

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

PEARSON EDUCATION, INC.; ELSEVIER INC.;  
MCGRAW HILL LLC; and CENGAGE  
LEARNING, INC.,

Plaintiffs,

v.

THRIFT BOOKS GLOBAL LLC,

Defendant.

**Civil Action No.**

**COMPLAINT FOR:**

- 1. COPYRIGHT INFRINGEMENT  
(17 U.S.C. § 101, *et seq.*);**
- 2. TRADEMARK INFRINGEMENT  
(15 U.S.C. § 1114) and**
- 3. TRADEMARK COUNTERFEITING  
(15 U.S.C. § 1114).**

**DEMAND FOR JURY TRIAL**

This action arises from the unlawful distribution of counterfeit textbooks falsely purporting to be those published by Plaintiffs Pearson Education, Inc., Elsevier Inc., McGraw Hill LLC, and Cengage Learning, Inc. (“Plaintiffs”). Defendant Thrift Books Global LLC (“Defendant”) has persistently engaged in this counterfeiting activity in clear and unambiguous violation of Plaintiffs’ rights under federal copyright and trademark law.

Plaintiffs allege, on personal knowledge as to matters relating to themselves, and on information and belief as to all other matters, as follows:

**NATURE OF THE CASE**

1. Plaintiffs are leading educational publishers who develop, market, distribute, license, and sell a comprehensive range of traditional and digital educational content and tools to professionals and students of all ages on virtually all subjects. Plaintiffs’ publications, which include physical and digital textbooks, are among the most popular and widely used titles in their fields.

2. Defendant runs a large and sophisticated business that, acting under several assumed names, engages in buying and selling textbooks. Defendant understands but does not adequately respect the fact that trafficking in counterfeit textbooks violates the federal copyright and trademark laws.

3. Defendant sells and distributes counterfeit textbooks through its online website, at [www.thriftbooks.com](http://www.thriftbooks.com), and its wholesale fulfillment centers, as well as through third-party marketplaces. Defendant's sales include counterfeit textbooks, which are unauthorized copies of Plaintiffs' copyrighted works and bear unauthorized reproductions of Plaintiffs' federally registered trademarks. Defendant sells the infringing counterfeit textbooks to individual consumers, wholesale distributors, and other re-sellers.

4. Defendant's inventory is infected with counterfeits, many of which it distributes into the marketplace. Indeed, Plaintiffs have purchased numerous counterfeits from Defendant. Plaintiffs have also obtained counterfeits from Defendant's customers, who purchased them from Defendant. At present, Plaintiffs have evidence of Defendants' distribution of at least twenty titles. But this is a mere snapshot. The true scope of Defendant's distribution of counterfeits is greater and not precisely known to Plaintiffs, who fear that what they know to date is only the proverbial "tip of the iceberg." Defendant sells its counterfeit textbooks to purchasers seeking out legitimate copies of Plaintiffs' textbooks. On its website and on third-party marketplaces, Defendant identifies the textbooks using the legitimate textbooks' respective titles, editions, authors, cover images bearing Plaintiffs' trademarks, and ISBN (the International Standard Book Number).

5. In January 2020, Plaintiffs notified Defendant of the counterfeit issues in Defendant's inventory and had lengthy and detailed discussions with Defendant concerning the need for it to address its issues with counterfeits. Plaintiffs even pointed Defendant to a publicly

accessible educational website to help textbook distributors avoid counterfeits (<http://stopcounterfeitbooks.com>). These discussions were ultimately fruitless, as Defendant continued to sell counterfeits even after being told to stop. Notwithstanding its persistent, obvious, and ongoing infringement problem, Defendant remains committed to its counterfeit book practices.

6. Sales of counterfeits displace legitimate sales, depriving Plaintiffs and their authors of the much-needed returns from their creative efforts and investments. Left unchecked, counterfeits threaten the publication of deserving works, depriving students and others of important learning tools. Moreover, counterfeits deprive Plaintiffs of control over the quality and characteristics of the textbooks made and sold under their trademarks, thus harming Plaintiffs' brands and confusing the consuming public. Accordingly, after repeated pleas to Defendant to clean up its involvement with counterfeits have proven unavailing, Plaintiffs seek injunctive relief and damages to put a stop to and obtain redress for Defendant's egregious infringement.

