

Jan 10 2005

CLARENCE MADDOX
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IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

STELOR PRODUCTIONS, INC.,
(a Delaware Corporation)

CASE NO. 04-80954-CIV-HURLEY

Plaintiff

Magistrate: Judge James M. Hopkins

v.

STEVEN A. SILVERS,
(a resident of Palm Beach County, Florida).

Defendant.

**PLAINTIFF'S UNOPPOSED MOTION TO VACATE ORDER RECASTING
DEFENDANT'S OPPOSITION TO *PRO HAC VICE* APPEARANCE
OF ATTORNEY RUBINSTEIN**

Plaintiff, Stelor Productions, Inc. ("Stelor"), by and through undersigned counsel, hereby respectfully moves on the following grounds for an order vacating the Court's December 29, 2004 Order Recasting Defendant's Opposition to *Pro Hac Vice* Appearance of Attorney Rubinstein as Motion to Disqualify & Order Directing Briefing on Motion ("Order") [DE 41]:

1. Defendant's Opposition resulted in an expedited conference call hearing before Magistrate Hopkins on the afternoon of December 14, 2004. Based on the Opposition, Defendant's had refused to allow Plaintiff (with Mr. Rubinstein as counsel) to proceed with the deposition of Defendant. Magistrate Hopkins, accordingly, agreed to address the issue, and scheduled the telephonic hearing for that afternoon.

2. At the hearing, the Magistrate heard extensive argument by the parties on the issue of disqualification raised in Silvers' Opposition. (A true and correct transcript of the hearing is attached hereto as Exhibit "A"). The Magistrate then took a recess to consult with his law clerk, reconvened the hearing, and announced his ruling "granting the Motion for Admission Pro Hac Vice." Tr. at 37:5-6.

3. A formal order granting the motion to appear pro hac vice was then issued by the Court dated December 15, 2004 [DE 35], a true and correct copy of which is attached hereto as Exhibit "B". An order granting motion for substitution of counsel, approving Mr. Rubinstein's appearance as new counsel for the Plaintiff, was also entered on December 16, 2004 [DE 36], a true and correct copy of which is attached as Exhibit "C".

4. Defendant has raised no further issue relating to the Magistrate's decision at the December 14th hearing, or the subsequent orders dated December 15 and 16, 2004.

5. Defendant has been advised of the relief requested in this motion and does not oppose it.

6. Accordingly, Stelor respectfully suggests that the issue raised by Defendant's Opposition has already been addressed and decided, and no need exists for further briefing by the parties or further action by the Court on that issue. Stelor requests that the Order be vacated.

7. Alternatively, Stelor requests that time for Plaintiff to file a response pursuant to the Order be enlarged until ten (10) days after disposition of this motion to vacate.

WHEREFORE, Stelor respectfully requests entry of an order vacating the December 29th Order.

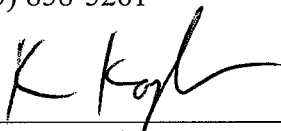
Respectfully Submitted,

Attorneys for Plaintiff,
STELOR PRODUCTIONS, INC.

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-- and --

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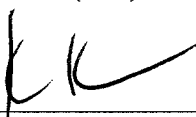
By: 
Kevin C. Kaplan, Esq.
Florida Bar No. 933848

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was served this 7th day of
January, 2005, via telefax and US Mail on:

Gail M. McQuilkin, Esq.
Kozyak, Tropin & Throckmorton, P.A.
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Kevin C. Kaplan, Esq.

1

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF FLORIDA

3 CASE NO: 04-80954-CIV-HURLEY

4 Magistrate Judge James M. Hopkins

5

6 STELOR PRODUCTIONS, INC.,
7 a Delaware corporation,

8 Plaintiff,

9 vs.

10 STEVEN A. SILVERS, a resident
11 of Palm Beach County, Florida

12 Defendant.

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_____/
Suite 900
2525 Ponce de Leon Boulevard
Coral Gables, Florida
Tuesday, 3:18 p.m.
December 14, 2004

CONFERENCE CALL HEARING

This cause came on for hearing before the
Honorable Magistrate Judge James M. Hopkins, via
speaker telephone conference call.

"A"

1 APPEARANCES:

2 KEVIN C. KAPLAN, ESQUIRE
3 BURLINGTON WEIL SCHWIEP
4 KAPLAN & BLONSKY, P.A.
5 Penthouse
6 2699 South Bayshore Drive
7 Miami, Florida 33133
8 Attorneys for Plaintiff
9 (Appearing Telephonically)

10 YANO L. RUBINSTEIN, ESQUIRE
11 SUMMERS RUBINSTEIN, P.L.C.
12 Suite 1600
13 580 California Street
14 San Francisco, California 94104
15 Attorneys for Plaintiff
16 (Appearing Telephonically)

17 GAIL A. McQUILKIN, ESQUIRE
18 KOZYAK TROPIN & THROCKMORTON, P.A.
19 Suite 900
20 2525 Ponce de Leon Boulevard
21 Coral Gables, Florida 33134
22 Attorneys for Defendant

23 ADAM T. RABIN, ESQUIRE
24 DIMOND KAPLAN & ROTHSTEIN, P.A.
25 200 Southeast First Street
Suite 708
Miami, Florida 33131
Attorneys for Defendant

ALSO PRESENT: DONNA ENG, ESQUIRE

STEVEN ESRIG

(Both appearing Telephonically)

23

24

25

1 Thereupon:

2 THE COURT: This is Judge Hopkins, and I
3 have one of my law clerks, Donna Eng, on the line as
4 well.

5 MS. McQUILKIN: Thank you.

6 This is Gail McQuilkin, and with me is
7 Adam Rabin --

8 MR. RABIN: Hi, Judge.

9 MS. McQUILKIN: -- who is our co-counsel.
10 Do you have Stelor's counsel on the line?

11 THE COURT: I do not.

12 MS. McQUILKIN: They told me that they
13 decided not to come to our conference room, and went
14 and found another local counsel. Apparently, Stan
15 Beiley is no longer going to be their local counsel.

