UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

GRAHAM SCHREIBER, Plaintiff, v. LORRAINE LESLEY DUNABIN, CENTRALNIC, LTD., NETWORK SOLUTIONS, LLC, VERISIGN, INC., INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, and DEMAND MEDIA, INC., D/B/A/ ENOM, INC., BULKREGISTER, INC. Defendants.	No. 1:12-cv-00852-GBL-JFA

DEFENDANTS CENTRALNIC LTD AND NETWORK SOLUTION'S REPLY MEMORANDUM IN SUPPORT OF ITS MOTION TO DISMISS

This is a reply to Graham Schreiber's "Second Rebuttal" (correspondence and attachments e-mailed November 16, 2012 including "Relief Explanation and Benchmark" and "Rebuttal to Hearing") to the Motions to Dismiss filed by defendants, CentralNic, LTD. ("CentralNic") and Network Solutions, LLC ("Network Solutions") pursuant to the Court's Order of November 14, 2012.

I. INTRODUCTION

The underlying claims upon which this entire action is based concern Mr. Schreiber's desire to use the LANDCRUISE mark in the United Kingdom. Nonetheless, Mr. Schreiber's Second Rebuttal does not include any additional facts or allegations that would change the

conclusion that Mr. Schreiber has not stated any claim upon which relief can be granted and there is no subject matter jurisdiction in the present case.

Mr. Schreiber's Second Rebuttal confirms that his sole basis for his trademark rights in the United States is his registration of the domain name www.landcruise.com, which he uses for a Canadian business that provides services in Canada. It is well settled that the mere registration of a domain name does not itself confer any trademark rights, and it certainly does not confer any trademark rights in the United Kingdom or rights that are superior to those already registered by Ms. Dunabin in the United Kingdom. Mr. Schreiber's claims of infringement of his trademark rights in the term LANDCRUISE, does not have any nexus to this Court or any other Court in the United States. By extension, Mr. Schreiber has no nexus to this Court or any other Court in the United States to make claims of contributory infringement against CentralNic or Network Solutions.

Mr. Schreiber moreover has no basis to the contract claims against CentralNic or Network Solutions. Mr. Schreiber does not claim to be a signatory to any contract with CentralNic or Network Solutions that any party has breached. Nor has Mr. Schreiber provided any cognizable basis for privity or a beneficial interest for a contract claim of any identified contracts between CentralNic or Network Solutions and a third party.

In sum, there are no facts alleged in any of the submissions to this Court by Mr. Schreiber that state any claim upon which relief can be granted. Therefore, CentralNic and Network Solutions respectfully request that the complaint be dismissed with prejudice.

II. ARGUMENT

A. Plaintiff's Second Rebuttal Confirms That This Dispute Is Between a Canadian Citizen And a Citizen of the United Kingdom Over Use of a Trademark in the United Kingdom

In every one of his submissions, Mr. Schreiber admits that his dispute is with Lorraine Dunabin, a UK citizen, who has registered the LANDCRUISE mark in the United Kingdom and is the owner of trademark rights to LANDCRUISE in the United Kingdom. There are no facts alleged by Mr. Schreiber in any of his papers to indicate differently. For example, in his Second Rebuttal, Mr. Schreiber yet again asserts that his harm is that Ms. Dunabin's use and registration of LANDCRUISE in the United Kingdom prevents him from using the LANDCRUISE mark in the United Kingdom. Specifically he states:

> Lorraine Dunabin who is currently obstructing my return, to my primary overseas market, with her Trademark, again secured based on a fraudulent domain name, is preventing me from achieving $50,000,000 USD as a life goal.
>
> The Court will order Lorraine to release, both the UK Trademark and the UK Domain Name, bearing my businesses name, of Landcruise.
>
> I've been shut out of the UK for two years, by the conclusion of this process, including missing the ultimate brand building opportunity, of touring a "Landcruise" Branded RV or RV's around London, during the Summer Olympics of 2012.
>
> For that identified time span; and lose of an Olympic opportunity, I'd suspect that a 'fair' punish for her, as would be levied by a United Kingdom Court, would be 500,000 POUNDS STERLING, or as at today a United States currency equivalent of $793,216.96 USD at 1.5864.
>
> This SHOULD NOT be beyond the reach of the United States Court, as the subject matter she used being the ".com" was / is governed by the United States Government and her contracts from eNom & CentralNic both mentioned the United States, along with "weaving" in the word ICANN.
>
> On this relief fee from Lorraine, I shall not waiver!

(Second Rebuttal at 2).

> My primary damages are:

> TWO (2) YEARS of lost access to the United Kingdom, for marketing at Travel & RV Related Shows.
>
> Missing the opportunity to have Landcruise branded RV's circulating London, in the summer of 2012, marketing to the eyes & desires of weather consumers / travelers, attending the Olympic Games.

(Second Rebuttal at 2)

There is no question that this is a dispute between a citizen of the United Kingdom and a Canadian citizen over use and registration of a trademark in the United Kingdom. "[T]he principal of territoriality is fundamental to trademark law. A trademark has a separate legal existence under each country." *Topps Co. v. Cadbury Stani S.A.I.C.*, 526 F3d 63, 70 (2d Cir. 2008) (holding "the legal effect of an assignment of a trademark in Argentina is not to be judged by U.S. trademark law, but by Argentinian law."). Here, the recent submissions by Mr. Schreiber do not change the facts that (1) Ms. Dunabin is still a citizen of the United Kingdom and (2) is still the owner of a United Kingdom trademark registration for LANDCRUISE. Thus, a decision by this Court regarding Ms. Dunbin's use and registration of LANDCRUISE will conflict with existing law in the United Kingdom.

The citizenship of Ms. Dunabin is crucial to the question as to whether this Court has subject matter jurisdiction over Mr. Schreiber's claims. *See Nintendo of America, Inc. v. Aeropower Co.,Ltd*, 34 F.3d 246, 250-251 (4th Cir. 1994). ("[O]nly after consideration of the extent to which the citizenship of the defendant and the possibility of conflict with trademark rights under the relevant foreign law might make issuance of the injunction inappropriate in light of international comity concerns.").

Mr. Schreiber in his Second Rebuttal has not alleged any new facts that eliminate the strong possibility that any decision by this Court would conflict with trademark rights under the law of the United Kingdom and make issuance of the injunction or an award of damages

inappropriate in light of international comity concerns. Thus, the Federal Court for the Eastern District of Virginia is not the appropriate forum for Mr. Schreiber to seek redress for his claims. Accordingly, the Complaint should be dismissed with prejudice for lack of subject matter jurisdiction.

B. Plaintiff's Second Rebuttal Confirms That Mr. Schreiber Has No Trademark Rights in the United States

There is no dispute that the underlying claims in this action, from which all of the relief stems, are Mr. Schreiber's claims of trademark infringement, dilution, and cybersquatting under the Lanham Act. Without harm to Mr. Schreiber's alleged trademark rights in the United States there is no claim upon which relief may be granted. In order to acquire trademark rights in the United States, Mr. Schreiber must assert facts establishing use of the LANDCRUISE mark in United States commerce. It has been long established that in the United States trademark rights are solely acquired through use in commerce. *Hanover Star Milling Co. v. Metcalf*, 240 U.S. 401, 413 (1916) "The right grows out of use, not mere adoption."); *Int'l Bancorp, L.L.C. v. Societe Des Baines De Mer Et Du Cercle Des*, 192 F.Supp.2d 467, 479 (E.D.Va. 2002) ("But where, as here, the mark in issue is not federally registered, a mark holder seeking Section 1125(a) relief must establish that the mark has been used in American commerce and that the mark is distinctive."). However, nowhere in any of the papers filed does Mr. Schreiber assert facts that establish trademark rights in the United States.

Mr. Schreiber has applied for trademark protection in the United States for the term LANDCRUISE based on his trademark rights in Canada. He does not own a United States federal trademark registration for LANDCRUISE. Thus, he must establish that LANDCRUISE has been used in United States commerce to assert claims for relief under the Lanham Act. Neither in his Complaint nor in his Rebuttals does he claim that he uses the mark in United

States commerce. Rather, his claims are based on registration of the domain name LANDCRUISE.COM and the hosting of the website by Network Solutions, located in Virginia. Specifically, in the Second Rebuttal, Mr. Schreiber's states that his basis for a claim is as a "genuine holder[] of the '.com' Mark in Commerce, as governed under Virginia, USA Law" (Second Rebuttal at 1).