### **JURISDICTION AND VENUE**

7. This is a civil action arising under the Copyright Act, 17 U.S.C. §§ 101 *et seq.*, and the Lanham Act, 15 U.S.C. §§ 1051 *et seq.* As such, the Court has original subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a) and 15 U.S.C. § 1121.

8. The Court has personal jurisdiction over Defendant because Defendant transacts business in Maryland, committed tortious acts within and/or caused injury to Plaintiffs in Maryland, Plaintiffs' claims arise from those activities, and Defendant should reasonably have expected such acts to have consequences in Maryland, and derives substantial revenue from interstate and/or international commerce. In particular, Defendant operates a warehouse through which it conducts its counterfeit textbook business in Maryland, (b) transacts business within Maryland or contracts to supply goods, including counterfeit goods, in or from Maryland,

including operating a wholesale fulfillment center in Baltimore and operating one or more of its online storefronts from Maryland, (c) has committed acts of copyright and trademark infringement and counterfeiting in Maryland and in this District, and/or (d) has committed acts of copyright and trademark infringement and counterfeiting outside Maryland causing injury to Plaintiffs in Maryland. In addition, Defendant sells textbooks, including counterfeits of Plaintiffs' copyrighted textbooks bearing Plaintiffs' trademarks, through online storefronts on highly interactive websites, which are accessible and sell goods to consumers in Maryland. Defendant ships and receives textbooks, including counterfeit copies, from warehouses in Baltimore, Maryland.

9. Venue is proper, *inter alia*, pursuant to 28 U.S.C. §§ 1391(b) and 28 U.S.C. § 1400(a) because Defendant conducts, transacts, and/or solicits business in this District.

#### **PARTIES**

10. Plaintiff Cengage Learning, Inc. ("Cengage"), formerly Thomson Learning Inc., is a Delaware corporation with a principal place of business at 20 Channel Center Street, Boston, MA 02210.

11. Plaintiff Pearson Education, Inc. ("Pearson"), is a Delaware corporation with a principal place of business at 330 Hudson Street, New York, New York 10013.

12. Plaintiff Elsevier Inc. ("Elsevier"), is a Delaware corporation with a principal place of business at 230 Park Avenue, New York, New York 10169.

13. Plaintiff McGraw Hill LLC ("McGraw Hill") is a Delaware limited liability company with a principal place of business at 1325 Avenue of the Americas, 12th Floor, New York, New York 10019.

14. Defendant Thrift Books Global LLC is a Washington limited liability company with its primary place of business located at 18300 Cascade Ave. S., Seattle, WA 98188.

Defendant maintains a warehouse at 4734 Trident Ct, Halethorpe, MD 21227 from which it sells textbooks both in person and over the internet.

## **FACTUAL ALLEGATIONS**

### **A. Plaintiffs' Businesses, Copyrights and Trademarks**

15. Plaintiffs are some of the largest and most successful publishers of textbooks and other educational materials in the United States and throughout the world. With a rich literary and educational heritage, Plaintiffs' products and services are used worldwide at educational institutions and in other learning environments. In the academic marketplace, Plaintiffs serve secondary, post-secondary, and graduate-level students, teachers, and learning institutions providing quality content, assessment tools, and educational services in all available media. Plaintiffs' publications include physical textbooks. These textbooks are widely available in the marketplace for sale, including from physical and online bookstores. Plaintiffs' products and services are sold throughout the world, through direct channels and via a worldwide network of distributors.

16. Plaintiffs invest heavily in publishing their textbooks. Each year they incur substantial costs for author royalties and other costs of content creation or licensing, development and editing, copyediting and proofreading, typesetting, layout, printing, binding, distribution, promotion, and for support of their editorial offices.

17. Plaintiffs and/or their predecessors have also invested decades of effort in building a reputation of quality in the publishing industry, which consumers associate with Plaintiffs and their trademarks. Plaintiffs invest significant resources annually in the worldwide advertisement and promotion of their goods and services under their respective marks. Plaintiffs' trademarks and the goodwill of the business associated with them in the United States and throughout the world

are of tremendous value and have become associated in the public mind with Plaintiffs' reputation for publishing textbooks of the very highest quality.

18. Plaintiffs are the copyright owners of, and/or the owners of the exclusive rights under copyright in, *inter alia*, those works or derivative works described on **Exhibit A** (the "Authentic Works"). Plaintiffs or their affiliates have obtained copyright registrations, duly issued by the United States Copyright Office, covering their respective Authentic Works.