16 They are sitting in a conference room over
17 at Burlington Weil, and I have that phone number.
18 They had asked if you could patch them in.

19 THE COURT: I can only do two at once, and
20 I have two on the line now, Donna Eng and you.

21 MS. McQUILKIN: All right.

22 THE COURT: Do you have the ability to
23 conference in another?

24 MS. McQUILKIN: I do. Give me your number
25 in case I have to conference you back. I'm pretty

1 good at this.

2 THE COURT: Well, if you are going to
3 conference me back -- Well, yes, you can do that, I
4 suppose.

5 MS. McQUILKIN: What is the number in case
6 we're disconnected?

7 THE COURT: Good question. I'll find out.
8 Let me see. Hold on one second.

9 Okay. If there is a problem, you can call
10 me at 772 area code, and the number is 466-0560.

11 MS. McQUILKIN: All right. I'm sure I can
12 do this without having a problem, so hang on. There
13 will be some silence.

14 THE COURT: Okay.

15 (Mr. Kaplan, Mr. Rubinstein and Mr. Esrig
16 were conferenced in on the call)

17 MS. McQUILKIN: Your Honor, are you there?

18 THE COURT: Yes, I am.

19 MS. McQUILKIN: Kevin Kaplan, are you
20 there?

21 MR. KAPLAN: Hello, Your Honor.

22 MS. McQUILKIN: Yes, we are all here, Your
23 Honor.

24 THE COURT: Good afternoon.

25 MR. RUBINSTEIN: Good afternoon, Your

1 Honor. This is Yano Rubinstein.

2 MS. McQUILKIN: One housekeeping issue.
3 Because we're on speaker phone, and I have the court
4 reporter with me, people are going to need to speak
5 up. Also, because we have more than one male voice
6 in this, when you speak you are going to have to
7 identify who is speaking.

8 THE COURT: Very well. This is the Judge.

9 As I indicated earlier, we have been
10 designated by Judge Hurley to decide the Motion to
11 Appear Pro Hac Vice.

12 I have just now been handed some documents
13 that consist of, apparently, some of the information
14 about the motion, and possibly the response.

15 Considering the fact that neither I nor my
16 law clerk have seen these before the hearing, I think
17 it probably is a good idea for you all to make your
18 record and inform us of the basis for your position.

19 I would say that the party challenging the
20 pro hac vice appearance should be the party to
21 commence.

22 MS. McQUILKIN: All right. Your Honor, it
23 is Gail McQuilkin of the firm Kozyak Tropin &
24 Throckmorton on behalf of defendant, Steven Silvers,
25 and with me is Adam Rabin of the firm of Dimond

1 Kaplan, who is co-counsel in this matter.

2 Your Honor, we filed, and I hope you do
3 have our opposition to the Motion to Appear Pro Hac
4 Vice which was filed by Mr. Stan Beiley to admit
5 Mr. Rubinstein as co-counsel for Stelor Productions,
6 the plaintiff in this matter.

7 As Your Honor is aware, there are multiple
8 proceedings, and I'm not going to belabor that
9 because I believe you indicated you understand the
10 different matters that are pending in the United
11 States Trademark Office, et cetera, and how they
12 relate to this case.

13 THE COURT: Well, you might state what the
14 matters are and how they relate, in particular the
15 matter or matters where the attorney, Mr. Rubinstein,
16 who is seeking admission pro hac vice, previously
17 represented opposing counsel -- excuse me -- your
18 client. Because as I see it, the standards for a
19 conflict of interest problem, which is what the basis
20 of your objection is as I understand it, is whether
21 or not the present and past representations are
22 substantially related.

23 MS. McQUILKIN: Correct.

24 THE COURT: So why don't you go ahead down
25 that road.

1 MS. McQUILKIN: All right. Let me try to
2 give you the procedural history, which will help you
3 to understand this.

4 Steven Silvers is a licensor with a
5 license agreement executed with Stelor Productions.

6 There are some proceedings in the United
7 States Patent and Trademark Office that preceded the
8 current action that we are here on. One was an
9 opposition to a registration filed by Stelor
10 Productions against Google, Inc., the search engine.
11 Mr. Silvers is not involved in that case.

12 Then there was also a proceeding filed by
13 Stelor to cancel Google's trademarks filed in the
14 Patent and Trademark Office. Mr. Silvers is not in
15 that matter.

16 However, Google filed a separate action in
17 the United States Patent and Trademark Office to
18 cancel Mr. Silvers' trademark for the name Googles,
19 which is part of the intellectual property that was
20 licensed to Stelor. And that proceeding has a
21 cancellation number, or a Cancellation Proceeding
22 Number, and that is Proceeding 92043737 pending
23 before the Trademark Trial and Appeal Board. In that
24 action, Mr. Silvers is named individually. Stelor
25 was not named as a party at all.

1 Mr. Rubinstein filed a notice of
2 appearance, of counsel, and power of attorney to
3 represent defendant, Steven Silvers in that action.

4 These documents that I'm referring to,
5 Your Honor, are also attached to our opposition. The
6 one I'm referring to now is Exhibit A, and they are
7 going to go in order, B, C, D, as I explain this.

8 Mr. Rubinstein also filed in that action
9 an answer on behalf of Steven Silvers, and then filed
10 shortly after that an amended answer and then a
11 counterclaim against Google in that action.

12 We have had some conversations with
13 Mr. Rubinstein, advising him of the conflict in this,
14 because while all this was going on, Stelor filed the
15 district court action against Steven Silvers which is
16 pending before Your Honor.

17 Mr. Rubinstein, after this federal court
18 action was filed, filed his notice of appearance and
19 filed his answer in the cancellation proceeding.

20 We had some conversations with him, and he
21 eventually did file a notice of withdrawal of power
22 of attorney in that action. However, the Trademark
23 Trial and Appeal Board has not issued any rulings on
24 that.

25 We also filed an answer on behalf of

1 Mr. Silvers in that action and asked that the
2 Trademark Trial and Appeal Board strike the answer
3 that was filed and the counterclaim that was filed by
4 Mr. Rubinstein.

