

2021

BY EMAIL

dbrand Inc.

Email: robots@dbrand.com

Re: Objection to dbrand's Infringement of Sony Interactive Entertainment LLC's Intellectual Property

We are counsel to Sony Interactive Entertainment LLC and certain of its related companies (together, "SIE") and write regarding the unauthorized use by dbrand Inc. ("dbrand") of SIE's intellectual property in connection with the sale of console faceplates and decals (or "skins") into the United States, Canada and around the world. Please provide a written response to this letter **by no later than** **2021**.

SIE has been a global leader in the video game sector for the last twenty-five years, selling videogames, videogame consoles and accessories under the famous PlayStation trademarks, including without limitation PLAYSTATION, PS, PS4 and PS5, as well as the PlayStation Family Mark and the PlayStation Shapes Logo, both of which are shown here:



(collectively, the "PlayStation Word Marks and Logos"). The PlayStation product line is promoted throughout the United States and the world under the PlayStation Marks, with

millions of dollars spent annually on advertising and promotion, and impressive sales. Through this extensive use and advertising and an excellent reputation for quality and results, the PlayStation Word Marks and Logos have become famous and uniquely identified with our client's products and represent enormous and valuable goodwill.

In addition, as you know, SIE's PlayStation 5 (or PS5) console has been immensely successful. The product's innovative and distinctive new design is shown here:



Thanks to our client's extensive marketing of the PS5 console, its commercial popularity and its massive earned media coverage, the console's unique product configuration, including without limitation the two vertical faceplates, has become exclusively associated with SIE in the minds of consumers and has come to symbolize considerable goodwill (the PS5 console design, together with the PlayStation Word Marks and Logos, the "PlayStation Marks").

Moreover, our client owns numerous trademark registrations for the PlayStation Marks in the United States and around the world. These include, without limitation, U.S. Registration Nos. 4,430,716 (PLAYSTATION), 2,487,740 (PlayStation Family Mark), 3,482,765 (same), 4,693,764 (PS4 logo), 2,993,560, 4,420,222, 4,420,428, and 5,748,316 (PlayStation Shapes Logo), and 6279642 (PS5 Logo), each of which constitute evidence of SIE's exclusive right to use the trademarks in connection with the identified goods and services, as well as Application No. 88/777,749 (PS5).

In Canada, our client enjoys the exclusive right to use the PlayStation Marks by virtue of its numerous trademark registrations, including Registration Nos. TMA444223 (PLAY STATION), TMA945209 and TMA743818 (PlayStation Family Mark), TMA911623 (PS4 Logo), TMA922899, TMA922899, and TMA591320 (PlayStation Shapes Logo), as well as Application No. 2039901 (PS5 Logo).

In addition, SIE owns a valid registration for the PlayStation Family Mark with the United States Copyright Office, U.S. Registration No. VA0000759813. SIE owns

pending applications for the design of the PS5 console that are proceeding in jurisdictions around the world.

It has come to SIE's attention that dbrand has been promoting and selling console accessories in a manner that is deeply concerning to our client. *First*, dbrand is selling faceplates for the PS5 console (in both standard edition and digital edition configurations) that replicate SIE's protected product design. Any faceplates that take the form of our client's PS5 product configuration, or any similar configuration, and are produced and sold without permission from SIE violate our client's intellectual property rights in the distinctive console design.

Second, dbrand is selling skins for SIE devices that feature the PlayStation Family Mark. Your company may not sell products that bear unauthorized depictions of our client's PlayStation Marks. The below still from one of dbrand's instructional videos shows a dbrand skin bearing a design identical to the PlayStation Family Mark:



Affixing a counterfeit version of our client's logo is certain to cause consumers to mistakenly believe that dbrand's product was produced by, licensed by or otherwise affiliated with SIE and, as a result, constitutes a blatant infringement of SIE's rights under trademark and copyright law in the PlayStation Family Mark.

Third, dbrand has created its own version of SIE's famous PlayStation Shapes Logo and has displayed this design as a stand-alone logo on its website, as an ornamental design on packaging, and as an embossed feature of its faceplate product. These uses are shown here:



(the “Modified Shape Mark Design”). Indeed, dbrand concedes that this design is an “apocalyptic spin on” SIE’s protected trademark and acknowledges that the PlayStation Shapes Logo is both “familiar” to dbrand’s customer base and sufficiently famous to be called “classic PlayStation button shapes.” Given the strong trademark rights our client owns in the PlayStation Shapes Logo, and which dbrand’s own admissions corroborate, consumers encountering the Modified Shape Mark Design are bound to erroneously conclude that SIE has authorized the associated products and that it was SIE – and not dbrand or any other seller – that elected to create an *edgy* variation on the decades-old PlayStation Shapes Logo.

Fourth, dbrand has been using the PlayStation Marks within the product names of its SIE-compatible products. Your company is offering for sale items it identifies as “Sony PS5 Skins & Wraps,” “PS5 Faceplates,” “PlayStation 5 Skin,” and “Sony PS4 Pro Skins & Wraps,” as shown here:

Sony PS5 Skins &
Wraps//

Sony PS4 Pro Skins &
Wraps//

Every single day, your first thought upon waking is always the same: "I wish my PlayStation 5 was matte black." Great news - you can do the impossible with dbrand's [PS5 Faceplates](#). In fact, you can even put a [PS5 skin](#) on that pesky fingerprint magnet that is the middle section - your choice from a selection of our most popular [PlayStation 5 skin](#) materials. What are you waiting for?

