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6  
 7  
 8 **UNITED STATES DISTRICT COURT**  
 9 **DISTRICT OF ARIZONA**

10  
 11 XCENTRIC VENTURES, LLC, an  
 Arizona limited liability company,

12  
 13 Plaintiff,

14 vs.

15 KARSEN, LTD., a foreign entity of  
 unknown origin d/b/a Scaminformer.com;  
 16 DOES 1-10, inclusive,

17 Defendants.

Case No: \_\_\_\_\_

**COMPLAINT**

18 For its Complaint Plaintiff Xcentric Ventures, LLC alleges as follows:

19 1. This is a civil action seeking monetary damages and injunctive relief for  
 20 various acts of copyright infringement under the copyright laws of the United States (17  
 21 U.S.C. § 101 *et seq.*) and for various acts of trademark infringement in violation of the  
 22 Lanham Act, 15 U.S.C. § 1051, *et seq.*, and related state law claims.

23 2. This Court has jurisdiction under 15 U.S.C. § 1121 (trademark); 17 U.S.C.  
 24 § 101 *et seq.* (copyright); 28 U.S.C. § 1331 (federal question); and 28 U.S.C. § 1338(a)  
 25 (copyright). This Court has supplemental jurisdiction over state and common law claims  
 26 pursuant to 28 U.S.C. § 1367(a).

27 3. Venue in this District is proper under 28 U.S.C. §§ 1391(b) and (c), and/or  
 28 28 U.S.C. § 1400(a). A substantial part of the acts of infringement complained of

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**COMPLAINT**

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1 occurred in this District, and certain corporate defendants are subject to personal  
2 jurisdiction in this District.

3 4. Personal jurisdiction in this District is proper because each defendant  
4 engaged in acts of copyright infringement within the District of Arizona, and/or  
5 intentionally directed tortious conduct at Plaintiff knowing such conduct would cause  
6 harm within this District.

7 5. Plaintiff XCENTRIC VENTURES, LLC (“Plaintiff”) is and at all relevant  
8 times was an Arizona limited liability company located in Phoenix, Arizona.

9 6. Plaintiff operates a consumer complaint and free speech forum known as  
10 the Rip-off Report located at [www.RipoffReport.com](http://www.RipoffReport.com) (the “Rip-off Report site”). The  
11 Rip-off Report is widely used by consumers, and works closely with government  
12 agencies, attorneys general, federal, state, and local law enforcement, and the news media  
13 to help report, identify and prevent consumer fraud and similar conduct.

14 7. Defendant KARSEN, LTD. (“KARSEN”) is a foreign entity of unknown  
15 origin which claims to be based in St. Petersburg, Russia.

16 8. Upon information and belief, KARSEN also has engaged in continuous,  
17 systematic and substantial contacts with the State of Arizona sufficient to confer general  
18 and specific personal jurisdiction over it in this District.

19 9. Personal jurisdiction is further proper as to Defendant KARSEN because on  
20 or about May 24, 2011, KARSEN expressly consented in writing to jurisdiction in this  
21 District pursuant to 17 U.S.C. § 512(g)(3).

22 **GENERAL ALLEGATIONS**

23 10. Plaintiff is and at all relevant times has been the lawful owner of the mark  
24 “RIP-OFF REPORT” which has been registered with the United States Patent and  
25 Trademark Office and assigned registration #2958949.

26 11. Since February 1998 through the filing of this action, Plaintiff has  
27 continuously used the mark “RIP-OFF REPORT” in commerce to identify and  
28 distinguish Plaintiff’s business from other businesses in the same field.

1           12. Plaintiff is and at all relevant times has been the lawful owner of the mark  
2 “DON’T LET THEM GET AWAY WITH IT” which has been registered with the United  
3 States Patent and Trademark Office and assigned registration #2824390.

4           13. Since February 1998 through the filing of this action, Plaintiff has  
5 continuously used the mark “DON’T LET THEM GET AWAY WITH IT” in commerce  
6 to identify and distinguish Plaintiff’s business from other businesses in the same field.

7           14. Plaintiff’s ownership of the “DON’T LET THEM GET AWAY WITH IT”  
8 mark is incontestable as a matter of law pursuant to 15 U.S.C. § 1065.

9           15. Plaintiff is the owner of various copyrights relating to content appearing on  
10 the Rip-off Report website.

11           16. Plaintiff is the owner of the federal copyright issued by the United States  
12 Copyright Office Certificate of Registration No. TXu1-371-920 entitled “Group database  
13 registration for automated database entitled ‘Rip-off report database’” (the “‘920  
14 Copyright”) dated May 20, 2008. The ‘920 copyright applies to a database/compilation  
15 of more than 600,000 user-generated reports posted on the Rip-off Report website.

16           17. Plaintiff does not publish everything submitted to the Rip-off Report  
17 website. Rather, when material is submitted to the website by a third party, it is held for  
18 review by one of Plaintiff’s employees known as “content monitors”.

19           18. Plaintiff’s staff of content monitors review each and every submission to  
20 the site and select only certain submissions for publication based on their content. Any  
21 submissions selected for publication are further reviewed for compliance with a written  
22 set of policies and procedures which identify certain material which *must* be removed  
23 from each submission (such as social security numbers, pornography, threats of violence,  
24 etc.) and certain contents which *may* be removed based on the content monitor’s editorial  
25 discretion (such as profanity, racial slurs, or inappropriate commercial advertisements).  
26 Only after a submission has been fully reviewed will it appear on Plaintiff’s website.

27           19. The resulting collection of user-generated material appearing on the Rip-off  
28 Report website has been formed by the selection, coordination, and arrangement of

1 material in such a way that the work as a whole is original and constitutes a copyrightable  
2 and protectable compilation within the meaning of 17 U.S.C. § 101.

3 20. Plaintiff is the owner of the federal copyright issued by the United States  
4 Copyright Office Certificate of Registration No. TXu1-574-438 entitled “Rip-off Report  
5 Content” dated March 25, 2008 (the “438 Copyright”). The ‘438 Copyright applies to  
6 all non-user generated original content located at [www.RipoffReport.com](http://www.RipoffReport.com) including all  
7 sub-pages and including, but not limited to, the following specific URLs:

- 8 • <http://www.ripoffreport.com/>
- 9 • <http://www.ripoffreport.com/ConsumersSayThankYou/WantToSueRipoffReport.aspx>
- 10 • <http://www.ripoffreport.com/PrivacyPolicy.aspx>
- 11 • <http://www.ripoffreport.com/ConsumersSayThankYou/TermsOfService.aspx>
- 12 • <http://www.ripoffreport.com/CorporateAdvocacy.aspx> and
- 13 • <http://www.ripoffreport.com/ConsumersSayThankYou/FalseReport.aspx>

14 21. When a third party user of the Rip-off Report site submits material to the  
15 site, they are required to affirmatively review and accept Plaintiff’s Terms of Service.  
16 Among other things, Plaintiff’s Terms of Service provide, “By posting information or  
17 content to any public area of [www.RipoffReport.com](http://www.RipoffReport.com), you automatically grant, and you  
18 represent and warrant that you have the right to grant, to Xcentric an irrevocable,  
19 perpetual, fully-paid, worldwide exclusive license to use, copy, perform, display and  
20 distribute such information and content and to prepare derivative works of, or incorporate  
21 into other works, such information and content, and to grant and authorize sublicenses of  
22 the foregoing.” Every post made to the Rip-off Report site is subject to these Terms of  
23 Service which includes an electronic signature by the author which complies with 15  
24 U.S.C. § 7001(a). As such, pursuant to 17 U.S.C. § 201(d)(2), Plaintiff owns the  
25 exclusive rights to each and every user-generated report posted to the Rip-off Report site.

### 26 **DEFENDANT’S ACTIVITIES**

27 22. Defendant KARSEN purports to own and operate a website located at  
28 [www.ScamInformer.com](http://www.ScamInformer.com) (the “Scam Informer site”). The Scam Informer site allows the

1 publication of consumer complaints, comments, and reviews, and is a direct competitor  
2 of Plaintiff's Rip-off Report site.

3 23. The domain name [www.ScamInformer.com](http://www.ScamInformer.com) was registered for the first time  
4 on January 31, 2011. The listed registrant is an Australian-based privacy protection  
5 service identified as [www.PrivacyProtect.org](http://www.PrivacyProtect.org). However, upon information and belief,  
6 Defendant KARSEN is the true owner of the domain name [www.ScamInformer.com](http://www.ScamInformer.com) and  
7 the operator of the Scam Informer site.

8 24. Since creating the site in January 2011, Defendant KARSEN has engaged  
9 in a campaign to willfully infringe Plaintiff's copyrights and to engage in deceptive and  
10 unlawful commercial use of Plaintiff's registered marks including, but not limited to, the  
11 "RIP-OFF REPORT mark and the "DON'T LET THEM GET AWAY WITH IT" mark.

12 25. Specifically, since the Scam Informer website was created, Defendant  
13 KARSEN has engaged in the wholesale copying of tens of thousands of pages from  
14 Plaintiff's Rip-off Report site. The material copied by Defendant KARSEN includes  
15 original creative works owned exclusively by Plaintiff.

16 26. In addition to copying Plaintiff's works, Defendant KARSEN has used and  
17 is currently using Scam Informer site to directly compete with Plaintiff's Rip-off Report  
18 site using the "RIP-OFF REPORT mark and the "DON'T LET THEM GET AWAY  
19 WITH IT" mark.

20 27. Defendant KARSEN's use of copyrighted works from the Rip-off Report  
21 site combined with the use of Plaintiff's registered marks was, and is, likely to cause  
22 confusion as to source or sponsorship.

23 **COUNT 1**  
24 **INFRINGEMENT OF COPYRIGHT — 17 U.S.C. §§ 106, 501(a)**

25 28. Plaintiff incorporates herein by reference each and every allegation set forth  
26 above.

27 29. Defendant KARSEN has violated Plaintiff's exclusive rights under 17  
28 U.S.C. § 106(1) (direct copying) by copying Plaintiff's works without permission.

1 30. Defendant KARSEN has violated Plaintiff's exclusive rights under 17  
2 U.S.C. § 106(3) (distribution) by distributing Plaintiff's works without permission

3 31. Defendant KARSEN has violated Plaintiff's rights under 17 U.S.C. §  
4 106(5) (display) by publicly displaying Plaintiff's works without permission.

5 32. Plaintiff is informed and believes that the foregoing acts of infringement  
6 have been willful, intentional, and in disregard of and with indifference to the rights of  
7 Plaintiff.

8 33. Defendant KARSEN's infringing activities were not authorized by Plaintiff  
9 and were performed without Plaintiff's knowledge, consent, or permission.

10 34. Defendant KARSEN's infringing activities were and are done for  
11 Defendant's financial gain.

12 35. Defendant KARSEN's infringing activities have caused Plaintiff to incur  
13 actual damages of not less than \$150,000.

14 36. As the result of Defendant KARSEN's willful infringement of Plaintiff's  
15 exclusive rights, Plaintiff is entitled to recover from Defendant its actual damages  
16 pursuant to 17 U.S.C. § 504(b) or statutory damages pursuant to 17 U.S.C. § 504(c),  
17 whichever is greater.

18 37. As the result of Defendant's infringement of Plaintiff's registered works,  
19 Plaintiff further is entitled to attorneys' fees and costs pursuant to 17 U.S.C. § 505.

20 **COUNT 2**  
21 **UNLAWFUL REMOVAL OF COPYRIGHT MANAGEMENT INFORMATION**  
22 **17 U.S.C. § 1202(b)**

23 38. Plaintiff incorporates herein by reference each and every allegation set forth  
24 above.

25 39. All 600,000+ unique report pages on the Rip-off Report website contain  
26 copyright management information within the meaning of 17 U.S.C. § 1202(c).