5 And also, after this proceeding between
6 Stelor and Mr. Silvers in the district court, in
7 which we're obviously adverse, Mr. Rubinstein, on
8 behalf of Steven Silvers, files a proceeding with the
9 National Arbitration Forum to challenge Google's,
10 Google, Inc., the search engine's domain name.

11 We were notified of that only because
12 Google, Inc., who is our adversary in the
13 cancellation proceeding, called us to ask us why we
14 had filed that, or why our client had filed that. We
15 did not know about that, and we asked that that be
16 dismissed, and we asked Mr. Rubinstein, who declined
17 to do that.

18 We filed a motion -- excuse me -- a notice
19 to withdraw the complaint, as Steven Silvers'
20 counsel. Mr. Rubinstein then also filed an
21 opposition to that in the National Arbitration Forum,
22 and that is pending there at this time. I confirmed
23 that this morning.

24 Which brings us to the current situation,
25 where we are setting up discovery in this matter,

1 which is pending before you, relating to the
2 injunction motion that is pending.

3 Up until just a few days ago, in this
4 particular action, we had been dealing with Stelor's
5 counsel of record, who has been Larry Hefter of
6 Finnegan Henderson in Washington, and local counsel,
7 Stan Beiley.

8 Mr. Hefter and his partner, Rob Litowitz,
9 scheduled depositions, noticed depositions under an
10 agreement, came down here over a week ago to take the
11 depositions.

12 We actually ended up spending that time,
13 we thought productively, in settlement discussions,
14 which ended in an impasse. We weren't able to do
15 anything, and we rescheduled the depositions for
16 Monday and Tuesday of this week.

17 On Friday of last week -- meaning three or
18 four business days ago -- we received in the
19 afternoon a motion to appear pro hac vice filed by
20 Mr. Beiley in which he was asking to admit Yano
21 Rubinstein, although it does not say for the purposes
22 of the deposition. It just says for the purpose of
23 being co-counsel. Nowhere in the motion does it
24 disclose any type of representation by Mr. Rubinstein
25 of Mr. Silvers and these other pending matters.

1 We did not get a renotice of the
2 deposition for today filed by anybody, although we're
3 not objecting, you know, to the deposition on that
4 basis. However, we received this morning, on the day
5 of the deposition of Mr. Silvers, a renotice of the
6 deposition at 10 o'clock this morning, signed by
7 Mr. Beiley, with no mention of Mr. Rubinstein
8 anywhere in this.

9 Yesterday, when Mr. Rubinstein appeared to
10 defend Mr. Esrig's deposition -- and Mr. Esrig is the
11 principal of Stelor -- we objected on the record,
12 saying that we were opposing his motion for pro hac
13 because he formerly represented Mr. Silvers in the
14 USPTO action, and he is currently still counsel of
15 record in the domain action, and is fighting us to
16 continue to represent Silvers in that action. We put
17 that on the record, told him we were opposing that,
18 and that he could proceed at his risk, that the
19 deposition may be stricken for his appearance.

20 They went ahead, took that deposition, and
21 we filed the opposition to the pro hac this morning,
22 or a little later on, maybe late morning, and
23 attached everything that we have told you about to
24 it.

25 We are of the position that as long as

1 Mr. Rubinstein is actively representing Mr. Silvers,
2 that he cannot represent Stelor in this adverse
3 position in this action.

4 Our client specifically has not authorized
5 us in any way to waive the conflict and, in fact, has
6 expressly stated he does not consent to
7 Mr. Rubinstein representing him -- excuse me --
8 representing Stelor in this action.

9 So, it is our contention, Your Honor, at
10 this point, that our client has not waived, that
11 Mr. Rubinstein cannot represent both Mr. Silvers and
12 Stelor while they are adverse, and the fact that he
13 has tried to do this without giving us an opportunity
14 to at least challenge it before that we feel is
15 improper and, for that reason, he should not be
16 admitted.

17 MR. RUBINSTEIN: Your Honor, this is Yano
18 Rubinstein, if I may respond.

19 THE COURT: No.

20 MS. McQUILKIN: Your Honor --

21 THE COURT: Why don't you -- You have
22 another counsel there who is admitted, correct?

23 MR. RUBINSTEIN: Correct.

24 MR. KAPLAN: Judge, it is Kevin Kaplan
25 from the Miami law firm of Burlington Weil Schwiep

1 Kaplan & Blonsky.

2 We have just been contacted by
3 Mr. Rubinstein probably about an hour-and-a-half ago
4 to come in as local counsel in the case, and we're
5 just finalizing the details of our retainer to do
6 that, and we're prepared, you know, to come in and
7 pick up the representation.

8 Mr. Rubinstein is really intimately
9 familiar with these matters, and I think he really
10 needs to address the specific allegations that
11 opposing counsel is making, which I think are not
12 accurate.

13 I think the facts, at least as I
14 understand them in the hour-and-a-half that we spent
15 together, are that Mr. Rubinstein never actually
16 represented Mr. Silvers. But I would ask that Your
17 Honor permit Mr. Rubinstein to explain those details,
18 because I think that's really required and
19 appropriate under the circumstances, and Stelor would
20 really be prejudiced if Mr. Rubinstein is not able to
21 present that.

22 THE COURT: Does the other side have any
23 objection to Mr. Rubinstein making a statement?

24 MS. McQUILKIN: Not at all, Your Honor.

25 THE COURT: I have an issue with it, and

1 the issue that I have is that prior to an admission
2 pro hac vice being granted, this Court apparently has
3 no contempt authority over an applicant.

4 My solution to that is that I would have
5 Mr. Rubinstein be sworn in and make his
6 representations under oath. Is there any objection
7 to that?

