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15 UNITED STATES DISTRICT COURT  
 16 NORTHERN DISTRICT OF CALIFORNIA

17	PETROLIAM NASIONAL BERHAD,	)	CASE NO: 09-CV-5939 PJH
18		)	
19	Plaintiff,	)	<b>DEFENDANT’S OPPOSITION TO</b>
20		)	<b>PLAINTIFF’S MOTION TO</b>
21	vs.	)	<b>STRIKE AFFIRMATIVE</b>
22		)	<b>DEFENSES</b>
23	GODADDY.COM, INC.,	)	
24		)	Date: August 3, 2011
25	Defendant.	)	Time: 9:00 a.m.
26		)	Judge: Hon. Phyllis J. Hamilton

27 **I. INTRODUCTION**

28 The motion of Plaintiff Petroliam Nasional Berhad (“Petronas”) to strike Go Daddy’s affirmative defenses is ill-conceived and should be denied. In any event, the motion is moot, as Defendant GoDaddy.com, Inc. (“Go Daddy”) has submitted a motion for leave to amend its answer to, among other things, provide in the pleading the very factual statements Petronas claims are lacking (*see* pending motion at Dkt #94, and supporting declaration with proposed Amended Answer at Dkt #95, Exhibit A). For these reasons, Petronas should withdraw its motion<sup>1</sup>; if Petronas continues to decline to withdraw the motion, the Court should deny the

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<sup>1</sup> Go Daddy has contacted Petronas’ counsel twice about withdrawing the motion or, if Petronas will not agree to withdraw the motion, consenting to modifying the hearing date so the inter-dependant motions – Petronas’ motion to strike affirmative defenses and Go Daddy’s  
 (continued...)

1 motion to strike and enter Go Daddy’s proposed amended Answer.

2 **II. LEGAL STANDARD**

3 “The key to determining the sufficiency of pleading an affirmative defense is whether it  
4 gives plaintiff fair notice of the defense.” *Simmons v. Navajo County, Arizona*, 609 F3d 1011,  
5 1023 (9th Cir. 2010) (citing *Wyshak v. City Nat’l Bank*, 607 F.2d 824, 827 (9th Cir.1979) and *In*  
6 *re Gayle Sterten*, 546 F.3d 278, 285 (3d Cir. 2008) (noting that “the proper focus of our inquiry”  
7 is whether the plaintiff was “specifically deprived [] of an opportunity to rebut that defense or to  
8 alter [] litigation strategy accordingly”).

9 **III. PETRONAS HAD AND HAS “FAIR NOTICE” OF GO DADDY’S DEFENSES**

10 There is no credible argument that Petronas is surprised by any of the affirmative  
11 defenses included in Go Daddy’s original Answer. Go Daddy filed two detailed motions to  
12 dismiss Petronas’ complaints, and the parties have participated in multiple status conferences in  
13 this case and in the two related *in rem* proceedings that resulted in the transfer of the two  
14 disputed domain names to Petronas. Go Daddy also petitioned the U.S. Patent and Trademark  
15 Office to cancel Petronas’ trademark registration on July 12, 2010, and the parties have actively  
16 litigated the Trademark Cancellation Action for a year. *See Wyshak*, 607 F.2d at 827 (holding  
17 that argument in motion gave adequate additional information to supplement affirmative  
18 defense).

19 Regardless, in its proposed Amended Answer Go Daddy has supplemented the  
20 affirmative defenses with additional facts (even though Petronas was already aware of these  
21 facts, from the multiple motions, hearings, and status conferences in this case, as well as the  
22 Trademark Cancellation Action). These amendments cover any possible issue Petronas may  
23

24  
25 (…continued from previous page)  
26 motion for leave to amend its answer – can be heard on the same day. *See Declaration of Hollis*  
27 *Beth Hire* (“Hire Decl.”), ¶ 2, Ex. 1. Petronas has not agreed to either request, so the hearing  
28 dates for the motions are still set a week apart (August 3 and August 10). *See id.* For the sake of  
efficiency, Go Daddy respectfully requests that the Court move the hearing date for one or both  
motions, so they can be heard on the same day.

1 perceive.<sup>2</sup> Petronas has still not agreed that its motion is moot, however, so Go Daddy is  
2 compelled to remark on the sufficiency of each affirmative defense in this opposition. They are  
3 taken in turn below.

4 **First Affirmative Defense: The Complaint, and each claim asserted within it, fails to**  
5 **state a claim upon which relief can be granted.** This affirmative defense has been explained  
6 exhaustively in Go Daddy’s motion for judgment on the pleadings filed August 3, 2010 (Dkt  
7 #50), its reply in support of the motion filed August 25, 2010 (Dkt #57), its motion to dismiss  
8 filed January 31, 2011 (Dkt #77), and its reply in support of that motion filed February 23, 2011  
9 (Dkt #81). Though the Court did not dismiss all of Petronas’ claims in response to Go Daddy’s  
10 motions, Go Daddy continues to believe that Petronas’ complaint fails to state a claim, for the  
11 reasons set forth in the motions. Indeed, the Court has even stated that the court has “certain  
12 reservations concerning the adequacy of the pleading . . . .” See Court Order of May 5, 2011, at  
13 1 (Dkt # 87).

14 Petronas is well aware of these arguments, and the affirmative defense provides ample  
15 notice to Petronas of Go Daddy’s defense. Furthermore, Petronas has cited no authority that  
16 requires further explanation of an affirmative defense that the complaint fails to state a claim  
17 upon which relief can be granted, even in circumstances where there has been no motion  
18 practice, hearings, and status conferences to educate the plaintiff as to the many arguments  
19 supporting the defense.

20 **Second Affirmative Defense: The Complaint is barred, in whole or in part, by the**  
21 **Lanham Act safe harbor for domain name registrars. 15 U.S.C. §1114.** Again, the arguments  
22 further clarifying this affirmative defense are set forth in detail in Go Daddy’s motions for  
23 judgment on the pleadings and its motion to dismiss. Regardless, this affirmative defense is  
24 straightforward and even sets forth the relevant statute. Petronas provides no reason or authority

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26 <sup>2</sup> Though Petronas’ motion broadly requests that all affirmative defenses be stricken,  
27 Petronas only addresses four of the affirmative defenses specifically: the affirmative defense  
28 asserting waiver, laches, and acquiescence; the defense of failure to mitigate damages; the  
defense concerning the Lanham Act safe harbor for registrars; and the defense that the complaint  
fails to state a claim upon which relief can be granted. See Motion to Strike at 5.

1 to challenge this affirmative defense, and indeed none exists.

2 **Third Affirmative Defense:** The Complaint is barred, in whole or in part, by the  
3 equitable doctrines of waiver, estoppel and laches. On information and belief, the domain names  
4 at issue were registered in 2003, and have pointed to pornographic content since that time. On  
5 information and belief, Petronas waited until 2009 to take any action with regard to one of the  
6 domain names at issue and waited until 2010 to take action with regard to the other domain name  
7 at issue. Go Daddy's proposed amended affirmative defense, restating facts and arguments  
8 presented as early as Go Daddy's opposition to Petronas' request for a temporary restraining  
9 order in December 2009 (Dkt #12), contains ample explanation to provide "fair notice" of the  
10 defense.

11 **Fourth Affirmative Defense:** The Complaint is barred, in whole or in part, by the  
12 doctrine of acquiescence. On information and belief, Petronas did not take any action with  
13 regard to the domain names at issue for approximately six years and thereby acquiesced and  
14 forfeited any right to complain about the conduct that forms the basis for its allegations. As with  
15 the Third Affirmative Defense above, this defense is related to Petronas' delay in taking action  
16 on the alleged disputed domain names. This proposed amended defense sets forth ample facts to  
17 make this argument clear.

