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11 **THE UNITED STATES DISTRICT COURT**
 12 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

13 ENTREPRENEUR MEDIA, INC.,

14 Plaintiff,

15 vs.

16 EYGN Limited, ERNST & YOUNG
 17 LLP and ERNST & YOUNG
 18 ADVISORY INC.,

19 Defendants.

Case No. SACV08-0608 DOC
 (MLGx)

**MEMORANDUM OF POINTS AND
 AUTHORITIES IN SUPPORT OF
 EYGN LIMITED’S MOTION FOR
 JUDGMENT ON THE PLEADINGS
 FOR LACK OF PERSONAL
 JURISDICTION**

20 EYGN Limited and ERNST &
 21 YOUNG LLP,

22 Counterclaim-Plaintiffs,

23 vs.

24 ENTREPRENEUR MEDIA, INC., a
 New York corporation,

25 Counterclaim-Defendant.
 26

Date: December 22, 2008
 Time: 8:30 a.m.
 Courtroom: 9D
 Judge: Honorable David O. Carter

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1 Defendant EYGN Limited (“EYGN”) submits this memorandum of points
2 and authorities and the accompanying declarations of Victoria Cochrane, dated
3 October 29, 2008 (“Cochrane Decl.”), Larry J. Haynes, dated October 29, 2008
4 (“Haynes Decl.”) and Craig S. Mende, dated November 12, 2008 (“Mende Decl.”),
5 in support of its motion for judgment on the pleadings for lack of personal
6 jurisdiction pursuant to Rule 12(c) of the Federal Rules of Civil Procedure (“Fed. R.
7 Civ. P.”).

8 **Preliminary Statement**

9 EYGN, a Bahamas corporation, owns the federally registered
10 ENTREPRENEUR OF THE YEAR mark that is at the center of this dispute.
11 EYGN has no offices or employees in California and does not do business in this
12 state. EYGN’s *only* connection to California is that in May 2008, its New York
13 counsel sent a demand letter and a follow-up email to plaintiff Entrepreneur Media,
14 Inc. (“EMI”), a corporation headquartered in California, concerning EMI’s
15 infringement of the ENTREPRENEUR OF THE YEAR mark in connection with
16 EMI’s launch of a nationwide awards contest. Before the response deadline for
17 EYGN’s follow-up email, EMI filed this action to cancel EYGN’s federal
18 registration and to seek a declaration of non-infringement. As a matter of law,
19 however, sending demand letters into this state, with nothing more, does not subject
20 EYGN to personal jurisdiction in California or this Court. No other grounds exist
21 for personal jurisdiction over EYGN in this state.

22 **Statement of Facts**

23 A. *EYGN and its Federally Registered ENTREPRENEUR OF THE YEAR Mark*

24 Defendant EYGN, an intellectual property holding company incorporated in
25 the Bahamas with a registered office at One Montague Place, East Bay Street,
26 Nassau, Bahamas, owns the federally registered mark ENTREPRENEUR OF THE
27 YEAR. (Compl. ¶ 3 and Ex. A; Cochrane Decl. ¶¶ 2, 6 and Ex. A.) Under license
28 from EYGN (the “E&Y License”), defendant Ernst & Young LLP (“Ernst &

1 Young”) is authorized to use the mark in the United States in connection with a
2 contest and awards program for innovative business leaders that has been running
3 for more than twenty years.¹ (Cochrane Decl. ¶ 7 and Ex. C.) EYGN and Ernst &
4 Young have no relationship with each other besides that of licensor/licensee.² (*Id.*
5 ¶ 10.) EYGN has never licensed or otherwise authorized EMI to use the
6 ENTREPRENEUR OF THE YEAR mark. (*Id.* ¶ 9.)