8 MS. McQUILKIN: No, Your Honor. It makes
9 sense, perfect sense.

10 THE COURT: Okay. And from Mr. Kaplan and
11 Mr. Rubinstein?

12 MR. RUBINSTEIN: Yes, speaking.

13 THE REPORTER: Who is speaking?

14 MR. RUBINSTEIN: Mr. Yano Rubinstein.

15 THE COURT: And what was your response?

16 MR. RUBINSTEIN: That is perfectly
17 acceptable.

18 THE COURT: Very well. Would the court
19 reporter swear in Mr. Rubinstein, please.

20 THE REPORTER: Your Honor, I am sorry. I
21 am not in his presence. I cannot do that over the
22 phone.

23 MR. KAPLAN: Judge, I can have a notary in
24 our office swear in the witness. This is Kevin
25 Kaplan. _____

1 THE COURT: Very well.

2 MR. KAPLAN: Okay. Hold on one second,
3 please.

4 (Brief hiatus in proceedings)

5 MR. KAPLAN: This is Kevin Kaplan again.

6 Your Honor, I have got Mary Jane Palmero,
7 who is a notary public who can swear the witness in,
8 if that is acceptable to everybody.

9 THE COURT: Any problems from the other
10 side?

11 MS. McQUILKIN: Not at all.

12 THE COURT: Very well. Proceed.

13 MS. PALMERO: Do you swear to tell the
14 truth --

15 MS. McQUILKIN: I'm sorry, Your Honor, the
16 court reporter cannot hear what is being said.

17 MS. PALMERO: Do you swear to tell the
18 truth, the whole truth and nothing but the truth?

19 MR. RUBINSTEIN: I do.

20 (Yano Rubinstein was duly sworn)

21 THE COURT: Very well. You may proceed,
22 Mr. Rubinstein.

23 MR. RUBINSTEIN: Great.

24 Your Honor, Ms. McQuilkin is under -- she
25 believes that we currently represent Silvers in a

1 UDR -- UDRP action in front of the National
2 Arbitration Forum. And if she did contact the
3 National Arbitration Forum this morning, she was
4 completely misinformed.

5 In fact, we have faxed to Your Honor and
6 to Ms. McQuilkin the case number that is referenced.
7 It is a very long number. I'm not going to read it,
8 but it is attached as Exhibit B of the Declaration of
9 Yano Rubinstein. And paragraph 2 states by whom the
10 complaint was submitted and specifies the complaint
11 was submitted by Stelor Productions, Inc. And I will
12 testify under oath that Mr. Silvers is not a
13 complainant or a party in that filing.

14 What Ms. McQuilkin has is an earlier
15 attempted filing that never was commenced by the
16 Forum. And once we became aware of Ms. McQuilkin's
17 issues with Stelor exercising its right under the
18 license agreement, we thought it would be prudent to
19 simply file it in Stelor's name. But it was never
20 accepted in the name of Mr. Silvers. In fact, I have
21 never actually represented Mr. Silvers in the
22 National Arbitration Forum.

23 Ms. McQuilkin is correct, in the TTAB
24 action we did file a response in the name of Silvers,
25 as is permitted in the license agreement that is in

1 dispute.

2 However, once she gave us notice that she
3 had difficulty with that as well, we immediately
4 withdrew, and we do not actively represent him in
5 that matter either. In fact, we do not represent
6 Mr. Silvers in any matter.

7 What Ms. McQuilkin has said previous to my
8 statement is that her problem is that we actively
9 represent Mr. Silvers, and as long as we do that, she
10 doesn't want me to represent Stelor, because she
11 feels that we are adverse. However, since there is
12 no active representation, I really don't see that she
13 has a position.

14 I would like to refer to a declaration of
15 Steven A. Silvers, which is the last exhibit
16 attached, that I faxed. That says in paragraph 3:

17 I have never met or spoken with Yano
18 Rubinstein; I have not retained him to act on
19 my behalf in any matter, including providing
20 legal services for me; I have not authorized
21 him to initiate any proceedings on my behalf,
22 nor to file the above-described action.

23 That is referring to a TTAB action.
24 Actually, that is inaccurate. But it is accurate
25 that I have never, except for yesterday's deposition

1 where I was defending Stelor Productions, I have
2 never seen or met Mr. Silvers, and I certainly do not
3 have any sort of confidential, proprietary
4 information, and there is no actual conflict.

5 Finally, I would like to say that the
6 license dispute and the trademark cancellation
7 opposition proceedings are not substantially similar
8 in any way, and do not even meet the minimum
9 threshold required for any sort of disqualification
10 based on conflict of interest.

11 THE COURT: Why are they not similar,
12 substantially similar?

13 MR. RUBINSTEIN: Well, the Trademark Trial
14 and Appeal Board case involves a dispute between
15 Google, Inc. and Steven Silvers over whether or not
16 the two marks, Google and Googles, are infringing
17 upon each other, or whether one has a right to file
18 the other. Whereas the license dispute is simply a
19 dispute over the terms of two agreements, one is a
20 licensing agreement, one is a consulting agreement.
21 It has nothing to do with any sort of trademark
22 infringement or likelihood of confusion.

23 One is a contract dispute, the other one
24 is an intellectual property trademark dispute.

25 THE COURT: And what is the reply from the

1 other side?

2 MS. McQUILKIN: Your Honor, first --

3 Well, several things. Number one is, I think the
4 standard is not substantially similar, it is
5 substantially related.

6 THE COURT: It is substantially related,
7 correct.

8 MS. McQUILKIN: Right.

9 The injunction motion itself is asking the
10 Court for relief to prevent Mr. Silvers' involvement
11 in any of these proceedings. They are highly
12 related.

13 If you look at the real guts of the
14 dispute that is before us, really the matters at
15 heart is what is going on in these proceedings
16 against Google, the search engine. So it is very
17 much related.

18 Number two --

19 THE COURT: How is that? Can you explain
20 that some more?

21 MS. McQUILKIN: Sure.

22 They have asked in their injunction for
23 Mr. Silvers not to be involved in any of these
24 proceedings that have been brought by Stelor and to
25 not defend himself in the action that was brought by

1 Google. Their basis for that is the license
2 agreement, which they feel that they have the right
3 to go around and file things in Mr. Silvers' name,
4 and if Mr. Silvers is sued, to jump in and defend
5 Mr. Silvers in lieu of Mr. Silvers hiring his own
6 counsel.

7 And those proceedings and what is
8 happening in those proceedings are very much a part
9 of what they are asking relief for in the injunction
10 that is pending. And it also forms a factual basis
11 for contentions on both sides of the breaches at
12 issue, because Mr. Silvers has filed a counterclaim
13 on breach of not only his consulting agreement, but
14 the license agreement as well.

