

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO**

GRANGE HOLDINGS INC., an Ohio
corporation,

Plaintiff,

v.

KANSAS CITY LIFE INSURANCE
COMPANY, a Missouri corporation,

and

GRANGE LIFE INSURANCE COMPANY, an
Ohio corporation,

Defendants.

Civil Action No: 2:23-cv-3970

Judge:

**COMPLAINT FOR DECLARATORY JUDGMENT
AND INJUNCTIVE RELIEF**

NOW COMES Plaintiff Grange Holdings Inc. (“Plaintiff”), by its attorneys, and for its Complaint against Defendants Kansas City Life Insurance Company (“KCL”) and Grange Life Insurance Company (“GLIC”) (collectively, “Defendants”), hereby allege and state as follows:

PRELIMINARY STATEMENT

1. This is an action under the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, seeking a declaration that Defendants have no rights in Plaintiff’s trademarks GRANGE LIFE INSURANCE and GRANGE LIFE INSURANCE and design as of November 1, 2023 and that Defendants’ continued use of GRANGE LIFE INSURANCE infringes Plaintiff’s trademarks, constitutes unfair competition under the Lanham Act, 15 U.S.C. §1051 et. seq., and violates Ohio trademark law.

2. This action arises out of Plaintiff’s demand in its September 19, 2023 email to Defendants that Defendants cease and desist from using the GRANGE LIFE INSURANCE marks

in connection with Defendants' provision of life insurance goods and services. Defendants' deny that they are infringing or otherwise violating any rights of Plaintiff.

PARTIES

3. Plaintiff is an Ohio corporation having a business address at 671 S. High Street, Columbus, Ohio 43206.

4. Upon information and belief, KCL is a Missouri corporation with a business address at 3520 Broadway Blvd., Kansas City, Missouri 64111 but conducts business within this judicial district and is subject to the jurisdiction of this Court.

5. Upon information and belief, GLIC is an Ohio corporation with a business address at 671 S. High Street, Columbus, Ohio 43216 and is wholly owned by KCL.

JURISDICTION AND VENUE

6. This action arises and is brought under the Declaratory Judgment Act, 28 U.S.C. §§ 2201-2202, and the Trademark Act of 1946, as amended, commonly known as the Lanham Act, 15 U.S.C. § 1051, *et. seq.*

7. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331, 1338, 2201-2201, and 15 U.S.C. § 1121, and pursuant to the principles of supplemental jurisdiction under 28 U.S.C. § 1367.

8. This Court has personal jurisdiction over Defendant KCL pursuant to the provisions of the Ohio Long Arm Statute, O.R.C. § 2307.382.

9. Upon information and belief, Defendant KCL markets and represents that it operates at least one agency within the Southern District of Ohio.

10. This Court has personal jurisdiction over Defendant GLIC, as GLIC maintains its principal place of business in this judicial district.

11. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b) because

GLIC is subject to personal jurisdiction in this judicial district, KCL wholly owns GLIC, and both Defendants have directed their business at this judicial district.



Plaintiff's Marks

12. Plaintiff is an Ohio corporation formed for the purpose of owning one hundred percent of the voting stock in Grange Insurance Company fka Grange Mutual Casualty Company ("GMCC").

13. GMCC is a mutual insurance company, offering auto, home, and business insurance.

14. Plaintiff, and its predecessors in interest, have used a number of legally-protected trademarks in connection with its Grange branded products and services.

15. GMCC is the registrant of the following United States trademark registrations ("Grange Marks"):

Reg. No.	Mark	Goods and Services
3723315	 Grange Insurance	Insurance services, namely, insurance underwriting in the field of auto, home, farm, business, life, property, casualty, accident, health, disability, annuities. (IC 036)
3723316	 Grange Life Insurance	Insurance services, namely, life insurance and annuity underwriting. (IC 036)
3821201	GRANGE INSURANCE	Insurance services, namely, insurance underwriting in the field of auto, home, farm, business, life, property, casualty, accident, health, disability, annuities. (IC 036)
3821202	GRANGE LIFE INSURANCE	Insurance services, namely, life insurance and annuity underwriting. (IC 036)
5922626	INTEGRITY INSURANCE A GRANGE ENTERPRISE COMPANY	Insurance underwriting in the field of property, casualty, home, auto, motorcycles and business. (IC 036)

16. GMCC has assigned its rights, including all goodwill and rights to sue, in the above marks to Plaintiff.

17. Plaintiff in turn has provided GMCC with a license to use the Grange Marks in connection with GMCC's insurance goods and services.

Licensing of Grange Life Insurance Marks

18. Upon information and belief, KCL markets life, annuity, and group products through general agencies throughout the United States.

19. Until October 1, 2018, GMCC owned and operated GLIC to market and sell life insurance policies.

20. KCL entered into a stock purchase agreement with GMCC to purchase 100% of the issued and outstanding shares of GLIC on June 4, 2018 ("Stock Purchase Agreement") with an effective date of October 1, 2018.