27 40. The copyright management information found on each unique report page  
28 includes a legend identifying the exact date/time the report was posted, and the exact web

1 address where the report is located, and information identifying Plaintiff as the owner of  
2 the exclusive license to the report. This legend generally employs the following format:

3 This report was posted on Ripoff Report on [DATE] [TIME] and is a permanent  
4 record located here: [http://www.ripoffreport.com/\[address\].htm](http://www.ripoffreport.com/[address].htm).

5 Ripoff Report has an exclusive license to this report. It may not be copied  
6 without the written permission of Ripoff Report

7 41. In addition to unlawfully copying tens of thousands of individual report  
8 pages from the Rip-Off Report site, Defendant KARSEN also modified and removed the  
9 copyright management information from each such page.

10 42. For instance, on December 19, 2010, a report was submitted to the Rip-off  
11 Report website bearing the title: "Finance Solutions of America LLC George Bloom He  
12 Scammed \$55,000 Cash from a Single Mother of Five Children! Internet". The report  
13 was subsequently assigned Report #673219 and was published at the following URL:  
14 [http://www.ripoffreport.com/loans/finance-solutions-of/finance-solutions-of-america-l-  
15 ee8a6.htm](http://www.ripoffreport.com/loans/finance-solutions-of/finance-solutions-of-america-l-ee8a6.htm) ("Report #673219").

16 43. As is true of every report on the site, at the time the material was submitted  
17 to the Rip-off Report site, the author of Report #673219 made a valid assignment of an  
18 exclusive license in the report to Plaintiff. As a result of this assignment, Plaintiff owned  
19 the copyright in Report #673219.

20 44. As is true of every report on the site, Report #673219 contained a legend  
21 listing copyright management information as follows:

22 This report was posted on Ripoff Report on 12/19/2010 6:45:26 AM and is a  
23 permanent record located here: [http://www.ripoffreport.com/loans/finance-  
24 solutions-of/finance-solutions-of-america-l-ee8a6.htm](http://www.ripoffreport.com/loans/finance-solutions-of/finance-solutions-of-america-l-ee8a6.htm)

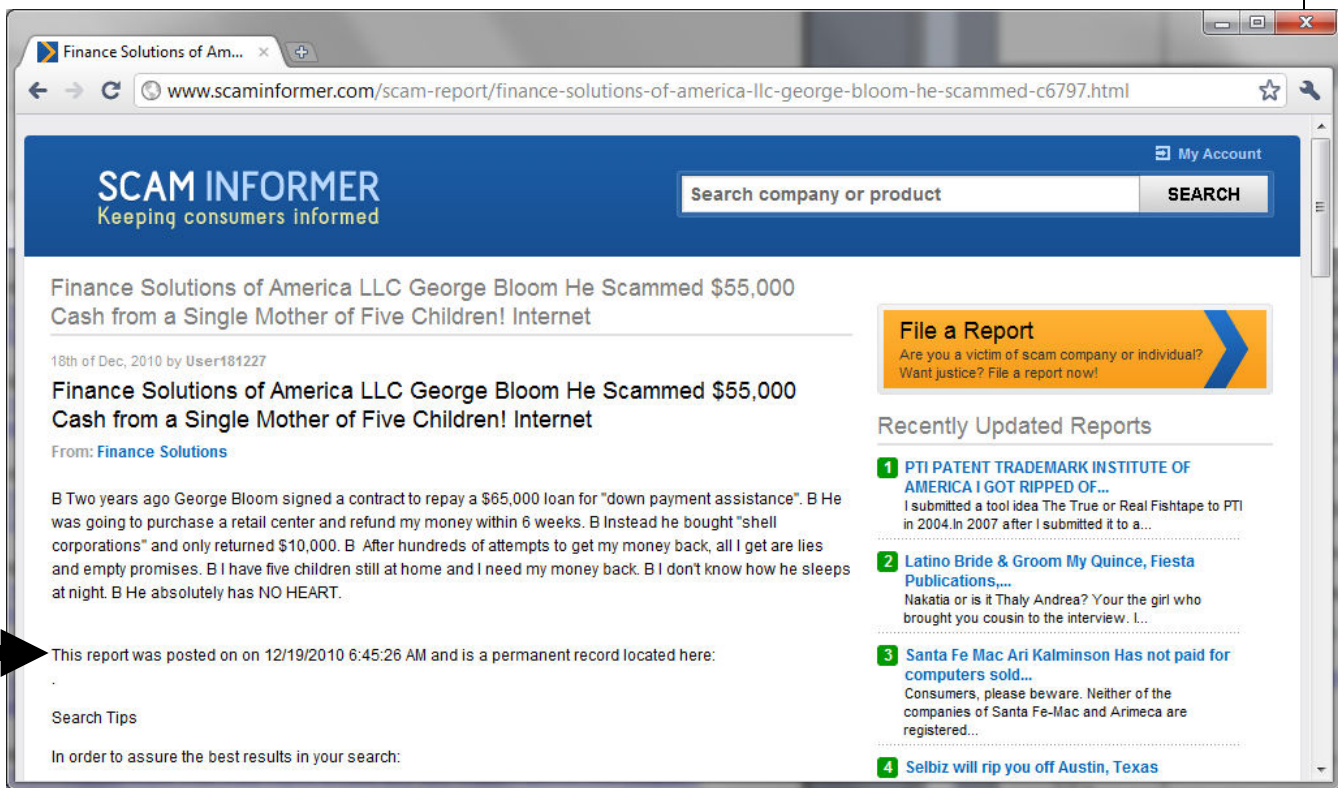
25 Ripoff Report has an exclusive license to this report. It may not be copied  
26 without the written permission of Ripoff Report