15 These are all factual issues, these
16 proceedings that are involved in that.

17 THE COURT: What is the response from the
18 other side to that argument?

19 MR. RUBINSTEIN: One is a trademark
20 dispute and the other is a contract dispute. And
21 whether the two are related or not, there has been no
22 actual representation by myself of Mr. Silvers in the
23 context of the National Arbitration Forum, and --

24 THE COURT: I am not talking about the
25 National Arbitration Forum.

1 MR. RUBINSTEIN: What's that?

2 THE COURT: I am not talking about the
3 National Arbitration Forum. We're talking about the
4 Trademark Trial and Appeal Board.

5 MR. RUBINSTEIN: Right.

6 Ms. McQuilkin mischaracterizes what is in
7 dispute in the license agreement and the consulting
8 agreement, whether or not there is any sort of
9 infringement, or whether there is a likelihood of
10 confusion, which are all elements in the TTAB
11 proceedings. None of them are addressed in the
12 contract licensing dispute between Silvers and
13 Stelor.

14 THE COURT: Well, what about the fact --

15 Isn't it a fact that Mr. Silvers' ability
16 to defend himself in the Google action, isn't that a
17 part of the instant case?

18 MR. RUBINSTEIN: Yes, but we're asking for
19 an interpretation of the terms of the license
20 agreement. We're not asking for any sort of
21 determination of a likelihood of confusion, which is
22 the basis for the Trademark Trial and Appeal Board
23 cases, which I have, again, filed a notice of
24 withdrawal for and do not actively represent
25 Mr. Silvers in. Yes.

1 THE COURT: What other points do you have,
2 Ms. McQuilkin?

3 MS. McQUILKIN: Yes. I just wanted to
4 make the point that, you know, part of the relief
5 that they are asking for is that he not be able to
6 speak to Google at all about anything. They have
7 asked basically for a gag order.

8 So, not only does it relate to the
9 cancellation proceeding, it relates to his rights as
10 owner of the trademark under this license agreement.

11 The other point I wanted to make is just a
12 clarification on the National Arbitration
13 Association. What I was told this morning is that
14 the proceeding is going forward.

15 If Mr. Rubinstein has, in fact, changed
16 that or has withdrawn, I'm not aware of that. But we
17 still stand by the position that even if it was
18 former representation, he is precluded under the
19 Rules of Professional Conduct 4-1.7 as having a
20 conflict of interest that my client does not want to
21 waive.

22 THE COURT: And you are still talking
23 about the Trademark Trial and Appeal Board case,
24 right?

25 MS. McQUILKIN: Yes, that as well. Yes,

1 absolutely, that one more than anything.

2 THE COURT: Right.

3 Well, it seems to me that under the
4 standard enunciated in Freund versus Butterworth,
5 165 F.3d 839, the seminal conflict of interest case
6 in the 11th Circuit, that the matters that
7 Mr. Rubinstein previously represented Mr. Silvers on
8 are substantially related to the instant case. And
9 on that basis, if we can construe Ms. McQuilkin's
10 motion as a motion to disqualify counsel -- because
11 I'm not sure whether or not the same standards apply
12 to a motion to appear pro hac vice. In essence, it
13 seems to me that the motion is a motion to disqualify
14 counsel for having a conflict of interest. So,
15 boiling it down to its essence, it seems to me that
16 the motion should be granted.

17 MR. KAPLAN: Judge, it is Kevin Kaplan,
18 the local counsel.

19 I just want to confirm for the record, we
20 have made -- or Mr. Rubinstein has presented
21 testimony that there never was an attorney-client
22 relationship between him and Mr. Silvers. I just
23 want to --

24 THE COURT: Well, I don't think that is
25 true.

1 MR. KAPLAN: Okay.

2 THE COURT: I don't think that is what he
3 said.

4 MR. KAPLAN: He is here still under oath.

5 MR. RUBINSTEIN: Yes, Your Honor. There
6 was never an attorney-client relationship between
7 myself and Mr. Silvers and, in fact, Mr. Silvers'
8 affidavit agrees with that.

9 THE COURT: Well, are you saying that your
10 representation of him, your former representation of
11 him in front of the Trademark Trial and Appeal Board
12 is not an attorney-client relationship?

13 MR. RUBINSTEIN: Your Honor, the
14 representation of him in the Trademark Trial and
15 Appeal Board was under the license agreement which
16 grants us, the licensee, the sole right, at its
17 expense, to act on the behalf of and in exclusivity
18 of Mr. Silvers.

19 THE COURT: So it is your contention that
20 that did not create an attorney-client relationship?

21 MR. RUBINSTEIN: Given that I have never
22 actually spoken with, shared information and met
23 Mr. Silvers, I felt that the scope of the
24 relationship, if you want to call it that, was simply
25 limited to protecting Stelor, who retained me under

1 the license agreement's property. A right of
2 subrogation, if you will.

3 THE COURT: Ms. McQuilkin, what is your
4 position on that?

5 MS. MCQUILKIN: Well, my position is that
6 this was an action that Stelor was not named in. It
7 was brought against Mr. Silvers as an individual, not
8 as a licensee, not as a licensor, as an individual,
9 as the owner of intellectual property.

10 Mr. Rubinstein filed an action on behalf
11 of Steven Silvers -- excuse me -- he filed an answer
12 and a counterclaim. He did not file it in any other
13 capacity, except as an answer and a counterclaim
14 against Google on behalf of Mr. Silvers. That is
15 representation.

16 MR. RUBINSTEIN: And, Your Honor, if I may
17 respond.

18 We have since withdrawn our
19 representation, and there is currently pending a
20 motion to intervene by Stelor under the rights
21 granted in the license agreement to defend its
22 property against Google, Inc.'s cancellation.

23 THE COURT: Oh, I understand that, but I
24 don't find that to be persuasive, because the law
25 talks about former representation. So, the only

1 remaining issue is whether or not there was former
2 representation.