21. Pursuant to the Stock Purchase Agreement, GMCC agreed not to sell life insurance for a period of five (5) years.

22. On October 1, 2018, KCL, GLIC, and GMCC entered into a Trademark License Agreement ("Trademark License Agreement"). *See* Ex. A.

23. The Trademark License Agreement includes the recital that KCL and GLIC "desire to use the trademarks (the 'Licensed Marks') set forth in Exhibit A with sales of life insurance products and administrative services . . . while it [sic] transitions to a new business name and marks, and Licensor desires to grant Licensees a limited license for such purpose." *Id.* at Recitals.

24. Pursuant to Exhibit A of the Trademark License Agreement, the licensed marks comprise GRANGE LIFE INSURANCE (Reg. No. 3821202) and GRANGE LIFE

INSURANCE and design (Reg. No. 3723316) (“Licensed Marks”). *Id.* at Ex. A.

25. In Section 3.2 of the Trademark License Agreement, KCL and GLIC “recognize and acknowledge that the goodwill associated with the Licensed Marks inures to the benefit of” GMCC. *Id.* § 3.2.

26. Section 3.2 also states that KCL and GLIC “will not represent nor cause their Affiliates to represent, that they have any ownership therein or in any registration thereof, and will not knowingly do or cause to be done any act or thing contesting such right, title and interest.” *Id.*

27. KCL and GLIC further agreed that “they have no interest in or ownership of the Licensed Marks.” *Id.*

28. According to the Trademark License Agreement, GMCC granted the license for a term “five (5) years from the Effective Date” of October 1, 2018. *Id.* § 6.

29. The purpose of the five year term was to defer some cost to KCL up front at the time of the Stock Purchase Agreement, so the need to change the name was one less cost for KCL to immediately incur while allowing KCL to forge relationships with GLIC agencies.

30. In addition, the term limit also provided a time frame for GMCC to establish a new life insurance company under its own GRANGE LIFE INSURANCE marks if it chose to do so.

Defendants’ Refusal to Cease Use of the Licensed Marks.

31. The Trademark License Agreement terminated on October 1, 2023. Ex. A § 6.

32. The Trademark License Agreement contains the provision:

[o]n termination or expiration of this Agreement, Licensees shall . . . within ninety (90) days, cease and forever abstain from using the Licensed Marks . . . and take such further action as Licensor may deem reasonably necessary or desirable to demonstrate that Licensees have ceased using and have no further interest or right

whatsoever in said Licensed Marks.

Id. § 7.2.

33. KCL and GLIC have until December 30, 2023 to cease using the Licensed Marks.

Id.

34. KCL and GLIC have represented orally and in writing that they do not intend to cease in the use of the Licensed Marks as of December 30, 2023.

35. Upon information and belief, KCL and GLIC rely on the following sentence from the Trademark License Agreement for their continued use of the Licensed Marks in perpetuity: “nothing herein restricts the Licensees or their Affiliates from utilizing the Licensed Marks for purposes of administering life insurance products sold by Grange Life in accordance with the terms of this Agreement.” Ex. A § 1.

36. Because of this explanation, KCL and GLIC refuse to cease use of the Licensed Marks until all GLIC business concludes (i.e., all policyholders died or the term life ends).

37. KCL and GLIC’s refusal to cease using the Licensed Marks indicates that KCL and GLIC have no intention to stop using the Licensed Marks prior to December 30, 2023 or anytime thereafter.

38. KCL’s refusal to wind down and cease using the Licensed Marks prior to December 30, 2023 constitutes an anticipated breach of the Trademark License Agreement.

39. KCL’s refusal to take action to wind up the use of the Licensed Marks following the expiration of the Trademark License Agreement on October 1, 2023 constitutes a waiver of the ninety (90) day phase out period.

40. KCL’s anticipated use of the Licensed Marks after December 30, 2023 infringes Plaintiff’s trademark rights in the GRANGE LIFE INSURANCE marks.

41. In view of Defendants' position that they will continue to use the Licensed Marks after December 30, 2023, Plaintiff needs and is entitled to a judicial declaration that neither KCL nor GLIC have any right to continue use of the Licensed Marks, under the Trademark License Agreement or otherwise, after December 30, 2023, and that Defendants' use of the Licensed Marks after December 30, 2023 infringes Plaintiff's trademark rights under the Lanham Act, 15 U.S.C. § 1125(a), and common law and violates Ohio's Deceptive Trade Practices Act under R.C. 4165.02(A).

42. Plaintiff's only appropriate remedy is an immediate and permanent injunction, enjoining Defendants from using the Licensed Marks in connection with Defendants' insurance goods and services and any advertising and marketing of the same.

43. Defendants' continued use of the Licensed Marks will result in serious and irreparable harm to Plaintiff, including but not limited to damage to Plaintiff's reputation and goodwill and causing confusion among consumers in the event Plaintiff launches new life insurance offerings under the Grange Life Insurance marks.

