5		DATE: May 7, 2012 TIME: 9:00 A.M. DEPT: 850 COMPLAINT FILED: 03/06/12	
		[F.R.C.P. RULE 12(g)(1)]	
2		HEREWITH	
.		FILED CONCURRENTLY	
)		DECLARATION OF DINO M. ZAFFINA IN SUPPORT THEREOF	
,		TO CAL. CODE CIV. PRO § 425.16;	
;	Defendants.	F.R.C.P. RULE 12(b)(6) AND MOTION TO STRIKE PURSUANT	
,	ASSOCIATION, INC., et al.	ASSOCIATION, INC. PURSUANT TO	
,	SOUTHERN CALIFORNIA DARTS	COMPLAINT BY DEFENDANT SOUTHERN CALIFORNIA DARTS	
,	vs.	MOTION TO DISMISS PLAINTIFF'S	
	r iaiiuii,	NOTICE OF MOTION AND	
	Plaintiff,	Gary Klausner in Department 850]	
!	ASSOCIATION,	[Assigned to the Honorable Judge R.	
	SOUTHERN CALIFORNIA DARTS	CASE NO: 2:12-CV-01899 RGK (JCGx)	
	TOR THE CENTRAL DISTRICT OF	Callai Oldair Webstelda Divibion	
	UNITED STATES OF DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION		
	LIMITED STATES (OF DISTRICT COURT	
	Southern California Darts Association, Inc.		
	Attorneys for Defendant		
	Glendale, California 91208 Telephone: (818) 248-8562 Facsimile: (818) 248-8557 E-mail: robert@racinetrialworks.com		
	Robert E. Racine, Esq., SBN 107044 Law Offices of Robert E. Racine 3455 Ocean View Boulevard, Suite 100		

TO ALL PARTIES AND THEIR RESPECTIVE ATTORNEYS OF RECORDS:

PLEASE TAKE NOTICE that on May 7, 2012, at 9:00 a.m. or as soon thereafter as the matter may be heard in Department 850 of the United States District Court located at 255 E. Temple Street, Los Angeles, California 90012, Defendant, Southern California Darts Association, Inc. ("Corporation") and Defendant, Dino M. Zaffina ("Zaffina") will move this Court for an order to strike the complaint filed by Plaintiff, Southern California Darts Association ("Plaintiff"), a self-proclaimed unincorporated association. This Motion is made pursuant to *Federal Rules of Civil Procedure* Rule 12(b)(6), and is based on the grounds that: (1) Plaintiff fails to state facts sufficient to support its Lanham Act claim; (2) Corporation has fulfilled its burden of making a threshold showing that the challenged causes of action arises from protected activity, and, (3) has established that the Plaintiff has failed to demonstrate a reasonable probability of prevailing at trial on the merits of its challenged causes of action.

The underlying action brought by Corporation in State Court on September 26, 2011, is an action for several torts committed by 66 named defendants and up to 500 doe defendants. All the State Court defendants are members of Plaintiff and several business establishments allegedly sponsoring it and its members. Subsequent to the filing of the State action and prior to this motion, all eight of the business establishments have settled with Corporation. [See Declaration of Dino M. Zaffina ¶ 2]

Plaintiff's Complaint is a SLAPP suit designed to intimidate, harass, and financially deplete Corporation from pursuing its Verified Complaint against them in state court. The Complaint was filed in response to Corporation's (a) pre-incorporation and post-incorporation activity, (b) the State Complaint, (c) Corporation prevailing in its anti-SLAPP motion against William F. Lynch, a member of Plaintiff and (d) the L.A. Weekly newspaper article – [See attached a copy of a newspaper article to Plaintiff's Complaint that arose prior to filing its Federal lawsuit. As such, Corporation and Zaffina's rights guaranteed under the First Amendment have been compromised and violated.

Plaintiff's Complaint, even if true, which it is not, claims conduct pertaining to executive, litigation-related activities, and other official proceedings authorized by law, and thus, it falls within the reach of the anti-SLAPP statute. Therefore, to overcome this motion, Plaintiff must establish, through admissible evidence, a probability of success. This is a burden that they cannot meet because the Complaint alleges conduct subject to the absolute litigation privilege of *Civil Code* § 47(b).

This Motion to Dismiss is made on the following grounds:

- 1. Plaintiff's Complaint violates the *Lanham Act* because Plaintiff is not and has never been a trademark registrant for any of the tradenames or marks set forth in their Complaint, and is not a common law trademark or servicemark holder;
- 2. Plaintiff's state law claims 2 thru 5 are barred pursuant to *Cal. Rev. and Tax Code* § 19719 (a)¹ because of Plaintiff's suspended corporate status and in the event the Court determines that Plaintiff is an unincorporated association, then Plaintiff is barred under *Cal. Bus. Prof. Code* § 17918² for failure to file a fictitious business name statement. [Zaffina Decl. ¶ 8];
- 3. Furthermore, Plaintiff's state law claims are compulsory claims which Plaintiff was required to bring in the state action;
- 4. Plaintiff's Complaint constitutes a Strategic Litigation Against Public Participation ("SLAPP"), under Cal. Code Civ. Proc. § 425.16;

¹ Cal. Revenue and Tax Code § 19719 (a) states in pertinent part, "Any person who attempts or purports to exercise the powers, rights, and privileges of a corporation that has been suspended...."

² Cal. Bus. Prof. Code § 17918 "No person transacting business under a fictitious business name contrary to the provisions of this chapter, or his assignee, may maintain any action ... in the fictitious business name in any court of this state until the fictitious business name statement has been executed, filed, and published as required by this chapter...."