19. Plaintiffs' Authentic Works bear trademarks as set forth on **Exhibit B** (the "Marks"), which Plaintiffs or their affiliates have duly registered on the Principal Register of the United States Patent and Trademark Office. Plaintiffs own or are the exclusive licensee of their respective Marks. Plaintiffs' Marks are distinctive and arbitrary and, in some cases, are now incontestable under Section 15 of the Lanham Act, 15 U.S.C. § 1065. Plaintiffs and/or their predecessors invested decades of effort in building a reputation of quality in the publishing industry, which consumers associate with Plaintiffs' Marks. All of the registrations listed on Exhibit B are valid, subsisting, unrevoked, and not cancelled. Plaintiffs also own common law rights in these and other trademarks.

20. Plaintiffs have yet to identify the full range of copyrights and trademarks that Defendant has infringed. Accordingly, Exhibits A and B are representative, not comprehensive, and will be expanded as discovery uncovers additional counterfeits (thereby expanding the scope of "Plaintiffs' Authentic Works," "Plaintiffs' Marks," and "Counterfeit Textbooks" as defined below).

#### **B. Defendant's Unlawful Activities**

21. Beginning no later than 2017, and continuing today, Defendant has sold and distributed counterfeits of Plaintiffs' Authentic Works bearing Plaintiffs' Marks (the "Counterfeit Textbooks").

22. Defendant has distributed the Counterfeit Textbooks without any authorization or license from Plaintiffs. Plaintiffs did not print, or authorize the printing of, the Counterfeit Textbooks. Plaintiffs did not ever sell, or authorize others to sell, the Counterfeit Textbooks.

23. Defendant, without any authorization or license from Plaintiffs, has knowingly and willfully used and continues to use Plaintiffs' Marks in connection with the sale of the Counterfeit Textbooks. The Counterfeit Textbooks are not genuine. Defendant purports to sell the legitimate and authorized versions published by Plaintiffs, but actually distributes counterfeit versions.

24. Defendant's infringing activities are substantial. Plaintiffs currently are aware of at least twenty separate titles of Plaintiffs' Authentic Works that Defendant has infringed. Exhibit A describes the Counterfeit Textbooks that Defendant has sold and distributed that Plaintiffs have discovered to date. Exhibit A is representative, not comprehensive, and will be updated over the course of discovery in this action. This current evidence represents only what Plaintiffs recently have discovered through Defendant's customers and Plaintiffs' own purchases over a relatively short period of time. Overall, Plaintiffs have acquired counterfeits of at least twenty titles from Defendant through their various distribution channels, including Defendant's online storefronts, drop-shipped by other distributors, and surrendered by other distributors after purchasing them from Defendant.

25. Defendant sells Counterfeit Textbooks to individual consumers and commercial wholesalers and retailers via a variety of channels. Defendant operates a website at [www.thriftbooks.com](http://www.thriftbooks.com), through which it sells textbooks. Defendant also sells books through one or more marketplace storefronts it operates on Amazon.com, Abebooks.com, eBay.com, and perhaps other marketplaces. Plaintiffs purchased Counterfeit Textbooks from at least seven of Defendant's online marketplace storefronts on Amazon, Abebooks, and eBay. Finally, Defendant

sells textbooks wholesale through its eight different fulfillment centers.

26. Defendant also sold Counterfeit Textbooks to large, national distributors. For example, Defendant sold Counterfeit Textbooks to MBS Textbook Exchange, LLC and Valore, Inc., who identified the books as likely counterfeit, and surrendered them to Plaintiffs.

27. Finally, Plaintiffs discovered two Counterfeit Textbooks by purchasing from drop-shippers who sourced the counterfeit from Defendant. Drop-shipping is a retail fulfillment method used when a store or merchant does not have in its inventory a product that it sells or has sold. Instead, the merchant purchases the item from a third party and has it shipped directly to the customer. For example, Plaintiffs made a purchase from “academic\_book\_guy” on Amazon.com and received a counterfeit textbook that identified Defendant as the shipper.

28. Plaintiffs require discovery to learn the full scope of the Counterfeit Textbooks that Defendant has distributed through these and other channels. Given the extensive infringing conduct of which Plaintiffs are already aware, it is highly likely that Defendant distributes counterfeits on a daily and large-scale basis.

