

1 MAYER, BROWN, ROWE & MAW LLP  
 Ian N. Feinberg (SBN 88324)  
 2 [ifeinberg@mayerbrownrowe.com](mailto:ifeinberg@mayerbrownrowe.com)  
 Dennis S. Corgill (SBN 103429)  
 3 [dcorgill@mayerbrownrowe.com](mailto:dcorgill@mayerbrownrowe.com)  
 Eric B. Evans (SBN 232476)  
 4 [eevans@mayerbrownrowe.com](mailto:eevans@mayerbrownrowe.com)  
 Two Palo Alto Square, Suite 300  
 5 3000 El Camino Real  
 Palo Alto, CA 94306-2112  
 6 Telephone: (650) 331-2000  
 Facsimile: (650) 331-2060  
 7

8 Attorneys for Plaintiff  
 FREECYCLESUNNYVALE,

9  
 10 **UNITED STATES DISTRICT COURT**  
 11 **NORTHERN DISTRICT**  
 12 **OAKLAND DIVISION**

13 FREECYCLESUNNYVALE,  
 a California unincorporated association,

14 Plaintiff,

15 v.

16 THE FREecycle NETWORK,  
 17 an Arizona corporation,

18 Defendant.

Case No. C06-00324 CW

**REPLY IN SUPPORT OF PLAINTIFF  
 AND COUNTERDEFENDANT  
 FREECYCLESUNNYVALE'S NOTICE  
 OF ADMINISTRATIVE MOTION AND  
 ADMINISTRATIVE MOTION FOR  
 RECONSIDERATION OF THIS  
 COURT'S AUGUST 10, 2007 ORDER  
 DENYING PLAINTIFF'S MOTION FOR  
 SUMMARY JUDGMENT WITHOUT  
 PREJUDICE**

19  
 20 THE FREecycle NETWORK, INC., an  
 21 Arizona Corporation,

22 Counterclaimant,

23 v.

24 FREECYCLESUNNYVALE, a California  
 unincorporated association,

25 Counterdefendant.  
 26  
 27  
 28

1                   **REPLY IN SUPPORT OF PLAINTIFF'S MOTION FOR LEAVE TO FILE AN**  
2                   **ADMINISTRATIVE MOTION FOR RECONSIDERATION AND ADMINISTRATIVE**  
3                   **MOTION FOR RECONSIDERATION**

4                   **I. INTRODUCTION**

5                   TFN's opposition to an early disposition of naked licensing issues demonstrates only that  
6                   TFN will go to any length to delay the resolution of a central issue that would streamline this  
7                   action. While TFN objects that it needs all manner of unidentified discovery, TFN is the one  
8                   who has long frustrated discovery on naked licensing. Moreover, while TFN objects that it  
9                   needs an expert to address naked licensing, TFN fails to cite one case in which a court admitted  
10                  expert testimony on naked licensing. For whatever reason, TFN would rather drag this action  
11                  out than allow this Court to narrow the issues left for trial. TFN's dilatory tactics should be  
12                  rejected, and this Court should schedule FreecycleSunnyvale's Naked Licensing Motion for a  
13                  hearing in September 2007.

14                  **II. TFN HAS LONG FRUSTRATED DISCOVERY EFFORTS ON NAKED**  
15                  **LICENSING**

16                  Early in this action, FreecycleSunnyvale sought production of documents concerning  
17                  TFN's relationships with its alleged licensees. Obviously, such documents would indicate if  
18                  TFN retained contractual rights to control quality, if TFN actually controlled quality, or if TFN  
19                  reasonably relied upon any licensee to maintain quality. *See* Exhibit A to Declaration of Dennis  
20                  S. Corgill in Support of Plaintiff and Counterdefendant FreecycleSunnyvale's Motion for  
21                  Summary Adjudication (July 17, 2007; Document # 69).

22                  FreecycleSunnyvale initiated the meet and confer process on June 30, 2006 to obtain  
23                  these documents, but TFN has refused to produce documents that it acknowledges are relevant to  
24                  naked licensing. At first, TFN objected that production was overly burdensome. Only recently,  
25                  in June 2007, TFN admitted that it did not have possession, custody, or control of many of its  
26                  alleged licensees' documents, which only demonstrates that TFN has nakedly licensed its alleged  
27                  trademarks because TFN lacks access to the documents which would enable TFN to exercise  
28                  quality control over its alleged licensees. *See Id.*

TFN's suggestion that it was surprised that FreecycleSunnyvale filed its Naked Licensing

1 Motion is disingenuous. Naked licensing was alleged in the original complaint filed in this  
2 action and, as just noted, FreecycleSunnyvale has been seeking relevant discovery throughout  
3 this action. *See* Complaint for Declaratory Judgment of Trademark Non-Infringement and  
4 Tortious Interference with Business Relations ¶ 41 (Jan. 18, 2007; Document # 1). Even though  
5 TFN has denied FreecycleSunnyvale access to whatever licensee documents are in TFN's  
6 possession, custody, or control, FreecycleSunnyvale has presented convincing evidence of naked  
7 licensing, thereby making the Naked Licensing Motion ripe for this Court's review. At the very  
8 least, TFN should not be allowed to postpone the inevitable, and this Court should hear the  
9 Naked Licensing Motion in September 2007.

