

November 7, 2018

## WITHOUT PREJUDICE

## <u>VIA EMAIL – customerservice@zak.com</u> CONFIRMATION VIA FEDEX

Irv Zakhaim, CEO Zak Designs, Inc. 1603 S Garfield Road Airway Heights, Washington 99001

Re: Notice of Infringement of CamelBak Products' Patent Rights; DIPL File – KRN 2G1C

Dear Mr. Zakhaim:

This firm is intellectual property counsel for CamelBak Products, LLC of Petaluma, California USA. We are writing to you because it has come to CamelBak's attention that Zak Designs is selling water bottles that include features patented by CamelBak. Specifically, we are referring to at least the toddlerific! TM stainless steel water bottle and the various Riverside Water bottles, shown below. We also are referring to Zak Designs' various licensed water bottles, including Star Wars and Paw Patrol, having identical cap assemblies as the Riverside water bottles. These water bottles are advertised and available on Zak Designs' website as well as on Amazon.com and other online retailers.



We are writing to provide Zak Designs with formal notice of CamelBak's patent rights and to demand that Zak Designs (1) cease all manufacturing, use, sale, offers for sale, import, and export of the above-referenced bottles in the jurisdictions in which CamelBak owns

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corresponding patent rights, and (2) compensate CamelBak for sales of the infringing bottles. In particular, we bring your attention to the following U.S. patents, copies of which are attached and enclosed with this letter. At least the claims identified below are infringed by the identified products.

Patent	Claims	Infringing Products
U.S. Patent No. 9,463,911	14–17, 21, 22	toddlerific!
	14–17	Riverside and related
U.S. Patent No. 9,782,028	1, 2, 5-10, 14, 16, 21	toddlerific!
	1, 2, 5, 6, 8–10, 14, 16, 21	Riverside and related
U.S. Patent No. 9,820,595	14, 16, 19, 21–26, 29, 31–35	Riverside and related

I also direct your attention to CamelBak's virtual patent list available at www.camelbak.com/patents. CamelBak's corresponding water bottles have been appropriately marked, at all relevant times, with a virtual patent marking that directs to this web page.

CamelBak is by no means opposed to competition in its industry. However, CamelBak respects the intellectual property rights of third parties, and in turn expects its intellectual property rights to be respected by others. We hope that it will not be necessary to enforce CamelBak's patent rights against Zak Designs, but CamelBak is committed to pursuing any and all infringement of its patent rights.

In an effort to proactively resolve this matter without the parties incurring the expense of a patent infringement lawsuit, CamelBak must receive, no later than two weeks from the date of this letter, Zak Designs' written agreement (1) to immediately cease all manufacturing, use, sale, offers for sale, import, and export of the toddlerific! and Riverside bottles, and any other products that infringe CamelBak's patent rights in the U.S., including an immediate delisting of the infringing bottles from all corresponding Amazon websites, from Zak Designs' website, and from other online retailers, and (2) to compensate CamelBak with a reasonable royalty for damages caused by Zak Designs' sale and promotion of the infringing bottles in the U.S. To enable the determination of appropriate compensation to CamelBak, we also must receive complete information as to the sales (units, price per unit, and total revenues) of the infringing bottles in the U.S.

If we do not receive the requested written agreement and information by the requested date, CamelBak will have little choice but to conclude that this infringement of its patent rights is willful, and to consider its legal remedies, including commencing a patent infringement lawsuit. CamelBak has successfully asserted its patent rights in the past, and is willing to do so again. We hope this will not be necessary, but CamelBak is committed to pursuing infringement of its rights. As strategic intellectual property counsel for CamelBak, we oversee CamelBak's worldwide IP portfolio and strive to reach amicable resolutions when infringement concerns arise. When an amicable resolution is not possible, matters are referred to litigation counsel. I am hopeful that this matter does not need to escalate to litigation, but I want to be very clear that my

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firm's limited public litigation record should not suggest a lack of resolve by CamelBak to enforce its patent rights.

If we receive the written agreement and information by the requested date, CamelBak will consider Zak Designs' active cooperation when proposing appropriate compensation, including terms for a short sell-off period for Zak Designs to exhaust its existing inventory of the infringing bottles.

If you believe it would be constructive to discuss this matter, please feel free to contact me. If Zak Designs engages counsel with respect to this matter, please have its counsel contact me directly.

Very truly yours,

David S. D'Ascenzo

e-mail: david@dascenzoiplaw.com

DSD:rld Attachments

cc: CamelBak Products, LLC