

September 23, 2024

### VIA EMAIL & COURIER

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### Re: Unauthorized Use of WordPress Foundation and WooCommerce, Inc. Intellectual Property Our Ref. No.: 110338.7100

Dear Ms. Brunner:

We represent Automattic Inc. and WooCommerce, Inc. (collectively, our "Client") in connection with intellectual property matters.

As you know, our Client owns all intellectual property rights globally in and to the world-famous WOOCOMMERCE and WOO trademarks; and the exclusive commercial rights from the WordPress Foundation to use, enforce, and sublicense the world-famous WORDPRESS trademark, among others, and all other associated intellectual property rights.

We are writing about WP Engine's web hosting and related services that improperly use our Client's WORDPRESS and WOOCOMMERCE trademarks in their marketing.

We understand that our Client has contacted you about securing a proper license to use its trademarks, yet no such agreement has been reached. As such, your blatant and widespread unlicensed use of our Client's trademarks has infringed our Client's rights and confused consumers into believing, falsely, that WP Engine is authorized, endorsed, or sponsored by, or otherwise affiliated or associated with, our Client. WP Engine's unauthorized use of our Client's trademarks also dilutes their rights, tarnishes their reputation, and otherwise harms the goodwill they have established in their famous and well-known trademarks, and has enabled WP Engine to unfairly compete with our Client, leading to WP Engine's unjust enrichment.

# Accordingly, our Client insists that you immediately stop all unauthorized use of their trademarks. Please find additional details below.

## **Our Client's Rights**

As noted above, our Client owns all intellectual property rights in and to the world-famous WOOCOMMERCE and WOO trademarks and the exclusive commercial rights to the world famous WORDPRESS trademark, among others, and all other associated intellectual property rights, in connection with software for Internet publishing and managing website content, website development, and other related goods and services. These rights include the following U.S. incontestable federal trademark registrations:

- WORDPRESS, U.S. Reg. No. 3201424
- WORDPRESS, U.S. Reg. No. 4764217

- WORDPRESS, U.S. Reg. No. 4865558
- WOOCOMMERCE, U.S. Reg. No. 5561427
- , U.S. Reg. No. 5561428
- WOO, U.S. Reg. No. 5561425
- WOO, U.S. Reg. No. 5561426

Copies of the registration certificates for these registrations are attached as Exhibit A.

# Violations of Our Client's Intellectual Property Rights

WP Engine promotes its services as bringing "WordPress to the masses". See <u>https://wpengine.com/about-us/</u>. In reality WP Engine brings almost zero aspect of WordPress to the world: It claims to contribute 40 hours per week to WordPress (see <u>https://wordpress.org/five-for-the-future/pledge/wp-engine/</u>), while, by contrast, Automattic is contributing almost 4000 hours per week to WordPress. See https://wordpress.org/five-for-the-future/pledge/wp-engine/).

Instead, WP Engine's entire business model is predicated on using our Client's trademarks – particularly WORDPRESS, WOOCOMMERCE, and WOO – to mislead consumers into believing there is an association between WP Engine and Automattic. Even a cursory review of WP Engine's website shows numerous examples of such misappropriation. See **Exhibit B** attached hereto.

On information and belief, WP Engine has developed a business generating annual revenues of over \$400 million, which has been based entirely on extensive and unauthorized uses of our Client's trademarks.

Unsurprisingly, WP Engine's infringing commercial uses of our Client's trademarks have created consumer confusion as to whether WP Engine is affiliated with our Client; including many references to WP Engine being "WordPress Engine". A few of the hundreds of examples of actual confusion are attached as **Exhibit C**. Moreover, an objective empirical survey by a leading professional survey expert indicates that a significant degree of marketplace confusion is caused by your infringing use of the WORDPRESS and WOOCOMMERCE trademarks.

Your unauthorized use of our Client's trademarks infringes their rights and dilutes their famous and well-known marks. Negative reviews and comments regarding WP Engine and its offerings are imputed to our Client, thereby tarnishing our Client's brands, harming their reputation, and damaging the goodwill our Client has established in its marks. Your unauthorized use of our Client's intellectual property has enabled WP Engine to unfairly compete with our Client, and has led to unjust enrichment and undue profits.

# Violations of Our WordPress Foundation Trademark Policy

It is further inappropriate that you violated the terms of your WordCamp US Sponsorship Agreement, which specified clearly that "any use of the WordPress trademarks is subject to the WordPress Trademark Policy listed at <u>http://wordpressfoundation.org/trademark-policy</u>." You repeatedly and intentionally violated the WordPress Foundation Trademark Policy's prohibition on the "use [of] the[] [WordPress marks] as part of a product, project, service, domain name, or company name," as demonstrated in Exhibit B attached hereto.

### **Action Requested**

Our Client cannot permit this unauthorized use of its intellectual property. Our Client is entitled to file civil litigation to obtain an injunction and an award of actual damages, a disgorgement of your profits, and our Client's costs and fees. Our Client also is entitled to seek an award of attorneys' fees due to the bad faith and extraordinary nature of WP Engine's knowing and willful infringements.

Notwithstanding the above, our Client is willing to amicably resolve this matter, including through a licensing relationship for use of its trademarks. However, until there is such a license in place, we demand that you (and any parties operating in concert with you or at your direction) **immediately**:

- Stop all unauthorized use of our Client's trademarks, including but not limited to the WORDPRESS, WOOCOMMERCE, and WOO trademarks;
- Remove any offerings making unauthorized use of our Client's trademarks from any websites under your control, any associated social media accounts, and any other online or offline locations;
- Remove and destroy any advertisements that make unauthorized use of our Client's trademarks, including any online or offline advertisements and other marketing materials;
- Provide an accounting of all profits from the service offerings that have made unauthorized use of our Client's intellectual property;

- Pay our Client compensation in the amount to make them whole for your unauthorized use of their intellectual property and unfair competition, the specific amount of which may be ascertained once we have an accounting from you as requested above (even a mere 8% royalty on WP Engine's \$400+ million in annual revenue equates to more than \$32 million in annual lost licensing revenue for our Client); and
- Refrain from any further offerings making unauthorized use of our Client's intellectual property.

## <u>Legal Hold</u>

Given the nature of this matter and the failed attempts to reach an amicable resolution, please immediately put into place a legal hold for WP Engine to preserve (i.e., not delete, destroy or modify) all physical and electronically stored data, documents, software, information and things that relate in any way to the issues raised in this letter and the prior negotiations between WP Engine and our Client regarding those issues, including any discussions related to use of the WORDPRESS, WOOCOMMERCE, and WOO trademarks. Data, documents, software, information and things to be preserved include but are not limited to the following, whether retained on WP Engine's or its employees' servers, work computers, home computers, tablets, phones, or any other devices:

- Emails and their attachments;
- Physical and electronic versions of documents, in any form, whether a draft, final or copy;
- Physical and electronic calendar entries, meeting notes, appointments, memorandums, letters, and meeting requests;
- Voice mails and other audio or visual recordings or files;
- Software, including application source files, software repositories, build files, and JIRA tickets;
- Websites and screenshots, including visible content and metadata; and
- Advertising materials, including social media posts, communications with advertisers, and advertisements placed via search engine sponsored ads.

Please preserve all such data, documents, software, information and things in exactly their present form until we or our Client have confirmed in writing that the duty to preserve is no longer necessary.

Please confirm your understanding of and compliance with our Client's requests by <u>October 3,</u> <u>2024</u>.

Our Client reserves all rights and remedies.

Sincerely,

James R. Davis II

cc: Thomas L. Holt; Griffin Barnett