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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

ROBERT JACOBSEN, an individual, Plaintiff, v. MATTHEW KATZER, an individual, and KAMIND ASSOCIATES, INC., an Oregon corporation dba KAM Industries, Defendants.	No. C06-1905-JSW **AMENDED MOTION FOR LEAVE TO FILE SECOND AMENDED COMPLAINT, AND IN THE ALTERNATIVE, MOTION FOR FINAL JUDGMENT UNDER RULE 54(B) AS TO CYBERSQUATTING CAUSE OF ACTION** Courtroom: 2, 17th Floor Judge: Hon. Jeffrey S. White Date: Friday, Jan. 4, 2008 Time: 9:00 a.m.

NOTICE OF MOTION

TO THE PARTIES AND THEIR ATTORNEYS OF RECORD

PLEASE TAKE NOTICE that, on Friday, January 4, 2008, at 9:00 a.m. in Courtroom 2, 17th floor of the San Francisco Division of the United States District Court for the Northern District of California, located at 450 Golden Gate Avenue, San Francisco, California, Plaintiff Robert Jacobsen will seek leave for file a Second Amended Complaint. This amended motion is

based on the following, and the previously filed exhibits and appendices [Docket 174].

INTRODUCTION

Although he has consent from Defendants to file a Second Amended Complaint, Declaration of Victoria K. Hall, Exhibit A first paragraph, Plaintiff files this motion for leave to file his Second Amended Complaint to address another matter that has arisen since the last hearing on Sept. 14, 2007.

After careful consideration, Plaintiff has decided to provide two versions of the proposed Second Amended Complaint, one with cybersquatting and one without cybersquatting. This is why: Plaintiff believes he needs to make the record for appeal on cybersquatting, and that it must be done through a motion for leave to file an amended complaint. However, Plaintiff is mindful of this Court's past orders regarding previously dismissed causes of action. So that there will be no further delays in this litigation, Plaintiff provides an alternate version for the Court to accept should the Court choose not to restore the previously dismissed cybersquatting cause of action. Defendants do not object to filing a Second Amended Complaint, but state they object to Plaintiff filing two Second Amended Complaints. Defendants appear to believe that Plaintiff is filing two Second Amended Complaints instead of a motion for leave to file a Second Amended Complaint.

ISSUES TO BE DECIDED

- Should the cybersquatting cause of action be restored and Version A of the proposed Second Amended Complaint be filed?
- Should Version B of the proposed Second Amended Complaint be filed, and final judgment under Rule 54(b) be entered as to the cybersquatting cause of action?

ARGUMENT

Plaintiff seeks leave to file a Second Amended Complaint. If a party has amended his pleading once, "a party may amend the party's pleading only by leave of court or by written consent of the adverse party; and leave shall be freely given when justice so requires." Fed. R. Civ. P. Rule 15(a). Plaintiff provides two versions of the proposed Second Amended Complaint. Defendants, as noted earlier, consent to the filing of either version of proposed Second Amended

Complaint. Version A (Exhibit A) contains the cybersquatting claim. Version B (Exhibit B) does not. One can discern the difference between the complaints by looking at the lower right hand corner of the proposed complaints, which have either an "A" for Version A, or "B" for Version B. The reason Plaintiff files this motion is to address the previously dismissed cybersquatting cause of action. Plaintiff and his counsel are aware of the Court's views on including references to previously dismissed causes of action in later complaints, and thank the Court in advance for its patience while Plaintiff makes the record for appeal. To the extent necessary, Plaintiff moves for leave to file this as a motion for reconsideration, on the following basis:

Plaintiff did not know that this Court thought counsel for Plaintiff said the cybersquatting cause of action was in rem. Plaintiff could not have known, through his own diligence, that the Court held this belief. Plaintiff only became aware of this belief when the Court issued its order on Aug. 17, 2007, and only last week obtained the transcript from the court reporter, which confirmed that counsel for Plaintiff did not say the cybersquatting cause of action was in rem. See Transcript of Proceedings, Jan 19, 2007, at 18, l. 22 – 20, l. 16. (Exhibit C). There, counsel for Plaintiff stated, "How about if I just say, let's not go for decodopro.com [sic] back in this litigation." Id. at 18, ll. 22-23. Counsel for Plaintiff then said that Plaintiff would seek an award for attorney's fees to bring an in rem action in the Eastern District of Virginia. Id. at 19, ll. 4-7. There is no mention of bringing an in rem action in the Northern District of California, nor would it make sense to because the registrar, Network Solutions, is located in the Eastern District of Virginia. An in rem action must be brought in the district in which the domain name registrar is located. See 15 U.S.C. Sec. 1125(d)(2) ("The owner of a mark may file an in rem civil action against a domain name in the judicial district in which the domain name registrar, domain name registry, or other domain name authority that registered or assigned the domain name is located…."). Further in the transcript, counsel for Plaintiff said that if Plaintiff dropped his claim for the transfer of decoderpro.com, then this change would moot Defendants' motion to dismiss for failure to join a party under Rule 19. Id. at 19, ll. 17-19; at 20, at ll. 8-12. Thus, the Jan. 19, 2007 transcript, just recently available, constitutes a material difference in facts as compared with what the Aug. 17,

2007 order said, so that leave to file this motion for reconsideration should be granted under Civil L.R. 7-9(b)(1).

Likewise, under Civil L.R., 7-9(b)(2), there was an emergence of new facts – that this Court believed that counsel for Plaintiff had stated cybersquatting was in rem, which as noted above counsel for Plaintiff (1) did not say and (2) did not know the Court thought this is what she said. Facts are newly available to the Court – they are in the transcript. On this basis, leave to file this motion for reconsideration should be granted.

Finally, and with all due respect, under Civil L.R. 7-9(b)(3), there was a manifest failure by the Court to consider material facts that were presented to the Court at the Jan. 19, 2007 hearing – that counsel for Plaintiff described the cause of action, pending in this lawsuit, in a manner that made it clear it was not cybersquatting in rem.

Plaintiff believes that the cybersquatting claim is a viable claim, as shown by the UDRP panel's decision in Jacobsen v. Britton, WIPO Case No. D2007-0763. He also believes that the cybersquatting claim is not moot because Plaintiff also sought injunctive relief, which has not been granted or addressed.

To prevail on a cybersquatting claim, a trademark holder must show he is the owner of a distinctive or famous mark, and "without regard to the goods or services of the parties, that [Defendants] (i) ha[d] a bad faith intent to profit from that mark …; and (ii) register[ed], traffic[ked] in, or use[d] a domain name" that is identical or confusingly similar to the mark. Bosley Med. Inst., Inc. v. Kremer, 403 F.3d 672, 680 (9th Cir. 2005); 15 U.S.C. § 1125(d)(1)(A).

Plaintiff has shown that he is the trademark holder. The DecoderPro trademark is distinctive because of its widespread use and recognition among model railroaders who use computer control in their layouts, and also because Plaintiff registered the mark, and the U.S. Trademark Office placed the mark on its Principal Register. Defendants had no legitimate rights in the mark.

Defendants registered the domain name. When Plaintiff learned about this, he demanded the domain name be transferred to him. Defendant Katzer refused to transfer the domain name to Plaintiff. Instead, he transferred it to Jerry Britton for a monetary interest of $20,000 plus

attorneys' fees, payable if Mr. Britton broke the settlement agreement. Britton was barred from transferring the domain name to anyone else, including Plaintiff, the rightful owner. These facts support that Defendants registered and trafficked in the domain name, and Defendants had bad faith intent to profit from the mark.

Thus, the cybersquatting claim is a viable claim, and should be permitted in the Second Amended Complaint. This Court has ordered the parties to attend a settlement conference on or before Dec. 14, 2007. Plaintiff will put his best efforts into the settlement conference, but he cannot in good conscience settle the case if cybersquatting is not part of the settlement. Plaintiff believes it would be better if cybersquatting were part of the settlement conference that this Court ordered, but if the Court does not permit Version A to be filed, then Plaintiff moves for final judgment of the cybersquatting claim under Federal Rules of Civil Procedure Rule 54(b) so that he may consolidate the matter with his other appeal pending before the Federal Circuit, and so that he may engage in settlement talks through the Federal Circuit mediation program.

Having made the record for appeal as to cybersquatting, Plaintiff moves to Version B.

Version B is the same complaint without the cybersquatting claim. Facts relevant to cybersquatting are also relevant to showing that Defendants engaged in a pattern of infringing JMRI and others' intellectual property, and claiming JMRI and other's IP as their own, and so the facts remain.

The exhibits remain the same for both versions of the proposed Second Amended Complaint. Counsel for Plaintiff sent defense counsel both versions of the proposed Second Amended Complaint. Defendants consented to filing either version of the Second Amended Complaint under Rule 15. Declaration of Victoria K. Hall, Exhibit A first paragraph, Exhibit B at 2. Defendants did state that they objected to filing both versions of the Second Amended Complaint. Declaration of Victoria K. Hall, Exhibit B at 2. However, Plaintiff is filing a motion for leave to file a Second Amended Complaint, and is not filing two Second Amended Complaints. Defendants have not stated a position on the motion for final judgment under Rule 54(b) as to the cybersquatting cause of action, nor on the motion for leave to file motion for reconsideration.

Because Defendants consented to filing either version of the proposed Second Amended Complaint, the Court has only two issues before it: (1) whether to grant leave to file a motion for reconsideration, and (2) if it does not grant leave to file a motion for reconsideration, whether to grant a motion to enter final judgment under Rule 54(b) as to cybersquatting only. Because the Court can rule on the motion for leave to file a motion for reconsideration based only Plaintiff's arguments above, Civil L.R. 7-9(d), the Court can determine whether it should grant that request. If it grants leave and grants the motion for reconsideration, then Plaintiff's motion for final judgment is moot. If the Court does not grant leave, then the Court can accept Version B of the proposed Second Amended Complaint, since Defendants consented to the filing of this complaint. Declaration of Victoria K. Hall, Exhibit A first paragraph, Exhibit B at 2. This will permit litigation to move forward, and Plaintiff can be satisfied that he has made sufficient record for appeal as to cybersquatting. The Court can defer a ruling on the motion for final judgment under Rule 54(b) as to cybersquatting until after receiving Defendants' response November 19, 2007, or after the January 2008 hearing.

On another note, to comply with this Court's Aug. 17, 2007 order, Plaintiff has done the following:

Various footnotes that were ordered stricken have been removed, as have placeholders for previously dismissed causes of action.

References to Mr. Russell as a Defendant have been removed from former paragraph 50 which is now paragraph 364.

Former paragraphs H and T in the Prayer for Relief have been removed, as have references to statutory damages for JMRI decoder definition files version 1.7.1. Other copyright registrations have been added in both versions of the proposed Second Amended Complaint. To preserve the record for appeal, Plaintiff seeks statutory damages for infringement of the newly added registrations. At least one version was registered within three months of publication, and thus statutory damages are available. 17 U.S.C. Sec. 412(2). Plaintiff has also added a statement in the Prayer for Relief that, for infringement of the newly added registrations which the Court later finds

statutory damages are not available, Plaintiff seeks actual damages and profits.

SUMMARY

The Court should accept Version A of the proposed Second Amended Complaint for filing. In the alternative, the Court should accept Version B of the proposed Second Complaint for filing, and enter final judgment under Rule 54(b) as to the cybersquatting cause of action. Because Defendants consented to the filing of either version, the Court has the option of ruling on which version it will choose to accept, and defer ruling on the motion to enter final judgment under Rule 54(b) as to cybersquatting, until after receiving Defendants' opposition on November 19, 2007 or after the January 2008 hearing.

Respectfully submitted,

DATED: November 2, 2007

By /s/

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