Of course, dbrand is not selling “Sony PS5 Skins” or “Sony PS4 Wraps.” Rather, these are dbrand’s own products manufactured with no authorization or oversight from SIE. These uses of our client’s trademarks within the names of dbrand’s products are likely to

lead consumers to believe that dbrand's products are licensed by or otherwise approved by SIE, when that is not the case. As a result, it is a violation of SIE's trademark rights.

To provide further explanation, trademarks exist to identify the source of products and services. They are a symbol of goodwill and signal to consumers that they can expect the quality associated with this source. A trademark can only perform this key function if it is used solely by the trademark owner, or its authorized affiliates and licensees. If others are free to use the marks or variations of the marks to make competing or related products, these symbols fail to indicate source at all. As a result, the trademark owner's hard-earned goodwill is diluted and depleted, and consumers, who inevitably rely on trademarks to understand the pedigree of the goods they buy and use, will be confused.


And, to be clear, a brand owner's concern does not cease at the point of sale. Even if the correct source is obvious to the purchaser, perhaps due to the particular context and content of the product's website, the brand owner can, nevertheless, be irreparably harmed when consumer confusion occurs *post sale*. For example, when friends and family members who were not a part of the purchasing process encounter the customer's PS5 console framed by faceplates with precisely the same contours as SIE's distinctive design and embossed with a variation of the PlayStation Shapes Logo (or, as another example, covered by a skin bearing only the PlayStation Family Mark), they are likely to conclude incorrectly that SIE created the product, and any difference in quality is representative of all SIE products. As a result, both at the point of sale and post sale, dbrand is wresting from SIE the ability to control the quality of its products bearing SIE's marks, and thus control its trademarks, reputation and goodwill.

With this in mind and for the reasons detailed above, your company's conduct violates a host of laws. In the United States, this conduct constitutes counterfeiting, trademark infringement, trademark dilution, and unfair competition under Sections 32(1) and 43(a) of the Lanham Act (15 U.S.C. §§ 1114(1) & 1125(a), (c)), and violates related state laws. The potential remedies available to our client in the United States for such violations would include both preliminary and permanent injunctive relief, Court-ordered destruction of infringing materials, and recovery of dbrand's profits and additional monetary damages. *See* 15 U.S.C. §§ 1116-1118. Where the infringement is knowing and willful, as it is here, the remedies may also include recovery of our client's attorneys' fees incurred litigating the matter. *See* 15 U.S.C. § 1117(a).

Furthermore, dbrand's intentional copying of SIE's PlayStation Family Mark violates our client's exclusive rights under Section 106 of the U.S. Copyright Act of 1976, as amended, 17 U.S.C. § 106, including our client's exclusive right to copy, reproduce, display or distribute the PlayStation Family Mark, or create derivative works from it. *See* 17 U.S.C. § 106. These willful acts of copyright infringement give rise to extensive remedies under U.S. law, including injunctive relief against further sale of any infringing materials, destruction of all infringing materials, recovery of our client's lost profits and damages, and statutory damages of up to \$150,000 per infringed work. 17 U.S.C. §§ 502-504.

In Canada, your actions constitute the tort of *passing off* and breach paragraphs 7(b) and 7(c) of the *Trademarks Act*. Your actions also constitute trademark infringement and breach paragraphs 19 and 20 of the *Trademarks Act*. Additionally, your actions constitute depreciation of goodwill, contrary to paragraph 22 of the *Trademarks Act*. Finally, the PlayStation Family Mark is protected by copyright in Canada under the *Copyright Act, R.S.C 1985*. Your unauthorized reproduction, and dealing in unauthorized copies, of the PlayStation Family Mark constitutes copyright infringement contrary to section 27 of the Copyright Act.

Your actions also cause irreparable harm to SIE's goodwill in the PlayStation Marks. Canadian courts can, to remedy these breaches of our client's intellectual property rights in Canada, order an injunction, the destruction, delivery-up and exportation of goods, prohibit the importation of goods, and award damages and accounting of profits, punitive damages, punitive and exemplary damages, interests and costs.

Notwithstanding SIE's serious concerns about dbrand's conduct and despite your company's adoption of the tagline "Go ahead, sue us." – presumably with SIE in mind – our client would like to offer dbrand the courtesy of resolving this matter without the initiation of formal legal action. To do so, dbrand would have to promptly agree in writing **by no later than**  **2021**, to do each of the following:

1. Promptly and permanently cease and take down all marketing and promotion for and cease all sales worldwide of faceplates featuring the product configuration of SIE's PS5 faceplates or any similar product configuration, including without limitation all faceplates currently for sale at dbrand.com;
2. Promptly and permanently cease and take down all marketing and promotion for and cease all sales worldwide of products or packaging bearing the PlayStation Family Mark, the Modified Shape Mark Design, any other PlayStation Mark, or any other indicia of SIE; and
3. Promptly and permanently cease and take down all use worldwide of the PlayStation Marks, any similar marks, and any other marks, branding or indicia associated with SIE or its affiliates, including without limitation within product names.

If dbrand refuses to cooperate in full with these demands or delays in responding to this letter, our client will be forced to take the actions it deems necessary to protect its valuable intellectual property rights.

We have focused our discussion in this letter on U.S. and Canadian laws, as these are the jurisdictions of SIE and dbrand, respectively. However, this does not purport to be a full recitation of, and is written without waiver of, our client's rights, claims and remedies worldwide, all of which are expressly reserved.

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Very truly yours,

cc: