

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

DIESEL S.p.A.; and DIESEL U.S.A., INC.  
*Plaintiffs*

v.

DIESEL POWER GEAR, LLC  
*Defendant*

CIVIL ACTION No. 19-cv-9308-MKV

**JOINT LOCAL RULE 56.1 STATEMENT OF UNDISPUTED FACTS**

Pursuant to Local Rule 56.1, and Judge Vyskocil’s Order dated September 18, 2020, Plaintiff Diesel S.p.A. and Plaintiff Diesel U.S.A., Inc. (collectively, “DIESEL” or “Plaintiffs”), and Defendant Diesel Power Gear, LLC (“Diesel Power Gear” or “Defendant”) by and through their respective undersigned counsel, respectfully submit the following statement of undisputed facts in support of their cross motions for summary judgment:

1. Plaintiff Diesel S.p.A. is a lifestyle company, founded in 1978, which designs, manufactures, markets and distributes apparel, footwear and accessories for men, women and children, along with home and lifestyle products, among other things, under or in connection with trademarks incorporating the word “diesel.” (collectively, the “DIESEL Products”). *Declaration of Stefano Iesurum in Support of Plaintiffs’ Motion for Summary Judgment (“Iesurum Dec.”)*, ¶ 4.
2. Plaintiff Diesel U.S.A., Inc., a wholly-owned subsidiary of Plaintiff Diesel S.p.A., has the exclusive license from Plaintiff Diesel S.p.A. to distribute and sell DIESEL Products and use the DIESEL Marks (as defined *infra*) in the United States. *Iesurum Dec.*, ¶ 5.

3. DIESEL sells, among other things, denim and casual fashion, including premium casual wear. *Iesurum Dec.*, ¶¶ 6-7.
4. DIESEL has partnered with several leading companies. *Iesurum Dec.*, ¶ 8.
5. For example, in or about 2010, DIESEL partnered with Fiat on the aesthetic design and stylization of a co-branded “Fiat 500 by Diesel,” a limited-edition car. *Iesurum Dec.*, ¶ 9, Ex. B.
6. In or about 2017, DIESEL partnered with Ducati Motor Holding S.p.A. on the aesthetic design and stylization of a co-branded limited-edition motorbike, branded the “Ducati Diavel Diesel.” *Iesurum Dec.*, ¶ 10, Ex. C.
7. DIESEL also created a capsule collection, including jogger jeans, leather jackets, and t-shirts, which combined elements of both the DIESEL and Ducati brands. *Iesurum Dec.*, ¶ 10, Ex. C.
8. In addition, in or about 2019, DIESEL collaborated with Alpinestars, a leader in motorsport technical gear to create a capsule collection, which included, among other things, leather motorcycle jackets, hoodies, and hats. *Iesurum Dec.*, ¶ 11, Ex. D.
9. DIESEL produces thousands of DIESEL Products every season and sells the same via thousands of points of sale worldwide, including throughout the United States. *Iesurum Dec.*, ¶ 12.
10. More specifically, DIESEL sells its DIESEL Products in the United States through its own specialty retail and premium outlet stores, department stores, such as Bloomingdale’s, Nordstrom, Neiman Marcus, and Saks Fifth Avenue, as well as its website ([www.diesel.com](http://www.diesel.com)), select retailers (e.g., OTTE, Intermix, , Bodega, Fred Segal, East Dane), other websites (e.g., [shopbop.com](http://shopbop.com)), and Amazon.com (until on or about 2016). *Iesurum*

*Dec.*, ¶ 14; Plaintiffs' Response to Interrogatory No. 1 ("Plaintiffs' Interrogatory Responses"), attached as Exhibit C to *Declaration of Joseph Shapiro in Support of Defendant's Motion for Summary Judgment* ("*Shapiro Dec.*").




