



DICKENS INC.

75 Austin Blvd., Commack, NY 11725

Phone: (631)993-3123

(800)445-1632

Fax: (631)993-3125

www.dcgreetings.com

Mr. Donald J. Hall, Sr.
HALLMARK CARDS INC.
2501 McGee Trafficway
Kansas City, MO 64108
Phone: (816)274-5111

April 24, 2017

Dear Mr. Hall,

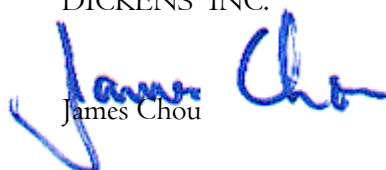
On March 29, 2017 while I was absent, three unidentified individuals entered and walked around my facility without my permission. I subsequently reported this to the local police, as mentioned in my letter to you on April 8.

In your complaints for "unauthorized sales of Hallmark products" which your counsel Fox Rothschild filed with the Court on April 9 on your behalf, a declaration shows a gentleman named Ron Parodi came to Dickens' facility and took pictures. After comparing pictures which Mr. Parodi posted on his Facebook, we were shocked to find that he was one of the unidentified individuals who came to Dickens on March 29, and **he is one of your Sales Managers.**

As you and Mr. Parodi have known or should have known, DICKENS is a distributor of "American Greetings", your major competitor, and I have been working closely with many small publishers like "Blue Mountain Arts" to compete with you intensively for business from independent stores, particularly in the areas covered by Mr. Parodi. In the recent Atlanta Gift Show, I setup a big booth selling greeting cards next to Hallmark, and your management such as Mr. Jim Hernandez (Vice President Retail Development), Mr. John Watson (President-Hallmark Retail), and John Chase (Vice President Sales) were there watching closely. **Under no circumstance, would I or any of my co-workers allow Mr. Parodi to enter my facility and take pictures of my products or my clients** if they knew that Mr. Parodi was working for you or Hallmark.

While we are working with the authorities to further decide our approach, I sincerely request that you do not send any more people affiliated with Hallmark to enter Dickens' facility without my written permission, and your acknowledgement of my request is appreciated.

Sincerely,
DICKENS INC.




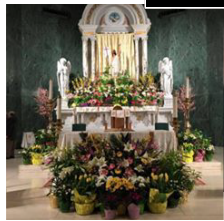
James Chou

Encl.

- 1) Picture of Ron Parodi taken from his Facebook
- 2) Mr. Parodi's signature on his declaration filed with Court
- 3) Picture of Dickens and Hallmark booths in Atlanta Show
- 4) Mr. Chou's letter to Don Hall on April 8, 2017

c.c. Mr. George Krueger of Fox Rothschild LLP
Mr. Ron Parodi



Ron Parodi

Timeline About Friends Photos More

Add Friend Message

DO YOU KNOW RON?

To see what he shares with friends, [send him a friend request](#).

Add Friend

Intro

Northeast Regional Sales Manager at Hallmark
 Studied Business at St. John's University
 Went to Cathedral Preparatory School and Seminary
 Lives in Newtown, Bucks County, Pennsylvania
 From Elmhurst, New York

Add details about you to your profile.

Add Details

Photos



Ron Parodi updated his profile picture.

April 14 at 1:12pm ·



Share

11



Laura Hutchison Breaks my heart every time and then re...

April 14 at 8:31pm

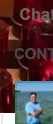


Helen Marie Murphy replied · 1 Reply



Ron Parodi updated his profile picture.

February 28 ·



Bruce Kelley



Jeff Myjak



Jim Adelberg



MORE CONTACTS (5)



Rui Russo




Hubert Chan

Search

I declare under penalty of perjury pursuant to 18 U.S.C. § 1746 that the foregoing is true and correct.