29. At the time that Defendant sold the Counterfeit Textbooks, Defendant knew or should have known that the Counterfeit Textbooks were infringing. Defendant knew or should have known that some of its suppliers are not authorized to reproduce Plaintiffs’ Authentic Works or use Plaintiffs’ Marks on textbooks. Defendant obtained these books without any due diligence as to where the suppliers acquired the books or the authenticity of the books. Defendant compounded the problem when, upon receipt of the books, it failed to conduct an adequate review for authenticity.

30. By infringing Plaintiffs’ copyrights and trademarks, Defendant causes Plaintiffs to suffer serious financial and reputational injury. The revenue from Plaintiffs’ sales of textbooks



represents a substantial portion of Plaintiffs' respective annual revenues and is therefore important to their financial health. Both publishers and authors alike are deprived of income when their textbooks are unlawfully copied and sold, or when their copyrights are otherwise infringed, which can have serious financial and creative repercussions for them and their work. A substantial decline in revenue from sales of Plaintiffs' textbooks could cause Plaintiffs to cease publication of one or more deserving textbooks. This would have an adverse impact on the creation of new textbooks, on scholarly endeavor, and on scientific progress, by making it more difficult to publish deserving textbooks.

31. The Counterfeit Textbooks that Defendant sold are different than and can be inferior to Plaintiffs' Authentic Works. Among other differences, the binding, glue, paper, color, and printing are often different and inferior. Content from Plaintiffs' Authentic Works can also be missing from the counterfeit. Based on the use of Plaintiffs' Marks, actual and prospective purchasers are likely to believe that the Counterfeit Textbooks are Plaintiffs' Authentic Works. This weakens, blurs, and tarnishes Plaintiffs' Marks. It further injures Plaintiffs' business reputations by causing Plaintiffs' Marks and the goodwill associated with them to be confused or mistakenly associated with a group or series of textbooks of lesser quality.

### **FIRST CLAIM FOR RELIEF**

#### **Copyright Infringement Under 17 U.S.C. §§ 101, *et seq.***

32. Plaintiffs re-allege and incorporate by reference the allegations set forth above in paragraphs 1 – 31.

33. Plaintiffs' Authentic Works constitute original works and copyrightable subject matter pursuant to the Copyright Act, and they are protected by registrations duly issued to Plaintiffs (or their predecessors or affiliates) by the United States Copyright Office.

34. At all relevant times, Plaintiffs have been and still are the owners, or exclusive licensees, of all rights, title, and interest in and to their respective copyrights in Plaintiffs' Authentic Works, which have never been assigned, licensed, or otherwise transferred to Defendant.

35. Beginning on an unknown date but at least since June 2017 and continuing to the present, Defendant, with knowledge of Plaintiffs' copyrights in Plaintiffs' Authentic Works, infringed Plaintiffs' copyrights. Specifically, Defendant infringed Plaintiffs' exclusive rights to distribute their copyrighted works. It did so by, among other things, selling the Counterfeit Textbooks for profit, without Plaintiffs' permission, license, or consent.

36. Defendant's unlawful conduct, as set forth above, was willful. Defendant acted with intentional or reckless disregard of Plaintiffs' copyright rights.

37. As a result of Defendant's unlawful and deliberate conduct as set forth above, Plaintiffs have been, and will continue to be, damaged.

38. Defendant's actions described above have caused and will continue to cause irreparable damage to Plaintiffs, for which Plaintiffs have no remedy at law. Unless this Court restrains Defendant from continuing its infringement of Plaintiffs' copyrights, these injuries will continue to occur in the future. Plaintiffs are accordingly entitled to injunctive relief restraining Defendant from further infringement.

### **SECOND CLAIM FOR RELIEF**

#### **Infringement of Federally Registered Trademarks Under 15 U.S.C. § 1114**

39. Plaintiffs re-allege and incorporate by reference the allegations set forth above in paragraphs 1 – 31.

40. This claim, arising under Section 32 of the Lanham Act, 15 U.S.C. § 1114, is for

infringement of trademarks registered to Plaintiffs in the United States Patent and Trademark Office.

41. Beginning on an unknown date but at least since June 2017 and continuing to the present, without Plaintiffs' authorization, Defendant has been selling in commerce Counterfeit Textbooks under Plaintiffs' Marks.