11. There are no restrictions on who may purchase the DIESEL Products in the United States. *Iesurum Dec.*, ¶ 13.
12. Plaintiffs' DIESEL Products range in price, generally from \$48 to \$998 for men's apparel sold in the United States, \$48 to \$898 for women's apparel, excluding underwear, with a price point of \$48 to \$148 for men's and women's t-shirts, \$40 to \$348 for men's accessories, and \$40 to \$398 for women's accessories. *Iesurum Dec.*, ¶ 16.
13. Plaintiffs target U.S. consumers that are "young, urban professionals, who like fashion and denim, as well as dressing comfortable." Plaintiffs' Interrogatory Responses at No. 2; "Consumer Deep Dive for Diesel US," attached to Shapiro Dec. as Ex. D; "Diesel Press Coverage," attached to Shapiro Dec. at Ex. E.
14. Plaintiffs have never intentionally targeted a demographic, group of individuals, or individual based in whole or in part on the demographic's, group's, or individual's interest or perceived interest in diesel trucks. Plaintiffs' Response to Request for Admission No.2 ("Plaintiffs' RFA Responses"), attached to Shapiro Dec. as Ex. F.
15. Plaintiffs and their DIESEL Products have generated millions of dollars of annual sales in the United States alone. For example, Plaintiffs' annual net sales of apparel sold under or in connection with the DIESEL Marks in the United States was an average of over approximately \$129,000,000 USD per year from 2010 to 2019. *See Iesurum Dec.*, ¶¶ 17-18.

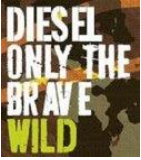
16. In 2012 and 2013, Plaintiffs had their highest annual sales of apparel sold under or in connection with the DIESEL Marks in the United States over the past decade, with annual sales of \$165,229,946 and \$167,695,079, respectively. *Iesurum Dec.*, ¶¶ 18-19.
17. Plaintiffs and their DIESEL Products have been prominently featured in a number of press publications, including, but not limited to, *Details, GQ, In Style, Interview, Nylon, The New York Times, Cosmopolitan, W, Elle, and Esquire*. *Iesurum Dec.*, ¶ 20, Ex. E.
18. Plaintiffs have expended millions of dollars in advertising and promoting their DIESEL Products, spending an average of over \$4 million dollars per year from 2010 through 2019 on nationwide advertisements and promotions relating to their apparel products alone under the DIESEL Marks in the United States. *See Iesurum Dec.*, ¶¶ 21-22.
19. Plaintiffs spent the most money advertising and promoting their apparel products under the DIESEL Marks in the United States in 2013, with \$6,097,080 spent on advertisements and promotions in that year alone. *Iesurum Dec.*, ¶¶ 22-23.
20. Plaintiffs advertise and promote their DIESEL Products via a variety of media types, including print publications, out-of-home, online, and social media, such as Instagram and Facebook. *Iesurum Dec.*, ¶ 24.
21. Plaintiffs' U.S. marketing and promotional efforts relating to their apparel products under the DIESEL Marks in the United States since January 1, 2013 include, but are not limited to: print advertising (in *Interview, Details, Nylon, Paper, GQ, Vogue, Elle, Maxim, Men's Health, InStyle, Hypebeast, Highsnobiety*, among a variety of other publications), events (in-store and otherwise), social media (e.g., Facebook, YouTube, Instagram, Pinterest, Twitter, in-store marketing, out-of-home, retail windows, sponsorships, search engine

marketing, paid search, and Google Shopping advertisements. Plaintiffs' Interrogatory Responses at No. 4.

22. In connection with Plaintiffs' promotional efforts, Plaintiffs bid on a number of search engine keywords comprised of the DIESEL Marks, among other things, such as "diesel", "diesel clothing", and "diesel apparel". *Iesurum Dec.*, ¶ 25, Ex. F.

23. Plaintiff Diesel S.p.A. has protected its valuable rights by filing for, and obtaining, various federal trademark registrations covering its distinctive and famous DIESEL trademark and derivative trademarks. For example, Plaintiff Diesel S.p.A. owns the following in the United States:

<b><u>DIESEL REGISTRATIONS</u></b>				
<b>MARK</b>	<b>REG. NO.</b>	<b>REG. DATE</b>	<b>CLASS</b>	<b>STATUS</b>
DIESEL	1498698	Aug. 02, 1988	25	Incontestable
DIESEL	1564710	Nov. 07, 1989	25	Incontestable
DIESEL-ONLY-THE-BRAVE-DIESEL 	1605656	Jul. 10, 1990	25	Incontestable
DIESEL-ONLY-THE-BRAVE-DIESEL 	1939141	Dec. 05, 1995	3, 9, 14, 18, 24, 25	Incontestable
DIESEL	1989390	Jul. 30, 1996	3, 9, 14, 18, 24, 25	Incontestable
DIESEL	3524221	Oct. 28, 2008	11, 20, 21	Incontestable
DIESEL	3933720	Mar. 22, 2011	9, 41	Registered
DIESEL BLACK GOLD	3956724	May 10, 2011	9, 14, 18, 25	Registered
	4268432	Jan. 01, 2013	35, 45	Registered
DIESEL	4268431	Jan. 01, 2013	35, 45	Registered

	4715246	Apr. 07, 2015	3	Registered
DIESEL BAD	4835318	Oct. 20, 2015	3	Registered

(the “DIESEL Marks” and “DIESEL Registrations”, respectively). *Iesurum Dec.*, ¶ 26, Ex. G.

