

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.

Enrico Schaefer (P43506)
Brian A. Hall (P70865)
TRAVERSE LEGAL, PLC
810 Cottageview Drive, Unit G-20
Traverse City, MI 49686
231-932-0411
enrico.schaefer@traverselegal.com
brianhall@traverselegal.com
Lead Counsel for Plaintiff

Nicholas J. Stasevich (P41896)
Benjamin K. Steffans (P69712)
BUTZEL LONG, PC
150 West Jefferson, Suite 100
Detroit, MI 48226
(313) 225-7000
stasevich@butzel.com
steffans@butzel.com
Local Counsel for Defendants

Anthony Patti (P43729)
HOOPER HATHAWAY, P.C.
126 South Main Street
Ann Arbor, MI 48104
734-662-4426
apatti@hooperhathaway.com
Co-counsel for Plaintiff

William A. Delgado (admitted pro hac vice)
WILLENKEN WILSON LOH & LIEB LLP
707 Wilshire Blvd., Ste. 3850
Los Angeles, CA 90017
213-955-9240
williamdelgado@willenken.com
Lead Counsel for Defendants

**PLAINTIFF'S RESPONSE TO DEFENDANTS' MOTION IN LIMINE NO. 2
REGARDING NATIONAL ARBITRATION FORUM COMPLAINT IN THIS CASE**

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. 2 regarding the National Arbitration Forum ("NAF") Complaint in this case and states as follows:

I. Introduction

Defendants seek to exclude the Uniform Domain Dispute Resolution Policy ("UDRP") Complaint and exhibits filed by Plaintiff against Navigation Catalyst Systems, as well as the Panel's decision. Defendants argue that the UDRP pleadings and decision are irrelevant, prejudicial and a waste of time. Defendants also argue that the documents are hearsay under FRE 801.

II. Argument

In this case, issues of intent, notice, and timeline are critical for the jury's understanding of the case. Defendants essentially argue that the registration of approximately 270 typographical variations of Plaintiff's trademarks do not evidence a bad faith intent to profit from those marks because:

- a. Defendants supposedly try "really hard" to avoid trademarks during the registration process, but there are too many trademarks out there to be 100% accurate.
- b. While Defendants take reasonable efforts to avoid registration of domain names which incorporate third party trademarks, Defendants always transfer domains which they agree infringe third party trademarks once actual notice is provided by the trademark owner.

- c. Defendants have a variety of systems in place to avoid registration of third party infringing domains after they receive actual notice from a trademark owner. Specifically, Defendants incorporate the complaining party's trademarks and variations of those trademarks in a "blacklist" which precludes matching domains from being considered for registration by Defendants' software.

A key issue for the jury will be whether or not Defendants can establish that registration of third party trademarks is the exception rather than the rule. Plaintiff will also have to assess Defendants' credibility that they try and avoid third party trademarks during the registration process and, as importantly, whether or not Defendants' internal procedures for avoiding further infringement after actual notice by a trademark owner is contrived.

A. The UDRP Complaint and Panel Decision Are Relevant.

The question under FRE 402 is whether the UDRP complaint filed in this case and Panel decision makes an issue of consequence more probably than not. First of all, since Defendants process is heavily dependent on receiving "actual notice" of infringement by a trademark owner. The UDRP complaint, including the specific list of 41 then known domains on that complaint, is relevant because it is the first "actual notice" in Defendants' language provided by Plaintiff to Defendants. Further, Defendants state that when they receive a threat letter or UDRP complaint, they analyze the trademark issues and make a determination as to whether the trademark claims they are valid. In instances where Defendants agree that their domain name is infringing a third party mark, they offer to transfer or delete that domain name from their portfolio. Defendants agreed Plaintiff's trademark claims in the UDRP were valid and thus offered to transfer those domains. (**Exhibit A**, August 22, 2008, email from Chris Pirrone to Brian Hall.) It is important

to note that Defendants, while admitting that the 41 subject domain names infringed Plaintiff's marks, will argue at trial that their offer to transfer those domains to Plaintiff after receiving actual notice is evidence of their "good faith" process. Defendants' may challenge Plaintiff's trademark claims at trial, contrary to their prior admission during the UDRP that the trademark claims were valid.