27 45. After Report #673219 was published on the Rip-off Report site, Defendant  
28 KARSEN copied the report in its entirety, including the copyright management

1 information identified above. Shortly thereafter, Defendant KARSEN republished  
2 Report #673219 on the Scam Informer site here: [http://www.scaminformer.com/scam-](http://www.scaminformer.com/scam-report/finance-solutions-of-america-llc-george-bloom-he-scammed-c6797.html)  
3 [report/finance-solutions-of-america-llc-george-bloom-he-scammed-c6797.html](http://www.scaminformer.com/scam-report/finance-solutions-of-america-llc-george-bloom-he-scammed-c6797.html)

4 46. Defendant KARSEN republished Report #673219 without permission from  
5 Plaintiff and without any lawful right to do so.

6 47. In addition to republishing the report without permission, Defendant  
7 KARSEN removed the copyright management information from Report #673219 as  
8 reflected below:



19 This report was posted on on 12/19/2010 6:45:26 AM and is a permanent record located here:  
20  
21  
22 48. Report #673219 was NOT posted on the Scam Informer site on 12/19/2010  
23 at 6:45:26 AM as reflected in the screenshot above because the Scam Informer site did  
24 not exist prior to January 31, 2011.

25 49. Defendant KARSEN used an automated script to remove Plaintiff's name  
26 ("Ripoff Report") from copyright management information found on each page taken  
27 from Plaintiff's site which originally read "This report was posted on Ripoff Report on  
28 [DATE] ...". As a result of removing the words "Ripoff Report", each infringing page

