SHORT FORM ORDER

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SUPREME COURT - STATE OF NEW YORK

Present:

HON. GEOFFREY J. O'CONNELL

Justice

TRIAL/IAS, PART 10
NASSAU COUNTY

DANIEL M. KOEPPEL,

Plaintiff(s),

INDEX No. 17536/01

-against-

MOTION DATE: 8/2/02

DANJO AUTOMOTIVE CORP., d/b/a KOEPPEL MAZDA-HYUNDAI, JOSEPH PASSARELLI, GERARD ZWIRN and HOWARD KOEPPEL,

Defendant(s).

MOTION SEQ. No. 1, 2

The following papers read on this motion:

Notice of Motion/Affidavit/Memorandum of Law/Exhibits 1-3
Affidavit in Opposition
Plaintiff's Reply Memorandum of Law
Notice of Cross Motion/Affidavits/Reply/Memorandum of Law/Exhibits A-F
Reply Memorandum of Law in Support of Plaintiff's Motion and Opp. to Defendant's Cross Motion

Motion by plaintiff for partial summary judgment on his first, second, fourth, fifth and sixth causes of action and a permanent injunction is Denied.

Cross-motion by defendants DANJO AUTOMOTIVE CORP. ("DANJO"), JOSEPH PASSARELLI, and GERALD ZWIRN for summary judgment dismissing the Complaint is Granted as to the first, fourth, fifth and sixth causes of action. The second and third causes of action are severed and continued.

The further request by defendant ZWIRN for judgment dismissing the Complaint as against him for lack of jurisdiction is also Granted.

It is undisputed that plaintiff, defendant PASSARELLI and defendant ZWIRN were shareholders in DANJO, which was incorporated in December 1994. DANJO operates an automobile dealership in Long Island City under the name KOEPPEL MAZDA-HYUNDAI. Plaintiff admits that he permitted DANJO to operate under his family's name of "KOEPPEL", which had an established reputation in connection with the automobile dealerships in Queens of Koeppel Mitsubishi and Koeppel Nissan. (KOEPPEL affidavit, par. 6).

Plaintiff claims that he surrendered his interest in DANJO in December 1996 in exchange for the removal of the "Koeppel" name from DANJO's dealership and the renaming of the dealership as "Cityline Mazda/Hyundai". In support of his claim, plaintiff submits a letter dated June 12, 1997 on stationery from Cityline Mazda/Hyundai stating "We are acknowledging that we will be removing the Koeppel name from all signs on our premise (sic) and buildings . . .". (Complaint, Exh. A) However, DANJO continued its operations as KOEPPEL MAZDA-HYUNDAI.

In November, 2001, plaintiff commenced this action alleging six causes of action, and seeking $5 million in damages, $5 million in exemplary damages, and a permanent injunction restraining defendants from using the name "Koeppel".

Defendants deny that there was ever an agreement to change the name of the dealership at the time that plaintiff surrendered his interest in DANJO. They insist that plaintiff demanded the name change months later in 1997, and that they "offered" to change the name if plaintiff would pay all costs associated therewith, estimated to be $50,000.00". (Zwirn Affidavit, par. 8, 24, 25). Plaintiff refused and defendants state that they then obtained consent from plaintiff's estranged brother Howard Koeppel to use the Koeppel name. (Passarelli affidavit, par. 4.)

Defendant HOWARD KOEPPEL is a principal of Koeppel Volkswagen, also located in Queens. (Howard Koeppel, par. 3). HOWARD states that he consented to "the continued use" of the Koeppel name because he was negotiating to purchase the business of DANJO and "it is still possible that some time in the future, such aforementioned transaction could be consummated. (Howard Koeppel, par. 7).

The proponent of a motion for summary judgment must make a *prima facie* showing of entitlement to judgment as a matter of law, offering sufficient evidence to demonstrate the absence of any material issues

of fact. *Alvarez v Prospect Hosp.*, 68 NY2d 320 (1986); *Zuckerman v City of New York*, 49 NY2d 557 (1980). One opposing summary judgment must produce evidentiary proof sufficient to require a trial of material questions of fact. *Alvarez, supra; Zuckerman, supra.*

Plaintiff first argues that the "Koeppel" name has acquired the requisite "secondary meaning" *Allied Maint. v Allied Mech.*, 42 NY2d 538 (1977) in the automobile sales market to warrant injunctive relief on its fourth, fifth and sixth causes of action for unfair competition pursuant to General Business Law §360-1 (formerly §3658-d), common law, and the Lanham Trade-Mark Act, 15 USC §1125(a). "Secondary meaning" requires a showing that through exclusive use and advertising by one entity, a name has become so associated in the minds of the public with that entity that the public identifies the goods sold by that entity and distinguishes them from goods sold by others. *Allied Maint., supra.* Here, there has been no such showing.