3 MR. KAPLAN: Judge, it is Kevin Kaplan
4 again. If I can make a quick legal argument here.

5 Mr. Silvers and his current counsel took
6 the position that Mr. Rubinstein did not represent
7 Mr. Silvers, had no authority to represent
8 Mr. Silvers in that proceeding, and demanded that any
9 confusion or lack of clarification about that be
10 immediately addressed by Mr. Rubinstein. He did. He
11 withdrew the pleading and confirmed that position.

12 So, if that's the situation here, they are
13 now estopped from taking the position, the contrary
14 position, if you will, that Mr. Rubinstein, in fact,
15 did represent Mr. Silvers.

16 They said all along Mr. Rubinstein did not
17 represent Mr. Silvers, had no authority to do that.
18 And now that Mr. Rubinstein is trying to represent
19 Stelor in this action adverse to Mr. Silvers, they
20 are now advancing the exact opposite position,
21 because they are trying to prejudice Stelor by
22 preventing the plaintiff from having the counsel
23 continue in this case that has been their advisor all
24 along with respect to these matters. That is just
25 not fair.

1 THE COURT: What is your response to that,
2 Ms. McQuilkin?

3 MS. McQUILKIN: Well, Your Honor, first of
4 all, I think that there is a huge appearance of
5 impropriety if they are taking the position or if
6 Mr. Rubinstein is taking the position, I filed
7 something on behalf of Mr. Silvers and he never
8 authorized me to do this. I just, you know, I just
9 did it to put myself in the position of representing
10 him, unbeknownst to him. I think that's rather
11 inappropriate.

12 Second, whether or not it was authorized,
13 it is still representation.

14 Even if Stelor, as the licensee, had the
15 right to do that and filed this in the name of Steven
16 Silvers, and they were hand-in-hand in this, it is
17 still representation. It is sort of like a couple
18 who hires an attorney, one attorney to represent them
19 to draft a prenuptial, and then they become adverse
20 and they are now in divorce proceedings. The
21 attorney who represented them both when they were
22 together drafting the prenuptial cannot now take
23 sides and say, okay, I will represent one to the
24 exclusion of the other. You can't do that. It is a
25 clear conflict.

1 THE COURT: Okay.

2 MR. KAPLAN: Judge, just to respond again.

3 It is not really conflict that's the issue here. It
4 is really just what the license agreement said.

5 Under the license agreement, Stelor has all of
6 Mr. Silvers' rights in the intellectual property, and
7 Mr. Rubinstein was moving forward as Stelor's counsel
8 to try and protect those rights.

9 It was just a question of how the
10 proceeding was styled, and they objected to the way
11 it was styled, and appropriate action was taken by
12 Mr. Rubinstein in response. Now they are trying to
13 take exactly the opposite position, when we got
14 involved in this specific proceeding to try to fight
15 over what the terms of that license agreement are.

16 THE COURT: I seem to recall that you
17 indicated previously that Mr. Rubinstein has never
18 met or spoken with Mr. Silvers. Is that correct?

19 MR. RUBINSTEIN: Your Honor, this is Yano
20 Rubinstein. Up until yesterday's deposition, the
21 deposition that I defended, I have never laid eyes on
22 Mr. Silvers. So I don't think that Ms. McQuilkin's
23 divorce lawyer analogy is accurate.

24 I would like to add --

25 THE COURT: Is it also true that you never

1 communicated with him, either orally or in writing?

2 MR. RUBINSTEIN: That is correct, Your
3 Honor.

4 MS. McQUILKIN: That is not true.

5 MR. RUBINSTEIN: And I would also like to
6 add that according to the declaration of Mr. Silvers,
7 I had no authority to file any action in the TTAB,
8 and have since withdrawn any purported representation
9 in the TTAB. So, if I had no authority to file any
10 action in the TTAB, then no actual representation
11 could have occurred.

12 And furthermore, in the, again, in the
13 UDRP, we never commenced any action on behalf of
14 Mr. Silvers in the National Arbitration Forum.

15 MR. KAPLAN: Judge, Mr. Kaplan again. I
16 apologize for double teaming.

17 THE COURT: Well, let me just interrupt
18 you and prevent the double teaming for a moment --

19 MR. KAPLAN: Okay.

20 THE COURT: -- and give Ms. McQuilkin an
21 opportunity to elaborate on her "That's not true"
22 remark.

23 MS. McQUILKIN: Okay. I'm sorry. I
24 didn't mean for you to hear that.

25 But Mr. Rubinstein has sent pleadings to

1 Mr. Silvers, until Mr. Silvers found out about him.
2 He started sending and communicating to him via
3 sending the pleadings to him in the mail that he was
4 representing them. He also contacted Google and
5 spoke to them, saying he represented Mr. Silvers.

6 THE COURT: I'm more interested in two-way
7 communications, and whether or not there was any
8 divulging of confidential information from
9 Mr. Silvers to Mr. Rubinstein. Was there any of
10 that?

11 MS. McQUILKIN: There were no oral
12 communications between the two of them.

13 THE COURT: Okay.

14 MR. RUBINSTEIN: Nor any written two-way
15 communication. I'm sorry. This is Yano Rubinstein.

16 Nor was there any written two-way
17 communication. And I believe what Ms. McQuilkin is
18 referring to is perhaps a carbon copy of filings, a
19 courtesy copy sent to Mr. Silvers of filings.

20 THE COURT: Well, this seems to present a
21 relatively interesting area of conflict of interest
22 law. My knee-jerk reaction is that it does not rise
23 to the level of being a disqualifying situation.

24 What are the time considerations on this?

25 MS. McQUILKIN: In terms of?

1 THE COURT: In terms of my ruling.

2 MS. McQUILKIN: Well, we have --

3 You have not set the injunction hearing
4 yet. And we have been granted limited discovery
5 relating to the injunction hearing, which was to cut
6 off today. And we have a response due based on an
7 order that you recently sent out. That is due next
8 Monday.

9 But you haven't set the hearing, so I
10 would say the timeline is up to Your Honor. And
11 there has been no other --

12 THE COURT: What about the deposition
13 representation?

14 MS. McQUILKIN: The deposition
15 representation?

16 THE COURT: Yes. I thought that there was
17 a deposition that was going to occur tomorrow of the
18 principal of Stelor?