24. In common parlance, the word “diesel” signifies: (1) a diesel engine; (2) a vehicle driven by a diesel engine; or (3) diesel fuel. *Declaration of Kerry B. Brownlee* (“*Brownlee Dec.*”), ¶ 4.

25. Plaintiffs have never used the term “diesel” to reference diesel trucks in marketing or product design. Plaintiffs’ RFA Responses at No.3.

26. Since at least as early as the dates set forth on the DIESEL Registrations, Plaintiffs have continuously and extensively used their distinctive and famous DIESEL Marks on or in connection with a wide range of goods and services, including the DIESEL Products. *Iesurum Dec.*, ¶ 28.

27. Plaintiffs enforce their rights in and to the DIESEL Marks by, among other things, sending cease and desist letters, and instituting civil court proceedings, as well as oppositions and cancellations before the Board. *Iesurum Dec.*, ¶ 31.

28. Diesel Power Gear, formed in 2013, is owned by David Sparks, David Kiley and Josh Stuart, all of who were on, or currently are on, a Discovery Channel television show entitled “Diesel Brothers.” Transcript of Deposition of Caleb Perkins, June 11, 2020 (“Perkins Tr.”), 15:2-9; 17:17-19; 27:20-28:7.


29. Diesel Power Gear’s principal revenue stream is sales of apparel and gear. Declaration of Caleb Perkins (“Perkins Dec.”), ¶ 4.

30. To incentivize consumers to purchase apparel and gear, Diesel Power Gear provides an entry into a drawing to win a custom-built diesel truck for every five dollars spent on apparel and gear on [dieselpowergear.com](http://dieselpowergear.com). Perkins Tr., 69:18-24; *see also* Simar Tr., 23:7-14; 25:18 – 26:16; Perkins Dec., ¶ 5.
31. Other than de minimis sales at a brick and mortar storefront in Woods Cross, Utah, all of Diesel Power Gear’s sales of apparel and gear are consummated through [www.dieselpowergear.com](http://www.dieselpowergear.com) (“Defendant’s Website”). *Id.*, ¶ 7.
32. Since 2013, Diesel Power Gear has given away a substantial number of custom-built diesel trucks (often given away monthly). *Id.*, ¶ 8.
33. The following are typical prices for the apparel sold on Defendant’s Website:

Item	Price Range on <a href="http://dieselpowergear.com">dieselpowergear.com</a>
t-shirt	\$30
hoodie	\$55
jeans	\$60
hat	\$30

*Id.*, 11.

34. In 2017, the principals of Diesel Power Gear, Dave Sparks and Dave Kiley, released a book titled “The Diesel Brothers: A Truckin’ Awesome Guide to Trucks and Life,” which is a book about diesel trucks. *Id.*, 14.
35. Diesel Power Gear uses, or has used, the word “diesel” on or in connection with Diesel Power Gear’s online retail services, Defendant’s apparel and accessory products (“Diesel Power Gear Products”), and/or Defendant’s business(es). *Brownlee Dec.*, ¶ 5, Ex. A.
36. Diesel Power Gear sells its Diesel Power Gear Products on Defendant’s Website, as well as via its brick and mortar location at 1955 S 1800 W, Woods Cross, Utah 84087, which has signage including “dieselsellerz.com”. Perkins Tr., 55:3-15, Ex. 8; 57:3-10; 97:8-15.

