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10 UNITED STATES DISTRICT COURT  
11 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
12 SAN FRANCISCO DIVISION

13 ROBERT JACOBSEN, an individual, )  
14 )  
Plaintiff, )  
15 v. )  
16 )  
MATTHEW KATZER, an individual, and )  
17 KAMIND ASSOCIATES, INC., an Oregon )  
corporation dba KAM Industries, )  
18 )  
Defendants. )  
19 )

No. C06-1905-JSW  
**REPLY MEMORANDUM TO  
DEFENDANTS' OPPOSITION TO  
PLAINTIFF'S 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**

20 Courtroom: 2, 17th Floor  
Judge: Hon. Jeffrey S. White  
21 Date: Friday, Jan. 18, 2008  
Time: 9:00 a.m.

22  
23 For the following reasons, Plaintiff's motion for leave to file a Second Amended Complaint  
24 should be granted. If the Court does not accept Version A of the Second Amended Complaint,  
25 then the Court should grant final judgment as to the cybersquatting cause of action so that Plaintiff  
26 may consolidate its appeal with the appeal currently pending before the Federal Circuit. Sanctions  
27

1 are not warranted because Plaintiff must make the record for appeal. He has done so in what he  
2 believes is the most efficient manner.

3 FACTS

4 Plaintiff filed this lawsuit March 13, 2006. Twenty months later, defendants have filed no  
5 answer.

6 On January 19, 2007, this Court heard arguments relating to Defendants' motion to dismiss  
7 the cybersquatting cause of action for failure to join a necessary party, Jerry Britton. Beginning in  
8 June 2007, plaintiff, his process server, and finally his counsel, diligently sought the transcript from  
9 the January 19, 2007 hearing from the court reporter, Jim Yeomans. Declaration of Robert  
10 Jacobsen at ¶¶ 1-4; Declaration of Michele Swiggers at ¶¶ 2-8; Declaration of Victoria K. Hall at  
11 ¶¶ 2-5, 7 [hereinafter Hall Declaration]. Until his counsel intervened, Mr. Yeomans did not  
12 provide a cost of the transcript or return most calls. See Hall Declaration at ¶¶ 2-3.

13 This Court issued its order relating to cybersquatting on August 17, 2007. The Court stated  
14 that counsel for plaintiff characterized the cybersquatting claim as being in rem. Order Granting  
15 Defendants' Motion to Dismiss, Granting in Part and Denying in Part Defendants' Motion to  
16 Strike, and Denying Plaintiff's Motion for Preliminary Injunction at 5. The Court ruled that  
17 because plaintiff had recently obtained the domain name, the cybersquatting claim was moot. Id. at  
18 6. The transcript was not available when the Court made its ruling.

19 The Court also ordered plaintiff to strike from the relief his request for statutory damages  
20 for JMRI version 1.7.1, the only version then pending before the court. Id. at 7-8. The Court did  
21 not order attorneys fees to be stricken. See id.

22 Plaintiff sought leave to file a motion for reconsideration. Motion for Leave to File Motion  
23 for Reconsideration [Docket 159]. He stated that he had sought the transcript for several months to  
24 no avail. Id. Ex. A at 3. Without the transcript available, he stated that to the best of his belief,  
25 neither he nor his counsel represented that cybersquatting was in rem, and that he believed the  
26 Court misunderstood him. Id. The Court rejected his motion, stating that "Plaintiff's contention  
27 that the Court misunderstood his argument at the hearing does not constitute a changed material

1 fact and does not alter the Court's ruling on Defendants' motions to dismiss." Order Denying  
2 Motion for Leave to File a Motion for Reconsideration, at 2. Without the transcript, Plaintiff's  
3 contention was the best information available to him at the time.

4 Separately, Plaintiff filed a notice of appeal on September 13, 2007. He appealed the  
5 Court's denial of his motion for preliminary injunction. [Docket 163]. After finally reaching the  
6 court reporter, counsel for Plaintiff ordered the January 19, 2007 hearing transcript at the same  
7 time she filed the notice of appeal, and paid for the transcript the same day. [Docket 165].

8 At the Case Management Conference the following day, plaintiff sought time to file a  
9 Second Amended Complaint. His counsel stated she needed until the end of October. The Court  
10 gave her until October 19, 2007 to send a courtesy copy to defense counsel. Minute Entry [Docket  
11 166]. The Court ordered a response from defense counsel by October 26, 2007. Id. Plaintiff had  
12 until October 31, 2007 to file a motion for leave to file a Second Amended Complaint. Id.

13 While working on the Second Amended Complaint, counsel for plaintiff diligently sought  
14 the transcript from the January 19, 2007 hearing. Hall Declaration at ¶ 5. On October 19, 2007,  
15 following this Court's order, counsel for plaintiff sent the proposed Second Amended Complaints  
16 to defense counsel. Hall Declaration Ex. A. A week later, defense counsel sent his response,  
17 consenting to the filing of either Second Amended Complaint.

18 In late October 2007, counsel for plaintiff finally received the January 19, 2007 transcript.  
19 Hall Declaration at ¶ 7. Previously unavailable, the transcript records no statement in which  
20 counsel for Plaintiff said the cybersquatting claim was in rem.

21 ARGUMENT

22 Motion for leave to file a Second Amended Complaint is not opposed, and thus should be granted

23 Plaintiff filed a motion for leave to file a Second Amended Complaint. Defendants admit  
24 that they consented to the filing of a Second Amended Complaint. Thus this motion is unopposed,  
25 and should be granted. This leaves only two questions left to be addressed: Does this Court  
26 require a motion for leave to file a motion for reconsideration to restore the cybersquatting cause of  
27 action? If the Court does not permit cybersquatting to be restored, should the Court enter final

1 judgment as to that claim? Plaintiff addresses each, in turn.

2 Plaintiff's Motion is Not a Motion for Reconsideration

3 In its October 7, 2007 scheduling order, the Court asked Defendants to address whether the  
4 motion was a motion for reconsideration. The motion is not. This Court required Plaintiff to file a  
5 Motion for Leave to File a Second Amended Complaint. Transcript of September 14, 2007, at 12-  
6 13. Even if defense counsel agreed that a Second Amended Complaint could be filed, a stipulation  
7 and consent motion would have to be filed, per Local Rule 7-12. Thus, a motion for leave to file a  
8 Second Amended Complaint is required. Version B does not contain the cybersquatting cause of  
9 action, so any motion for reconsideration is not applicable to that version. In failing to address this  
10 point, Defendants concede the motion is not for reconsideration. Thus, the motion for leave to file  
11 a Second Amended Complaint is a standalone motion, not a motion for reconsideration.

12 Plaintiff has sought permission of the Court to include the cybersquatting claim in the  
13 Second Amended Complaint. Whether or not this requires a motion for reconsideration, the  
14 motion for leave is still that – a motion for permission to include the cybersquatting cause of  
15 action. To the extent necessary, as Plaintiff notes, the motion for leave to file a Second Amended  
16 Complaint includes argument related to a motion for leave to file a motion for reconsideration.  
17 Defendants incorrectly state this is sanctionable. In several cases, the Ninth Circuit has noted,  
18 without controversy, that a motion for leave to file an amended complaint also included a motion  
19 for reconsideration within it. E.g., Nat'l Abortions Fed. v. Operation Rescue, 8 F.3d 680, 681 (9th  
20 Cir. 1993); DeRoburt v. Gannett Co., 733 F.2d 701, 703 (9th Cir. 1984) (reconsideration and leave  
21 to file amended complaint combined). If this is no cause for complaint in the Ninth Circuit, it  
22 should not be the basis for any sanction motion here. Contrary to Defendants contentions, the  
23 argument at the January 19, 2007 hearing was directed toward whether Jerry Britton was a  
24 necessary party, not whether the claim was in rem. “Ordering the transcript” is not the new  
25 material fact, but the transcript itself, and what it shows, is. In order to preserve the record for  
26 appeal, Plaintiff believes he must present the transcript and make arguments related to that. Given  
27 the late date in which he obtained the transcript, he has done so, in the most efficient manner that

1 permits this Court to address the issue, permits plaintiff to make the record for appeal, and reduces  
2 delay. If the Court accepts Version A, a Third Amended Complaint will be significantly less  
3 likely, as shown below, and Plaintiff will feel there is less of a barrier to settling the case. In a case  
4 which has seen nearly a year and a half delay in the Answer, Plaintiff's approach is the most  
5 sensible in order to efficiently resolve this litigation, instead of stall and delay its end, which would  
6 happen if Plaintiff was forced to wait until the end of trial before he could appeal this Court's  
7 dismissal of the cybersquatting claim.

8 Motion for Final Judgment under Rule 54(b) Should Be Granted

9 If the Court does not permit the cybersquatting cause of action to be restored, then it should  
10 enter final judgment as to cybersquatting so that Plaintiff can consolidate its appeal with his  
11 pending appeal.

12 Several factors are considered when determining whether to grant a motion for final  
13 judgment under Rule 54(b). These include "whether the claims under review were separable from  
14 the others remaining to be adjudicated and whether the nature of the claims already determined was  
15 such that no appellate court would have to decide the same issues more than once even if there  
16 were subsequent appeals." Curtiss-Wright Corp. v. Gen. Elec. Corp., 446 U.S. 1, 8 (1980). These  
17 are not the sole considerations. "For example, if the district court concluded that there was a  
18 possibility that an appellate court would have to face the same issues on a subsequent appeal, this  
19 might perhaps be offset by a finding that an appellate resolution of the certified claims would  
20 facilitate a settlement of the remainder of the claims." Curtiss-Wright, 446 U.S. at 8 n.2. Here,  
21 cybersquatting is separable from the remaining claims. They involve different property and  
22 different elements of proof. Unlike the employment claims in Wood v. GCC Bend, LLC, 422 F.3d  
23 873 (9th Cir. 2005), the copyright and cybersquatting causes of action are not intertwined – a fact  
24 which Defendants conceded. It does not require a finding of "harsh or unusual circumstances."  
25 Curtiss-Wright, 446 U.S. at 9. If final judgment is entered under Rule 54(b), Plaintiff will be more  
26 likely to settle this case. If not, this case will likely go to trial, so that Plaintiff can appeal a claim  
27 worth \$100,000 in damages, plus injunctive relief, and \$2,000 in costs, plus attorney's fees.

