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May 10, 2005

**VIA EMAIL (torrie@webcom.com, sales@fordpartsnetwork.com) and
VIA FACSIMILE (901-216-6798)**

Torrie R. McPhail
Ford Parts Network, LLC
652 Nautical Way
St. Augustine, FL 32080

Re: FORDPARTSNETWORK.COM—Infringement and Dilution of Ford Trademarks

Dear Ms. McPhail:

This law firm represents Ford Motor Company (“Ford”) on Internet-related trademark enforcement matters. Ford has spent millions of dollars in advertising and promoting the trademark Ford® throughout the world. As a result of Ford’s extensive advertising, Ford® is among the most famous and well-recognized trademarks in the world. Use of the Ford® trademarks, or any confusingly similar variations thereof, without Ford’s express, written authorization, violates United States Federal Law, is misleading to the public, and constitutes a misappropriation of the goodwill and reputation developed by Ford.

It has recently come to Ford’s attention that you are violating Ford’s rights in at least two ways. First, you have misappropriated the world-famous trademark Ford® in the Internet domain name FORDPARTSNETWORK.COM, and you are using that domain to promote your business of selling used automobile parts in direct competition with Ford and its licensed network of dealers and distributors.

You should be aware that Congress has enacted the Anticybersquatting Consumer Protection Act (“ACPA”) that provides for statutory damages of up to \$100,000.00 per domain name against cyberpirates who misappropriate famous trademarks in Internet domain names. You should also be aware that Ford takes cyberpiracy very seriously and has in the past obtained judgments against those who have used its trademarks in Internet domain names without authorization. E.g., Ford Motor Co. v. Lapertosa, 126 F. Supp.2d 463 (E.D. Mich. 200[1]) (enjoining misappropriation of FORDRECALLS.COM and transferring domain name to Ford); Ford Motor Co. v. Catalanotte, Civ. No. 00-CV-75260DT (E.D.Mich. 2002) (entering \$5,000.00 judgment against registrant of FORDWORLD.COM and enjoining registrant’s use of domain name); Ford Motor Co. v. Czech, Civ. No. 1:00-CV-0267 (N.D. Ohio 2001) (entering judgment

Torrie R. McPhail
May 10, 2005
Page 2

for Ford, Jaguar, and Aston-Martin under the Anticybersquatting Consumer Protection Act and transferring FORD-QUALITY.COM, LINCOLN-QUALITY.COM, MERCURY-QUALITY.COM, JAGUAR-QUALITY.COM, and ASTON-MARTINQUALITY.COM to Ford).

In a recent case with similar circumstances to this matter, the Court held that the registrant of the domain names RESTOREGM.COM and RESTOREGMMUSCULE.COM had violated the trademark GM®, General Motors v. E-Publications, 2001 WL 1798648 (E.D. Mich. 2001). In fact, the Courts have repeatedly held that use of famous trademarks in Internet domain names for the promotion of specific goods and services associated the famous trademark by a third party constitutes a violation of the ACPA. E.g. Paccar, Inc. v. Telescan Technologies, LLC, 319 F.3d 243 (6th Cir. 2003) (holding that the registration and use of the domain names KENTWORTHUSEDTRUCKS.COM, KENWORTHNEWTRUCKS.COM, and KENWORTHTRUCKDEALERS.COM violated Kenworth's trademark rights and affirming a preliminary injunction against the registrant).

Second, you may not conduct business as "Ford Parts Network," or under any other name that incorporates the Ford® trademark. The law is well settled that independent entities cannot use a manufacturer's trademarks, or even variations of such trademarks, in business names, on signage, in telephone listings, on stationery, in answering the telephone, or otherwise, and judges typically award significant damage awards against companies that do so. *See Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806 (2d Cir. 1999) (enjoining motorcycle repair facility from using manufacturer's "bar-and-shield" logo in signage and in advertisements); *Volkswagen Aktiengesellschaft v. Uptown Motors*, 1995 WL 605605 (S.D.N.Y. 1995) (enjoining use of VW and Audi trademarks in yellow pages ads); *Volkswagenwerk Aktiengesellschaft v. Rickard*, 492 F.2d 474 (5th Cir. 1974) (affirming injunction against use of VW trademarks in advertisements and signage); *Harley-Davidson Motor Co. v. Iron Eagle of Central Florida, Inc.*, 973 F. Supp. 1421 (M.D. Fla. 1997) (enjoining use of "winged logo" in business name, advertisements, signage, and otherwise).