10 **III. TFN HAS COMPLETED FACT DISCOVERY AND HAS NO GROUNDS TO**  
11 **SEEK ADDITIONAL FACT DISCOVERY**

12 Not only has TFN frustrated discovery on naked licensing issues, but TFN muddles the  
13 record when TFN argues that it needs additional fact discovery. First, TFN has completed its  
14 discovery. The parties stipulated to extend the discovery period solely to schedule already  
15 noticed depositions. *See* Stipulated Request for Order Changing Time under Civil L.R. 6-2, at  
16 2:13-15 (July 17, 2007; Document # 66). TFN completed its last deposition on Friday, August  
17 17, 2007. TFN has no outstanding discovery requests to which FreecycleSunnyvale need reply.  
18 *See* Declaration of Dennis S. Corgill in Support of Plaintiff and Counterdefendant  
19 FreecycleSunnyvale's Reply in Support of Administrative Motion for Reconsideration at ¶¶ 2, 3  
20 (accompanying this Reply). In any event, TFN's argument that it needs additional discovery is a  
21 red herring. In fact, TFN does not dispute that licensing evidence—whether of naked licensing  
22 or licensing that ensures quality control—is peculiarly within the possession, custody, and  
23 control of TFN.

24 Second, TFN's argument that one of FreecycleSunnyvale's declarants—Miles Dennis  
25 Robertson, Jr.—was not listed in FreecycleSunnyvale's initial disclosures, is much ado about  
26 nothing. Under FED.R.CIV.P. 37(c)(1), evidence of an undisclosed witness may be used if any  
27 failure to disclose the witness is "harmless." A failure to disclose a witness is harmless if the  
28 witness's identity is already know to the other party or disclosed by other parties. *See* Advisory

1 Committee Notes to 1993 Amendments to FED.R. CIV.P. 37(c).

2 Mr. Robertson is no surprise witness. Mr. Robertson is well-known to TFN and its  
3 Executive Director, Deron Beal. Mr. Robertson was a senior TFN volunteer who gave of his  
4 time in several significant roles. Mr. Robertson was a New Group Approver, a Group Outreach  
5 and Assistant (GOA) volunteer, the GOA coordinator for all GOAs, and a member of the eight  
6 person central committee known as The Hub. *See* Declaration of Miles Dennis Robertson, Jr., in  
7 Support of Plaintiff and Counterdefendant FreecycleSunnyvale's Motion for Summary  
8 Adjudication at ¶¶ 2, 11, 19, 33, 34 (July 17, 2007; Document # 70). Any argument by TFN that  
9 it did not know the identity of Mr. Robertson is tantamount to a corporation arguing that it did  
10 not know of a recent senior officer and member of the board of directors.

11 Moreover, TFN cannot argue that it has any serious interest in seeking discovery from  
12 Mr. Robertson because TFN rejected FreecycleSunnyvale's offer to extend the fact discovery  
13 period for the purpose of taking Mr. Robertson's deposition. *See* Declaration of Dennis S.  
14 Corgill in Support of Plaintiff and Counterdefendant FreecycleSunnyvale's Reply in Support of  
15 Administrative Motion for Reconsideration at ¶ 5 (accompanying this Reply). Throughout this  
16 litigation, TFN has failed to engage in any third party discovery whatsoever. *See* Declaration of  
17 Dennis S. Corgill in Support of Plaintiff and Counterdefendant FreecycleSunnyvale's  
18 Administrative Motion for Reconsideration at ¶ 3 (Aug. 13, 2007; Document # 87). TFN has  
19 completed its fact discovery, and TFN should not be allowed to delay a hearing on  
20 FreecycleSunnyvale's Naked Licensing Motion further.

21 **IV. EXPERT DISCOVERY IS NOT NEEDED ON NAKED LICENSING ISSUES**

22 TFN suggests that it needs an expert before it can respond to FreecycleSunnyvale's  
23 Naked Licensing Motion, but TFN never explains itself. TFN cites no case in which a court  
24 received expert testimony to assist fact finding on naked licensing. Nor does TFN explain why  
25 an expert is needed to determine if TFN retained contractual rights to control quality, if TFN  
26 actually controlled quality, or if TFN reasonably relied upon any licensee to maintain quality.

27 TFN's plea for time to conduct expert discovery on naked licensing is belied by the fact  
28 that TFN did not believe that it needed an expert declaration when TFN sought a hearing date of

1 September 6, 2007. On July 27, 2007, TFN filed a joint stipulation requesting a September 6,  
2 2007 hearing date. See Stipulated Request for Order Changing Time under L.R. 6-2 (July 27,  
3 2007; Document # 79). Up to that point, TFN did not express any need for expert discovery on  
4 naked licensing issues. TFN's "need" for expert discovery arose only after this Court's order of  
5 July 30, 2007, and TFN saw an opportunity to delay. See Order Granting as Modified the  
6 Parties' Stipulated Request for Order Changing Time (July 30, 2007; Document # 81) ("*Absent*  
7 *good cause*, the Court prefers to consider all summary judgment motions and cross-motions at  
8 the same time.") (emphasis added). If TFN believed that it could be prepared to oppose the  
9 Naked Licensing Motion for a September 6, 2007 hearing, there is no reason to credit TFN's  
10 recent arguments that it cannot be prepared to oppose the Naked Licensing Motion before a  
11 February 28, 2007 hearing.

12 **V. CONCLUSION**

13 For the foregoing reasons, Plaintiff respectfully requests this Court to reconsider its  
14 July 30, 2007 order, to hear Plaintiff's Naked Licensing Motion in September 2007, and to adjust  
15 the due dates for filing opposition and reply papers in accordance with a new hearing date. In  
16 the alternative, Plaintiff requests this Court to grant Plaintiff leave, under Civil Local Rule  
17 7-9(a), to notice a motion for reconsideration.

18 Dated: August 22, 2007

MAYER, BROWN, ROWE & MAW LLP

19  
20  
21 By           /s/          Ian N. Feinberg            
22 Ian N. Feinberg  
23 Attorneys for Plaintiff  
24 FREECYCLESUNNYVALE,  
25  
26  
27  
28