

**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA
Alexandria Division**

SAFETY EQUIPMENT INSTITUTE,)	
Plaintiff,)	
)	
v.)	Civil Action No. 1:19-cv-1534
)	
SIGNATURE LACROSSE, LLC,)	
and DANIEL SOVIERO,)	
Defendants.)	

CONSENT ORDER

This action came before the Court on plaintiff Safety Equipment Institute’s Amended Complaint and defendant Signature Lacrosse, LLC’s Counterclaim. The parties, namely plaintiff Safety Equipment Institute (“SEI”) and defendants Signature Lacrosse, LLC (“Signature”) and Daniel Soviero (collectively, “Defendants”), have represented to the Court that they have agreed to a compromise and settlement of this action.

This Court has jurisdiction over the parties and the subject matter of this action. The parties, through their attorneys, agree as to the existence of the following facts and the legal consequences of those facts as follows:

On March 16, 2016, Signature entered into a valid and enforceable agreement with SEI to participate in SEI’s certification program (the “Agreement”). ECF No. 28, ¶¶ 39-40, 140; ECF No. 32, 39-40, 140.

The Agreement incorporates by reference SEI’s Certification Program Manual (“CPM”), to which Signature also agreed to be bound. ECF No. 28 ¶ 40; ECF No. 32 ¶ 40. By agreeing to be bound by the requirements and procedures of the CPM, Signature agreed to follow set procedures for complaints and appeals related to SEI’s certification program. ECF No. 28 ¶ 70;

ECF No. 32 ¶ 70. When an applicant requests an appeal of a decision regarding certification, Section 19.10.3.2 of the CPM provides that “[t]he responding parties, testing laboratory, quality assurance auditors and SEI, may attend and participate in the bearing. Their fees and expenses will be paid by the appellant.” ECF No. 28 ¶ 72; ECF No. 32 ¶ 72.

On November 13, 2019, Signature instituted an appeal to the American Arbitration Association and requested emergency relief. ECF No. 28 ¶ 74; ECF No. 32 ¶ 74. Following the dismissal of the appeal, SEI demanded that Signature pay SEI’s reasonable attorney’s fees and expenses related to the appeal. ECF No. 28 ¶ 77; ECF No. 32 ¶ 77. Signature has not paid SEI for the fees and expenses related to the appeal. ECF No. 28 ¶ 79; ECF No. 32 ¶ 79.

Additionally, the Agreement restricts the use of the SEI Marks¹ on products certified by SEI as meeting applicable testing and quality standards. ECF No. 28 ¶¶ 41-42; ECF No. ¶¶ 41-42. SEI owns valid and enforceable trademark rights in the SEI Marks. ECF No. 28 ¶¶ 23-24, 26; ECF No. 32 ¶¶ 23-24, 26.

Defendants used in commerce trademarks that are identical and substantially indistinguishable from the SEI Marks on various lacrosse balls including Signature Model 1.3, Signature Model 1.7, Lacrosse Unlimited 1.4, Under Armour 1.5, and KSONE 1.6. ECF No. 28 ¶¶ 57-58, 60; ECF No. 32 ¶¶ 57-58, 60. Defendants’ use of the identical and substantially indistinguishable marks was not authorized by SEI and violated the terms of the parties’ Agreement. ECF No. 28 ¶¶ 56, 59, 61.

As a result of Defendants’ unauthorized use of the SEI Marks consumers are likely to be confused that Defendants’ lacrosse balls have been certified when they have not.

¹ The “SEI Marks” are defined to include SEI’s federal trademark Registration No. 1916313, and its common law rights in “SEI” and the stylized logo showing the letters in a curved font.

Defendants used the SEI Marks in connection with advertising products that have never been certified by SEI. Defendants also advertised and offered for sale lacrosse balls bearing the SEI Marks and instead sold lacrosse balls that are not SEI-certified and do not bear the SEI Marks. ECF No. 28 ¶¶ 64-66; ECF No. 32 ¶ 65.

Defendants' false and misleading statements are likely to influence purchasing decisions of consumers and damage SEI's goodwill and reputation.