7 B. EYGN’s Trademark Dispute With EMI

8 On May 1, 2008, EYGN’s trademark counsel in New York sent a cease and
9 desist letter to EMI’s offices in California, demanding that EMI cease using the
10 ENTREPRENEUR OF THE YEAR mark in connection with a newly launched
11 awards program. (Compl. ¶ 11 and Ex. A.) By letter dated May 8, 2008, counsel
12 for EMI acknowledged receipt of the letter “regarding EYGN Limited’s rights in the
13 mark ENTREPRENEUR OF THE YEAR,” but denied that the designation used for
14 EMI’s contest infringed any such rights. (Mende Decl. ¶ 3 and Ex. 1.) In a May 16,
15 2008 follow-up email, EYGN’s counsel responded to arguments in EMI’s response,
16 reiterated its demand that EMI “use a different designation for its award program,”
17 and set a June 2, 2008 deadline for EMI to respond. (Compl. ¶ 12 and Ex. B.)
18 EYGN did not hear from EMI before the June 2 deadline. (Mende Decl. ¶ 5.)

19 C. EMI’s Filing of Declaratory Judgment Action in California

20 On June 2, 2008, EMI filed this action against EYGN and the two other
21 defendants, seeking (1) cancellation of the EYGN registration for

22 ¹ Ernst & Young, which is headquartered in New York, is a member firm of Ernst
23 & Young Global Limited, a United Kingdom-based private company. (*Id.* ¶ 7;
24 Haynes Decl. ¶ 2.) EYGN also licenses various trademarks to other member firms
of Ernst & Young Global Limited elsewhere in the world. (Cochrane Decl. ¶ 10.)

25 ² For example, EYGN is not an owner or partner of Ernst & Young, Ernst & Young
26 is not an owner or shareholder of EYGN, and Ernst & Young does not pay any
expenses of EYGN. (*Id.* ¶ 11.) EYGN and Ernst & Young have separate boards of
27 directors, maintain separate bank accounts and issue separate financial statements.
(*Id.*) EYGN has not authorized Ernst & Young to act as its agent, and the E&Y
28 License expressly provides that EYGN and Ernst & Young have no liability for each
others’ acts or omissions. (*Id.* ¶¶ 8, 12.)

1 ENTREPRENEUR OF THE YEAR on the ground that the mark is generic pursuant
2 to 15 U.S.C. § 1119, (2) a declaration that EYGN’s ENTREPRENEUR OF THE
3 YEAR mark is “invalid and unenforceable,” and/or (3) a declaration that EMI’s use
4 of the designations “Entrepreneur Magazine’s 2008 Entrepreneur® OF THE
5 YEAR” and “Entrepreneur Magazine’s 2008 Emerging Entrepreneur® OF THE
6 YEAR” in connection with its “contest and awards program for successful
7 entrepreneurs” does not infringe EYGN’s mark, constitutes “fair use” or
8 “nominative use” [sic] of the mark, or is “an otherwise allowed use” of the mark.
9 (Compl. ¶ 16 and Prayer for Relief.).³

10 EYGN (along with Ernst & Young) filed an answer in which it contested
11 personal jurisdiction, pleading:

12 As against EYGN, the Complaint and each cause of action
13 and count therein are barred because EYGN is not subject
14 to personal jurisdiction before this Court under Federal
15 Rule of Civil Procedure 12(b)(2).

16 (Answer of EYGN and Ernst & Young (hereinafter, “Answer”), ¶ 31.) In addition,
17 to avoid any possible waiver of compulsory counterclaims and subject to an express
18 reservation of its denial that this Court has personal jurisdiction over EYGN,⁴
19 EYGN asserted counterclaims against EMI for infringement of EYGN’s federally
20 registered trademark, unfair competition under federal and New York State law,
21

22 _____
23 ³ The Complaint names three defendants: EYGN, Ernst & Young and Ernst &
24 Young Advisory Inc. (“EYAI”), a Canadian corporation that (as set forth in its
25 motion for judgment on the pleadings) does not use the ENTREPRENEUR OF THE
26 YEAR mark and has no connection to this dispute.

27 ⁴ (See Counterclaims of EYGN and Ernst & Young at 8, n.1(citing *Dragor Shipping*
28 *Corp. v. Union Tank Car Co.*, 378 F.2d 241, 244 (9th Cir. 1967) (assertion of
compulsory counterclaim does not constitute waiver of any jurisdictional defense
previously or concurrently asserted) and *Gates Learjet Corp. v. Jensen*, 743 F.2d
1325, 1330 n.1 (9th Cir. 1984) (filing of permissive counterclaim does not constitute
waiver of personal jurisdiction defense asserted in same pleading).)

1 violation of the New York Deceptive and Unfair Trade Practices Act, and
2 cancellation of EMI's registrations for various ENTREPRENEUR-inclusive marks.

3 At the same time, on July 28, 2008, EYGN and Ernst & Young filed a lawsuit
4 in the United States District Court for the Southern District of New York against
5 EMI, Case No. 08 CV 6734 (the "New York Action"), in which they affirmatively
6 asserted the five claims noted above and, as here, prayed for (1) an injunction
7 prohibiting EMI from using the ENTREPRENEUR OF THE YEAR mark, (2)
8 monetary relief, and (3) cancellation of various federal trademark registrations
9 owned by EMI for ENTREPRENEUR-inclusive marks. (Mende Decl. ¶ 8 and
10 Ex. 3.)⁵

11 D. EYGN's (Lack of) Contacts With California

12 Aside from the demand letter and follow-up email that EYGN's counsel sent
13 to EMI in California, EYGN has had no dealings in California. (Cochrane Decl.

14 ¶ 5.) Specifically, EYGN:

- 15 • is not registered to do business in California;
- 16 • does not conduct or solicit business in California;
- 17 • maintains no California offices;
- 18 • has no personnel in California;
- 19 • has no mailing address or telephone number in California;
- 20 • has no bank account in California; and
- 21 • has no subsidiaries in California.

22 (*Id.* ¶¶ 3-4.)

23 **Argument**

24 Plaintiff, which bears the burden of proof, has failed to establish either
25 general or specific personal jurisdiction over EYGN, a Bahamas corporation with no
26

27 ⁵ The complete procedural history is set forth in Ernst & Young's Motion for
28 Judgment on the Pleadings, or in the Alternative, to Transfer, filed concurrently
herewith and incorporated by reference herein.

1 offices, employees or presence in California (*see* Pt. II below, addressing general
2 jurisdiction), and whose sole contact with the state was the issuance of two cease
3 and desist demands to EMI (*see* Pt. III below, addressing specific jurisdiction).
4 Accordingly, EYGN’s motion for judgment on the pleadings based on lack of
5 personal jurisdiction should be granted.

6 **I. LEGAL STANDARDS**

7 A. Legal Standard for Judgment on the Pleadings

8 Federal Rule of Civil Procedure 12(c) permits a party to move for judgment
9 on the pleadings “[a]fter the pleadings are closed but within such time as not to
10 delay the trial.” Fed. R. Civ. P. 12(c); *see also Dalkilic v. Titan Corp.*, 516 F. Supp.
11 2d 1177, 1182 (S.D. Cal. 2007). Rule 12(c) “is a vehicle for summary adjudication,
12 but the standard is like that of a motion to dismiss.” *In re Imperial Corp. of Am.*,
13 No. 92 CV 1003, 1997 U.S. Dist. LEXIS 20942, at *26-*27 (S.D. Cal. June 4, 1997)
14 (internal citation omitted); *see also Dalkilic*, 516 F. Supp. 2d at 1182-83 (citing *Hal*
15 *Roach Studios, Inc. v. Richard Feiner & Co.*, 896 F.2d 1542, 1550 (9th Cir. 1989)).

16 Judgment on the pleadings is proper when “taking all the allegations in the
17 pleadings as true, the moving party is entitled to judgment as a matter of law.”
18 *Torbet v. United Airlines, Inc.*, 298 F.3d 1087, 1089 (9th Cir. 2002). Conclusory
19 allegations and unwarranted inferences are insufficient to defeat a motion for
20 judgment on the pleadings. *Dalkilic*, 516 F. Supp. 2d at 1183.

21 B. Personal Jurisdiction Standard

22 The plaintiff bears the burden of proving that general or specific jurisdiction
23 exists over a defendant within the forum state. *Schwarzenegger v. Fred Martin*
24 *Motor Co.*, 374 F.3d 797, 800 (9th Cir. 2004); *Doe v. Unocal Corp.*, 248 F.3d 915,
25 922 (9th Cir. 2001). Where there is no applicable federal statute governing personal
26 jurisdiction, the district court must apply the law of the forum state. *See Hunt v.*
27 *Eerie Ins. Group*, 728 F.2d 1244, 1246 (9th Cir. 1984) (affirming dismissal for lack
28 of personal jurisdiction).

1 California’s long-arm statute provides that jurisdiction may be exercised over
2 a nonresident defendant “on any basis not inconsistent with the Constitution of this
3 state or of the United States.” Cal. Civ. Proc. Code § 410.10 (2008). The Ninth
4 Circuit has interpreted this statute “to confer jurisdiction which is coextensive with
5 that permitted by United States Supreme Court decisions defining the limits of
6 federal due process.” *Hunt*, 728 F.2d at 1246 (citing *Data Disc. Inc. v. Sys. Tech.*
7 *Assocs., Inc.*, 557 F.2d 1280, 1286 (9th Cir. 1977)).

8 The Due Process Clause prohibits the exercise of jurisdiction over a
9 nonresident defendant unless the defendant has “minimum contacts” with the forum
10 state so that the exercise of jurisdiction “does not offend traditional notions of fair
11 play and substantial justice.” *Int’l Shoe Co. v. Washington*, 326 U.S. 310, 316, 66 S.
12 Ct. 154, 158, 90 L. Ed. 95, 102 (1945) (internal citation and quotations omitted).
13 Two standards have developed for determining whether these due process
14 requirements are met: one for “general jurisdiction,” subjecting a defendant that is
15 doing business in a state to jurisdiction for all purposes, and one for “specific
16 jurisdiction,” subjecting a defendant to jurisdiction for claims arising out of its
17 contacts with the forum state. *See Brand v. Menlove Dodge*, 796 F.2d 1070, 1073
18 (9th Cir. 1986). As shown below, EMI has not pleaded facts that would establish
19 that this Court has either general or specific personal jurisdiction over EYGN.

20 **II. THIS COURT DOES NOT HAVE GENERAL JURISDICTION**
21 **OVER EYGN**

22 General jurisdiction over a nonresident defendant exists only if the defendant
23 conducts “substantial” or “continuous and systematic” activities within the forum
24 state. *See Helicopteros Nacionales de Colombia, S.A. v. Hall*, 466 U.S. 408, 415-
25 16, 104 S. Ct. 1868, 1872-73, 80 L. Ed. 2d 404, 411-12 (1984); *Data Disc.*, 557
26 F.2d at 1287. The standard for establishing general jurisdiction is “fairly high,”
27 *Brand*, 796 F.2d at 1073, and requires that the defendant’s forum contacts are
28 “sufficiently pervasive” to justify subjecting it to jurisdiction for all claims whether

1 or not arising directly from the contacts. *Kransco Mfg., Inc. v. Markwitz*, 656 F.2d
2 1376, 1378 (9th Cir. 1981).

3 EMI alleges in its Complaint that two *other* defendants, Ernst & Young and
4 EYAI, both have “a California presence,” are “registered to do business in
5 California,” and “otherwise ha[ve] substantial contacts within this judicial district.”
6 (Compl. ¶¶ 4-5.) EMI makes no such allegations with respect to EYGN. EMI’s
7 allegations do not refer to any activities – let alone “substantial” or “continuous and
8 systematic” activities – conducted by EYGN in California. EYGN is an intellectual
9 property holding company incorporated and based in the Bahamas. (Cochrane Decl.
10 ¶ 2.) And, as elaborated above (*see* Statement of Facts, Section D), it is undisputed
11 that EYGN is not registered to do business in California, has no offices or
12 employees in California, and does not solicit or conduct business in California.
13 (Cochrane Decl. ¶¶ 3-4.)⁶

14 Moreover, activities conducted in California by EYGN’s licensee, Ernst &
15 Young, cannot be imputed to EYGN for these purposes because Ernst & Young is a
16 separate legal and business entity that maintains separate offices, issues separate
17 financial statements, has separate bank accounts, and has a separate board of
18 directors. (*Id.* ¶ 11.) *See, e.g., Ingram Micro, Inc. v. Tessco Commc’ns, Inc.*, No. 02
19 CV 0291, 2002 WL 1290197, at *3 (C.D. Cal. May 6, 2002) (no personal
20 jurisdiction over nonresident licensor based on parent and sister company licensees’
21 contacts with forum state); *Tol-O-Matic, Inc. v. Proma Produkt-Und Mktg.*
22 *Gesellschaft, m.b.H.*, 690 F. Supp. 798, 801 (D. Minn. 1987) (no personal
23 jurisdiction over foreign licensor despite licensee’s activities in the forum state).
24 Therefore, as a matter of law, EYGN lacks the “substantial” or “continuous and

25 _____
26 ⁶ Judgment on the pleadings is appropriate here because EMI has failed to even
27 *plead* facts that would establish personal jurisdiction over EYGN. Nonetheless, the
28 Court may also consider EYGN’s declarations, which confirm that *in fact* there is no
basis for personal jurisdiction. *See Hal Roach Studios*, 896 F.2d at 1550 (court may
consider affidavit evidence and treat Rule 12(c) motion as motion for summary
judgment).

1 systematic” activities within California necessary for the Court to exercise personal
2 jurisdiction over the company. *See Kransco Mfg.*, 656 F.2d at 1378.

3 **III. THIS COURT DOES NOT HAVE SPECIFIC JURISDICTION OVER**
4 **EYGN**

5 Neither is there any basis for specific jurisdiction over EYGN in this Court.
6 The Ninth Circuit has adopted a three-prong test to analyze whether specific
7 jurisdiction exists over a nonresident defendant in accordance with federal and state
8 due process requirements: (a) whether the nonresident defendant “purposefully
9 direct[ed]”⁷ its activities at the forum state; (b) whether plaintiff’s claim “arises out
10 of or relates to the defendant’s forum-related activities”; and (c) whether the
11 exercise of jurisdiction “comport[s] with fair play and substantial justice, *i.e.*, it must
12 be reasonable.” *Yahoo! Inc. v. La Ligue Contre Le Racisme*, 433 F.3d 1199, 1206
13 (9th Cir. 2006) (citing *Schwarzenegger*, 374 F.3d at 802). Plaintiff bears the burden
14 of satisfying the first two prongs of the test. *Schwarzenegger*, 374 F.3d at 802. If
15 the plaintiff fails to satisfy either of these prongs, personal jurisdiction is not
16 established in the forum state. *Id.* If plaintiff succeeds in satisfying both of the first
17 two prongs, the burden then shifts to defendant to “present a compelling case” that
18 the exercise of jurisdiction would not be reasonable. *Id.* (citing *Burger King Corp.*
19 *v. Rudzewicz*, 471 U.S. 462, 476-78, 105 S. Ct. 2174, 2184, 85 L. Ed. 2d 528, 543
20 (1985)).

21 A. *As a Matter of Law, Mere Issuance of Cease and Desist Demands to EMI*
22 *Does Not Constitute “Purposefully Directed Activity” to California*

23 EMI has not alleged and cannot allege that EYGN, which it acknowledges to
24 be “a Bahamas corporation” (Compl. ¶ 3), has engaged in any activity directed to
25

26 ⁷ Whereas courts apply a “purposeful availment” analysis for suits sounding in
27 contract, a “purposeful direction” analysis is applied for suits sounding in tort. *See*
28 *Schwarzenegger*, 374 F.3d at 802. The claims in this proceeding for trademark
infringement and related causes of action are torts; therefore, a purposeful direction
analysis applies.

1 California or this District other than its counsel’s issuance of the two cease and
2 desist demands to EMI in California.⁸ (Cochrane Decl. ¶¶ 2-5.) This raises the
3 question: does the issuance alone of demand letters to a party in this state constitute
4 activity “purposely directed” to the state under the first prong of the specific
5 jurisdiction analysis? The Court of Appeals for the Ninth Circuit has answered this
6 question clearly and repeatedly in the negative. *See, e.g., Yahoo! Inc.*, 433 F.3d at
7 1208 (“A cease and desist letter is not in and of itself sufficient to establish personal
8 jurisdiction over the sender of the letter....”) (internal citation omitted); *Peterson v.*
9 *Kennedy*, 771 F.2d 1244, 1262 (9th Cir. 1985) (finding that nonresident defendant’s
10 telephone calls and letters mailed into the forum state “simply [did] not qualify as
11 purposeful activity invoking the benefits and protection of the [forum] state”)
12 (internal citation omitted); *Cascade Corp. v. Hiab-Foco AB*, 619 F.2d 36, 38 (9th
13 Cir. 1980) (declaratory judgment action dismissed for lack of personal jurisdiction
14 where defendant’s primary contacts with the forum state consisted of cease and
15 desist letters alleging infringement); *see also, e.g., Fehr v. LaFave*, No. 07 CV 2005,
16 2008 WL 477879, at *2 (D. Ariz. Feb. 19, 2008) (granting motion to dismiss for
17 lack of personal jurisdiction where a cease and desist letter was defendant’s only
18 contact with the forum state).