- a. The Complaint against Corporation and Zaffina arises from an act of Corporation in furtherance of its right of petition under the United States and California Constitutions, and that such right will be chilled if the Complaint is allowed to stand and if the Plaintiff is allowed to continue prosecuting it; and
- b. Plaintiff cannot, as a matter of law, establish a probability of success on the merits of any cause of action of the Complaint.

Additionally, should the Court grant the Motion to Strike under Cal. Code Civ. Proc. § 425.16, Corporation will move the Court to award reasonable attorney's fees to Corporation against Plaintiff and all its members named herein, and/or Plaintiff's counsel of record from Kawahito, Shraga & Westrick LLP in an amount to be determined by the Court pursuant to notice of motion. Who will ultimately pay may be problematic because the unincorporated association status is so ambiguous.

This Motion is further based upon this Notice of Motion, the Memorandum of Points and Authorities submitted herewith, the Declaration of Dino M. Zaffina (Exhibits 1-3, attached therewith) and the Declaration of Dino M. Zaffina (Exhibits 1-11 previously filed on March 26, 2012), as well as, the papers and records on file in this action, and upon such oral and documentary evidence that may be presented at the time of the hearing of this Motion.

DATED: April 4, 2012

By: /S/ Robert E. Racine

Robert E. Racine, Esq.

Attorneys for Defendant,

Southern California Darts Association, Inc.

TABLE OF CONTENTS

1

2		
3	MEMORANDUM OF POINTS AND AUTHORITIES	5-20
4	I. PRELIMINARY STATEMENT	5
5	II. STANDARDS TO DISMISS AND TO STRIKE	6-7
6	A. STANDARD FOR A MOTION TO DISMISS PURSUANT TO	
7	RULE 12(b)(6)	6
8	B. MOTION TO STRIKE PURSUANT TO CAL. CODE CIV.	
9	<u>CODE § 425.16</u>	7
10	III. LEGAL ARGUMENT	8-20
11	A. PLAINTIFF'S COMPLAINT FAILS TO STATE FACTS	
12	SUFFICIENT TO SUPPORT ANY VIOLATION OF THE	
13	LANHAM ACT	8-11
14	1. Valid, protectable trademark	8
15	2. Likely to cause confusion	9-11
16	a. Strength of the mark	9
17	b. Since There Is No Confusion and Plaintiff can not establish	
18	any of the other Sleekcraft factors, the Complaint lacks Merit	9-10
19	c. The Public Could Not Possibly be Confused	10-11
20	d. Plaintiff has Failed to Plead Facts to Support a Secondary	
21	Meaning or Genericness	11
22	B. PLAINTIFF'S STATE LAW CLAIMS ARE BARRED	11-13
23	1. Cal. Rev. and Tax Code § 19719(a) and Cal. Bus. Prof. Code	
24	§ 17918	12
25	2. Plaintiff's State Law Claims are Compulsory	12-13
26	C. PLAINTIFF'S ENTIRE COMPLAINT IS A "SLAPP" SUIT	
27	(CAL. CODE CIV. PROC § 425.16)—STEP ONE OF A TWO-	
28	STEP PROCESS	13-17
	·	

1	1. Any written or oral statement or writing made before a	
2	legislative, executive, or judicial proceeding, or any other	
3	official proceeding authorized by law	16
4	2. Any written or oral statement or writing made in connection	
5	with an issue under consideration or review by a legislative,	
6	executive, or judicial body, or any other official proceeding	
7	authorized by law	16-17
8	3. Or any other conduct in furtherance of the exercise of the	
9	constitutional right of petition or the constitutional right of	
10	free speech in connection with a public issue or an issue of	
11	public interest	17
12	D. PLAINTIFF'S PROBABILITY OF SUCCESS ON THE	
13	MERITS—STEP TWO OF THE TWO-STEP PROCESS	17-20
14	1. Violation of Cal. Bus. Prof. Code § 17200 et seq	18
15	2. Violation of California Common Law for Trademark	
16	Infringement	18-19
17	3. Violation of California Common Law for Unfair Competition	19
18	4. Violation of Cal. Bus. Prof. Code § 14247	19
19	5. The Scope and Application of the Section 47(b) Privilege Bars	
20	Claims	19-20
21	IV. CONCLUSION	20
22		
23		
24		
25		
26		
27		
28		

TABLE OF AUTHORITIES

2	Cases	
3	Albillo v. Intermodal Container Servs, Inc. (2003)	
4	114 Cal App. 4th 190, 206	18
5	Applied Info. Sciences Corp. v. eBay, Inc.,	
6	511 F.3d 966, 969 (9th Cir.2007)	8
7	Brookfield Commc'ns, Inc. v. West Coast Entm't Corp.	
8	174 F.3d 1036, 1047 (9th Cir.1999)	8
9	Committee for Idaho's High Desert, Inc., v. Yost	
10	92 F. 3d 814, 823 (9th Cir. 1996)	11
11	Dastar Corp., v. Twentieth Century Fox Film Corp. (2003)	
12	539 U.S. 23	8, 10
13	Dove Audio, Inc. v. Rosenfeld (1996)	
14	47 Cal. App. 4th 777, 781-83	19
15	Entrepreneur Media, Inc. v. Smith,	
16	279 F.3d 1135, 1141 (9th Cir.2002)	9
17	KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.	
18	408 F. 3d 596, 608 (9th Cir. 2005)	9
19	Magic Wand, Inc. v. RDB, Inc.	
20	940 F. 2d (Fed. Cir. 1991)	11
21	Metabolife Int'l, Inc. v. Wornick	·
22	264 F. 3d 832, 840 (9th Cir. 2001)	17
23	Mindys v. Dakar	
24	611 F. 3d 590 (9th Cir. 2010)	17
25	Pareto v. F.D.I.C.	
26	139 F. 3d 696, 699 (9th Cir. 1998)	6
27	Rubin v. Green (1993)	
28	4 Cal. 4th 1187, 1193	19, 20

