Weather Underground, Incorporated v. Navigation Catalyst Systems, Incorporated et al Doc. 254

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN

THE WEATHER UNDERGROUND, INC.,
a Michigan corporation,

Plaintiff,

Case No. 2:09-cv-10756
Hon. Marianne O. Battani

vs.

NAVIGATION CATALYST SYSTEMS, INC.,
a Delaware corporation; BASIC FUSION, INC.,
a Delaware corporation; CONNEXUS CORP.,
a Delaware corporation; and FIRSTLOOK, INC.,
a Delaware corporation,

Defendant.
_______________________________________/

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PLAINTIFF'S RESPONSE TO DEFENDANTS' MOTION IN LIMINE NO. 3 REGARDING "ADULT" DOMAIN NAMES

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NOW COME Plaintiff, by and through counsel, TRAVERSE LEGAL, PLC and HOOPER HATHAWAY, P.C., and hereby submits its response to Defendants' Motion in Limine No. 3 regarding "adult" domain names and states as follows:

I. Introduction

Defendants' Motion in Limine No. 3 regarding Defendants' registration of domain names that are "adult" in nature must fail because, even assuming one can definitively determine what qualifies as "adult" in nature[1], all domain names in Defendants' portfolio are relevant. In fact, more so than any other piece of evidence in this case, the Defendants' domain portfolio, which has been identified as Plaintiff's Exhibit No. 1, a printout of the domain portfolio produced in discovery by Defendants, namely NCS058791, must be reviewed in order to determine cybersquatting liability.

II. Argument

A. Defendants' Entire Domain Portfolio Is Relevant

Every single domain name in Defendants' portfolio has a tendency to make it more or less probable, as required under FRE 402, that Defendants engaged in bad faith cybersquatting. The Anti-cybersquatting Consumer Protection Act (ACPA) specifically contemplated pornography being implicated and considered:

> [C]ybersquatters often register well-known marks to prey on consumer confusion by misusing the domain name to divert customers from the mark owner's site to the cybersquatter's own site, many of which are pornography sites that derive advertising revenue based on the number of visits, or "hits," the site receives. For example, the Committee was informed of a parent whose child mistakenly typed in the domain name for 'dosney.com,' expecting to access the family-oriented

[1] Tellingly, the former President of Defendant Firstlook, Seth Jacoby, commented upon the difficulty in determining what is an offensive domain name, including pornographic-type domain names. ***See Exhibit A,*** Seth Jacoby Deposition at pg. 233, lines 5-15.

> content of the Walt Disney home page, only to end up staring at a screen of hardcore pornography because a cybersquatter had registered that domain name in anticipation that consumers would make that exact mistake.

S. Rep. No. 106-140 (1999), 1999 WL 594571, at *15. The reason each domain name is relevant is because each has a tendency to make it more or less probable that Defendants' intent was to register domain names in anticipation that consumers would make a mistake, thereby increasing the number of hits received and revenue generated. *See Shields v. Zuccarini*, 254 F.3d 476, 484 (3d Cir. 2001) (noting that although defendant's domain name websites did not involve pornography, they did reveal defendant's intent and thus were considered).

Furthermore, the clear language of the ACPA itself confirms that all domain names in a defendant's portfolio are relevant. *See* 15 U.S.C. § 1125(d)(1)(B)(VIII) (one of the bad faith factors specifically includes "the person's registration or acquisition of multiple domain names"). Just because a domain name is "adult" in nature does not mean it cannot correspond to an "adult" trademark and thus qualify as cybersquatting.

In sum, given the legislative intent and history of the ACPA, the language of the statute itself and the necessity of the entire domain portfolio to determine the existence of bad faith cybersquatting, all of Defendants' domain names, including "adult" ones, are relevant.

B. The Jury is Entitled to Defendants' Entire Domain Portfolio, "Adult" Domains Included

Defendants, under the guise of seeking to avoid prejudice based upon speculation that the jury would somehow look at Defendants with particular disdain due to their registration of "adult" domain names, are simply trying to limit the most relevant and telling piece of evidence in the case – the domain portfolio. However, the fact that some of Defendants' domain names may be "adult" in nature does not substantially outweigh their probative value and does not

justify exclusion under FRE 403. It is pure speculation that the jury would be inflamed in any way by a domain name that is "adult" in nature. Who is to say that domain names that deal with religion or politics could not do the same? By excluding "adult" domain names, even assuming it is possible, this Court would begin sliding down the slippery slope of making subjective determinations regarding what may or may not affect the jury. This would only prejudice the Plaintiff, who is entitled to present the Defendants' entire domain portfolio to the jury.

Defendants cite *U.S. v. Stout*, which deals with prior bad act evidence related to child pornography and concludes that there are less prejudicial ways to introduce the intent of defendant. *U.S. v. Stout*, 509 F.3d 796 (6th Cir. 2007). That case, however, can be distinguished from this one for the simple reason that a factor in the ACPA statute specifically includes a defendant's entire domain portfolio and that the ACPA specifically contemplated the pornographic nature of domain names and the websites that may be associated with them. Since Defendants claim they do not have a bad faith intent to profit off the trademarks of others, the probative value of each and every domain name in their possession warrants inclusion, regardless of the goods or services offered in connection with such trademarks. *See United States v. Vosburgh*, 602 F.3d 512 (3d Cir. 2010) *cert. denied*, 131 S. Ct. 1783 (U.S. 2011) (holding that the probative value of child pornographic photographs was significant and suggested that defendant harbored a sexual interest in children and disprove possession was by accident); *see also United States v. Dornhofer*, 859 F.2d 1195, 1199 (4th Cir. 1988) (upholding admission of child erotica evidence against Rule 403 challenge because possession of such material made defendant's claim that he ordered child pornography by mistake less probable).

Should this Court remain concerned about the prejudicial affect of these "adult" domain names, this Court could issue a limiting instruction that informs the jury that the mere possession of "adult" related domain names is not illegal, absent such domain name constitutes cybersquatting under ACPA. *See* FRE 403 Advisory Committee Note ("consideration should be given to the probable effectiveness or lack of effectiveness of a limiting instruction."). In the event this Court deems it possible to identify what qualifies as "adult" in nature and allow exclusion, the burden should be upon Defendants to redact such domain names from their portfolio.

III. Conclusion

For the reasons stated above, the Court should allow Plaintiff to introduce evidence of the "adult" domain names in Defendants' domain portfolio and elicit testimony related to the same as it is relevant to bad faith factors under the ACPA. Moreover, any prejudicial effect is purely speculative and does not substantially outweigh the evidence which tends to disprove Defendants' claim of good faith intent to avoid trademarks of others.

WHEREFORE, for all of the above-stated reasons, this Honorable Court is respectfully asked to deny Plaintiff's Motion in Limine No. 3 regarding "adult" domain names.

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Respectfully submitted this 27th day of February, 2012.

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CERTIFICATE OF SERVICE

I hereby certify that on the 27th day of February, 2012, I electronically filed the foregoing paper with the Court using the ECF system which will send notification of such filing to the following:

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