42. Defendant's aforesaid uses of Plaintiffs' Marks have caused and are likely to continue to cause confusion, mistake, and/or deception as to the source or origin of Defendant's goods, in that the public, and others, are likely to believe that Defendant's goods are provided by, sponsored by, approved by, licensed by, affiliated with, or in some other way legitimately connected with Plaintiffs, all to Plaintiffs' irreparable harm.

43. Defendant, by its above-enumerated acts, willfully and knowingly has violated and infringed Plaintiffs' rights in and to the federally registered Marks, in violation of Section 32 of the Lanham Act (15 U.S.C. § 1114), and Defendant threatens to further violate and infringe Plaintiffs' said rights.

44. Defendant's actions described above have caused and will continue to cause irreparable damage to Plaintiffs, for which Plaintiffs have no remedy at law. Unless this Court restrains Defendant from continuing its infringement of Plaintiffs' Marks, these injuries will continue to occur in the future. Plaintiffs are accordingly entitled to injunctive relief restraining Defendant from further infringement.

45. Defendant's aforesaid conduct was intentional, or deliberately reckless, and without foundation in law.

**THIRD CLAIM FOR RELIEF**

**Trademark Counterfeiting Under 15 U.S.C. § 1114(1)(a)**

46. Plaintiffs re-allege and incorporate by reference the allegations set forth above in paragraphs 1 – 31.

47. Defendant is infringing the federally registered Plaintiffs' Marks through its use in commerce of a counterfeit, copy, or colorable imitation of Plaintiffs' Marks, in connection with the sale of textbooks, with such use being likely to cause confusion, to cause mistake, or to deceive the public.

48. Beginning on an unknown date but at least since June 2017 and continuing to the present, Defendant has been intentionally using Plaintiffs' Marks on unauthorized products. Defendant is intentionally infringing upon Plaintiffs' trademark rights in order to further its own business enterprises.

49. Defendant's counterfeiting of Plaintiffs' Marks, as described above, has caused and will continue to cause irreparable injury to Plaintiffs' reputation and goodwill, for which Plaintiffs have no adequate remedy at law. Unless this Court restrains Defendant from continuing its counterfeiting activities, these injuries will continue to occur in the future. Plaintiffs are accordingly entitled to injunctive relief restraining Defendant from further counterfeiting.

**PRAYER FOR RELIEF**

By reason of the acts and circumstances alleged above, Plaintiffs seek relief from this Court as follows:

1. Judgment on each of the claims set forth above, including that Defendant's infringement of Plaintiffs' Authentic Works and Marks was intentional and willful;

2. Damages and/or restitution according to proof at trial, including exemplary damages where authorized by statute;

3. An accounting and disgorgement of Defendant's profits, gains, and advantages realized from its unlawful conduct, including a reconciliation of purchases and sales of the Counterfeit Textbooks with documents relating to all such purchases and sales;

4. An order requiring Defendant to pay Plaintiffs such damages as Plaintiffs have sustained as a consequence of Defendant's unlawful acts as alleged above, including actual damages or statutory damages, at Plaintiffs' election, pursuant to 17 U.S.C. § 504;

5. An order enjoining Defendant and all persons who are in active concert or participation with Defendant from further infringing upon Plaintiffs' respective copyrights pursuant to 17 U.S.C. § 502;

6. An order enjoining Defendant and all persons who are in active concert or participation with Defendant from further infringing upon Plaintiffs' respective trademarks pursuant to 15 U.S.C. § 1116;

7. An order requiring Defendant to pay Plaintiffs such damages as Plaintiffs have sustained as a consequence of Defendant's unlawful use of their trademarks, as alleged above, including statutory damages or treble damages, pursuant to 15 U.S.C. § 1117;

8. An order requiring Defendant to deliver up for destruction all products, packaging, labels, literature, advertising, and other material bearing imitations, including confusingly similar variations, of Plaintiffs' respective copyrights and marks pursuant to 17 U.S.C. § 503 and 15 U.S.C. § 1118;

9. Prejudgment and post-judgment interest at the applicable rate;

10. Plaintiffs' attorney's fees, expenses, and costs of suit; and

11. Such other and further relief the Court deems proper.

**JURY TRIAL DEMAND**

Plaintiffs hereby request a trial by jury.

DATED: June 26, 2020

Respectfully submitted,

By: /s/ Matthew J. Oppenheim

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