Date: 04-06-17



Ron Parodi



5

TEMPORARIES

- Dinner & Business
- GAMEDAY Tagate Products
- General Gift, Resort & Souvenir
- On Trend Gifts
- Pampers Pals
- White Gift

M. Cornell, Inc.

DCGREETINGS.COM

hallmark



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Mr. Donald J. Hall
Chairman of the Board
HALLMARK CARDS INC.
2501 McGee Street
Kansas City, MO 64141
Phone: (816)274-5612, Fax: (816)274-7555

Sunday, April 9, 2017

Dear Mr. Hall,

The letter dated March 30, 2017 from your lawyer is received. There are many vicious rumors that the Hallmark products which I purchased are "STOLEN". Thanks for your lawyer's clarification; however, your letter still falsely suggests that we knowingly participated in obtaining "misappropriated" cards. **To avoid further legal complications, we must ask that you ensure Hallmark does not repeat this false claim and other rumors.**

It's very common and understandable for big publishers like Hallmark to dump their excessive inventory into the market through different channels. With the shrinking of our industry, there are even more products with amazing deals available in the market. As shown on the attached pictures which I took recently from "99 CENTS ONLY" - a 350 store deep discount dollar chain, your \$3.99 retail bags (item no. EGB 1572) are sold for 99 cents, and your counter cards were available for "8 CENTS" apiece from several exhibitors in recent ASD closeout shows.

As the largest distributor of greeting cards, we not only buy fresh products directly from many publishers, but also constantly search for closeouts of name brand products with great value from different sources, and pass along the savings to our independent retailers to fight against big chains. As shown on attached copies of orders and a \$22,000.- check issued to Hallmark, we have also bought Hallmark products through different channels, including millions of cards officially shipped directly from Hallmark; and your management knows or should have known.

It has been our policy to not compete with the publishers who support us with their products. However, Hallmark is excluded because we have not bought products directly from you for years, and Hallmark has released many closeouts through different channels to compete with us and our clients. After setting up a big beautiful booth selling greeting cards next to Hallmark in the Atlanta Gift Show last January, the show management told me that Hallmark did not want to see me again in Atlanta. Subsequently, my local retailers were flooded with offers of Hallmark card for 50 cents or lower apiece from my competitors. While I was wondering if Hallmark released the products to bury me, some vendors of Hallmark closeouts approached me. After verifying the products were not "STOLEN", I decided to buyout their inventory to fight back against Hallmark. After consulting with my lawyers, as a legitimate owner of the original unopened packs of "Genuine" Hallmark products, I have the full legal right to decide what I want to do with my inventory, including publishing the image of each Hallmark card which I purchased on my website for resale. We have no obligation to comply with any of the requests addressed in your letter. **Further, to avoid illegal retaliation against innocent business owners, we definitely will not provide the names of the stores which bought products from us.**



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I do not agree that my sales of Hallmark products will tarnish your Hallmark brands as you claimed. On the contrary, my possession of your products prevents millions of Hallmark cards from flowing into deep discount junky stores like "99 Cents Only" and saves your Hallmark name. Most of my clients are beautiful independent shops who rarely discount their products, and your own direct sales to big discount chains like BJ's and Costco are actually doing much more damage to your brands. Pictures of your "BUY THREE CARDS GET \$3.- OFF" Hallmark cards in BJ's, and the \$15.99 for 25 counts beautiful handmade Hallmark cards similar to your "Signature" line and licensed cards in Costco are attached for your reference.

Excluding your corporate stores, almost every Hallmark store had tried my "Musical Greeting Cards" and "Sound Effect Cards" which I invented back in the 1980's and 1990's (please refer to my 05/10/1993 letter to you) with great experience. At that time, most of the small stores carried a variety of greeting cards and were prospering, and many of them have become my lifetime friends. With the dramatic change of the market in the past 10 years and your focus on big chains like "Walmart" and "Walgreens", many of independent stores are struggling and suffering. After one of your loyal customers and my good friend, Geri from Geri's Hallmark, received a letter from your lawyer last year for carrying non-Hallmark cards, she could not fight anymore. She is in her 70s and lost all her savings, when we helped her liquidate the store, it was really sad; I could have possibly saved the store if I had your Hallmark cards with better prices for her. **As a company devoted to independent retailers since 1982, I hope we can work together to help them find a formula not only to survive, but prosper.**

By the way, please be my guest if you have a chance to come to Long Island. I can give you a good tour of my facility similar to your famous Hallmark tour in Kansas City. Three people from NJ and PA disguised themselves as our clients and walked all over my facility without my permission one day before I received the letter from your lawyer "Fox Rothschild" which is headquartered in PA. We already made a report with our local police, and **it will be very embarrassing if they are working for Hallmark.**

Sincerely,

DICKENS INC.