19 MS. McQUILKIN: No.

20 MR. RUBINSTEIN: Yes, you are correct,
21 Your Honor. They did agree to produce their client
22 for the deposition tomorrow, and tomorrow is actually
23 the last day that discovery cuts off. Seeing as how
24 I have come from California to conduct this
25 deposition, I would very much appreciate it if you

1 allow me to go forward and conduct the deposition of
2 Mr. Silvers.

3 MS. McQUILKIN: Your Honor, let me just go
4 back a little bit and remember what was said.

5 THE COURT: Okay.

6 MS. McQUILKIN: I said that I had no
7 conflict. I had to go check with my client to see if
8 he was available. Before I was able to do that,
9 Mr. Rubinstein interjected and said that Mr. Beiley
10 was not available, and they wanted to have this
11 hearing first to determine this, and whether or not,
12 you know, he could go forward with the deposition.

13 I have since contacted my client. My
14 client has medical issues that have to be addressed
15 that are scheduled for tomorrow, and he is unable to
16 appear tomorrow. But I stand by saying that we will,
17 you know, cooperate to produce him when, you know, we
18 can get a mutually convenient time, and we will do
19 that as quickly as possible. And I can offer
20 Wednesday and Thursday of next week.

21 MR. RUBINSTEIN: Your Honor, I cannot be
22 available next Wednesday or Thursday. I was present
23 when Ms. McQuilkin offered to provide her client.
24 I'm wondering if her client was even there. I have
25 high suspicions that she is not making accurate

1 representations of her client's medical condition,
2 and I would strongly request, given that the close of
3 discovery is tomorrow and we have our motion
4 scheduled for next week, that I would respectfully
5 request that the deposition be scheduled for
6 tomorrow.

7 MS. McQUILKIN: Your Honor, I have to take
8 exception to the personal attack there.

9 You can, I guess you can consider whatever
10 you want.

11 My client was here most of the day, and
12 he, in fact, has medical issues that Mr. Esrig of
13 Stelor is well aware of. And, you know, we are happy
14 to make him available. We certainly still believe
15 there is a conflict, but we will stand by your
16 ruling, and we'll cooperate.

17 Now, I understand if local counsel is
18 here, if local counsel is available, you know, we can
19 try to do it. But we're offering next week, next
20 Tuesday and -- excuse me -- next Wednesday and
21 Thursday based on my client's availability and his
22 medical issues.

23 MR. KAPLAN: Judge, it is Mr. Kaplan
24 again.

25 You know, they were on notice that

1 Mr. Rubinstein was going to be conducting this
2 deposition today last week.

3 THE COURT: Well, regardless of that,
4 let's skip over that, because I don't view that as
5 germane to this.

6 MR. KAPLAN: But the point is, I mean, he
7 is here from California. Mr. Esrig, the client, is
8 here from out of state as well. He is sitting in
9 this room. You know, everybody was prepared to go
10 forward today, and it is just a substantial
11 inconvenience in terms of time and expense if
12 everybody has to fly out and fly back, not to mention
13 the discovery cutoff as well.

14 And also, Mr. Esrig is sitting here
15 shaking his head. He doesn't have any information at
16 all about Mr. Silvers' health problem. There has
17 never been any mention or indication of that.

18 MS. McQUILKIN: Well, I know that is not
19 true. The health issues happens to be a very big
20 issue between the parties, and Mr. Silvers' health
21 coverage, so I know Mr. Esrig is well aware of it.

22 But if we need to move for a protective
23 order based on his medical condition and bring -- I
24 mean, I think it is unnecessary, and certainly if we
25 are offering up for next week. But we can provide --

1 I'll provide evidence if the Court feels that I need
2 to provide that to show that he has medical
3 appointments that cannot be missed.

4 THE COURT: Well, let's try and deal with
5 the motion before me at the moment. And in that
6 regard, I have an urgent criminal matter that is
7 going to take some ten, fifteen minutes or so that is
8 right now. When I have finished with that, I'm going
9 to briefly consult with my law clerk and call you all
10 back and announce my decision.

11 So, I think you can expect to get a call
12 in -- and I'll call Ms. McQuilkin first, just like I
13 did this time and have her conference in the other
14 party, and we'll proceed in that fashion, unless
15 somebody has a problem being on a conference call in
16 half an hour.

17 MS. McQUILKIN: No, we're fine.

18 MR. KAPLAN: Judge, we'll be available.

19 Will Your Honor be addressing whether the
20 deposition goes forward tomorrow at that time as
21 well?

22 THE COURT: Why don't we talk about that
23 in half an hour.

24 MR. KAPLAN: Okay, that's fine. We'll be
25 available.

1 MS. McQUILKIN: Thank you.

2 (Thereupon, a recess was taken from 4:06
3 to 4:31 p.m., after which the following proceedings
4 were had out of the presence of Mr. Rabin:)

5 MS. McQUILKIN: Your Honor?

6 THE COURT: This is Judge Hopkins, and I
7 have my law clerk, Donna Eng, on the line as well.

8 MS. McQUILKIN: Okay.

9 THE COURT: If you would be so kind as to
10 conference in the other side, that would be great.

11 MS. McQUILKIN: Okay. Hold on.

12 (Mr. Kaplan, Mr. Rubinstein and Mr. Esrig
13 were conferenced in on the call)

14 MR. KAPLAN: Kevin Kaplan.

15 THE COURT: Yes.

16 MS. McQUILKIN: Yes.

17 THE COURT: Okay, we're here. Is the
18 court reporter still there?

19 MS. McQUILKIN: Yes, she is here.

20 THE COURT: Okay. Counsel, do you want to
21 announce your appearances?

22 MS. McQUILKIN: Gail McQuilkin of Kozyak
23 Tropin & Throckmorton on behalf of the defendant,
24 Steven Silvers.

25 MR. KAPLAN: Kevin Kaplan from Burlington

1 Weil Schwiep Kaplan & Blonsky for plaintiff, Stelor
2 Productions. With me is Yano Rubinstein, and also
3 Mr. Esrig is in the room.