Registration of a domain name does not automatically provide the registrant with any trademark rights in the United States. See *Brookfield Commc'ns v. W. Coast Entm't Corp.*, 174 F.3d 1036, 1052 (9th Cir. 1999) ("The mere registration of a designation as a domain name with the intent to use it commercially does not establish "use" of the designation as a trademark."). See also, *Newborn v. Yahoo! Inc.*, 391 F. Supp. 2d 181 (D.D.C. 2005) ("The mere registration of a domain name with a domain name registrar by itself does not confer trademark rights.").

Mr. Schreiber's assertions of trademark rights in the United States are based on fundamental misunderstandings of trademark law. Mr. Schreiber does not understand that the location where a trademark is used is critical to his claims because trademark rights are territorial. *See* 5 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* §29:1 at 29-4 (4th ed. 2012) ("Under the territoriality doctrine, a trademark is recognized as having a separate existence in each sovereign territory in which it is registered or legally recognized as a mark… In the United States, the rule of territoriality of marks is basic to American Trademark law."); *see also Person's Co. v. Christman*, 900 F.2d 1565, 1568-69 ("The concept of territoriality is basic to trademark law. Trademark rights exist in each country solely according to that country's statutory scheme."). There are no facts alleged in any of Mr. Schreiber's submissions to this Court that he uses LANDCRUISE or www.landcruise.com in connection with services offered and sold to United States consumers.

C. Mr. Schreiber Does Not Have Standing to Assert Claims Resulting From Violations of a Contract Between ICANN and Other Third Parties

In his Second Rebuttal, Mr. Schreiber repeats that the grounds of his remaining claims are alleged violations of the agreement between ICANN and CentralNic, or ICANN and other third parties. (Second Rebuttal at 2). Mr. Schreiber does not allege any new facts that would establish that he is either a party to, or intended to be a beneficiary of any agreement with ICANN. Mr. Schreiber's sole connection with any of the agreements with ICANN referenced in his papers is that he registered a domain name with Network Solutions. As a customer of Network Solutions, Mr. Schreiber does not have standing to assert a breach of contract claim. *See Old Dominion Freight Line, Inc. v. Standard Sec. Life Ins. Co. of N.Y.,* No. CH05–1870, 2007 WL 6013705, at *5 (Va.Cir.Ct. July 18, 2007) ("At common law, one not a party to a contract did not have standing to sue for breach of contract."); *Radosevic v. Virginia Intermont College, 651 F.Supp.* 1037, 1038 (W.D.Va.1987) ("Generally one not a party to a contract does not have standing to sue for breach of that contract.").

Indeed, the agreements cited by Mr. Schreiber clearly exclude domain name registrants from being parties to the agreement. (Compl. at 16) ("Section 8.5 No Third Party Beneficiaries. This Agreement shall not be construed to create any obligation by either ICANN or Registry Operator to any non-party to this Agreement, including any registrar or registered name holder."). Mr. Schreiber's recent submissions have not changed the fact that the parties to the agreements at issue clearly did not intend to confer any benefits to "registered name holders" such as Mr. Schreiber.

Accordingly, any remaining non-Lanham Act claims must be dismissed because Mr. Schreiber does not have standing to claim breach or violation of the agreement between ICANN and CentralNic and/or ICANN and any other third party.

III. CONCLUSION

Neither Mr. Schreiber's Second Rebuttal, nor any of his recent submissions, include any additional facts or allegations that would change the conclusion that there is no subject matter jurisdiction in the present case. Mr. Schreiber has failed to assert any facts that would establish use in United States commerce, and therefore he does not have trademark rights in the United States that can be infringed, either directly or contributorily. Moreover, it is clear that Mr. Schreiber is not a party to the agreement between ICANN and CentralNic or ICANN and other third parties, and therefore he does not have standing to assert violations of that agreement.

Based on the foregoing, and the arguments set forth in CentralNic's Motion to Dismiss, Network Solutions' Motion to Dismiss, and CentralNic's First Reply, Mr. Schreiber's Complaint should be dismissed with prejudice.

Dated: December 18, 2012

Respectfully submitted,

/s/_____

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CERTIFICATE OF SERVICE

I certify that on December 18, 2012, a copy of the foregoing was filed electronically with the Clerk of Court using the ECF system, which will send notifications to any ECF participants, and was served via First Class Mail on the following:

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The remaining parties will be served through the ECF system.

Dated: December 18, 2012

/s/_____
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