James Chou
President

c.c. Mr. George J. Krueger of Fox Rothschild LLP

Encl. 24 pages pictures and documents attachments

POLICE DEPARTMENT, COUNTY OF SUFFOLK, N.Y.

ACCREDITED LAW ENFORCEMENT AGENCY

FIELD REPORT PDCS-1053c

CENTRAL COMPLAINT NUMBER 2017-0190148		PCT OF OCC. 4	SECTOR 404	CAR NO 404	HAMLET COMMACK
INCIDENT DISTURBANCE					
INCIDENT LOCATION (INCLUDE BUSINESS NAME) 75 AUSTIN BL DICKENS INC					
DAY THU	DATE 3/30/2017	TIME 12:45	DAY	DATE	TIME
COMPLAINANT OR VICTIM CHOU, CHOU			PT C	DATE OF BIRTH 10/2/1952	<input checked="" type="checkbox"/> M <input type="checkbox"/> F
ADDRESS 75 AUSTIN BL COMMACK NY				TELEPHONE 6319933123	
COMPLAINANT E-MAIL ADDRESS			COMPLAINANT E-MAIL ADDRESS		
ADDITIONAL PERSON ALLEGRA, ALLEN			PT O	DATE OF BIRTH	<input checked="" type="checkbox"/> M <input type="checkbox"/> F
ADDRESS STERLING HALLMAR SHO NY				TELEPHONE [REDACTED]	
VEH YR.	MAKE	MODEL	COLOR	STYLE	REGISTRATION
QUAN	TYPE	DESCRIPTION	VALUE	TT#	
DETAILS C1 REPORTS ON THE ABOVE DATE TIME AND I/L, 3 WHITE MALES CAME INTO THE ABOVE I/L LOOKING A PAPER PRODUCT MERCHANDISE. AFTER LOOKING AT AT THE MERCHANDISE ONE OF THE MALES LEFT BEHIND A BUSINESS CARD. THE NAME ON THE BUSINESS CARD IS LISTED ABOVE AS O1. THE SUBJECTS LEFT IN A BLACK FORD TAURAS WITH UNKNOWN OUT OF STATE LICENSE PLATES. THE COMPLAINANT BELIEVES THESE SUBJECT(S) ARE BUSINESS COMPETITION LOOKING TO SEEK A COMPETITIVE ADVANTAGE. THE COMPLAINANT WAS ADVISED TO INSTALL SECURITY CAMERAS AT THE ABOVE I/L. THE COMPLAINANT WAS ALSO ADVISED THAT IF THE SUBJECTS WERE TO RETURN HE CAN DENY THEM ACCESS TO THIS I/L. DOCUMENTATION ONLY AT THIS TIME.					
DATE OF REPORT 3/31/2017	TIME OUT 14:45	TIME ARRIVED 15:16	TIME IN 15:25	TOUR 1500-2300	FOUNDED <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
<input type="checkbox"/> ACTIVE <input checked="" type="checkbox"/> CLOSED (NON-CRIMINAL ONLY) <input type="checkbox"/> CLEARED BY ARREST <input type="checkbox"/> PENDING <input type="checkbox"/> EXCEPTIONALLY CLEARED					REPORT TO FOLLOW
POLICE OFFICER CHARUBIN, KRISTOPHER PO/6468/1A1			SUPERVISOR MCDONALD, HOLLIANNE SGT/1320/436		

Printed 7/28/2017 12:06:44 PM

Anyone with information about crimes is asked to call Crime Stoppers at 1-800-220-TIPS. Crime Stoppers of Suffolk County, Inc., is offering a Cash Reward of up to \$5000.00 for information leading to an arrest.