18 **Fifth Affirmative Defense:** The Complaint is barred, in whole or in part, by failure to  
19 bring this action within the time allowed under the applicable the statute of limitation(s). See,  
20 e.g., Cal. Bus. & Prof. Code § 17208. Though Go Daddy believes the relevant statute of  
21 limitations was always clear – as the First Amended Complaint only alleges one cause of action  
22 that carries a statute of limitations – Go Daddy's proposed amended affirmative defense lists the  
23 statute specifically. *See Wyshak*, 607 F.2d at 827 (holding that reference to the statute  
24 referencing the applicable statute of limitations in a motion was sufficient to support an  
25 affirmative defense that the plaintiff's claims were barred by the statute of limitations) *cited in*  
26 *Solis v. Zenith Capital, LLC*, No. C-08-4854, 2009 U.S. Dist. LEXIS 43350, at \*10 (N.D. Cal.  
27 May 8, 2009).

28 **Sixth Affirmative Defense:** The Complaint is barred, in whole or in part, by the defense

1 of misrepresentation of material facts. The Complaint contains numerous factually inaccurate  
2 allegations, including, *inter alia*, that “GoDaddy provides its ‘domain name forwarding’ service  
3 to registrants who registered their domain names with registrars other than GoDaddy.”  
4 Complaint ¶ 30. In addition, on information and belief, Plaintiff has made false or improper  
5 representations with the intent to induce the U.S. Patent and Trademark Office to issue a  
6 trademark registration. The factual inaccuracies in Petronas’ First Amended Complaint are too  
7 numerous to mention individually, and many of the inaccuracies will be borne out in discovery in  
8 this matter. Two of the more prominent misrepresentations are listed specifically in Go Daddy’s  
9 proposed amended defense.

10 **Seventh Affirmative Defense:** Plaintiff’s alleged trademark is invalid and therefore  
11 cannot support Plaintiff’s claims because, on information and belief, Plaintiff has abandoned the  
12 alleged mark, has never used it in the United States, or otherwise does not have valid United  
13 States trademark rights in the alleged mark. Plaintiff’s alleged trademark registration is invalid  
14 for the reasons set forth in the below counterclaim and therefore cannot support Plaintiff’s  
15 claims. Petronas has long known about Go Daddy’s position on trademark invalidity. In its U.S.  
16 Patent and Trademark Office Cancellation Action, Go Daddy has repeatedly expanded on the  
17 assertion that Petronas does not actually possess the U.S. trademark rights it asserts in the First  
18 Amended Complaint. This position was first articulated a year ago in Go Daddy’s Petition to  
19 Cancel Petronas’ U.S. trademark registration. *See* Declaration of John Slafsky in support of Go  
20 Daddy’s Motion for Leave to Amend, (Dkt #95), ¶ 3, Ex. B.

21 Nonetheless, Go Daddy has added allegations to the proposed amended defense to insert  
22 these facts, and to incorporate the facts further explained and alleged in Go Daddy’s proposed  
23 Counterclaim for cancellation of Petronas’ U.S. trademark registration.

24 **Eighth Affirmative Defense:** Plaintiff lacks standing to bring these claims because it  
25 does not possess valid United States trademark rights in the alleged trademark. Petronas does  
26 not articulate why it believed that the affirmative defense of lack of standing was insufficient,  
27 and does not present any authority stating that any further allegations to support such a defense  
28 are required. In any event, Go Daddy has provided additional information in its proposed

1 Amended Answer – that Petronas lacks standing because it does not own the requisite U.S.  
2 trademark rights to support the two claims under the Anti-cybersquatting Consumer Protection  
3 Act (and therefore the dependant state law unfair competition claim).