The purpose of this letter is to secure your voluntary agreement to cease and desist immediately from (1) the use of the Ford® trademark in the Internet domain name FORDPARTSNETWORK.COM, and (2) the use of the business name "Ford Parts Network" or any other business name using the Ford® trademark. Accordingly, by no later than **May 24, 2005**, please sign and return a copy of the below-attached agreement, memorializing your commitment to cease and desist from your unlawful activity. If I have not received a signed copy of the agreement from you by the close of business on that date, I will infer that you are unwilling to resolve this matter voluntarily and will advise Ford to file suit against you and seek damages of \$100,000.00 under the ACPA, monetary damages for trademark infringement, an injunction,

Torrie R. McPhail
May 10, 2005
Page 3

and recovery of its attorneys' fees and other costs.

You may be infringing or diluting Ford's trademarks in ways other than those set forth above, and Ford reserves the right to bring to your attention other matters that Ford believes infringe or dilute its trademarks. This letter is without prejudice to all rights of Ford, including past or future royalties, past or future damages, attorneys' fees, and to bring enforcement actions for all past or future infringement, dilution, or unauthorized uses.

Should you have any questions concerning Ford's position in this matter, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gregory D. Phillips". The signature is fluid and cursive, with a large initial "G" and "P".

Gregory D. Phillips

GDP:jlc

cc: Ford Motor Company

AGREEMENT

By execution of this Agreement, the undersigned agrees immediately to cease and desist from all unauthorized uses of Ford intellectual property, including trademarks, in its products, services, advertisements, promotional literature, promotional telecasts, broadcasts, and signage, on the Internet, or otherwise, in connection with the advertisement or sale of any product, part, good, or service.

Specifically, by way of illustration and without limiting the general agreement expressed above, the undersigned agrees that it will:

- (1) by no later than **May 24, 2005** transfer to Ford the registration for the domain name FORDPARTSNETWORK.COM, by signing all forms necessary, to provide necessary information and documentation, and by sending such electronic mail messages as may be necessary to accomplish the transfer of the domain name.
- (2) by no later than **May 24, 2005**, submit to all government offices with which the name "Ford Parts Network," or any other name that uses Ford's trademarks or variations of Ford's trademarks, has been registered, all forms necessary to immediately discontinue any such registration;
- (3) by no later than **January 17, 2005**, deliver by certified mail to any telephone or Internet directory in which it currently has a listing or advertisement under the name "Ford Parts Network," or any other name that uses Ford's trademarks or variations of Ford's trademarks, a letter instructing that such listing or advertisement be canceled and not be renewed under any such name;
- (4) furnish this office with a copy of any letters or forms described in the preceding two sections; and
- (5) immediately turn over to counsel for Ford for destruction all signs, banners, business cards, stationery, brochures, advertisements, and other documents displaying the name "Ford Parts Network," or any of Ford's trademarks or variations of such trademarks.

The undersigned further agrees and acknowledges that any violation or breach of this Agreement will cause irreparable harm to Ford, and that Ford will be entitled to both a preliminary and permanent injunction against the undersigned for any violation of this Agreement, as well as any other remedy allowed by law. The undersigned further agrees that if it

Torrie R. McPhail
May 10, 2005
Page 5

breaches this Agreement, it will pay all costs incurred by Ford in enforcing this Agreement, including reasonable attorney's fees, whether incurred with or without suit or before or after judgment.

AGREED TO:

FORD PARTS NETWORK, LLC

By: _____
(Print Name)

Its: _____
(Print Title)

Date _____

Date: _____