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Mark A. Neubauer (SBN 73728)
mneubauer@carltonfields.com
Valerie D. Escalante (SBN 281386)
vescalante@carltonfields.com
CARLTON FIELDS JORDEN BURT, LLP
2000 Avenue of the Stars, Suite 530 North Tower
Los Angeles, CA 90067-4707
Telephone: (310) 843-6300; Facsimile: (310) 843-6301

James B. Baldinger (Admitted *Pro Hac Vice*)
jbaldinger@carltonfields.com
Stacey K. Sutton (Admitted *Pro Hac Vice*)
ssutton@carltonfields.com

Kristin A. Gore (Admitted *Pro Hac Vice*)
kgore@carltonfields.com
CARLTON FIELDS JORDEN BURT, P.A.
525 Okeechobee Boulevard, Suite 1200
West Palm Beach, Florida 33401
Phone: (561) 659-7070; Facsimile: (561) 659-7368

Gail E. Podolsky (Admitted *Pro Hac Vice*)
gpodolsky@carltonfields.com
CARLTON FIELDS JORDEN BURT, P.A.
1201 West Peachtree Street, Suite 3000
Atlanta, Georgia 30309
Phone: (404) 815-2714; Facsimile: (404) 815-3415

Attorneys for Plaintiffs SPRINT SOLUTIONS,
INC., SPRINT COMMUNICATIONS COMPANY L.P.,
and BOOST WORLDWIDE, INC.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SPRINT SOLUTIONS, INC., et al.,

Plaintiffs,

v.

WIRELESS ONE, INC., et al.,

Defendants.

Case No.: CV 15-02496-R (AGR_x)

Assigned to the Honorable Manuel L. Real

**FINAL JUDGMENT AND
PERMANENT INJUNCTION
AGAINST ALL DEFENDANTS**

Complaint filed: April 3, 2015
Pretrial Conference: April 18, 2016
Trial Date: May 24, 2016

1 **FINAL JUDGMENT AND**

2 **PERMANENT INJUNCTION AGAINST ALL DEFENDANTS**

3 Plaintiffs Sprint Solutions, Inc., Sprint Communications Company L.P.,
4 and Boost Worldwide, Inc. (collectively, “Sprint” or “Plaintiffs”) brought the
5 above-captioned lawsuit against Defendants Wireless One Inc. individually and
6 d/b/a Wireless One Distributors, Praveen Chandra, Aref Yakhi, Ricardo Casas,
7 Daniel Ordonez, and Lucas Gomes (“Defendants”), alleging that Defendants were
8 engaged in an unlawful enterprise involving the unauthorized and deceptive bulk
9 purchase and resale of Sprint products, goods, and services manufactured,
10 distributed, sold or offered for sale by Sprint (“Sprint Products”), including but
11 not limited to specially-manufactured wireless telephones designed for use on
12 Sprint’s wireless service, which Sprint offers under various Sprint brands,
13 including Sprint, Sprint Prepaid, Boost Mobile, Virgin Mobile, PayLo and
14 Assurance Wireless (collectively, “Sprint Phones” or “Sprint Handsets” or
15 “Phones” or “Handsets”), the theft of Sprint’s subsidy investment in the Phones,
16 the unlawful access of Sprint’s protected computer systems and wireless network,
17 the trafficking of Sprint’s protected and confidential computer passwords, and the
18 willful infringement of Sprint’s trademarks (collectively, the “Bulk Handset
19 Trafficking Scheme” or the “Scheme”).

20 Sprint contends that Defendants and their co-conspirators perpetrated the
21 Bulk Handset Trafficking Scheme by acquiring large quantities of Sprint Phones
22 from Sprint and/or Sprint authorized retailers and dealers and by soliciting others
23 to purchase Sprint Phones in large quantities for the benefit of Defendants. Sprint
24 asserts that Defendants and their co-conspirators acquired the Sprint Phones with
25 the knowledge and intent that the Phones will not be used on the Sprint wireless
26 network (as required by the Sprint contracts), but instead, the Phones are
27 trafficked and the vast majority are ultimately resold as new overseas where the
28 Phones are not subsidized by wireless carriers (as they are in the United States).