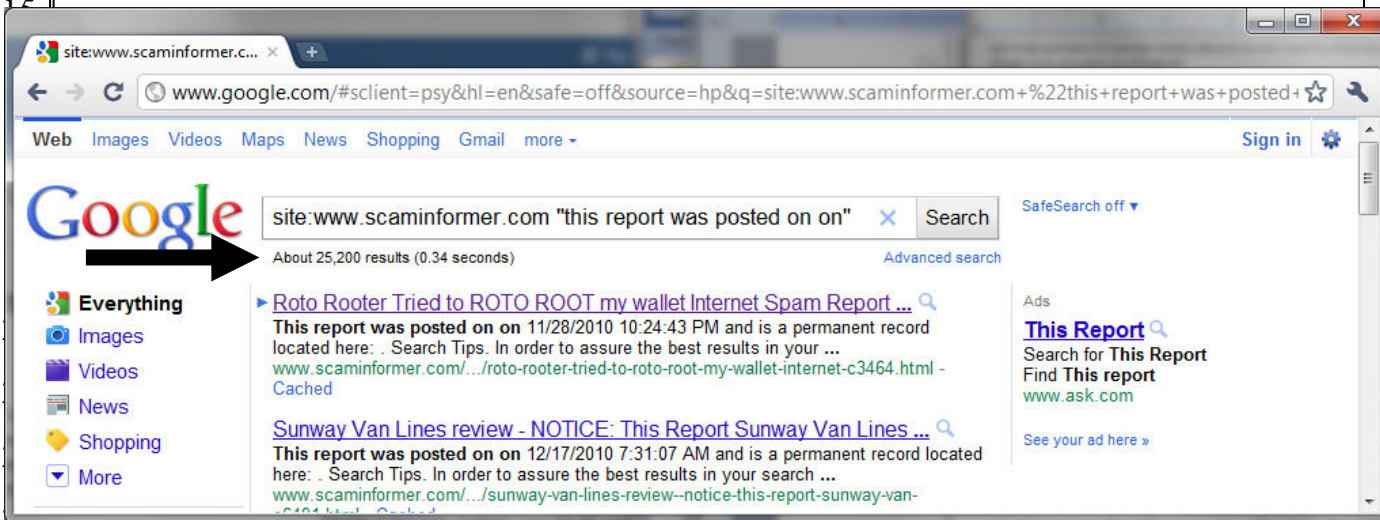
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1 appearing on the Scam Informer site contains a typographical error in the remaining text  
2 which reads as follows: “This report was posted on on ...”. The repetition of the word  
3 “on” in this sentence reflects that the text was part of the copyright management  
4 information originally copied from the Rip-off Report site and subsequently modified by  
5 Defendant KARSEN for reposting on the Scam Informer site.

6 50. In order to determine the extent of Defendant’s unlawful conduct, on May  
7 25, 2011, Plaintiff performed a Google search for the following query:  
8 site:www.scaminformer.com “this report was posted on on”. This query requested that  
9 Google return search results only for the Scam Informer site, and only for pages  
10 containing the exact phrase “this report was posted on on”.

11 51. As of May 25, 2011, this search returned in excess of 25,000 results  
12 reflecting that Defendant KARSEN copied more than 25,000 pages from the Rip-Off  
13 Report site, each of which contained unique copyright management information as  
14 identified above:



24 52. Pursuant to 17 U.S.C. § 1203(c)(B), Plaintiff is entitled to recover statutory  
25 damages of not less than \$2,500 nor more than \$25,000 for each of Defendant  
26 KARSEN’s 25,200+ violations of 17 U.S.C. § 1202. As such, Plaintiff is entitled to  
27 recover statutory damages from Defendant KARSEN of not less than \$63,000,000.00 or  
28 such greater amount as may be proven at trial.





1 **WHEREFORE**, Plaintiff prays for judgment against each Defendant as follows:

- 2 1. For Plaintiff's actual damages and Defendant's profits, or statutory  
3 damages, as Plaintiff may elect, for infringement of each copyrighted work  
4 pursuant to 17 U.S.C. § 504;
- 5 2. For statutory damages of not less than \$63,000,000 pursuant to 17 U.S.C. §  
6 1203(c)(3)(B);
- 7 3. For statutory and/or treble damages pursuant to 15 U.S.C. § 1117;
- 8 4. For injunctive relief pursuant to 17 U.S.C. §§ 502(a), 503, and 1203(b)(1);
- 9 5. For Plaintiff's costs in this action pursuant to 17 U.S.C. §§ 504, 1203(b)(4)  
10 and/or 15 U.S.C. § 1117(a);
- 11 6. For Plaintiff's reasonable attorneys' fees incurred pursuant to 17 U.S.C. §§  
12 504, 1203(b)(5) and/or 15 U.S.C. § 1117(a);
- 13 7. For such other and further relief as the Court may deem just and proper.

14 DATED May 26, 2011.

**GINGRAS LAW OFFICE, PLLC**

15 /s/ David S. Gingras \_\_\_\_\_  
16 David S. Gingras  
17 Attorneys for Plaintiff  
18 XCENTRIC VENTURES, LLC  
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