37. Defendant's headquarters at 1955 S 1800 W, Woods Cross, Utah includes offices, a large shop/warehouse for diesel truck work, and a brick-and-mortar storefront that sells a small subset of the products available through Defendant's Website. Perkins Dec., ¶ 22.
38. The front of Diesel Power Gear's headquarters is marked with the DP lightning logo () on the door, two images of diesel trucks, the URL for one of Diesel Power Gear's websites (dieselsellerz.com), and "Sparks Motors." Perkins Dec., ¶ 23.
39. Diesel Power Gear sells its Diesel Power Gear Products throughout the United States. Van Oakes Tr., 25:11-19; 28:12-29:17.
40. Diesel Power Gear also operates www.dieselsellerz.com, which is a classified website for listing and purchasing diesel trucks, that links to and directs people to Defendant's Website. Perkins Tr., 18:3-9; 23:19-24.
41. The most popular of the Diesel Power Gear Products are shirts and hats, with Defendant's shirts ranging generally from \$20 to \$30, with an average transaction value on Defendant's Website of approximately \$44-\$45. Perkins Tr., 56:16-19; 58:3-5; 116:11-17; 123:2-12; Transcript of Deposition of Van Oakes, June 12, 2020 ("Oakes Tr."), 30:5-9.
42. Defendant's COO has testified that one of Defendant's Diesel Power Gear Products (specifically, the Diesel AF design) was selected because "there was a large trend at the time was this style of shirt where it's a white T-shirt with a red box and writing in it." Perkins Tr., 76:4-15.
43. In creating designs for Defendant's Diesel Power Gear Products, Defendant's graphic designer has testified that he sometimes reviews trends to decide what types or styles of products to produce. Transcript of Deposition of Braden Simar, June 15, 2020 ("Simar Tr."), 23:20-24.



44. Diesel Power Gear recently began selling jeans branded “POWER GEAR” on Defendant’s Website. Perkins Tr., 59:9-17; 62:15-25; *Brownlee Dec.*, ¶ 6, Ex. B.
45. Defendant’s COO has testified that diesel truck owners “come in a lot of different shapes and sizes and like different sort of designs.” Perkins Tr., 69:18-24
46. Diesel Power Gear does not have surveys or other documents evidencing actual purchasers of such Alleged Infringing Products. Perkins Tr., 89:22-25; Oakes Tr., 24:13-24.
47. In response to a question regarding Defendant’s typical consumer, Defendant’s graphic designer testified that Defendant has “had a lot. . . . I know a majority – I think it’s 90 percent men or something and we’ve had teenage boys and we’ve had 60-year-old grandpas.” Simar Tr., 26:7-16.
48. Defendant’s graphic designer has testified that there are “a lot of different types of diesel truck enthusiasts. . . . [T]here’s the California guys and then there’s also the guys that are down south that like bigger, much larger trucks and bigger tires.” Simar Tr., 19:5-12.
49. Defendant’s graphic designer has testified that for Defendant’s designs, “generally we have a few things that we always do. We always have a flag on the sleeve, we like to -- we either go really grungy and tough or then sometimes we go really clean and sort of Fordham – more to that California audience that we’re trying to go towards.” Simar Tr., 18:15-21.
50. Diesel Power Gear markets and promotes its Diesel Power Gear Products via social media promotions, including promotions on Snapchat, Instagram, and Facebook. Perkins Tr., 131:6-11.
51. Diesel Power Gear also bids on a number of search engine keywords, including “diesel clothing”, “diesel shirts”, “diesel tees”, and “diesel apparel”. Perkins Dec., ¶ 25.

52. “DIESEL AF” is a phrase indicating that something associated with diesel trucks is cool. “AF” means “as fuck,” so the phrase “DIESEL AF” means, literally, “diesel as fuck,” and figuratively means something like, “I like diesel trucks and something is good or desirable if it is associated with diesel trucks.” *Id.*, ¶ 16.
53. Diesel Power Gear’s graphic designer became aware of Diesel S.p.A. in 2013 from an online search he did, “Googling to find out more about diesel trucks,” when he first started working for Defendant. *Simar Tr.*, 28:3-15.
54. Defendant’s CMO testified that he “heard” of the DIESEL brand sometime around 2007. *Oakes Tr.*, 39:6-25.
55. Diesel Power Gear filed an application to register the trademark DIESEL POWER GEAR with the United States Patent and Trademark Office (“USPTO”), U.S. Trademark Application Serial No. 86/776,509 for “[a]thletic shirts; Baseball caps and hats; Camouflage shirts; Graphic T-shirts; Hats; Hooded sweat shirts; Long-sleeved shirts; Shirts; Shirts and short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Short-sleeved shirts; Sports caps and hats; T-shirts; Wristbands” in Class 25 on October 2, 2015 (the “Initial DP Application”). *See Brownlee Dec.*, ¶ 7, Ex. C.
56. Plaintiff Diesel S.p.A. opposed the Initial DP Application, Opp. No. 91229297 (the “Initial Opposition”). *Brownlee Dec.*, ¶ 7, Ex. C.
57. In the Initial Opposition, Defendant failed to answer, and the Trademark Trial and Appeal Board (the “Board”) entered a notice of default on September 21, 2016 (the “Notice of Default”), which allowed Defendant thirty (30) days to show cause why judgment by default should not be entered in accordance with Fed. R. Civ. P. 55(b)(2). *Brownlee Dec.*, ¶ 8, Ex. D.

