

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
CIVIL MINUTES—GENERAL

Case No. 5:25-cv-1490-SSS-DTBx Date October 10, 2025

Title *City of Cathedral City, California v. Fantasy Balloon Flights et al.*

Present: The Honorable SUNSHINE S. SYKES, UNITED STATES DISTRICT JUDGE

Irene Vazquez

Deputy Clerk

Not Reported

Court Reporter

Attorney(s) Present for Plaintiff(s):

None Present

Attorney(s) Present for Defendant(s):

None Present

**Proceedings: (IN CHAMBERS) ORDER GRANTING PRELIMINARY  
INJUNCTION**

**I. INTRODUCTION**

On September 19, 2025, Plaintiff City of Cathedral City filed an ex parte application for a temporary restraining order (“TRO”) against Defendants Fantasy Balloon Flights (“FBF”), Steve Wilkinson, Cindy Wilkinson, Justin Wilkinson, and Does 1 through 5 (collectively, “Defendants”). Dkt. 45. Plaintiff sought to enjoin Defendants from holding themselves out as associates of the Cathedral City International Hot Air Balloon Festival and from using Plaintiff’s logos, designs, and advertisements for the Festival. *Id.* On September 24, 2025, the Court granted Plaintiff’s Application and issued the TRO. Dkt. 53. On the same date, the Court issued an Order to Show Cause as to why a preliminary injunction should not be issued. *Id.* The Court heard arguments on October 7, 2025. *See* dkt. 61. Upon consideration of the briefing and oral arguments, the Court **GRANTS** a preliminary injunction.

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## II. PROCEDURAL HISTORY

On June 16, 2025, Plaintiff filed a Complaint and an ex parte application for a TRO requesting the Court to enjoin Defendants from using Plaintiff's name and logos and advertising for the Cathedral City International Hot Air Balloon Festival. Dkts. 1, 2. On June 18, 2025, the Court denied the application because Plaintiff did not demonstrate they met the requirements for ex parte relief. Dkt. 16. On the same date, Plaintiff filed an amended ex parte application. Dkt. 15. On June 20, 2025, the Court denied the application, finding "Plaintiff still does not explain how they meet the specific standard for the Court to issue a Temporary Restraining Order without notice to the adverse party." Dkt. 18. at 1.

On June 24, 2025, Plaintiff filed a motion for preliminary injunction. Dkt. 19. On September 4, 2025, the Court denied Plaintiff's motion "[b]ased on the briefing and counsel's assertions during the hearing, the Court is satisfied there is no longer a risk of imminent harm." Dkt. 41 at 2. At that time, Defendants asserted they "stopped their use of Plaintiff's alleged mark, and have disavowed the future use of the name 'Cathedral City International Hot Air Balloon Festival' and related names." *Id.* Furthermore, defense counsel made representations at the hearing that he would ensure Defendants would no longer use any infringing marks in the future. *Id.* at 2. At that time, the Court also declined to order affirmative relief by requiring Defendants to return deposits and disclose contact information from solicited pilots and vendors because there was no evidence in the record supporting that Defendants had collected such information. *Id.*

On September 19, 2025, Plaintiff filed a renewed application for a TRO ("Application"). Dkt. 45, Application ("App."). In support of the Application, Plaintiff filed the following: (1) declaration by Chris Parman, who served as Plaintiff's Communications and Events Manager from July 2014 to May 2022, dkt. 45-1, "Parman Decl." attaching Exhibits A–K; (2) declaration by Ryan Hunt, Plaintiff's current Communication and Events Manager, dkt. 45-2, "Hunt Decl." attaching Exhibits A–Y; (3) declaration by Plaintiff's attorney, Stephen Lobbin, dkt. 45-3, Lobbin Decl., attaching Exhibits A–B, which includes a declaration from Kimberly Lynch, a hot air balloon pilot, Lynch Decl.; (4) declaration by Carol Popejoy-Davis, Executive Director of the Temecula Valley Balloon & Wine Festival, dkt. 45-4, Popejoy-Davis Decl.; and (5) a declaration by Majna Dukic, Director of Development Services for the City of Rancho, dkt. 45-6, Dukic Decl.

On September 22, 2025, Defendants filed an Opposition to the Application. Dkt. 50. In support of the Opposition, Defendants attached Exhibit A, a copy of an email between Defendants and Timothy Lusher, General Manager at The Westin Rancho Mirage Golf Resort & Spa. Dkt. 50-1.

On September 23, 2025, Plaintiff filed supplemental briefing. Dkt. 51. In support of the supplemental briefing, Plaintiff filed the following: (1) a declaration by Lusher, dkt. 51-1, Lusher Decl., attaching Exhibits A–B; and (2) a supplemental declaration by Hunt, dkt. 51-2, Hunt Supp. Decl., attaching Exhibits A–B.

On September 24, 2025, the Court issued a TRO and an Order to Show Cause as to why a preliminary injunction should not be issued. Dkt. 53.

On September 29, 2025, Plaintiff filed supplemental briefing. Dkt. 54. In support, Plaintiff filed another declaration by Hunt, dkt. 54-1, Hunt Second Supp. Decl., attaching Exhibits A–B.

On October 3, 2025, Defendants filed an Opposition as to why a preliminary injunction should not be issued. Dkt. 59. In support of the Opposition, Defendants filed a supplemental declaration by Defendant Cindy Wilkinson, dkt. 59-1, C. Wilkinson Supp. Decl., attached Exhibits A–E.

On October 6, 2025, Plaintiff filed further briefing. Dkt. 60. Plaintiff filed a supplemental declaration by Parman, dkt. 60-1, Parman Supp. Decl., attaching Exhibits A–B.

### **III. FINDINGS OF FACT**

Pursuant to Federal Rule of Civil Procedure 52(a), the Court “must state the findings and conclusions that support” its decision. Based on the evidence submitted by the parties, the Court makes the following findings of fact.

#### **A. Plaintiff’s and Defendants’ History Regarding the Festival**

Since 2015, Plaintiff has hosted the Cathedral City Hot Air Balloon Festival, renamed the Cathedral City International Hot Air Balloon Festival. Parman Decl. ¶¶ 11, 20–22, 27; Hunt Decl. ¶¶ 17–18. The event was conceived in 2014 by Plaintiff’s then-Communications and Events Manager, Chris Parman, to help increase Plaintiff’s economic development. Parman Decl. ¶¶ 4–11. This November, Plaintiff will host the 11th Annual Cathedral City International Hot Air

Balloon Festival, scheduled for November 21-23, 2025. Hunt Decl. ¶ 27. The festival will take place at Downtown Cathedral City, the Westin Rancho Mirage, Agua Caliente Casino Rancho Mirage, and Agua Caliente Casino Cathedral City. *Id.* ¶ 58.

For the inaugural 2015 festival and two festivals in 2016, Plaintiff contracted with Defendants to coordinate hot air balloons. Parman Decl. ¶¶ 15, 25, 30. Due to the festival's popularity, Plaintiff contracted with Defendants in 2017 to provide additional services, including production services for the entire festival. *Id.* ¶¶ 31-35, 40. These services were outlined in a series of contracts. *Id.* The 2017 and 2019 agreements between Plaintiff and Defendants referred to Defendant Fantasy Balloon Flights as the "Event Production Company" and "Producer." *Id.*, Ex. E. Additionally, each agreement stated, "Cathedral City retains the rights to the name 'Cathedral City Hot Air Balloon Festival' and Producer will be granted license for all related events. Producer to inform the City Events Manager of any known infringement. Cathedral City is responsible for enforcement and licensing the name." *Id.* at 26.

In 2021, Plaintiff and Defendants signed updated agreements for 2021 and 2022. Parman Decl., Ex. J. In the 2021 agreement, Defendant Fantasy Balloon Flights is referred to as the "Service Provider" in which the "City is retaining Service Provider to produce, organize, manage, and run the Event in 2021 and 2022." *Id.* at 54. Once again, in the 2021 agreement, the parties agreed that the "City retains the rights to the name 'Cathedral City Hot Air Balloon Festival' and Service Provider will be granted use of license for all related events. Service Provider is to inform the City Events Manager of any known infringement." *Id.* at 66. In 2022, the parties entered into another agreement for the 2023 and 2024 festivals. Hunt Decl. ¶ 12.

Plaintiff alleges due to "performance issues and concerns with the 2024 Festival, the City issued a Request for Proposal ("RFP") on February 6, 2025, seeking new event production services." App. at 13 (citing Hunt Decl. ¶¶ 22-24). RFP responses were due on March 7, 2025. Hunt Decl. ¶ 24. Plaintiff received four proposals, including one from Defendant FBF. *Id.* On April 23, 2025, Plaintiff awarded a three-year production contract to SoundSkilz, Inc. ("SoundSkilz"). *Id.* ¶¶ 22-24.

## **B. Defendants' Promotion of the Festival During the RFP Process**

During Plaintiff's RFP process, Defendants were promoting the "11th Annual Cathedral City International Hot Air Balloon Festival" scheduled on the same dates as Plaintiff's festival. Hunt Decl. ¶¶ 25–28, 32–33, 37. Defendants solicited pilots, sponsors, and vendors, including through their Facebook page titled "Cathedral City Hot Air Balloon Festival" and Instagram account with the handle "@cathedral\_city\_balloonfest."<sup>1</sup> Hunt Decl. ¶¶ 13, 25–28, 32–33.