19 There is an important policy reason for this rule, as the Ninth Circuit
20 explained in the *Yahoo!* case:

21 If the price of sending a cease and desist letter is that the
22 sender thereby subjects itself to jurisdiction in the forum
23 of the alleged rights infringer, the rights holder will be
24

25 ⁸ Under the “Jurisdiction” heading of its Complaint, Plaintiff makes (upon
26 information and belief) only the conclusory allegation “that Defendants have
27 sufficient contacts with this district generally and, in particular, with the events
28 herein alleged, that each Defendant is subject to the exercise of jurisdiction of this
court over its person.” (Compl. ¶ 7.) Plaintiff fails to allege any facts that would
support this legal conclusion with respect to defendant EYGN.

1 strongly encouraged to file suit in its home forum without
2 attempting first to resolve the dispute informally by means
3 of a letter.

4 433 F.3d at 1208 (internal citation omitted). Therefore, as a matter of law, EMI
5 cannot establish that EYGN has purposefully directed activities to California to
6 support the exercise of specific jurisdiction over EYGN by this Court.⁹

7 Because EMI cannot meet its burden of showing sufficient purposefully
8 directed activities by EYGN, there is no basis for the exercise of jurisdiction, and
9 the Court need not even consider the reasonableness prong of the specific
10 jurisdiction test.

11 B. The “Reasonableness” Factors Also Weigh Strongly in Favor of Dismissal

12 Even if EMI could meet its burden on purposeful direction – which it cannot
13 – the exercise of jurisdiction over EYGN based on such sparse contacts with
14 California would be patently unreasonable.

15 In assessing whether the exercise of personal jurisdiction over a nonresident
16 defendant satisfies the reasonableness test, the Ninth Circuit has identified the
17 following seven factors to be considered: (1) the extent of defendant’s purposeful
18 interjection into the forum state; (2) the burden on defendant of defending in the
19 forum state; (3) conflicts of law between the forum and defendant’s home
20 jurisdiction; (4) the forum state’s interest in adjudicating the dispute; (5) the most
21 efficient judicial resolution of the controversy; (6) the importance of the forum to
22 plaintiff’s interest in convenient and effective relief; and (7) the existence of an
23 alternative forum. *See Ins. Co. of N. Am. V. Cruz*, 649 F.2d 1266, 1270 (9th Cir.
24 1981) (finding lack of personal jurisdiction where nonresident defendant’s
25 purposeful availment was minimal and the reasonableness factors weighed in favor
26

27 ⁹ As an independent basis for dismissal, EMI’s claims for cancellation of EYGN’s
28 mark and a declaration of non-infringement do not “arise out of” EYGN’s May
2008 cease and desist demands or any other contacts by EYGN with California.

1 of dismissal); *see also* *FDIC v. British-Am. Ins. Co.*, 828 F.2d 1439, 1442 (9th Cir.
2 1987) (affirming dismissal for lack of personal jurisdiction after weighing
3 reasonableness factors). No single factor is dispositive; rather, the Court must
4 weigh each factor against the others. *Roth v. Garcia Marquez*, 942 F.2d 617, 623
5 (9th Cir. 1991).

6 Addressing the first factor, as previously discussed, EYGN has not
7 purposefully availed itself of this forum; it did no more than send two cease and
8 desist demands to EMI. Exercising personal jurisdiction over EYGN on the basis of
9 these demands would be unreasonable. *See Ingram Micro*, 2002 WL 1290197, at
10 *3-*4 (defendant’s cease and desist letter into the forum state failed to satisfy the
11 reasonableness requirement for specific jurisdiction); *Red Wing Shoe Co. v.*
12 *Hockerson-Halberstadt, Inc.*, 148 F.3d 1355, 1360-61 (Fed. Cir. 1998) (a patent
13 owner’s cease and desist letters into the forum state did not meet due process
14 requirements to establish personal jurisdiction in a declaratory judgment action).