1	Surgicenters of Am., Inc. v. Med. Dental Surgeries, Co.,	
2	601 F.2d 1011, 1019 (9th Cir.1979)	9
3	United States ex rel. Newsham v. Lockheed Missiles & Space Company, Inc	·.
4	190 F. 3d 963, 970 (9th Cir. 1999)	7
5	Vess v. Ciba-Geigy Corp. USA	
6	317 F. 3d 1097, 1110 (9th Cir. 2003)	14
7	Western Mining Council v. Watt	
8	643 F. 2d 618, 624 (9th Cir. 1981)	6
9		
10	<u>Statutes</u>	
11	15 U.S.C. § 1114	8
12	15 U.S.C. § 1125(a)	8
13	California Business and Professions Code § 14247	19
14	California Business and Professions Code § 17200	18
15	California Business and Professions Code § 17918	3, 12, 15
16	California Civil Code § 47(b)	15, 19, 20
17	California Code Civil Procedure § 425.16	7, 16
18	California Code Civil Procedure § 426.30(a)	15
19	California Revenue and Tax Code § 19719(a)	3, 12, 15
20	Federal Rules of Civil Procedure, Rule 12(b)(6)	6
21		
22	Treatise	
23	5A Charles A. Wright & Arthur R. Miller,	
24	Federal Practice and Procedure § 1356 (1990)	. 6
25		
26		
27		
28		

MEMORANDUM OF POINTS AND AUTHORITIES

I. PRELIMINARY STATEMENT

Plaintiff, Southern California Darts Association ("Plaintiff") is a defunct corporation (Entity No: C0516738), due to a Franchise Tax Board ("FTB") suspension on March 1, 1977. Plaintiff continued to operate as a corporation throughout the remainder of the 70s, 80s, 90s, and 2000s, until Zaffina exposed their sham on August 24, 2010. Plaintiff was exposed for lying about its <u>lack of active corporate status</u>, and that the business <u>was not</u>, and by all accounts, <u>was never</u>, a 501(c)(3) as they claimed and advertised. [Zaffina Decl. ¶¶ 2, 3; Complaint ¶¶ 18-21]

Over the next year Plaintiff ignored their unlawful status because they never made any attempt to try and revive their suspended corporation or reincorporate. Had they done so, Zaffina, as incorporator for Southern California Darts Association, Inc. ("Corporation"), would have been unable to file on January 3, 2011, Articles of Incorporation for Corporation, with the Office of the Secretary of State ("SOS"). [Zaffina Decl. \P 2 - 4]

Plaintiff continued to operate as a corporation throughout the next eight months until Corporation put them on notice that they were violating its rights to its tradename, trademarks, and servicemarks. Corporation first brought this to Plaintiff's attention in a Press Release on August 29, 2011. [Complaint ¶ 18]

Up and until Corporation filed a Verified Complaint in State court (LASC No. EC056642) against many individuals affiliated with Plaintiff herein, Plaintiff continued to operate as a *de facto* corporation (representing to the public that it is a nonprofit organization). Now, Plaintiff claims to be an unincorporated association, without a principal place of business or any named members, even though it changed its name – again - to Los Angeles Darts Association. [Complaint ¶¶ 1, 10-12;Zaffina Decl. ¶¶ 2, 5]

Plaintiff seeks this Court's protection under the Lanham Act and supplemental State claims. However, the Complaint is unclear, vague, ambiguous, does not provide adequate notice of the facts supporting its legal contentions, and is a SLAPP suit.

II. STANDARDS TO DISMISS AND TO STRIKE

A. STANDARD FOR A MOTION TO DISMISS PURSUANT TO RULE 12(b)(6).

A Rule 12(b)(6) motion tests the legal sufficiency of the claims asserted in the complaint. [Fed. R. Civ. P., Rule 12(b)(6)]. Rule 12(b)(6) must be read in conjunction with Rule 8(a) which requires a "short and plain statement of the claim showing that the pleader is entitled to relief." [5A Charles A. Wright & Arthur R. Miller, Federal Practice and Procedure § 1356 (1990)].

"The Court must accept as true all material allegations in the complaint, as well as reasonable inferences to be drawn from them." [Pareto v. F.D.I.C., 139 F. 3d 696, 699 (9th Cir. 1998)]. "Moreover, the complaint must be read in the light most favorable to the plaintiff." [Pareto, Ibid.]. "However, the Court need not accept as true unreasonable inferences, unwarranted deductions of fact, or conclusory legal allegations cast in the form of factual allegations." [e.g., Western Mining Council v. Watt, 643 F. 2d 618, 624 (9th Cir. 1981)]. (Emphasis added)

³ "A Rule 12(b)(6) dismissal is proper only where there is either a 'lack of a cognizable legal theory' or 'the absence of sufficient facts alleged under a cognizable legal theory.' [Balistreri v. Pacifica Police Dept., 901 F. 2d 969, 699 (9th Cir. 1988)

[&]quot;Moreover, in ruling on a 12(b)(6) motion, a court generally cannot consider material outside of the complaint (e.g., facts presented in briefs, affidavits, or discovery materials)." [Branch v. Tunnell, 14 F. 3d 449, 453 (9th Cir. 1994)]. "A court may, however, consider exhibits submitted with the complaint." [Branch, Ibid. at 453-54]. "Also, a court may consider documents which are not physically attached to the complaint but 'whose contents are alleged in [the] complaint and whose authenticity no party questions." [Branch, Ibid. at 454]. "Further, it is proper for the court to consider matters subject to judicial notice pursuant to Federal Rule of Evidence 201." [Mir, M.D. v. Little Co. of Mary Hospital, 844 F. 2d 646, 649 (9th Cir. 1988)].

B. MOTION TO STRIKE PURSUANT TO CAL. CODE CIV. PRO. § 425.16.

C.C.P. § 425.16, commonly referred to as the "Anti-SLAPP" law, was enacted in 1993 "in response to the legislature's concern about civil actions aimed at private citizens to deter or punish them for exercising their political or legal rights." [United States ex rel. Newsham v. Lockheed Missiles & Space Company, Inc., 190 F. 3d 963, 970 (9th Cir. 1999) (citing Wilcox v. Superior Court, 27 Cal. App. 4th 809 (1994))]. "The hallmark of a SLAPP suit is that it lacks merit, and is brought with the goal of obtaining an economic advantage over a citizen party by increasing the cost of litigation to the point that the citizen party's case will be weakened or abandoned...."

To combat the perceived threat of lawsuits filed merely to deter the exercise of political or legal rights, Section 425.16 sets up a "special motion to strike," that is akin to a Rule 12(b)(6) motion to dismiss. The Ninth Circuit has determined that the procedure set up by Section 425.16 applies to state law claims filed in federal court. [See id. at 972-73 (applying § 425.16 to state-law counterclaims)]. "In order to prevail, a citizen party must make a prima facie showing that the SLAPP suit arises from any act ... 'in furtherance of the person's right of petition or free speech under the United States or California Constitutions in connection with a public issue." [Id. at 971].

Here, Plaintiff's filing of the Federal complaint is clearly a retaliatory response to Defendant Corporation's protected activity of seeking redress in State court. [Zaffina Decl. ¶¶ 1-12] But for Corporation's filing the State action, this Federal lawsuit would never have been filed and stems solely from the underlying State litigation process.

⁵ "The court makes this determination from the pleadings and supporting or opposing affidavits. Once this prima facie showing is made, the burden then shifts to the plaintiff to establish by a 'reasonable probability' that he or she will prevail on the claim and that the defendant's "purported constitutional defenses are not applicable to the case as a matter of law or by a prima facie showing of facts which, if accepted by the trier of fact, would negate such defenses." [See id. (quoting *Wilcox*, 27 Cal. App. 4th at 824-25)]. "The prevailing party on a special motion to strike is entitled to his or her attorneys' fees and costs." [See id. (citing Section 425.16(c))].

. PLAINTIFF'S COMPLAINT FAILS TO STATE FACTS SUFFICIENT TO SUPPORT ANY VIOLATION OF THE LANHAM ACT.

The Trademark Act of 1946 ("Lanham Act") prohibits uses of trademarks, trade names, and trade dress that are likely to cause confusion about the source of a product or service. [15 U.S.C §§ 1114, 1125(a)]. "A plaintiff may show that it is likely to succeed on the merits of its trademark infringement claim under the Lanham Act by establishing that (1) it has a 'valid, protectable trademark,' and (2) defendant's 'use of the mark is likely to cause confusion." [Applied Info. Sciences Corp. v. eBay, Inc., 511 F. 3d 966, 969 (9th Cir. 2007)]

Plaintiff has pled Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) [Complaint ¶ 45], but fails to plead how Plaintiff has the legal rights and privileges, superior to Corporation, since, after all, <u>Plaintiff has been dead for 35-years</u>. The Supreme Court cautioned that "the words of the Lanham Act should not be stretched to cover matters that are typically of no consequence to purchasers." [Dastar Corp., v. Twentieth Century Fox Film Corp., (2003) 539 U.S. 23]

1. Valid, protectable trademark.

"Registration of a trademark with the USPTO constitutes prima facie evidence of the validity of the mark and the registrant's exclusive right to use the mark on the goods and services delineated in the registration." [Brookfield Commc'ns, Inc. v. West Coast Entm't Corp., 174 F.3d 1036, 1047 (9th Cir. 1999)].

Plaintiff has not alleged that they own a protectable mark, either a registered trademark or a mark that they own through common law priority of use. Plaintiff alleges that it has operated continuously from the 1960s to the present day. [Complaint ¶ 11]. Yet, Plaintiff has failed to specify in its pleading facts showing even one scintilla of evidence that it has operated a legal business over the past 35-years. Plaintiff has not pled that it has a valid protectable trademark.

2. Likely to cause confusion.

The Ninth Circuit considers the following factors, known as *Sleekcraft* factors, in determining whether likelihood of confusion exists "(1) strength of the mark, (2) proximity or relatedness of the goods, (3) similarity of the marks, (4) evidence of actual confusion, (5) marketing channels used, (6) degree of care customers are likely to exercise in purchasing the goods, (7) defendant's intent in selecting the mark, and (8) likelihood of expansion into other markets." [KP Permanent Make–Up, Inc. v. Lasting Impression I, Inc., 408 F. 3d 596, 608 (9th Cir. 2005)].

Corporation has been using three marks. Two of the marks are unique and the copyrighted concepts of Corporation. The third is a "generic" dartboard which is a true image of a product that Corporation intends on selling. Moreover, the dartboard mark is not at all similar to Plaintiff's childlike sketch of a dartboard, and thus, there could be no likelihood of confusion. [Zaffina Decl. ¶ 6]. Plaintiff has not adequately alleged facts establishing that its mark is "confusingly similar" to Corporation's or addresses the Sleekcraft factors with requisite specificity or detail to provide adequate notice.

a. Strength of the mark.

"The stronger the mark, the greater the protection it receives." [Entrepreneur Media, Inc. v. Smith, 279 F. 3d 1135, 1141 (9th Cir.2002)]. A suggestive mark "requires imagination, thought and perception to reach a conclusion as to the nature of goods." [Surgicenters of Am., Inc. v. Med. Dental Surgeries, 601 F. 2d 1011, 1019 (9th Cir. 1979)].

Plaintiff has not alleged how it's "service mark" won the race to the marketplace such that they own the exclusive right to use the particular mark. It's a dartboard! Here, Plaintiff has not pled facts of its existence in the marketplace, let alone, that it will likely succeed in establishing that its mark is suggestive. [Complaint ¶¶ 21-23, 32 -37]

b. Since There Is No Confusion and Plaintiff can not establish any of the other *Sleekcraft* factors, the Complaint lacks Merit.

Justice Scalia's point is spot on regarding the facts of the case at bar because the

same actions of *Dastar* apply. The purchaser of Corporation's "goods and services," knows exactly who Corporation is, and that they are not associated with Plaintiff. The professional quality of Corporation's business is a difference between day and night from that of Plaintiff. No reasonable person would confuse the two. "In general, unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copying." [Dastar, Ibid.]

Even though the evidence is clear that Corporation <u>did not copy</u> Plaintiff's mark (based on the professional artwork vs. the amateurish marks), the facts in *Dastar* can be applied to the case at bar because, Plaintiff's alleged name and marks <u>were in the "public domain" for approximately 34-years</u> before Corporation incorporated and began using the available tradename and generic mark as its own. Plaintiff has failed to plead facts to allege confusion. [Complaint ¶¶ 21-23, 30-37]

Plaintiff has not pled any facts relating to "goods." Plaintiff does not even sell goods, only unidentifiable services. [Complaint ¶¶ 21, 32, 41-44]. Nevertheless, the Court in *Dastar* concluded that "the phrase refers to the producer of the tangible goods that are offered for sale, and not to the author of any idea, concept, or communication embodied in those goods." Plaintiff cannot prevail on their Lanham Act claim and cannot plead facts to the contrary to save their Complaint.

c. The Public Could Not Possibly be Confused.

Plaintiff has not pled facts regarding the public's confusion, only improper conclusions. Plaintiff's remaining consumers (i.e., approximately two dozen members) are not confused because they know the difference between the Corporation's "legal activity" and Plaintiff's "illegal activity." [Complaint ¶¶ 16, 34, 38, 41-44]

Moreover, because of the LA Weekly article that Plaintiff attached to the Complaint, Plaintiff has made a "clear distinction" world-wide between the legal owner of Southern California Darts Association, Inc. and its subsidiaries and the Plaintiff, the defunct corporation. [Complaint ¶ 13, Exhibit A]

Plaintiff's assertion of being afforded complete protection for a "generic" mark as if it were a strong mark at its inception is without factual basis and merely a conclusion. [Complaint ¶¶ 25-27]

d. Plaintiff has Failed to Plead Facts to Support a Secondary Meaning or Genericness.

Plaintiff has pled that it has goodwill [Complaint ¶¶ 25-31, 29, 43, 57], yet it fails to provide any facts to support this conclusion or any extent of damages caused by the loss of the supposed "good will." Plaintiff's alleged servicemark – a dart board – is generic. Even though Plaintiff failed to register its claimed "servicemark," it cannot prevail on this point under [Committee for Idaho's High Desert, Inc., v. Yost 92 F. 3d 814, 822 (9th Cir. 1996) ("Committee")]. Plaintiff has not pled facts as to "What do the buyers understand by the word for whose use the parties are contending?" [Magic Wand, Inc. v. RDB, Inc., 940 F. 2d (Fed. Cir. 1991)]. A dart board with Plaintiff's name is merely a geographic description that has not taken on any secondary meaning. 6

Therefore, the Complaint lacks the specificity required under Rule 12(b)(6).

B. PLAINTIFF'S STATE LAW CLAIMS ARE BARRED.

Corporation also argues that Plaintiff's state law counterclaims should be dismissed with prejudice because it lacks standing here to do so, and has not and cannot plead the special damages that are required to sufficiently state such claims.

On October 26, 2011, Plaintiff filed and obtained a fictitious business name statement in Los Angeles County, doing business as Los Angeles Darts Association (Doc. No. 2011122766). [Zaffina Decl. ¶¶ 2, 5, 7]

Defendants request that this court take judicial notice of Defendant Southern California Darts Association, Inc.'s Memorandum Of Points And Authorities In Opposition To Plaintiff's Request For Preliminary Injunction, Declaration of Dino M. Zaffina, etc., and in particular the Exhibits attached to Decl. of Zaffina, and pursuant F.R.E. Rule 201(b)(c) and though fully set forth herein.

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Plaintiff has pled in its Complaint that it is an unincorporated association that was organized in or around Santa Monica in or around 1960; and has pled that it operated alongside a separate nonprofit corporation by the same name. [Complaint. ¶¶ 10, 11]

Although, these facts on their face are preposterous, assuming to be true that Plaintiff is not the defunct corporation, that bears its name, that was suspended by the FTB for failure to pay taxes, Plaintiff is still barred from maintaining any action, in that it "lacks capacity" because "No person transacting business under a fictitious business name (Plaintiff) ... may maintain any action ... in the fictitious business name in any court of this state until the fictitious business name statement has been executed, filed, and published as required by this chapter...." [§ 17918, Ibid.]

Plaintiff has pled that it has been operating for almost five decades under a fictitious business name. [Complaint ¶¶ 10-12] A thorough search by the County of Los Angeles Registrar-Recorder/County Clerk's Office ("RRCC") for the period of January 1, 1992 through March 31, 2011 (the period of dead files) indicates "No record was found of the requested document for Southern California Darts Association." [Zaffina Decl. ¶ 8].

Plaintiff's State Law Claims are Compulsory. 2.

On September 26, 2011, Corporation filed a verified lawsuit against many individuals affiliated with Plaintiff herein, including Irete, who filed a verified answer. [Complaint ¶ 20; Zaffina Decl. ¶ 2]. He, nor any other "member," filed a crosscomplaint alleging the pendent State claims to this Federal complaint. Only defendant, William F. Lynch ("Lynch") filed a cross-complaint alleging claims for abuse of process and civil extortion, only. [Zaffina Decl. ¶ 9].

"[I]f a party against whom a complaint has been filed and served fails to allege in a cross-complaint any related cause of action which (at the time of serving his answer to the complaint) he has against the plaintiff, such party may not thereafter in any other action assert against the plaintiff the related cause of action not pleaded." [Cal. Code Civ. Pro § 426.30(a)].

Plaintiff is the fictitious business of Irete and other defendants in the state action who have already been served and their answers filed. Plaintiff is not an entity of itself that Corporation would have named in the state action. At best, Plaintiff is either a 35 year old defunct corporation or an illegal fictitious business. Either way, Corporation would not have sued an "empty shell" in the State action.

Therefore, pursuant to Section 426.30, since Irete and/or another defendant in the state action was required to allege in a cross-complaint any related cause(s) of action (e.g. Claims 2 thru 5 herein, and even Claim 1) which at the time of serving his answer to the complaint he has against Corporation, Irete and/or those other defendants may not, now, in any other action (e.g., the case at bar) assert against the Corporation the related causes of action not previously pled in the state action.

Plaintiff has pled six claims in this federal action, albeit one claim falls under Federal law (i.e., Claim 1), nevertheless, even that claim could have, and should have, been asserted in a Cross-Complaint in the State Court. Therefore, at minimum, Plaintiff's claims 2 thru 5 should be dismissed with prejudice.

C. PLAINTIFF'S ENTIRE COMPLAINT IS A "SLAPP" SUIT (CAL. CODE CIV. PROC § 425.16)—STEP ONE OF A TWO-STEP PROCESS.

On September 26, 2011, Corporation filed a verified lawsuit against many individuals affiliated with Plaintiff herein, including Irete. [Complaint \P 20; Zaffina Decl. \P 2]

On October 26, 2011, Lynch, a member of Plaintiff's group, filed a Cross-Complainant in the State action, alleging abuse of process and civil extortion. After a full briefing and a hearing, the cross-complaint was defeated by an anti-SLAPP motion that was officially dismissed on January 9, 2012. [Zaffina Decl. ¶ 9]

On November 7, 2011, Irete filed a verified answer claiming he "lacks sufficient information or belief to answer" any of Corporation's seventy-three (73) averments. [Zaffina Decl. ¶10]. Now, another member, Irete, is behind this Federal lawsuit filed in derogation of C.C.P. § 425.16.

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"A court considering a motion to strike under the anti-SLAPP statute must engage in a two-part inquiry. First, the defendant must make a prima facie showing that the plaintiff's suit "arises from an act in furtherance of the defendant's rights of petition or free speech." Id. (internal quotation marks omitted). "Second, once the defendant has made a prima facie showing, the burden shifts to the plaintiff to demonstrate a probability of prevailing on the challenged claims." Id. (internal quotation marks omitted). The defendant bringing a motion to strike "need not show that the plaintiff's suit was brought with the intention to chill the defendant's speech" or "that any speech was actually chilled." [Vess v. Ciba-Geigy Corp. USA, 317 F. 3d 1097, 1110].

While SLAPP suits "masquerade as ordinary lawsuits' the conceptual features which reveal them as SLAPPs are that they are generally meritless suits brought by individuals or entities to deter citizens from exercising their political or legal rights or to punish them for doing so." [Wilcox, Ibid.]

The face of the SLAPP Complaint shows that it is based on protected litigationrelated activity - acts that, even if true, furthered Corporation's right to petition. The allegation supporting the SLAPP Complaint is the fact that Corporation followed the proper government procedures, establishing a valid California Corporation, inter alia, filing the underlying state action against Plaintiff's members and others. By definition, the SLAPPER's allegations [Comp. ¶¶ 2-6; ¶¶ 16, 18-20] bring its Complaint within the reach of the anti-SLAPP statute. As such, Plaintiff bears the burden of establishing, through admissible evidence, a probability of success on the merits. Furthermore, Corporation is afforded protection under California's broad litigation privilege.