Accordingly, given the existence of the above-stated facts,

It is hereby **ORDERED, ADJUDGED, AND DECREED** that the Defendants, Signature and Daniel Soviero, are liable for trademark infringement, false advertising, counterfeiting, and unfair competition for the advertising and sale of uncertified lacrosse balls bearing the SEI Marks and that defendant Signature is liable for breach of its agreement with SEI.

It is further **ORDERED, ADJUDGED, AND DECREED** that defendants Signature and Daniel Soviero are jointly and severally liable to pay plaintiff SEI \$300,000.00. Defendants shall make an initial payment to SEI of \$100,000.00 due within 5 days of this Order's entry. Within 90 days after this Order's entry, Defendants shall pay to SEI a second payment of \$100,000.00. Thereafter, Defendants shall make monthly installment payments of at least \$8,334 to SEI until the amount is paid in full.

It is further **ORDERED, ADJUDGED, AND DECREED** that within 3 days of this Order's entry, Signature shall issue a recall of the Signature Model 1.7 ball in all colors.

It is further **ORDERED, ADJUDGED, AND DECREED** that within 30 days of this Order's entry, Defendants shall destroy all inventory of Signature Model 1.7 balls, and any other uncertified balls bearing the SEI Marks remaining in inventory including: Signature Model 1.3, KSONE 1.6, any other ball bearing any of the SEI Marks with custom engravings (i.e. those

applied after the ball was manufactured), and any labels, packaging, wrappers, signed, banners posters, prints, brochures, or other advertising, marketing, or other materials associated with such products. Defendants shall provide SEI with video evidence of the destruction within 10 days of the destruction.

It is further **ORDERED, ADJUDGED, AND DECREED** that within 45 days of this Order's entry, Defendants shall permit SEI limited access to Signature's premises and records to the extent necessary to verify that the Defendants are not using the SEI certification mark on any uncertified lacrosse balls. To the extent such access is limited pursuant to restrictions associated with COVID-19, the parties will identify a mutually agreeable time for remote access to Signature's premises and records within the 45-day period and an in-person inspection after such restrictions have been lifted.

It is further **ORDERED, ADJUDGED, AND DECREED** that misuse of the SEI Marks has caused irreparable injury to SEI and that, to prevent further reputational injury to SEI, Daniel Soviero and Signature, its officers, agents, servants, employees, and attorneys, and anyone acting in active concert or participation with or at the behest or direction of any of them, including, but not limited to, Signature's successors, subsidiaries, affiliates, be permanently enjoined as follows:

a. To cease and refrain from selling or offering for sale any product bearing the SEI Mark for which Signature has not received a SEI certification letter issued after June 1, 2020 authorizing the use of the SEI Marks on the product;

b. Other than products for which Signature has received a SEI certification letter issued after June 1, 2020 authorizing the use of the SEI Marks on the product, to cease and refrain from using, licensing, or otherwise permitting any other party (including its direct or

indirect subsidiaries or parent companies) to use the SEI Marks on advertising materials, including print and digital advertising, social media, product descriptions, or other materials directed to customers or potential customers; and

c. To cease and refrain from making false or misleading statements that SEI certified any product that has not actually been certified by SEI as complying with the requirements of the SEI certification program.

It is further **ORDERED, ADJUDGED, AND DECREED** that within 60 days of this Order's entry, Defendants will serve on SEI's counsel of record a written report, sworn under oath, setting forth in detail the manner and form in which Defendants have complied with the injunction.

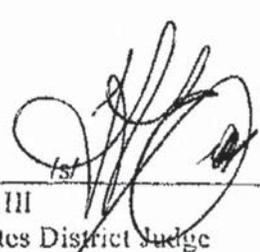
It is further **ORDERED, ADJUDGED, AND DECREED** that plaintiff SEI's claims in this matter are **DISMISSED WITH PREJUDICE**.

It is further **ORDERED, ADJUDGED, AND DECREED** that defendant Signature's counterclaims in this matter are **DISMISSED WITH PREJUDICE**.

It is further **ORDERED, ADJUDGED, AND DECREED** that the Court shall retain jurisdiction to enforce the terms of this Consent Order.

The Clerk is directed to send a copy of this Consent Order to all counsel of record and to place this matter among the ended causes.

Alexandria, Virginia
May 26, 2020



T. S. Ellis, III
United States District Judge