44. Absent a declaration and injunctive relief to this effect, Defendants will continue to wrongfully use Plaintiff's Licensed Marks to sell their own goods and services, thereby causing Plaintiff irreparable injury and harm.

**COUNT I
(Declaratory Judgment)**

45. Plaintiff repeats and realleges the foregoing paragraphs as though fully set forth herein.

46. The Trademark License Agreement expired on October 1, 2023, triggering a 90 day period for KCL and GLIC to cease using the Licensed Marks.

47. The 90 day period concludes on December 30, 2023.

48. KCL has explicitly told Plaintiff that KCL has no intention of either winding down use of the Licensed Marks or ceasing use of the Licensed Marks.

49. Any use by KCL or GLIC of the Licensed Marks after December 30, 2023 infringes on Plaintiff's trademark rights.

50. Defendants have signaled their intent to use the Licensed Marks in connection with Defendants' insurance services after December 30, 2023, with which such use is likely to cause confusion, or to cause mistake, or to deceive.

51. Defendants' use of the Licensed Marks after December 30, 2023 is without the consent or authorization of Plaintiff.

52. Defendants interpret Section 1 of the Trademark License Agreement to mean Defendants may use the Licensed Marks, including but not limited to, in connection with all GLIC life insurance policy holders at the time of the Stock Purchase Agreement after December 30, 2023.

53. Without a declaration as to the rights of the parties after December 30, 2023, Defendants' continued use of the Licensed Marks will cause Plaintiff irreparable injury and harm.

54. Defendants' use of the Licensed Marks in connection with their goods and services after December 30, 2023 is (a) likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection or association of such per person with another person, or as to the origin, sponsorship, or approval of Defendants' goods, services, or commercial activities; or (b) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities or geographic origin of Defendants' goods, services or commercial activities.

55. Therefore, Defendants' unauthorized use of the Licensed Marks after December 30, 2023 amounts to trademark infringement and false designation of origin under the Lanham Act, 15 U.S.C. § 1125(a), and under common law.

56. Defendants have engaged in this infringement with knowledge, and willfully and intentionally.

57. As a result of Defendants' anticipated infringement, Plaintiff is entitled to immediate and permanent injunctive relief.

58. Defendants' unauthorized use of the Licensed Marks after December 30, 2023 constitutes deceptive trade practice under R.C. 4165.02.

59. Defendants' conduct is likely to cause confusion or misunderstanding as to the source, sponsorship, approval, or certification of its goods and services.

60. Defendants' conduct is likely to cause confusion or misunderstanding as to their affiliation, connection, association with, or certification by Plaintiff.

61. Plaintiff is entitled to injunctive relief against Defendants for their violations of R.C. 4165.02(A) after December 30, 2023.

62. As a result of the acts described in the preceding paragraphs, there exists a controversy of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that Defendants are infringing Plaintiff's trademark rights in the Licensed Marks and will be infringing Plaintiff's trademark rights in the Licensed Marks after December 30, 2023.

63. As a result of the acts described in the preceding paragraphs, there exists a controversy of sufficient immediacy and reality to warrant the issuance of a declaratory judgment that Defendants are and will be in violation of the R.C. 4165.02(A) after December 30, 2023.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests judgment against Defendants as follows:

- A. Adjudging that Defendants' use of Plaintiff's Licensed Marks after December 30, 2023 infringes Plaintiff's trademark rights;
- B. Immediately restraining and enjoining Defendants and each of their officers, directors, agents, counsel, servants, employees, and all of persons in active concert or participation with any of them from using Plaintiff's Licensed Marks in light of Defendants' waiver of the 90-day phase out period;
- C. Declaring Plaintiff the prevailing party and this case as exceptional, and awarding Plaintiff its reasonable attorneys' fees, pursuant to 15 U.S.C. § 1117(a);
- D. Awarding Plaintiff all fees, expenses, and costs associated with this action; and
- E. Awarding such other and further relief as this Court deems just and proper.

DEMAND FOR EXPEDITED TRIAL

Pursuant to Fed. R. Civ. P. 65(a)(2), Plaintiff requests an accelerated trial date of no earlier than 90 days from the date of service. Plaintiff has alleged a single claim for declaratory judgment and does not seek any damages. Therefore, Plaintiff anticipates any discovery will be extremely limited and can be accomplished within an expedited trial schedule.

Respectfully submitted,

/s/ Rachel A. Smoot

Rachel A. Smoot (0092296)

rsmoot@taftlaw.com

TAFT STETTINIUS & HOLLISTER LLP

41 S. High Street, Suite 1800

Columbus, OH 43215

Phone: (614) 221-2838

Fax: (614) 221-2007

Jonathan G. Polak (*pro hac vice* forthcoming)

jpolak@taftlaw.com

TAFT STETTINIUS & HOLLISTER LLP

One Indiana Square, Suite 3500

Indianapolis, IN 46240

Phone: (317) 713-3500

Attorneys for Plaintiff