Although Plaintiff had an active RFP process, on February 13, 2025, Timothy Lusher, the General Manager of The Westin Rancho Mirage Golf Resort & Spa ("Westin Rancho Mirage"), signed a sponsorship agreement on behalf of the resort with the Defendants. Lusher Decl. ¶ 3. The agreement is titled "11th Annual Cathedral City International Balloon Festival" and promises advertising assets that belong exclusively to Plaintiff. Lusher Decl. ¶ 6, Ex. A.; Hunt Supp. Decl. ¶ 13. According to Lusher, the agreement "looked substantially identical to past Festival sponsorship agreements." Lusher Decl. ¶ 3. At the time, Lusher was unaware that Defendants were no longer authorized by Plaintiff to solicit Westin Rancho Mirage's sponsorship for the 2025 festival, nor had Defendants informed Lusher. *Id.* Lusher states he would not have signed the document if he knew Defendant FBF was trying to commit the Westin Rancho Mirage to an event that did not have the promised advertising methods that are within Plaintiff's sole discretion. *Id.* ¶ 6. Additionally, on April 18, 2025, Defendant Cindy Wilkinson sent an email to hot air balloon pilot Kimberly Lynch and other pilots regarding participation as a pilot in the Cathedral City Hot Air Balloon Festival. Lynch Decl. ¶ 8. In the email, Defendant Cindy Wilkinson encouraged pilots to sign up before May 31, 2025. *Id.* The email included links to the pilot application, a \$50 payment for the pilot registration, and a \$1,000 corporate opportunity. *Id.* ¶ 9, Ex. A at 14. Defendants also continued to promote the "11th Annual International Hot Air Balloon Festival" on their website, directing users interested in sponsorship, vendor, or volunteer opportunities to contact them. Hunt Decl. ¶ 27.

### **C. Confusion Caused by Defendants' Continued Promotion of the Festival**

On April 25, 2025, the City Attorney's Office for Plaintiff sent a cease-and-desist letter to Defendant FBF, demanding the removal of all social media postings

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<sup>1</sup> The Court acknowledges Defendants' Facebook page and Instagram account no longer contain the words "Cathedral City".

that included any description of Plaintiff's name or logos and ceasing any further use of Plaintiff's assets, including the Cathedral City International Hot Air Balloon Festival. Hunt Decl. ¶ 29, Ex. K. The letter demanded compliance by May 6, 2025. *Id.* ¶ 30. Nonetheless, Defendants continued to advertise the 2025 festival on its website. *Id.* ¶¶ 32–34, Exs. L–P.

On May 12, 2025, Defendant Cindy Wilkinson spoke with Lynch, asking if Lynch was interested in bringing hot air balloons to the 2025 festival. Lynch Decl. ¶ 10. At that time, Lynch was unaware that Plaintiff had issued an RFP and awarded SoundSkilz an event contract to manage the festival. *Id.*

The following week, Popejoy-Davis, who was contracted with SoundSkilz to provide consulting services for the 2025 festival, reached out to Lynch to see if she would be interested in coordinating hot air balloon activities. Popejoy-Davis Decl. ¶ 8; Lynch Decl. ¶ 11. Lynch was confused by Popejoy-Davis' offer because Defendant Cindy Wilkinson "was already handling the event production services for the 2025 festival, based on correspondence [Lynch] received and [her] phone call with Ms. Wilkinson." Lynch Decl. ¶ 11. Based on this conversation, Popejoy-Davis reached out to SoundSkilz to clarify who Plaintiff contracted with for the festival. Popejoy-Davis Decl., ¶ 9. Upon clarification from SoundSkilz, Popejoy-Davis and Lynch proceeded to work on the 2025 festival. *Id.*

During Popejoy-Davis' recruitment of pilots, on August 22, 2025, she received an email from pilot Dale Wong expressing an interest in participating and that he "had sent [his] pilot and sponsorship application back in April" and had paid a \$1500 sponsorship fee. *Id.* ¶ 15, Ex. A. Popejoy-Davis is not aware of any record showing SoundSkilz ever received payment from Wong. *Id.* ¶ 16. Additionally, on the same date, Popejoy-Davis also received a call from and exchanged emails with David Adler regarding his interest in participating as a pilot. *Id.* ¶ 17, Ex. B. Adler informed Popejoy-Davis that he had already paid the \$50 pilot deposit and asked if it would transfer to the SoundSkilz sign-up system. *Id.* Another pilot, Shawn Raya, reached out to Popejoy-Davis, explaining that he had mailed his \$ 1,000 sponsorship check to "the Wilkinsons" in April 2025, which was cashed. *Id.* ¶ 18, Ex. C. Further, just last week on September 17, 2025, Popejoy-Davis received the following email from pilot Lee Hooper, "I am very confused about this years [sic] event. We had the aliens entered to the event under contract with fantasy balloons. Is there two events going ahead now at the same time?" *Id.* ¶ 19, Ex. D.