15 Addressing the second factor, litigating this action in California would impose
16 a significant burden upon EYGN, a Bahamas-based corporation with no presence in
17 California. (Cochrane Decl. ¶¶ 2-5, 16.); *see also* *FDIC*, 828 F.2d at 1444 (“[i]n a
18 case such as this, in which the defendant has done little to reach out to the forum
19 state, the burden of defending itself in a foreign forum militates against exercising
20 jurisdiction”) (internal citation and quotations omitted).

21 The third factor, potential conflicts of law, likewise weighs against the
22 California forum. The Complaint pleads no claims based on specific California
23 laws, and the Counterclaims include two separate causes of action under New York
24 statutory and common law in addition to three claims under the U.S. Trademark
25 (Lanham) Act (Answer ¶¶ 40-43, 44-48) – precisely the same claims pleaded in the
26 New York Action. Thus, there is no issue as to which state’s law will apply, and
27 established judicial principles dictate that a case involving New York claims would
28 best be heard by a Court located in New York and most familiar with its laws. *See*,

1 e.g., *First Hawaiian Bank v. Bartel.*, No. 08 CV 0177, 2008 U.S. Dist. LEXIS
2 64218, at *23 (D. Haw. Aug. 20, 2008).

3 With respect to the fourth factor, the forum state’s interest in adjudicating the
4 dispute, California may have some interest in adjudicating a dispute involving EMI,
5 a California corporation. Such interest is minimal, however, because the dispute
6 involves federal and New York claims asserted by private corporations relating to
7 trademark rights in the ENTREPRENEUR OF THE YEAR mark. *See*
8 *EuroAmericana, Inc. v. Catania-Spagna Corp.*, No. 96 CV 2196, 1996 WL 557751,
9 at *6 (N.D. Cal. Sept. 20, 1996) (noting that although California may have an
10 interest in providing redress for its citizens, California’s interest was “not great”
11 where the action involved a short-term sales agreement and did not involve a
12 continuing relationship between the parties); *see also Rotter v. Institutional*
13 *Brokerage Corp.*, No. 93 CV 0056, 1993 WL 172245, at *4 (N.D. Cal. May 17,
14 1993) (finding California’s interest in the action “attenuated” where New York law
15 applied to the claims).

16 The fifth and sixth factors, judicial efficiency and the importance of the forum
17 to plaintiff’s interest, both weigh in favor of EYGN. EMI can pursue all of its
18 claims and remedies against EYGN, including EMI’s core claims that EYGN’s
19 trademark rights are invalid and its federal registrations should be canceled, in New
20 York, where personal jurisdiction exists over all parties and where a parallel action
21 has already been commenced. Although California may be a more desirable forum
22 for EMI, a California forum is not necessary to EMI’s interest in obtaining effective
23 declaratory relief.

24 Regarding the seventh factor, the plaintiff “bears the burden of proving the
25 unavailability of an alternative forum.” *FDIC*, 828 F.2d at 1445 (“although
26 [plaintiff] has argued that California would be a more convenient forum, it has not
27 met its burden of proving that it would be precluded from suing [defendant] outside
28 of California”). EMI cannot satisfy this factor because an alternative forum exists in

1 New York, where EMI has already asserted its claims against EYGN and where, as
2 noted above, the same case is already pending. Indeed, in its response to the
3 complaint in the New York Action, EMI admitted that it is subject to personal
4 jurisdiction in New York. (*See* Mende Decl. Ex. 5 at ¶¶ 9-10.)

5 In sum, the reasonableness factors weigh heavily in favor of dismissal.

6 **Conclusion**

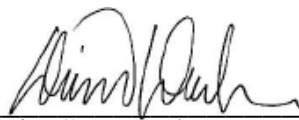
7 For the foregoing reasons, EYGN's motion for judgment on the pleadings for
8 lack of personal jurisdiction pursuant to Fed. R. Civ. P. 12(c) should be granted.

9
10 DATED: November 12, 2008

11 BERRY & PERKINS,
12 A Professional Corporation

Respectfully submitted,

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