



**BEST BUY.**

Via Overnight Delivery

26 May 2011

Newegg Inc.  
16839 East Gale Avenue  
City of Industry, California 91745

Re: Use of GEEK ON Logo (Our Ref No. 11-43667)

Dear [REDACTED]

I write on behalf of BBY Solutions, Inc. and its parent company Best Buy Co., Inc. (collectively, "Best Buy") regarding two concerns: your disparagement of our employees and infringement of our valuable trademark rights.

As you are likely aware, Best Buy is one of the nation's largest consumer electronics retailers. In connection with Best Buy's retail services, Best Buy and its predecessor Geek Squad, Inc. have offered consumer electronics installation, repair and related services under the GEEK SQUAD mark and orange-and-black Geek Squad trade dress ("the Geek Squad Trade Dress") since 1994. Since 2008, Best Buy has also used its GEEK SQUAD mark in connection with a power button design with a necktie forming the vertical line (the "Tie and Power Button Design"). The Tie and Power Button Design is used in connection with Best Buy's GEEK SQUAD Black Tie Protection plans for products purchased at Best Buy stores and via Best Buy's website.

Best Buy's Geek Squad services have been extensively promoted using the GEEK SQUAD mark, Geek Squad Trade Dress, and the Tie and Power Button Design, and these services have received nationwide recognition. In addition to the extensive use of these marks and trade dress on Best Buy's Geek Squad website at [www.geeksquad.com](http://www.geeksquad.com), these marks and trade dress are prominently featured in Best Buy's print and television advertising, in-store signage, and on branded apparel and other promotional items.

Best Buy has spent many years building goodwill in its distinctive GEEK SQUAD Mark, Geek Squad Trade Dress, and Tie and Power Design mark. As a result, these marks and trade dress have come to identify Best Buy's Geek Squad services to consumers around the country. Given Best Buy's substantial investment over the years in building equity in these marks and trade dress, Best Buy cannot permit activities which place that valuable goodwill at risk. To protect its rights, Best Buy has obtained several federal trademark registrations for the GEEK SQUAD mark and a federal trademark registration for its Tie and Power Button Design. Illustrative copies of these registrations are attached for your reference as Exhibit A.

26 May 2011

We recently learned that Newegg is using a stylized GEEK ON design in orange-and-black font, with the "O" in "ON" depicted as a power button (the "Geek On Logo") with a new marketing campaign for Newegg's consumer electronics retail services. We understand Newegg is using this design on its website, its Facebook site, and in connection with promotional items for Newegg's services such as t-shirts. An illustrative use of the Geek On Logo is attached as Exhibit B.

Given Best Buy's long-standing prior use of the GEEK SQUAD mark, Geek Squad Trade Dress, and Tie and Power Button Design, Best Buy is concerned that Newegg's use of the Geek On Logo is likely to create confusion among consumers and to dilute the distinctive quality of the GEEK SQUAD mark in violation of Best Buy's trademark rights. Best Buy is particularly concerned because the Geek On Logo features the GEEK-component of Best Buy's GEEK SQUAD mark, is depicted in the same orange-and-black color scheme as Best Buy's Geek Squad Trade Dress, features a power button design that is very similar to the Geek Squad Tie and Power Button Design, and is used to promote Newegg's competing consumer electronics retail services.

We also recently learned that Newegg is running a commercial on television and YouTube (<http://www.youtube.com/watch?v=nYk0dQrz3uc&feature=youtu.be>) depicting a blue-shirted salesperson in a store with a similar layout/color scheme to a Best Buy store, so as to represent a Best Buy employee. The fake Best Buy employee is depicted as being slovenly and uninformed about computer products, in contrast to your employees who are portrayed as "experts."

Your misuse of our valuable trademarks and your negative portrayal of our employees violate our trademark rights and misleads consumers about our services, in violation of federal and state law. While we welcome fair competition, we cannot tolerate unfair competition that disparages our employees, confuses our customers and damages our valuable trademarks and the goodwill associated with those marks. We take great pride in our employees and the high quality of customer service they offer and find your company's focus on our employees in this advertising campaign to be particularly offensive. We expect that you would be equally offended if the tables were turned and a competitor launched an advertising campaign portraying your employees as slovenly and uninformed.

In light of the above, Best Buy respectfully demands that Newegg:

1. Promptly and permanently cease all use of the Geek On Logo and any other mark combining the word "GEEK" with an orange color scheme or a power button design; and
2. Promptly and permanently cease all use of the advertising in question as well as any other advertising purporting to show Best Buy employees.

Provided Best Buy receives Newegg's prompt cooperation in this matter, Best Buy is willing to consent to a reasonable period for Newegg to phase-out use of the design and commercial. Please confirm in writing no later than **Monday, 6 June** that Newegg agrees to the above terms.

We appreciate your cooperation in respecting Best Buy's trademark rights.