**D. Defendants' Conduct After the Filing of this Lawsuit**

At some time after the filing of this suit, Defendants updated their Facebook and Instagram accounts to no longer contain the words Cathedral City International Hot Air Balloon Festival. Hunt Decl. ¶ 38. In a declaration filed with the Court on August 1, 2025, Defendant Cindy Wilkinson represented that Defendant FBF had “moved on” from the Cathedral City International Hot Air Balloon Festival. Dkt. 30-1.

On August 18, 2025, the Westin Rancho Mirage agreed to serve as an official hotel and venue sponsor for the 11th Annual Cathedral City International Hot Air Balloon Festival, taking place on November 21-23, 2025. Hunt Decl. ¶ 48, Ex. R.

On August 22, 2025, an interview with Defendant Cindy Wilkinson aired, where she stated:

“[W]e have already been working on our festival since, December of last year. Our festival is scheduled to occur November 21st through the 23rd. We’re changing the name because Cathedral City says they own the name now. So we’re changing the name to Coachella Valley Hot Air Balloon Festival. And it’s going to take place at the Westin Resort in Rancho Mirage, with nothing happening in the City of Cathedral City.”

Hunt Decl. ¶ 43, Ex. Q.

On September 4, 2025, following the Court’s ruling on Plaintiff’s motion for preliminary injunction, Defendant Cindy Wilkinson posted the following statement on her Facebook page, “We won. City of Cathedral City [sic] v. Fantasy Ballon Flights.” Hunt Decl., ¶ 50, Ex. T. Defendant Cindy Wilkinson also commented on her posting stating: “[T]he city claimed branding rights and sued FBF and Steve, Justin and I personally trying to take ownership of our festival formerly called the Cathedral City Hot Air Balloon Festival, now rebranded to Coachella Valley Hot Air Balloon Festival taking place November 21-23 at the Westin RM!” *Id.* Defendants’ website lists the Coachella Valley Hot Air Balloon Festival as set to take place on November 21-23, 2025, in Rancho Mirage. *Id.* ¶ 52, Ex. U.

On September 15, 2025, after being in discussions regarding Agua Caliente Band of Cahuilla Indians’ (“Agua Caliente”) sponsorship, Hunt received a letter

from Agua Caliente’s associate general counsel, Sapphire Diamant-Rink, informing him Agua Caliente “has had extensive communication with FBF regarding the 2025 Festival” and that it recently came to Agua Caliente’s attention that Plaintiff did not choose FBF as the festival’s third-party operator. Hunt Decl. ¶ 55, Ex. W. Agua Caliente requested clarification on Defendants’ role in the festival because on September 5, 2025, Agua Caliente received an email from Defendant Cindy Wilkinson stating, among other things, “The city has lost the lawsuit they brought against Fantasy Balloon Flights . . . because it lacked merit.” *Id.* Additionally, Sapphire-Rink observed Defendants’ website, which promoted a “similar event, on the same dates, but located in Rancho Mirage.” *Id.*

As of September 17, 2025, the City of Rancho Mirage has received only one permit application for November 2025, which is for a hot air balloon event by SoundSkilz for the Cathedral City International Hot Air Balloon Festival, scheduled for November 21-23, 2025, at the Westin Rancho Mirage. Dukic Decl. ¶ 5.

On September 29, 2025, SoundSkilz contacted the Federal Aviation Administration (“FAA”) to obtain the necessary approvals for the 2025 festival. Hunt Second Supp. Decl. ¶ 9. The FAA informed SoundSkilz that an approval for the “Cathedral City International Hot Air Balloon Festival” was already secured in June 2025 by Defendant Cindy. *Id.* Plaintiff did not authorize Defendant Cindy Wilkinson to seek FAA approvals. *Id.*

#### **IV. LEGAL STANDARD**

A Court may grant a preliminary injunction to prevent “immediate and irreparable injury.” Fed. R. Civ. P. 65(b). The purpose of a preliminary injunction “is to preserve the status quo and the rights of the parties until a final judgment issues in the cause.” *U.S. Philips Corp. v. KBC Bank N.V.*, 590 F.3d 1091, 1094 (9th Cir. 2010). The party seeking such relief must establish: (1) it is likely to succeed on the merits; (2) it is likely to suffer irreparable harm absent preliminary relief; (3) the balance of equities weighs in its favor; and (4) the injunction is in the public interest. *See Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008). Because a “preliminary injunction is an ‘extraordinary and drastic remedy,’” *Munaf v. Geren*, 553 U.S. 674, 689 (2008), the party seeking the injunction must present evidence sufficient to clearly carry his burden of persuasion on each requirement, *Towery v. Brewer*, 672 F.3d 650, 657 (9th Cir. 2012) (citations

omitted). *See also Winter*, 555 U.S. at 22 (explaining that a preliminary injunction can issue only on “a clear showing that the plaintiff is entitled to such relief”).

