing the harm. As a result of NBCUniversal's breach, DMC
24 has not been paid the money it is owed pursuant to the agreement. DMC has
25 therefore suffered damages, in an amount to be determined at the time of trial, by
26 NBCUniversal's breach.

SECOND CAUSE OF ACTION

Accounting

(Against Defendant and DOES 1 through 50)

30. Plaintiff incorporates by reference paragraphs 1-29 of this Complaint as though set forth fully at this point.

31. Per the March 1989 agreement, NBCUniversal has contractual duty to account to and pay DMC five percent (5%) of NBCUniversal's net receipts from merchandising and commercial tie-ups. However, NBCUniversal has delayed, deflected and refused to account to and pay DMC what it is owed per the agreement.

32. The amount of money due to DMC under the contract is presently unknown and cannot be ascertained without an accounting of the net receipts generated from NBCUniversal's use of DMC's valuable intellectual property.

33. DMC therefore requests an accounting to determine the amount of money owed to it per the agreement.

THIRD CAUSE OF ACTION

Trademark and Trade Dress Infringement (15 U.S.C. §1114; 15 U.S.C.

§1125(a); 15 U.S.C §1051, *et seq.*)

(Against Defendant and DOES 1 through 50)

34. Plaintiff incorporates by reference paragraphs 1-33 of this Complaint as though set forth fully at this point.

35. The Lanham Act governs suits for the infringement of registered trademarks and trade dress. It imposes liability for infringement if, without the registrant's consent, the defendant uses in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark or dress that is likely to cause confusion, or to cause mistake, or to deceive. Here, NBCUniversal has violated the Lanham Act by infringing on DMC's DeLorean-related trademarks and trade dress.

1 36. DMC is the owner of valid and protectable trademarks and trade dress.
2 For example, DMC Texas owns the trademarks to (a) “DeLorean Motor Company,”
3 (b) the “DMC” logo, (c) the stylized word “delorean” and (d) DeLorean trade dress.

4 37. NBCUniversal infringed on these trademarks and trade dress by selling
5 various products and services, including, without limitation, toys, apparel, games,
6 and books featuring DMC’s trademarks and trade dress. NBCUniversal has
7 exceeded the scope of the rights granted to it by the 1989 licensing agreement,
8 whereby it was permitted to use the marks and trade dress for merchandising and
9 commercial tie-ups. NBCUniversal has delayed, deflected and refused to disclose to
10 DMC the full scope and extent of products and services it has sold or licensed third-
11 parties to sell which incorporate DMC’s trademarks and trade dress, and thus has
12 exploited such trademark and trade dress rights without authorization from DMC.
13 DMC has not consented to NBCUniversal’s use of these marks and dress beyond the
14 scope of the 1989 license.

15 38. Moreover, NBCUniversal has used or allowed third-parties to create
16 and sell reproductions, counterfeits, copies, and/or colorable imitations of products
17 and services containing DMC’s registered marks and dress, all without DMC’s
18 knowledge or consent. Additionally, NBCUniversal has “licensed” to third parties,
19 without any authorization or consent from DMC, the subject trademarks for use in
20 those third parties’ own goods and services.

21 39. NBCUniversal’s infringement has caused confusion and/or is likely to
22 cause confusion, or to cause mistake, or to deceive members of the public to believe
23 that DMC is associated with, has consented to or is the source of such unauthorized
24 goods and services containing the DMC marks and trade dress.

25 40. As a result of NBCUniversal’s infringement, DMC has suffered
26 damages in an amount to be determined at the time of trial. And DMC is entitled to
27 disgorgement of NBCUniversal’s profits obtained from its infringement.

28

JURY TRIAL DEMANDED

Plaintiff hereby demands a jury trial on all causes of action for which a jury is available under the law.

Dated: December 22, 2022

FOLEY BEZEK BEHLE & CURTIS, LLP

By: /s/ Roger N. Behle, Jr.

Roger N. Behle, Jr. (174755)

Attorneys for Plaintiff