⁷ "Plaintiff's who bring SLAPP suits do not intend to win their suits; rather, they are filed solely for delay and distraction, and to punish those who oppose them by threatening ruinous damages and imposing litigation costs on them for exercising their constitutional rights of petition and free speech." [Dixon v. Superior Court (1994) 30 Cal. App. 4th 733]

The Federal filing does not pursue any legitimate legal claims. It is untimely, lacks foundation, and states invalid state law claims that are barred by Section 426.30 [Ibid.]. The Federal filing was brought by a party that is barred by either Section 19719(a) [Ibid.] or Section 17918 [Ibid.]. It is a transparent attempt by Plaintiff to intimidate, harass, and drive-up the litigation expenses for Corporation—in hopes that it will deter it from pursuing its right to legal redress. It is precisely the type of situation that the Legislature envisioned when it enacted the anti-SLAPP statute and its fee award provisions. [Zaffina Decl. ¶¶ 2, 9, 10, 12].

As shown below, the Federal Complaint is a SLAPP suit in the purest form because it infringes on Corporation's and Zaffina's "act(s) in furtherance of a person's right of petition or free speech" in derogation of Defendants Corporation and Zaffina's rights under the First Amendment. ⁸

Plaintiff also moves under Rule 12(b)(6) to dismiss Plaintiff's state law counterclaims, with prejudice, arguing (1) that all activity alleged against Corporation and Zaffina are barred as a matter of law by the privilege under Section 47(b) of the California Civil Code for any communication related to pending and actual litigation, and (2) that in any case Plaintiffs have not pled and cannot plead special damages, required to support claims of trade libel or slander of title. [Rubin v. Green, (1993) 4 Cal. 4th 1187, 1193].

⁸ An "act in furtherance of a person's right of petition or free speech" includes:

⁽¹⁾ any written or oral statement or writing made before a legislative, executive, or judicial proceeding, or any other official proceeding authorized by law;

⁽²⁾ any written or oral statement or writing made in connection with an issue under consideration or review by a legislative, executive, or judicial body, or any other official proceeding authorized by law;

⁽³⁾ any written or oral statement or writing made in a place open to the public or a public forum in connection with an issue of public interest;

⁽⁴⁾ or any other conduct in furtherance of the exercise of the constitutional right of petition or the constitutional right of free speech in connection with a public issue or an issue of public interest. Cal.Civ.Proc.Code § 425.16(e).

1. Any written or oral statement or writing made before a legislative, executive, or judicial proceeding, or any other official proceeding authorized by law.

On January 3, 2011, Corporation, through its incorporator, Zaffina, incorporated Southern California Darts Association, Inc. The articles of incorporation filed with the SOS is a writing made before an executive proceeding because the articles create a contract between the corporation and the state. [§425.16(e)(1), Ibid.] [Zaffina Decl.¶3].

The act of incorporating Corporation is the same constitutionally protected speech that the Plaintiff is now alleging to be an illegal act. Corporation acted in furtherance of its right of petition to the executive branch. Corporation had to petition the SOS for valid corporate status. The SOS conducted a full investigation and granted Corporation its "active" corporate status in California.

Corporation also filed proper documents with many other government agencies: (a) Internal Revenue Service; (b) Los Angeles RRCC; (c) California Board of Equalization; (d) State of Franchise Tax Board; and (e) City of Los Angeles Office of Finance. [Zaffina Decl. Exh. 16]. Corporation's communications with these agencies is protected speech. [See Mindys v. Dakar, 611 F.3d 590, 596 (9th Cir. 2010) – filing of trademark application is a protected act.]

2. Any written or oral statement or writing made in connection with an issue under consideration or review by a legislative, executive, or judicial body, or any other official proceeding authorized by law.

Corporation through it President and CEO, Zaffina filed a civil complaint (Ibid.) on behalf of the Corporation for the Court's consideration of the injunctive relief sought, as well as, for the four other causes of action that also need judicial review. [Zaffina Decl. ¶ 2].

Corporation's filing of the complaint is unequivocally protected activity. Section 425.16 covers lawsuits arising out of litigation-related conduct because "[t]he right of access to the courts is an aspect of the First Amendment right to petition the government

for redress of grievances." This protected activity falls under the first of the Court's two-step process of determining whether the defendant has made a threshold showing that the challenged causes of action arises from protected activity. [Mindys, Ibid.] [Section 425.16(e)(2), Ibid.]

Corporation also filed an anti-SLAPP motion on November 22, 2011, in response to Lynch's Cross-Complaint, filed on October 26, 2011. Corporation prevailed in that action. Prior to the filing of this Federal action, Defendant Corporation successfully moved to strike another member's (Lynch) State cross-complaint. [Zaffina Decl. ¶ 9]. The Court granted Corporation's anti-SLAPP motion and Lynch was ordered to pay \$4,500.00 in attorney's fees and \$435.00 in costs. [Zaffina Decl. ¶ 9].

 Or any other conduct in furtherance of the exercise of the constitutional right of petition or the constitutional right of free speech in connection with a public issue or an issue of public interest.

The anti-SLAPP statute applies to "any written or oral statement or writing made in connection with an issue under consideration or review by a ... judicial body" and "any other conduct in furtherance of the exercise of the constitutional right of petition or constitution right of free speech...." [§ 425.16(e)(2) & (e)(4), Ibid.]. Corporation and Zaffina's statements made to Vogel is protected activity because the comments fall under protected speech. This Federal filing occurred after the news article was widely disseminated. [Complaint ¶ 13, Exhibit A]

D. <u>PLAINTIFF'S PROBABILITY OF SUCCESS ON THE MERITS—STEP</u> <u>TWO OF THE TWO-STEP PROCESS.</u>

To satisfy this second prong, the plaintiff "must show a 'reasonable probability' of prevailing in its claims for those claims to survive dismissal." [Metabolife Int'l, Inc. v. Wornick, 264 F. 3d 832, 840 (9th Cir. 2001)]. "The court is to consider "the pleadings, and supporting and opposing affidavits stating the facts upon which the liability or defense is based." [§ 425.16(b)(2), Ibid.]. Corporation refers its arguments, supra, regarding the probability of Plaintiff prevailing on its Lanham Act claims.