Courts in the Ninth Circuit evaluate these factors on a “sliding scale, such ‘that a stronger showing of one element may offset a weaker showing of another.’” *Recycle for Change v. City of Oakland*, 856 F.3d 666, 669 (9th Cir. 2017) (quoting *All. for the Wild Rockies v. Cottrell*, 632 F.3d 1127, 1131 (9th Cir. 2011)). Additionally, a preliminary injunction is appropriate when plaintiff raises “serious questions going to the merits and a balance of hardships that tips sharply towards the plaintiff . . . so long as the plaintiff also shows that there is a likelihood of irreparable injury and that the injunction is in the public interest.” *Cottrell*, 632 F.3d at 1135. A “serious question” is one on which the plaintiff “has a fair chance of success on the merits.” *Sierra On-Line, Inc. v. Phoenix Software, Inc.*, 739 F.2d 1415, 1421 (9th Cir. 1984).

## **V. DISCUSSION**

Here, Plaintiff moves for a preliminary injunction based on three causes of action: unlawful practices under the California Business and Professions Code Section 17200 (“UCL”), conversion, and intentional and negligent interference with prospective economic advantage. *See* dkts. 45, 54. The Court finds Plaintiff is likely to succeed on the merits of its UCL claim, and thus need not analyze the conversion and intentional interference claims.

### **A. Likelihood of Success on the Merits**

The UCL prohibits any “unlawful, unfair or fraudulent business act or practice.” Cal. Bus. & Prof. Code § 17200. The UCL’s coverage is “sweeping,” and its standard for wrongful business conduct is “intentionally broad.” *In re First Alliance Mortg. Co.*, 471 F.3d 977, 995 (9th Cir. 2006) (citing *Cel-Tech Commc’ns., Inc. v. L.A. Cellular Tel. Co.*, 20 Cal. 4th 163 (1999)). The UCL has three “prongs,” for “unlawful,” “unfair,” and “fraudulent” practices, each of which is independently actionable. *See Aryeh v. Canon Bus. Sols., Inc.*, 55 Cal. 4th 1185, 1196 (2013).

#### **1. Unlawful Prong**

The UCL’s unlawful prong “borrows violations of other laws and treats them as unlawful practices that the unfair competition law makes independently actionable.” *Cel-Tech*, 20 Cal. 4th at 180; *see Fernandez v. Progressive*

*Management Systems*, 2022 WL 2541272, at \*5 (S.D. Cal. July 7, 2022) (“Where a plaintiff cannot state a claim under a ‘borrowed’ law, he or she cannot state a UCL claim.”); *Ingels v. Westwood One Broad Servs., Inc.*, 129 Cal. App. 4th 1050, 1060 (2005) (“A defendant cannot be liable under [the UCL] for committing unlawful business practices without having violated another law.”).

Plaintiff asserts Defendants engaged in unlawful behavior under the Latham Act, California Penal Code § 484, and California Business & Professions Code § 17500 for false advertising (“False Advertising Law”). See *dk.* 54 at 7–9. Here, Plaintiff has raised a reasonable likelihood of success or, at a minimum, a serious question going to the merits of its claim that Defendants’ representations concerning Plaintiff’s 2025 festival constitute unlawful behavior. Under the Latham Act, Defendants’ promotion of the 11th Annual Cathedral City International Hot Air Balloon Festival, using Plaintiff’s name and marks, constitutes false designation of origin under 15 U.S.C. § 1125(a). See *Hunt Decl.* ¶¶ 25–28, 32–33, 37, 51–53. Under the California Penal Code § 484, Defendants obtained money from people who thought they were making deposits or paying fees to participate in Plaintiff’s festival. See *Popejoy-Davis Decl.* ¶¶ 15–19. Under the False Advertising Law, Defendants’ conduct in holding themselves out as agents of Plaintiff, including entering into contracts under Plaintiff’s festival name, see *Lusher Decl.* ¶ 3, constitutes false advertising.