Plaintiff will seek to establish that, contrary to Defendants' primary defense, Defendants continue to register domain names infringing on Plaintiff's trademarks even after receiving Plaintiff's UDRP. In fact, Plaintiff will establish that Defendants moved some new infringing registrations into "Domain Name Proxy" as the registrant in order to hide Navigation Catalyst Systems, Connexus, and Firstlook from the public WhoIS database.

Because the UDRP complaint is being offered to establish "notice" and "knowledge" of Plaintiff's trademarks, and notice is a key issue in the case, the evidence is highly relevant. Because Defendants' handling of the UDRP establishes that Plaintiff's trademark infringement claims were valid, Defendants' credibility at trial to deny validity should be subject to cross-examination using the UDRP complaint. Moreover, the arguments and attachments included in that UDRP proceeding provide valuable context to the jury. Not only were Defendants put on notice of a trademark violation, they were provided substantive argument and evidence of Plaintiff's trademark rights and proof of infringement. Why Defendants blacklisted certain trademarks and not others after notice of a UDRP complaint and the information therein confirmed is also for the jury.

B. The UDRP Exhibits Are Not Hearsay or Otherwise an Admission.

Because these documents aren't being offered for the "proof of the matter asserted" but instead to show notice, they are not hearsay under FRE 801. Even if they were considered hearsay, these records were kept in the ordinary course of business by Defendants supposedly to avoid further trademark infringement and, thus, are admissible under FRE 803(6). This UDRP proceeding was placed in Defendants' trademark infringement spreadsheet and supposedly Defendants' software blacklist as part of its regularly conducted business activity. Defendants' handling of the UDRP in this case is an admission that Plaintiff's trademark claims are valid.

With regards to the UDRP Panelist's decision, admission of that decision could not possibly be considered prejudicial or a waste of time. By Defendants' own testimony, they had already determined that Plaintiff's trademark rights were valid and offered to transfer the domains. Again, the decision is not being offered to establish the truth of the matter asserted, but to provide further evidence of notice that Plaintiff's were pursuing trademark claims against them. Keep in mind that Defendants analyzed Plaintiff's trademark infringement claims. The existence of a UDRP panel decision is part of the history and process of Defendants' analysis. Finally, the UDRP transfer explains how the initial 41 domains ended up in Plaintiff's control.

III. Conclusion

The existence of a UDRP proceeding is directly relevant to the issue of Defendants' notice and knowledge of Plaintiff's trademark claims. The UDRP decision is integral to Defendants' own business process in supposedly "avoiding further infringement" after receiving actual notice. The UDRP proceeding is the reason Defendants blacklisted Plaintiff's trademarks

so that further infringing domains would not be registered. The jury can be provided a limiting instruction with regards to this evidence as necessary.

Respectfully submitted this 27th day of February, 2012.

/s/Enrico Schaefer

Enrico Schaefer (P43506)

Brian A. Hall (P70865)

TRAVERSE LEGAL, PLC

810 Cottageview Drive, Unit G-20

Traverse City, MI 49686

231-932-0411

enrico.schaefer@traverselegal.com

Lead Counsel for Plaintiff

Anthony P. Patti (P43729)

HOOPER HATHAWAY, PC

126 South Main Street

Ann Arbor, MI 48104

734-662-4426

apatti@hooperhathaway.com

Co-Counsel for Plaintiff

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:

Enrico Schaefer (P43506)
Brian A. Hall (P70865)
TRAVERSE LEGAL, PLC
810 Cottageview Drive, Unit G-20
Traverse City, MI 49686
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HOOPER HATHAWAY, P.C.
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WILLENKEN WILSON LOH & LIEB LLP
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/s/Enrico Schaefer
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Lead Counsel for Plaintiff