The Koeppel brothers already operated competing automobile dealerships in Queens using the Koeppel name prior to DANJO's commencement of business as KOEPPEL MAZDA/HYUNDAI. On this record, there has been no showing of a likelihood of confusion by the public or dilution of a distinctive name and indeed plaintiff has failed to raise a triable issue of fact as to confusion or dilution. Consequently, summary judgment on the fourth, fifth and sixth causes of action is Denied, and the cross-motion for summary judgment dismissing these claims is Granted. *Edward F. Hallahan, Inc. v Hallahan, McGuinness & Lorys, Ltd.*, 275 AD2d 691 (2nd Dept. 2000).

The first cause of action for violation of Civil Rights Law §51 fails to state a cause of action because plaintiff admittedly consented to the use by DANJO of his surname without limitation *Welch v Mr. Christmas*, 57 NY2d 143 (1982) and he thereby must be deemed to have waived any right to object to the use of his name in that respect. *Cutter v Gudebrod Brothers Co.*, 44 App. Div. 605, affd 168 N. Y. 512 (1901); *Pfaudler v Pfaudler Co.*, 114 Misc. 477. (N.Y. App. Div. 1921). Accordingly, plaintiff's request for summary judgment on its first cause of action is Denied and the cross-motion for summary judgment dismissing the first cause of action is Granted.

As to the second cause of action for breach of contract, the parties vigorously dispute the substance of the agreement by means of which plaintiff surrendered his rights in DANJO. It is not the Court's role to determine credibility on a summary judgment motion. *Capelin Assoc. v Globe Mfg. Corp.*, 34 NY2d 338

(1974). For this reason, both the motion and the cross-motion for summary judgment on the second cause of action are Denied.

Defendants' request for summary judgment dismissing the third cause of action for tortious interference with business relations is premised upon the absence of any express contract, a matter that cannot be determined on this record as set forth above. Consequently, defendants' cross-motion for summary judgment dismissing the third cause of action is also Denied.

Finally, in the notice of cross-motion, defendant ZWIRN seeks judgment dismissing the Complaint against him, or alternatively a hearing, because ZWIRN claims that he was never served with process. Although ZWIRN submits an affidavit in support of defendants' motion he does not address the issue of service. Nevertheless, he does annex a copy of his Verified Answer to the moving papers. A verified pleading may be used as an affidavit whenever the latter is required. *A & J Concrete Corp. v Arker*, 54 NY2d 870 (1981). Consequently, the Court has treated the Verified Answer as ZWIRN's affidavit in support of the request for dismissal.

ZWIRN alleges in the Verified Answer that he is not a shareholder, officer, director or employee of DANJO, he does not reside or have offices, nor is he employed at 43-43 Northern Boulevard in Long Island City, and his only relationship with DANJO is that of attorney/client. (Verified Answer, opening paragraph and par. 2.) The affidavit of service on ZWIRN, found by the Court in the file requisitioned from the County Clerk's office, shows that service of process upon ZWIRN was purportedly accomplished by leave and mail service at 43-43 Northern Boulevard, the location of the dealership in dispute. Under these circumstances, and in the absence of any opposition from plaintiff, the Complaint against GERARD ZWIRN is dismissed due to improper service, and therefore lack of jurisdiction.

A preliminary conference (see 22 NYCRR 202.12) shall be held on December 4, 2002 at 9:30 a.m. before Justice Ira Warshawsky. This directive with respect to the date of the conference is subject to his right to fix an alternative date should scheduling require.

Counsel for the movant shall serve a copy of this Order on all parties. A copy of the Order with affidavits of service shall be served on the Clerk of the Court within 8 days after entry. Counsel for all parties are reminded that this matter has been assigned to the Commercial Division of the Supreme Court of Nassau County, and directed to follow the Rules of this Division with respect to all further applications.

It is, SO ORDERED.

Dated: Oct 4, 2004

HON. GEOFFREY J. O'CONNELL, J.S.C.