4 Go Daddy further explains the defense of trademark invalidity in its Seventh Affirmative  
5 Defense, above.

6 **Ninth Affirmative Defense:** The Complaint is barred, in whole or in part, by the failure  
7 of Plaintiff to mitigate damages, if any, by waiting approximately six years to take action with  
8 regard to the domains at issue and choosing not to seek transfer of the domains at issue by the  
9 fastest available means, including a Uniform Domain-Name Dispute-Resolution Policy  
10 proceeding before an arbitrator accredited by the Internet Corporation for Assigned Names and  
11 Numbers, which proceeding would typically have been resolved far faster than the proceedings  
12 Plaintiff chose to pursue. Though Go Daddy has presented this position multiple times in  
13 various motions and other proceedings in this and related actions, Go Daddy has included ample  
14 facts in the proposed amended affirmative defense to provide fair notice to Petronas of the basis  
15 for the defense.

16 **Tenth Affirmative Defense:** The Complaint is barred, in whole or in part, by the failure  
17 of Plaintiff to join an indispensable party as defendant in this action, including the domain name  
18 registrant, the company responsible for hosting the alleged website content, and anyone else that  
19 may be involved in the operation of the alleged websites. Again, Go Daddy has presented this  
20 position multiple times in various motions and other proceedings in this and related actions.  
21 Regardless, Go Daddy has included ample facts in the proposed amended affirmative defense to  
22 provide fair notice to Petronas of the basis for the defense.

23 **Eleventh Affirmative Defense:** The Complaint is barred, in whole or in part, by the  
24 equitable doctrine of unclean hands. On information and belief, Plaintiff has made false or  
25 improper representations with the intent to induce the U.S. Patent and Trademark Office to issue  
26 a trademark registration. On information and belief, Plaintiff has wielded this registration  
27 against Go Daddy in this action while knowing that it is invalid, in whole or in part. As set forth  
28 below, the alleged trademark registration is therefore subject to cancellation or partial

1 cancellation. In this proposed amended final affirmative defense, Go Daddy includes facts  
2 already known and presented to Petronas, but in any event made clear within the body of the  
3 affirmative defense itself, and within the proposed counterclaim incorporated by reference and  
4 contained in the same document.

5 In sum, particularly as amended, these affirmative defenses are well supported and  
6 provide more than adequate “fair notice” of Go Daddy’s defenses to Petronas. Go Daddy notes  
7 that Petronas has had two chances to articulate its allegations in the Complaint and First  
8 Amended Complaint, and that its current allegations stand even though the Court has expressed  
9 “certain reservations concerning the adequacy of the pleading . . . .” *See* Court Order of May 5,  
10 2011, at 1 (Dkt # 87). It is manifestly inequitable for Petronas to demand more exacting  
11 pleading standards for Defendant Go Daddy than it, as Plaintiff, adheres to in its complaints. In  
12 any event, should the Court find that any of the affirmative defenses require additional factual  
13 bases to be stated within the Answer, Go Daddy respectfully requests an opportunity to add such  
14 facts to a second proposed Amended Answer and Counterclaim.

15 **IV. CONCLUSION**

16 For the foregoing reasons, Go Daddy respectfully requests that the Court deny Petronas’  
17 Motion to Strike Affirmative Defenses in its entirety as invalid on its face, or, in the alternative,  
18 as moot given Go Daddy’s Motion for Leave to Amend its Answer. To the extent the Court  
19 would like to hold a hearing on these matters, Go Daddy further respectfully requests that the  
20 Court move the hearing date for one or both motions, so that they can be heard on the same day.  
21 Also to the extent the Court finds that any of the affirmative defenses require additional factual  
22 bases to be stated within the Answer, Go Daddy respectfully requests an opportunity to add such  
23 facts to a second proposed Amended Answer and Counterclaim.

24 Dated: July 12, 2011

WILSON SONSINI GOODRICH & ROSATI  
Professional Corporation

27 By: /s/ John L. Slafsky  
John L. Slafsky

28 Attorneys for Defendant  
GoDaddy.com, Inc.