## **2. Unfair Prong**

An unfair business practice is one “that threatens an incipient violation of an antitrust law, or violates the policy or spirit of one of those laws because its effects are comparable to or the same as a violation of the law, or otherwise significantly threatens or harms competition.” *Cel-Tech*, 20 Cal. 4th at 187. While a practice may be unfair even if it is not fraudulent or unlawful, the unfairness prong “has been used to enjoin deceptive or sharp practices.” *Klein v. Earth Elements, Inc.*, 59 Cal. App. 4th 965, 970 (1997).

According to Plaintiff, Defendants’ conduct has confused partners, pilots, and sponsors, inducing a hesitancy to participate in Plaintiff’s festival, creating financial harm for Plaintiff, and frustrating Plaintiff’s ability to host the festival. See *Hunt Second Supp. Decl.* ¶¶ 9–10; *Popejoy-Davis Decl.* ¶ 14–19; *Hunt Decl.* ¶ 55, Ex. W. Here, Plaintiff has raised a reasonable likelihood of success or, at a minimum, a serious question going to the merits of its claim that Defendants’ representations to third parties concerning Plaintiff’s 2025 festival are false or

misleading and threaten competition. “The UCL reflects the Legislature’s intent to discourage business practices” like usurping Plaintiff’s business through misrepresentations “that confer unfair advantages in the marketplace to the detriment of . . . law-abiding competitors.” *Rose v. Bank of Am., N.A.*, 57 Cal. 4th 390, 397 (2013).

Most egregiously, Defendants misrepresented themselves as authorized agents for Plaintiff and as the third-party operator for the 11th Annual Cathedral City International Hot Air Balloon Festival in communications with the Westin Rancho Mirage. Specifically, in February 2025, when Plaintiff had an active RFP process, Defendants reached out to the general manager at the Westin Rancho Mirage to secure a sponsorship agreement for the 2025 festival even though they were not authorized to do so. Lusher Decl. ¶ 3. According to the general manager, the agreement looked “substantially identical to past Festival sponsorship agreements” and promised advertising assets that only Plaintiff could offer. *Id.* Further, “had [he] been aware” of the facts that Plaintiff had an RFP process underway for the festival, and that Defendant Fantasy Balloon Flights was not authorized to solicit a sponsorship agreement, he would not have signed the purported agreement. *Id.* ¶ 3.

Additionally, it appears from the evidence that Defendants solicited pilot and sponsorship applications. Popejoy-Davis Decl. ¶¶ 9, 15–19. Defendants also accepted sponsorship fees and deposits, including a \$1000 check that has been cashed, from people who thought they were paying to participate in Plaintiffs’ festival. *Id.* ¶ 18, Ex. C. Plaintiff has had to honor these payments at a loss to the City. *See* Hunt Second Supp. Decl. ¶ 10; Popejoy-Davis Decl. ¶ 14–19.

### **3. Fraudulent Prong**

To establish a cause of action under the “fraudulent” prong of the unfair competition law, “it is necessary only to show that ‘members of the public are likely to be deceived.’” *Committee on Children’s Television, Inc. v. General Foods Corp.*, 35 Cal. 3d 197, 211, (1983).

Here, Plaintiff has raised a reasonable likelihood of success, or at a minimum, a serious question going to the merits of its claim that the public is likely to be deceived by Defendants’ conduct. Specifically, as reflected in the record, the following people and businesses were deceived: (1) the general manager of the Westin Rancho Mirage; (2) the general counsel of Agua Caliente

Casinos; (3) two sponsors; and (4) two pilots. On account of Defendants' conduct, people and businesses were led to believe Defendants were producing the City's 2025 Festival, and thus either engaged in extensive communications regarding logistics, entered into a contract with Defendants, or paid monies to Defendants for participation in the 2025 Festival. *See* Lusher Decl.; Lynch Decl.; and Popejoy-Davis Decl.

### **B. Likelihood of Irreparable Harm**

With respect to a likelihood of irreparable harm absent relief, the Court finds Plaintiff has met its burden. Plaintiff's festival is less than two months away, and the planning and coordination of the festival have been frustrated by Defendants' conduct. Hunt Decl. ¶¶ 25–38; Lynch Decl. ¶¶ 12–15; Parman Decl. ¶¶ 33–34; Hunt Second Supp. Decl., ¶¶ 9–10. Defendants purport to be advertising their own festival in Rancho Mirage; however, as of September 17, 2025, the City of Rancho Mirage does not have a permit application from Defendants. Dukic Decl. ¶ 5. Further, it appears Defendants secured a sponsorship agreement with the Westin Rancho Mirage—but as discussed, the Westin Rancho Mirage thought the agreement was for Plaintiff's festival. Lusher Decl. ¶ 3. Based on the evidence in the record, Plaintiff will continue to suffer harm by losing money in “honoring” fees pilots and other sponsors have paid to Defendants, while quelling massive confusion over which festival is actually occurring in November. *See* Popejoy-Davis Decl. Most recently, Plaintiff was informed by the FAA that an approval for the “Cathedral City International Hot Air Balloon Festival” was already secured in June 2025 by Defendant Cindy Wilkinson. Hunt Second Supp. Decl. ¶ 9. Plaintiff has attempted to address Defendants' conduct as early as April 2025, but to no avail. Hunt Decl. ¶ 29, Ex. K. Accordingly, based on the record before the Court, without the injunction, Plaintiff has shown there is a very real risk the City will not be able to host the festival.