1 In some cases, Sprint asserts Defendants acquired the Sprint Phones with the
2 knowledge and intent that the Phones will be computer-hacked or “unlocked,” to
3 disable software installed in the Phones by the manufacturers at the request and
4 expense of Sprint, which enables the activation of the Sprint Phones exclusively
5 on Sprint’s wireless system. The purpose of the software is to allow Sprint to
6 offer the Phones at a discount to the consumer while protecting Sprint’s subsidy
7 investment in the Phone. Sprint asserts that the illegally unlocked Phones are
8 trafficked and resold as new by Defendants, at a premium, under the Sprint
9 trademarks.

10 Sprint Phones are sold subject to terms and conditions (“Terms and
11 Conditions”) which conspicuously restrict and limit the sale and use of the
12 Phones. These Terms and Conditions are set forth in printed inserts that are
13 packaged with each Phone and are posted on Sprint’s website. Pursuant to the
14 Terms and Conditions of Sprint Phones, purchasers agree, among other things: (a)
15 to pay the applicable service charges and other related fees; (b) to activate the
16 Sprint Phones on the Sprint CDMA network; (c) not to resell the Sprint Phones
17 and related products and services; and (d) not to use the Phones for a purpose that
18 could damage or adversely affect Sprint.

19 In this case, as a result of Defendants’ alleged involvement in the Bulk
20 Handset Trafficking Scheme, Sprint has asserted claims against Defendants for
21 violation of federal and state laws, including, but not limited to unfair
22 competition, tortious interference with business relationships and prospective
23 advantage, civil conspiracy, unjust enrichment, conspiracy to induce breach of
24 contract, common law fraud and fraudulent misrepresentation, violations of the
25 federal Computer Fraud and Abuse Act, 18 U.S.C. § 1030, *et seq.*, federal
26 trademark infringement under 15 U.S.C. § 1114, federal common law trademark
27 infringement and false advertising under 15 U.S.C. § 1125(a)(1)(A) and (B),
28 contributory trademark infringement, conversion, and unfair competition in

1 violation of California Business and Professions Code § 17200, *et seq.* Based on
2 the respective positions advocated by the parties, and having reviewed the
3 Complaint and file and being otherwise duly and fully advised in the premises, it
4 is hereby:

5 **ORDERED, ADJUDGED and DECREED** that:

6 1. This Court has jurisdiction over all the parties and all of the claims
7 set forth in Sprint’s Complaint.

8 2. Sprint has the right to use and enforce rights in the standard character
9 Sprint® mark and stylized Sprint® Virgin Mobile, payLo, Assurance Wireless
10 and Boost Mobile trademarks (collectively, the “Sprint Marks”), as depicted
11 below:



21 Sprint uses the Sprint Marks on and in connection with its telecommunications
22 products and services. The Sprint Marks are valid, distinctive, protectable,
23 famous, have acquired secondary meaning, and are associated exclusively with
24 Sprint.

25 3. Certain of the conduct set forth in the Complaint constitutes
26 violations of the Lanham Act, 15 U.S.C. §§ 1114 and 1125(a)(1)(A) and (B)
27 (federal trademark infringement and false advertising). The Court further finds
28 that the conduct also constitutes unfair competition, tortious interference with

1 business relationships and prospective advantage, civil conspiracy, unjust
2 enrichment, conspiracy to induce breach of contract, common law fraud and
3 fraudulent misrepresentation, violations of the federal Computer Fraud and Abuse
4 Act, 18 U.S.C. § 1030, *et seq.*, federal trademark infringement under 15 U.S.C. §
5 1114, federal common law trademark infringement and false advertising under 15
6 U.S.C. § 1125(a)(1)(A) and (B), contributory trademark infringement,
7 conversion, and unfair competition in violation of California Business and
8 Professions Code § 17200, *et seq.* Sprint has suffered damages, including loss of
9 goodwill and damage to its reputation, as a result of Defendants' conduct. On
10 review and consideration of all relevant factors, Sprint is entitled to damages and
11 injunctive relief on the claims as set forth in the Complaint.

12 4. Final judgment is hereby entered against Defendants Wireless One,
13 Inc., individually, and d/b/a Wireless One Distributors, jointly and severally, and
14 in favor of Plaintiffs, on all of the claims set forth in Plaintiffs' Complaint in the
15 principal amount of Two Million Dollars and Zero Cents (\$2,000,000.00 (U.S.)),
16 which shall bear interest at the legal rate, for which let execution issue forthwith.

