

Two California Plaza 350 South Grand Avenue Suite 2600 Los Angeles, California 90071 213.929.2500 213.929.2525 (Fax) www.swlaw.com DENVER
LAS VEGAS
LOS ANGELES
LOS CABOS
ORANGE COUNTY
PHOENIX
RENO
SALT LAKE CITY
TUCSON

Dax Alvarez 213-929-2509 dalvarez@swlaw.com VIA E-MAIL & FEDERAL EXPRESS

January 29, 2016

Mr. Siamak Esteghball President STJ Enterprise, Inc. 1427 Maple Avenue Los Angeles, California 90015

Re: Unauthorized Use of D.A.R.E.'s Registered Trademarks

Dear Mr. Esteghball:

This firm represents D.A.R.E. America Corporation ("D.A.R.E.") in connection with intellectual property matters. It has come to our attention that you, Barabas Premium Apparel, and/or STJ Enterprise, Inc. (collectively, "Barabas") are using D.A.R.E.'s trademark and logo to promote commercial sales of your "El Chapo" shirt without authority and are in violation of D.A.R.E.'s intellectual property rights.

D.A.R.E. is an internationally recognized substance abuse education program founded in 1983 with a mission to empower and educate young people to lead safe and healthy lives. Today, D.A.R.E. owns federal trademark registrations for eleven trademarks, including D.A.R.E. and D.A.R.E. DRUG ABUSE RESISTANCE EDUCATION. Our client's trademarks are among its most valuable assets, and D.A.R.E. has expended substantial time, effort, and resources to develop the goodwill associated therewith. Moreover, D.A.R.E.'s practice of licensing its curriculum and trademarks to educators around the world makes any trademark confusion of vital concern. As any trademark owner, D.A.R.E. is obligated to take measures to ensure its trademarks are not infringed, tarnished, or diluted by unauthorized use.

D.A.R.E. has not authorized Barabas' use of its registered trademarks or logos. Nevertheless, Barabas' website, visible at http://barabasmen.com/, blatantly misappropriates D.A.R.E.'s registered trademarks and logo. More troublesome is the direct association that Barabas has made between D.A.R.E. and drug cartel leader Joaquín"El Chapo" Guzmán, through Barabas' sales of its "El Chapo" shirt. Regardless of your intentions, Barabas' misappropriation of D.A.R.E.'s intellectual property creates a false impression that D.A.R.E. has approved, has sponsored, or is affiliated with, Barabas and its sales of the "El Chapo" shirt.



Mr. Siamak Esteghball January 29, 2016 Page 2

Your use of D.A.R.E.'s intellectual property is likely to lead to consumer confusion and significantly threatens the goodwill D.A.R.E. has developed in its famous marks and the reputation that D.A.R.E. has earned with the public and D.A.R.E.'s network of educators. Such a likelihood of confusion and/or actual confusion may irreparably harm D.A.R.E. and its brand. Under the Lanham Act (15 U.S.C. § 1051 et seq.) and various other state and federal laws, Barabas' conduct may entitle D.A.R.E. to monetary and injunctive relief, including recovery of Barabas' profits, damages sustained by D.A.R.E., costs and attorneys' fees for any legal action, preliminary and permanent injunctive relief, and/or any other available relief. Further, given your blatant copying of the D.A.R.E. trademark, your conduct is unquestionably willful and allows a court to triple the damages awarded to D.A.R.E. 15 U.S.C. § 1117.

You are hereby directed to immediately cease and desist from all use of D.A.R.E.'s trademarks, logos, and other intellectual property. Further, you must supply an accounting of the following information to my office no later than close of business on Monday, February 1st at 5:00 PST:

- 1. The total quantity of the "El Chapo" shirts sold on or after the date D.A.R.E.'s intellectual property was first displayed by Barabas on the Internet;
- 2. An accounting of Barabas' total revenues and gross profits relating to the manufacture and sale of the "El Chapo" shirt, including a breakdown of the cost of manufacturing said garments and the revenues generated from their sale;
- 3. Any documentation regarding any purported authorization to use D.A.R.E.'s intellectual property, including without limitation, any license, assignment, or transfer of any kind regarding the use of the infringed marks and designs, and the address and telephone number of any party involved in said representations, including but not limited to, legal representations regarding ownership; and
 - 4. The total number of the "El Chapo" shirts Barabas has in inventory.

This information must be provided with the accompanying documentation, including financial and other business records, supporting the responses given to these questions.

Finally, you must immediately contact the customers to whom you have sold the "El Chapo" shirt to advise them that Barabas has no affiliation, approval, or sponsorship with D.A.R.E.

Should Barabas fail or refuse to comply with this letter, we will recommend to D.A.R.E. to file a complaint against Barabas seeking immediate injunctive relief, as well as compensatory, statutory and punitive damages, attorneys' fees, and costs of suit.



Mr. Siamak Esteghball January 29, 2016 Page 3

Nothing in this letter is meant to or should be construed to waive any rights, claims, or remedies.

We await your response.

Sincerely,

Snell & Wilmer

Dax Alvarez