

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION**

**Daniel R. Castro
Plaintiff**

v.

**ENTREPRENEUR MEDIA, INC.
Defendant**

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CIVIL ACTION NO: 10CA695

**CASTRO’S RULE 12(b)(1) MOTION TO DISMISS EMI’S
DECLARATORY JUDGMENT ACT CLAIMS**

Now Comes Daniel R. Castro, and files this Rule 12(b)(1) Motion To Dismiss For Lack of Subject Matter Jurisdiction, and would show unto the Court as follows:

**I. THE EXERCISE OF SUBJECT MATTER JURISDICTION OVER
DECLARATORY JUDGMENT ACT CLAIMS IS DISCRETIONARY**

It is well established that courts have the discretion to exercise or not exercise subject matter jurisdiction over a declaratory judgment claim. *See Wilton v. Seven Falls Co.*, 515 U.S. 277 (1995)(“[D]istrict courts possess discretion in determining whether and when to entertain an action under the Declaratory Judgment Act, even when the suit otherwise satisfies subject matter jurisdictional requirements.”)

In opinion after opinion, the Fifth Circuit has admonished lower courts to dismiss declaratory judgment claims that are duplicitous of statutory and common law claims that are already pending before the court, or that may be pending in state court on the basis that such a declaration of rights would serve “no useful purpose” or because “another remedy will be more effective.” *See Aetna Casualty & Surety Co. v. Quarles*, 92 F.2d 321 (5th Cir. 1937)(the power to grant declaratory judgment should not be exercised

“where a proceeding involving identical issues is already pending in another tribunal, *where a special statutory remedy has been provided*, or where another remedy will be more effective or appropriate under the circumstances.”)(emphasis added); *Webb v. Investacorp, Inc.*, 89 F.3d 252, 260 (5th Cir. 1996)(“Courts will not grant a futile or useless declaratory judgment”); *Concise Oil & Gas Partnership v. Louisiana Intrastate Gas Corp.*, 986 F.2d 1463, at *22-23 (5th Cir. 1993)(affirming denial of declaratory relief where the jury’s verdict already disposed of all legal issues); *Employers Liability Assurance Corp. v. Mitchell*, 211 F.2d 441 (5th Cir. 1954)(affirming dismissal of declaratory judgment action on the basis that mirror image state court lawsuit would dispose of all legal issues).

Indeed, most lower courts do, in fact, routinely dismiss declaratory judgment claims that are duplicitous of claims already pending before the court. *See e.g., Scritchfield v. Mutual of Omaha*, 31 F.Supp. 2d 675 (E.D. Tex. 2004)(“Plaintiffs would get nothing from a declaratory judgment that they would not get from prevailing on their breach of contract claim”); *and Employers’ Liability Assurance Corp. v. Mitchell*, 211 F2d 441, at *37 (5th Cir. 1954)(affirming dismissal of declaratory judgment action on the basis that it was duplicitous of causes of action already pending before the court); *DirecTV, Inc. v. Contreras*, 2004 U.S. Dist. LEXIS 28571 (S.D. Corpus Christi, Tex. 2004)(“Generally, the Uniform Declaratory Judgments Act is not available to settle disputes already pending before the court.”); *Bell v. City of Dallas*, 2002 U.S. Dist. LEXIS 14507 (N.D. Tex. 2002)(“the Declaratory Judgment Act was never intended to apply to cases then pending in court and there is no authority to enter a declaratory judgment unless such judgment would serve a useful purpose.”).

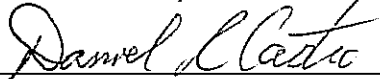
II. EMI'S DECLARATORY JUDGMENT CLAIMS MUST BE DISMISSED BECAUSE THEY SERVE "NO USEFUL PURPOSE"

EMI's declaratory judgment claims ask the court to adjudicate the rights that will be adjudicated and fully disposed of by EMI's statutory and common law claims. Therefore, EMI's declaratory judgment claims are duplicitous of its claims against Castro under the Lanham Act and Texas common law. EMI literally seeks a judicial declaration that, "(a) the Castro marks infringe and dilute the EMI marks, and create a false designation of origin; (b) Castro is unfairly competing with EMI; (c) the Castro Registration be cancelled; (d) the Patent and Trademark Office be ordered to sustain the Oppositions for the Applications in favor of EMI and against Castro; and (e) Castro be prohibited from filing any future applications for the Castro marks or any marks likely to cause confusion with or dilute the distinctive quality of the EMI marks."

It is a waste of this Court's time and judicial resources for EMI to file a claim for infringement under the Lanham Act, and then ask the Court to judicially declare that there has been an infringement under the Lanham Act. It is equally a waste of the Court's time for EMI to ask that Castro's registered trademark be cancelled under the specific provisions of the Lanham Act that must be satisfied, and then ask the Court to judicially declare that Castro's registered trademark is cancelled. If EMI prevails on its statutory and common law claims, the Lanham Act gives the Court the authority to issue any injunctive relief that the court deems necessary and issue whatever orders to the USPTO that the Court deems appropriate. The Declaratory Judgment Act adds nothing to the Court's authority and nothing to EMI's already existing causes of action.

WHEREFORE, Castro respectfully requests that the Court dismiss each of EMI's Declaratory Judgment claims

Respectfully submitted,
CASTRO & BAKER, LIP


By: 

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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of this pleading was filed with the Clerk of the Court using CM/ECF system, which will send a notification of a Notice of Electronic Filing to the following counsel of record on June 10, 2010:

	William G. Barber Pirkey Barber, LLP 600 Congress Avenue, Suite 2120 Austin, Texas 78701
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**CIVIL ACTION NO:
A:10-CA-695-LY**

ORDER GRANTING CASTRO'S RULE 12(b)(1) MOTION TO DISMISS

Before the Court is Castro's Rule 12(b)(1) Motion To Dismiss. The Court having considered the motion, and all responsive pleadings, is of the opinion that the Motion should be GRANTED in its entirety.

ACCORDINGLY, IT IS ORDERED that all of EMI's declaratory judgment claims are hereby dismissed.

Signed and executed this ____ day of June 2011.

The Honorable Lee Yeakel