### **C. Balance of Equities Favor Issuance**

With respect to the balance of equities and public interest, the Court finds Plaintiff has met its burden. “To prevail on the third factor, ‘the harm to Plaintiff in the absence of an injunction must outweigh the harm to Defendant as the result of one.’” *Daimler AG v. A-Z Wheels LLC*, 498 F. Supp. 3d 1282, 1294 (S.D. Cal. 2020) (quoting *Anhing Corp.*, 2015 WL 4517846, at \*24). Plaintiff asserts and provides evidence that Defendants continue to engage in conduct that is misleading businesses and individuals, resulting in a loss of goodwill and participation for

Plaintiff's 2025 festival. In contrast, Defendants have not established any harm. *See* dkt. 50, 54, 60. Defendants argue that issuing a preliminary injunction will induce "reputational damage." Dkt. 59 at 9. However, Defendants do not provide any evidence supporting this assertion. Further, the restraining order will essentially only require Defendants to conduct their business in good faith and cease holding themselves out as organizers of the Cathedral City International Hot Air Balloon Festival on November 21-23, 2025. Accordingly, the Court finds that issuing the preliminary injunction will cause little harm to Defendants

#### **D. Public Interest Favor Issuance**

With respect to the public interest, the Court finds Plaintiff's preliminary injunction will favor the public. The UCL was "designed to protect consumers from deceptive business practices." *Groff v. Keurig Green Mountain, Inc.*, No. 5:23-CV-01492-SSS-SPX, 2024 WL 2335634, at \*3 (C.D. Cal. Mar. 18, 2024). Not only has Plaintiff, a public entity, expended public resources to curb Defendants' conduct, but various individuals, including prospective pilots and sponsors, were misled into paying Defendants for what they perceived to be participation in Plaintiff's festival. *See* App. at 24–25; Popejoy-Davis Decl. Accordingly, the public interest would be served by issuing a preliminary injunction.

#### **E. Bond**

Federal Rule of Civil Procedure 65(c) provides that "[t]he court may issue a preliminary injunction or a temporary restraining order only if the movant gives security in an amount that the court considers proper to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained." The Ninth Circuit has "recognized that Rule 65(c) invests the district court with discretion as to the amount of security required, *if any*." *Jorgensen v. Cassidy*, 320 F.3d 906, 919 (9th Cir. 2003) (internal quotation marks and citation omitted) (*italics in original*). Thus, the district court has discretion to dispense with the filing of a bond altogether or to require only a nominal bond. *See id.* "The bond amount may be zero if there is no evidence the party will suffer damages from the injunction." *Connecticut Gen. Life Ins. Co. v. New Images of Beverly Hills*, 321 F.3d 878, 882 (9th Cir. 2003) (citing *Gorbach v. Reno*, 219 F.3d 1087, 1092 (9th Cir. 2000)).

Defendants argue a “significant” bond should be issued because an injunction would take Defendants “out of the marketplace[.]” Dkt. 59 at 9. However, Defendants present no evidence demonstrating what, if any, damages they will suffer because of the injunction. The Court notes again that this injunction is essentially only in effect until the end of November. Further, based on the record, the injunction will have little impact on Defendants. *See* Section V.C. Therefore, the Court finds no bond will be required.

## VI. CONCLUSION

The Court finds Plaintiff has at least raised serious questions going to the merits and that the balance of hardships tips sharply in its favor if Defendants are not enjoined. Therefore, a preliminary injunction is hereby issued against Defendants, and pending trial, Defendants are enjoined from:

1. Holding themselves out, publicly or privately, as the producer, sponsor, CEO, Founder, or authorized organizer of the “Cathedral City Hot Air Balloon Festival,” the “Cathedral City International Hot Air Balloon Festival,” or any similarly named event that implies affiliation with Plaintiff provided, however, that nothing in this Order shall prevent Defendants from making accurate references to their historical involvement in prior Cathedral City festivals, so long as such references are not used in any advertising, marketing, solicitation, or other commercial context that could reasonably mislead the public and suggest current authorization or sponsorship or affiliation of the official “Cathedral City Hot Air Balloon Festival,” or, as it is now known, the “Cathedral City International Hot Air Balloon Festival”;
2. Using Plaintiff’s unregistered wordmarks, including but not limited to “Cathedral City Balloon Festival,” “Cathedral City Hot Air Balloon Festival,” “Cathedral City Hot Air Balloon Festival and Food Truck Fiesta,” “Cathedral City International Hot Air Balloon Festival,” “11th Annual Cathedral City International Hot Air Balloon Festival,” and all confusingly similar variations or derivatives thereof;
3. Using any of Plaintiff’s design marks identified in Exhibits A through J to the Complaint, or any substantially similar visual identifiers, which feature the Cathedral City Bell Tower and palm trees graphic elements, in combination with a multicolored or red-and-white, vertically striped hot

- air balloon, and the phrases “Cathedral City Balloon Festival,” “Cathedral City Hot Air Balloon Festival,” or “Cathedral City International Hot Air Balloon Festival,” in connection with any event, advertisement, website (including [www.hotairballoonfest.com](http://www.hotairballoonfest.com)), or social media platform (including Facebook and Instagram accounts bearing similar names) that purports to be or is likely to be confused with the official Cathedral City hot air balloon festival: the “Cathedral City Hot Air Balloon Festival,” or, as it is now known, the “Cathedral City International Hot Air Balloon Festival”;
4. Advertising, promoting, soliciting participation in, or otherwise representing that Defendants are organizing, sponsoring, or affiliated with the “Cathedral City Hot Air Balloon Festival,” or, as it is now known, the “Cathedral City International Hot Air Balloon Festival” or any similarly named event, or any competing hot air balloon festival taking place November 21 through 23, 2025, in the City of Cathedral City and/or at either the Westin Rancho Mirage Golf Resort & Spa (located at 71333 Dinah Shore Drive, Rancho Mirage, California 92270) or Agua Caliente Rancho Mirage (located at 32-250 Bob Hope Drive, Rancho Mirage, California 92270);
  5. Soliciting balloon pilots, vendors, corporate sponsors, volunteers, or attendees in connection with the 11th Annual Cathedral City International Hot Air Balloon Festival scheduled for November 21 through November 23, 2025, or for any competing hot air balloon festival taking place November 21 through 23, 2025, in the City of Cathedral City and/or at either the Westin Rancho Mirage Golf Resort & Spa (located at 71333 Dinah Shore Drive, Rancho Mirage, California 92270) or Agua Caliente Rancho Mirage (located at 32-250 Bob Hope Drive, Rancho Mirage, California 92270);
  6. Accepting funds, registration fees, vendor fees, sponsorship payments, or other consideration in connection with any event that uses Plaintiff’s marks or implies an affiliation with the City of Cathedral City, unless expressly authorized in writing by the City, or any competing hot air balloon festival taking place November 21 through 23, 2025, in the City of Cathedral City and/or at either the Westin Rancho Mirage Golf Resort & Spa (located at 71333 Dinah Shore Drive, Rancho Mirage, California

92270) or Agua Caliente Rancho Mirage (located at 32-250 Bob Hope Drive, Rancho Mirage, California 92270);

7. Using any tangible materials, digital assets, or event-related collateral previously developed for or in coordination with the City, including physical balloon envelopes or co-branded advertising materials, in connection with any competing or unauthorized event; and
8. Organizing, promoting, or hosting any balloon festival or similarly themed public event within the boundaries of Cathedral City without first obtaining all permits, licenses, and municipal approvals required under Cathedral City Municipal Code, including public safety and insurance compliance.
9. **Within five court days of entry of this Order**, Defendants shall provide to Plaintiff a verified disclosure identifying all balloon pilots, event sponsors, and volunteers who have been contacted by, or who have contacted Defendants since January 1, 2025, regarding the “11th Annual Cathedral City International Hot Air Balloon Festival” scheduled for November 21–23, 2025, or any competing hot air balloon festival taking place November 21 through 23, 2025, in the City of Cathedral City and/or at either the Westin Rancho Mirage Golf Resort & Spa (located at 71333 Dinah Shore Drive, Rancho Mirage, California 92270) or Agua Caliente Rancho Mirage (located at 32-250 Bob Hope Drive, Rancho Mirage, California 92270). For each individual or entity identified, provide their name, email address, mailing address, and phone number, and indicate whether they have made any payment to Defendants and, if so, how much they have paid.

With respect to Number 9, the verified disclosure, the Court **ORDERS** that the disclosure may only be made available to Plaintiff, including its employees and authorized agents, working on the 11th Annual Cathedral City International Hot Air Balloon Festival.

**IT IS SO ORDERED.**