4 THE COURT: Very well.

5 I'm granting the Motion for Admission Pro
6 Hac Vice.

7 Are there any other outstanding matters?

8 MR. RUBINSTEIN: Your Honor, this is Yano
9 Rubinstein. We would request that the deposition
10 goes forward tomorrow.

11 THE COURT: Well, that's up to you all.
12 And I note that, you know, the local rules require
13 you to behave in a certain manner, consult in a
14 certain manner, and if you deem it appropriate, file
15 appropriate motions.

16 MR. RUBINSTEIN: Thank you, Your Honor.

17 We would also like to point out -- this is
18 still Yano Rubinstein speaking -- that we have not
19 received the required documents that needed to be
20 produced prior to the deposition and should have been
21 produced no later than today.

22 MS. McQUILKIN: Your Honor --

23 MR. RUBINSTEIN: We would --

24 THE COURT: That again falls under the
25 category of following the local rules for behavior

1 and, if appropriate, conferring with the other side
2 and filing the appropriate motions.

3 MS. McQUILKIN: Your Honor, absolutely.
4 And, you know, I don't even know how to respond to
5 that, because there is --

6 THE COURT: Well, I don't even want to
7 hear it in this instance.

8 MS. McQUILKIN: Right. I agree.

9 THE COURT: Okay? So you will all have to
10 do your duty as lawyers under the local rules.

11 MS. McQUILKIN: We will confer.

12 MR. KAPLAN: Judge, it is Mr. Kaplan.

13 Could I just inquire on the record, will
14 they be appearing for the deposition that was noticed
15 for tomorrow?

16 MS. McQUILKIN: First of all, the
17 deposition was not noticed for tomorrow, and I have
18 explained to you -- and we will confer -- about my
19 client's inability to appear past a certain hour
20 tomorrow. But --

21 THE COURT: Let me just say again, it is
22 not my role to circumvent the local rules.

23 You all have to follow the local rules,
24 and I will not be drawn into, in the first instance,
25 a squabble where the local rules have not been

1 complied with. And if you have any motions after you
2 have complied with the local rules, then you need to
3 file those motions in writing and I will entertain
4 them at that time.

5 MS. McQUILKIN: Very good, Your Honor.

6 MR. KAPLAN: Thank you, Your Honor.

7 THE COURT: I should say, either I or
8 Judge Hurley will entertain them, depending upon
9 which is the appropriate judge to handle it.

10 MS. McQUILKIN: Very good.

11 MR. KAPLAN: Thank you, Judge.

12 THE COURT: Thank you all.

13 (Thereupon, the telephonic hearing was
14 concluded at 4:34 p.m.)

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HEARING CERTIFICATE

I, NANCY GILBERT, Registered Merit Reporter, Registered Diplomate Reporter, Certified Realtime Reporter, certify that I was authorized and did stenographically report the foregoing proceedings and that this transcript is a true record of the proceedings before the Court.

I further certify that I am not a relative, employee, attorney, or counsel for any of the parties nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

Dated this 28th day of December, 2004.

NANCY GILBERT, RMR, RDR, CRR

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 04-80954-CIV-HURLEY/TOPKINS

STELOR PRODUCTIONS, INC.,
a Delaware corporation,
Plaintiff,

v.

STEVEN A. SILVERS, a resident of
Palm Beach County, Florida
Defendant.

ORDER GRANTING MOTION TO APPEAR PRO HAC VICE

This cause has come before the Court upon the application of Yano L. Rubinstein, Esq., counsel for Stelor Productions, Inc., for the permission to appear and participate pro hac vice in the above-captioned case. Being fully advised, the Court

ORDERS, ADJUDGES AND DECREES that said motion be, and the same is hereby GRANTED.

DONE and ORDERED in chambers at the United States District Courthouse,
West Palm Beach, Florida, this 15th day of December, 2004.

Magistrate Judge
U.S. DISTRICT JUDGE
SOUTHERN DISTRICT OF FLORIDA

cc: G. McQuilkin, Esq.
Adam T. Rabin, Esq.
Stanley A. Beilley, Esq.

"B"

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 04-80954-CIV-HURLEY/HOPKINS

STELOR PRODUCTIONS, INC.

Plaintiff(s),

vs.

STEVEN A. SILVERS,

Defendant.

ORDER GRANTING MOTION FOR SUBSTITUTION OF COUNEL

THIS CAUSE having come before the Court upon the Notice of and Motion for Substitution of Plaintiff's Counsel filed by Plaintiff Stelor Productions, Inc. The Court having reviewed the file, and, being otherwise duly advised, it is hereby

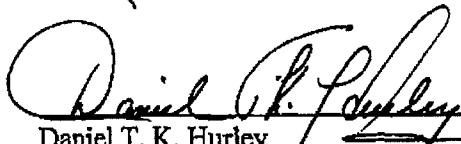
ORDERED AND ADJUDGED as follows:

1. The Motion for Substitution is **GRANTED**.
2. Laurence R. Hefter, Esq. and the law firm of Finnegan Henderson Farabow Garrett & Dunner, LLP are relieved of any further responsibility with respect to Plaintiff in this matter.
3. Yano Rubinstein, Esq., and the law firm of Summers Rubinstein P.C. shall serve as counsel for Plaintiff in this matter, and all future pleadings, correspondence, notices and other papers to be served upon Plaintiff in this matter shall be addressed to Yano Rubinstein, Esq. of the law firm of Summers Rubinstein P.C., 580 California Street, 16th Floor, San Francisco, CA 94104.

"C"

CASE NO. 04-80954-CIV-HURLEY/HOPKINS

West Palm Beach, FL
DONE AND ORDERED in ~~Dade County~~, Florida, this 16 day of December, 2004.


Daniel T. K. Hurley
United States District Judge

cc: Magistrate Judge James Hopkins
Stanley Beiley, Esq.
Lawrence Hefter, Esq.
Gail McGuilkin, Esq.
Yano Rubinstein, Esq.
Adam T. Rabin, Esq.