58. Defendant failed to answer the Notice of Default, and on November 14, 2016, the Board entered judgment against Defendant, sustained the opposition and refused the registration in light of Defendant's default (the "11/14 Judgment"). *Brownlee Dec.*, ¶ 9, Ex. E.
59. On December 6, 2017, Diesel Power Gear again applied to register the trademark DIESEL POWER GEAR with the USPTO, U.S. Trademark Application Serial No. 87/710,791, once again for "[a]thletic shirts; Baseball caps and hats; Camouflage shirts; Graphic T-shirts; Hats; Hooded sweat shirts; Long-sleeved shirts; Shirts; Shirts and short-sleeved shirts; Short-sleeved or long-sleeved t-shirts; Short-sleeved shirts; Sports caps and hats; T-shirts; Wristbands" in Class 25 (the "Second DP Application"). *See Brownlee Dec.*, ¶ 10, Ex. F.
60. Also on December 6, 2017, Defendant applied to register the trademark DIESELSELLERZ with the USPTO, U.S. Trademark Application Serial No. 87/710,733 for "clothing, namely shirts, hoodies, sports caps, and hats" in Class 25 (the "Third DP Application"). *See Brownlee Dec.*, ¶ 12, Ex. H.
61. Plaintiff Diesel S.p.A. opposed the Second DP Application, Opp. No. 91241641 (the "Second Opposition Proceeding"), and on September 16, 2019 the Board granted summary judgment to Plaintiff Diesel S.p.A., finding that "the elements of claim preclusion" had been satisfied, given the 11/14 Judgment in the Initial Opposition. *Brownlee Dec.*, ¶¶ 10-11, Exs. F-G.
62. Plaintiff Diesel S.p.A. likewise opposed the Third DP Application, Opp. No. 91245400, and that proceeding is currently pending before the Board. *Brownlee Dec.*, ¶ 12, Ex. H.
63. In addition to the filing of the oppositions, on July 21, 2017, Plaintiff Diesel S.p.A. also put Diesel Power Gear on notice of the DIESEL Marks and the alleged infringing and

illegal nature of Defendant’s actions by sending a cease and desist letter to Defendant. *Iesurum Dec.*, ¶ 32, Ex. H.

64. To date, Diesel Power Gear has continued to use the word “diesel” in “diesel power gear”, and in combination with other words, in connection with Defendant’s Website and its Diesel Power Gear Products. *See, e.g., Brownlee Dec.*, ¶ 6, Ex. B.

65. Neither Plaintiffs nor any authorized agents of Plaintiffs have consented to Diesel Power Gear’s use of the DIESEL Marks. *Iesurum Dec.*, ¶ 33.

66. Plaintiffs are not aware of any instances of actual confusion arising out of Diesel Power Gear’s allegedly infringing uses of Plaintiffs’ DIESEL Marks. Plaintiffs’ Interrogatory Responses at No. 5.

67. Plaintiffs have no evidence of actual consumer confusion. Plaintiffs’ RFA Responses at No.1.

68. Diesel Power Gear Products and Plaintiffs’ DIESEL Products have never been offered for sale in the same brick-and-mortar retail location. Plaintiffs’ RFA Responses at Nos. 5-6.

69. Diesel Power Gear Products and Plaintiffs’ DIESEL Products have never been available for sale on the same website. Plaintiffs’ RFA Responses at Nos. 7-8.

70. Diesel Power Gear’s Profit & Loss Statements show that Diesel Power Gear’s profit for 2015-2019 was:

<b>Year</b>	<b>Profit</b>
2019	\$430,783.65
2018	\$567,587.43
2017	\$461,678.64
2016	\$192,831.91
2015	\$203,409.98

*Perkins Dec.*, ¶ 20.

Dated: October 19, 2020

Respectfully submitted,

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