17 5. For all Sprint brands, now and in the future, Defendants and all of
18 their past and present agents, officers, directors, successors, assigns, parents,
19 subsidiaries, affiliates, related companies, predecessors-in-interest, companies,
20 agents, employees, heirs, personal representatives, beneficiaries, relatives, and all
21 other persons or entities acting or purporting to act for them or on their behalf,
22 including, but not limited to, any corporation, partnership, proprietorship or entity
23 of any type that is in any way affiliated or associated with Defendants or
24 Defendants' representatives, agents, assigns, parent entities, employees,
25 independent contractors, associates, servants, affiliated entities, and any and all
26 persons and entities in active concert and participation with Defendants who
27 receive notice of this Order, shall be and hereby are PERMANENTLY
28 ENJOINED from:

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- a. acquiring, purchasing, selling, unlocking, reflashing, altering, advertising, soliciting and/or shipping, directly or indirectly, any Sprint Products;
- b. supplying Sprint Products to or facilitating or in any way assisting other persons or entities who Defendants know or should know are engaged in the purchase or sale of Sprint Products or hacking, altering, erasing, tampering with, deleting or otherwise disabling the software installed in Sprint Phones;
- c. accessing Sprint's computer networks either directly or through a Sprint representative or customer or a third-party;
- d. knowingly using the Sprint Marks or any other trademark, service mark, trade name and/or trade dress owned or used by Sprint now or in the future, or that is likely to cause confusion with Sprint's Marks, without Sprint's prior written authorization;
- e. supplying Sprint Products to or facilitating or in any way assisting other persons or entities who Defendants know or should know are engaged in any of the acts prohibited under this Permanent Injunction, including, without limitation, the buying and/or selling of Sprint Phones; and knowingly using the Sprint Marks or any other trademark, service mark, trade name and/or trade dress owned or used by Sprint now or in the future, or that is likely to cause confusion with Sprint's Marks, without Sprint's prior written authorization;
- f. holding themselves out as being associated with, employed by or on behalf of, or acting as an agent, representative or authorized partner of Sprint; and

1 g. advertising any products or services that have a purported
2 connection to Sprint or any of Sprint's affiliates.

3 6. The acquisition, sale or shipment of any new Sprint Phones without
4 Sprint's prior written consent within and/or outside of the continental United
5 States is and shall be deemed a presumptive violation of this permanent
6 injunction.

7 7. The address of Defendant Wireless One, Inc. individually and d/b/a
8 Wireless One Distributors is 9710 De Soto Avenue, Chatsworth, California.

9 8. Defendant Praveen Chandra resides in the County of Los Angeles,
10 California.

11 9. Defendant Aref Yakhi resides in the County of Los Angeles,
12 California.

13 10. Defendant Ricardo Casas resides in the County of Los Angeles,
14 California.

15 11. Defendant Daniel Ordonez resides in the County of Ventura,
16 California.

17 12. Defendant Lucas Gomes resides in the County of Los Angeles,
18 California.

19 13. Defendants waive any and all rights to challenge the validity of this
20 Final Judgment in this Court or in any other court, and specifically waives their
21 right of appeal from the entry of this Final Judgment.

22 14. The Court retains jurisdiction over this matter and the parties to this
23 action to enter an award of damages against Defendants Praveen Chandra, Aref
24 Yakhi, Ricardo Casas, Daniel Ordonez, and Lucas Gomes and to enforce any
25 violation of the terms of this Permanent Injunction by a finding of contempt and
26 an order for payment of compensatory damages to Plaintiffs in an amount of
27 \$5,000 for each new Sprint Phone that Defendants are found to have acquired,
28 purchased, sold and/or unlocked in violation of this Injunction. The Court finds

1 that these amounts are compensatory and will serve to compensate Sprint for its
2 losses in the event Defendants violate the terms of this Order.

3 15. The Court hereby finds, pursuant to Fed. R. Civ. P. 54(b), that there
4 is no just reason for delay and orders that Judgment shall be entered against
5 Defendants as set forth herein.

6
7 DONE AND ORDERED this 18th day of April, 2016.

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 UNITED STATES DISTRICT JUDGE

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13 Copies furnished to:
14 Counsel of Record