1. Violation of Cal. Bus. Prof. Code § 17200 et seq.

"In order to state a claim for unfair competition under Cal. Bus. Prof. Code § 17200, a plaintiff must establish that the defendant's business practice is 'either unlawful (i.e., is forbidden by law), unfair (i.e., harm to victim outweighs any benefit) or fraudulent (i.e., is likely to deceive members of the public)." [Albillo v. Intermodal Container Servs, Inc. (2003) 114 Cal App. 4th 190, 206]

Plaintiff fails to provide any facts as to how Corporation is conducting unfair competition when Corporation is conducting itself in a legal manner. Plaintiff fails to state facts how Corporation is (a) unlawful, (b) unfair, or (c) conducting fraudulent business acts or practices and unfair, deceptive, untrue or misleading advertising.

After all, Corporation is recognized as a legal business entity by all relevant federal, state, and local government agencies. Corporation has not been unfair and has not disseminated any misleading advertising, since everything published is true.

Plaintiff's pleadings are ambiguous as to the particular type of legal claim it alleges. Plaintiff does not even state a claim how Corporation or Zaffina engaged in "unauthorized and improper activities" which infringe the unregistered marks. Plaintiff fails to specify, either in its pleading or by affidavit, facts showing "unauthorized and improper activities" that "constitute unfair competition" in violation of Section 17200 et seq. [Complaint ¶ 48]

Similarly, Plaintiff has not pled facts supporting its assertion that it has suffered harm due to loss of distinctiveness, or to support intentional or willful conduct. Plaintiff does not even attempt to explain how Corporation has conducted itself in an illegal, unfair, or fraudulent practice. [Complaint ¶¶ 6, 33, 35]

2. Violation of California Common Law for Trademark Infringement.

Plaintiff does not state a claim how Corporation has engaged in acts which infringe an alleged common law right to a servicemark that has been dead for over 35-years. [Complaint ¶ 51]. Moreover, Plaintiff has not pled facts supporting its assertion that it has suffered damages for the dead servicemark. [Complaint ¶ 52]

3. Violation of California Common Law for Unfair Competition.

Plaintiff does not state a claim how Corporation has engaged in unfair competition which infringes an alleged common law right. Plaintiff has not stated in its complaint how it has a common law right to its business that it abandoned over 35-years ago. [Complaint ¶ 54] Similarly, Plaintiff has not pled facts supporting its assertion that it has suffered harm due to loss of distinctiveness, or to support its (new) claim of fraud. [Complaint ¶ 55]

4. Violation of Cal. Bus. Prof. Code § 14247.

The first six words in Cal. Bus. Prof. Code § 14247 state, "Subject to the principles of equity...." "Equity," something that is fair and just. These are the most important words in this entire section because they go to the crux of this entire litigation. That is, whether it is "fair and just" to allow a business who has been illegal for over 35-years, who has done nothing to follow the laws of the city and state for which it claims to be situated and the United States of America, to come now into a Court and asked for redress of its grievances.

5. The Scope and Application of the Section 47(b) Privilege Bars Claims.

Section 47(b) protects participants in judicial proceedings from derivative tort actions based on communications in or regarding the judicial proceeding." [Dove Audio, Inc. v. Rosenfeld (1996) 47 Cal. App. 4th 777, 781-83] (holding that letter to possible co-claimants seeking support for filing of suit was covered by the privilege). "A 'communication preparatory to or in anticipation of the bringing of an action or other official proceeding [is] within the protection of the litigation privilege of Civil Code section 47, subdivision (b)." [Id. at 784; see also Rubin, at 1194, Ibid] ("numerous decisions have applied the privilege to prelitigation communications").

Corporation has addressed this issue in Opposition to Preliminary Injunction, page 18
 F. Equitable Defenses – and incorporates these arguments by reference as though fully set forth herein.

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"Thus, a communication merely informing a third party of the pendency of this litigation must clearly fall within the privilege."

It seems clear as a matter of settled California law that the State verified complaint is subject to the privilege under Section 47(b) for communications "with 'some relation' to judicial proceedings." [Rubin at 1193, Ibid]. 10

IV. CONCLUSION

Plaintiff's Complaint is a SLAPP suit in its purest form. Plaintiff and its attorneys attest to this fact by the substantive content of the pleadings. Absent Corporation's protected activity of filing the proper government documents, the Verified Complaint, the Press Releases, and conducting an interview with a Internet publication, Plaintiff would not have the ability or means to file this Federal lawsuit. Based on the foregoing, Defendant respectfully requests that the Court grant Defendants' Motion to Dismiss under FRCP 12(b)(6) and Motion to Strike under California's anti-SLAPP law, and to set a motion date to determine the award of attorney's fees in favor of Defendant Corporation.

DATED: April 4, 2012

Colut Racine By: /S/ Robert E.

Robert E. Racine, Esq. Attorneys for Defendant,

Southern California Darts Association, Inc.

^{10 &}quot;This privilege has been given an 'expansive reach' by California courts, as recognized by the California Supreme Court." [Rubin at 1194, Ibid]. "This privilege affords absolute immunity against tort liability arising out of such a communication, regardless of attempts by the 'plaintiff' to 'plead around' this 'absolute barrier." [See id. at 1201 02]. "Thus, the immunity applies regardless of the particular label given to the cause of action (e.g., unfair competition)."