

# **Exhibit A**

JS - 6

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

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Del Monte International GmbH,	)	CV 13-5912 RSWL (MANx)
	)	
Plaintiff,	)	<b>Order re: Defendant's</b>
v.	)	<b>Motion to Dismiss</b>
Del Monte Corporation,	)	<b>Pursuant to Fed. R. Civ.</b>
	)	<b>P. 12(b)(1) and 12(b)(6)</b>
	)	<b>[17]</b>
	)	
Defendant.	)	
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20 Currently before the Court is Defendant Del Monte  
21 Corporation's ("Defendant") Motion to Dismiss Pursuant  
22 to Fed. R. Civ. P. 12(b)(1) and 12(b)(6) [17].  
23 Plaintiff Del Monte International GmbH ("Plaintiff")  
24 filed its Opposition on November 6, 2013 [21].  
25 Defendant filed its Reply on November 20, 2013 [22].  
26 This matter was taken under submission on November 26,  
27 2013 [23]. Having reviewed all papers submitted  
28 pertaining to the Motion, and having considered all

1 arguments presented to the Court, the Court **NOW FINDS**  
2 **AND RULES AS FOLLOWS:**

3 Defendant's Motion to Dismiss is hereby **GRANTED.**

4 **I. Background**

5 Plaintiff is a limited liability company organized  
6 under the laws of Switzerland, with its principal place  
7 of business in Monaco. Compl. ¶ 2. Plaintiff is a  
8 wholly owned subsidiary of Fresh Del Monte Produce Inc.  
9 ("Fresh Del Monte"), the holding company for the Del  
10 Monte Fresh Produce group of companies. Id. at ¶ 3.  
11 Defendant is a Delaware corporation with its principal  
12 executive offices in California. Id. at ¶ 4.

13 Before August 1989, Defendant was a wholly owned  
14 subsidiary of RJR Nabisco, Inc. and was divided into  
15 two major operations. Id. at ¶ 12. One operation was  
16 dedicated to selling canned fruits and vegetables and  
17 dried fruits; the other operation principally sold  
18 fresh fruits, fresh vegetables, fresh produce, and  
19 certain preserved products. Id. In late 1989, the  
20 second operation was sold to Polly Peck International  
21 and ultimately became part of Fresh Del Monte. Id.

22 Fresh Del Monte is a leading producer and seller of  
23 high-quality fresh fruit and vegetables, as well as a  
24 leading producer and distributor of prepared fruit and  
25 vegetables, juices, beverages, snacks, and desserts in  
26 Europe, the Middle East, Africa, and former Soviet  
27 Union countries. Id. at ¶ 13. Fresh Del Monte  
28 provides its services and products to customers in over

1 80 countries worldwide. Id. Fresh Del Monte has  
2 leading market positions in many product categories,  
3 all of which are sold under the DEL MONTE trademark.  
4 Id. at ¶ 14. Fresh Del Monte generated approximately  
5 \$2,664,166,000 in net sales from its DEL MONTE branded  
6 products in fiscal year 2012. Id.

7 Plaintiff owns the trademark DEL MONTE in South  
8 Africa and has owned the Mark there since 1990. Id. at  
9 ¶ 16. Plaintiff also holds: (1) an exclusive,  
10 perpetual, royalty-free worldwide license to use the  
11 DEL MONTE Mark on or in connection with the production,  
12 manufacture, sale, and distribution of fresh fruit,  
13 vegetables, and produce, and certain preserved fruit  
14 products; and (2) an exclusive, royalty-free license to  
15 use the DEL MONTE Mark on or in connection with  
16 production, manufacture, sale, and distribution of all  
17 food products in Europe, the Middle East, Africa, and  
18 former Soviet Union countries. Id. at ¶ 17.

19 Plaintiff and its affiliates have owned and  
20 operated over a dozen "delmonte" domain names for over  
21 a decade without seeking or receiving authorization  
22 from Defendant. Id. at ¶ 19. Defendant has never  
23 objected to any of these domain names. Id.

24 In June 2011, the Internet Corporation for Assigned  
25 Names and Numbers ("ICANN") introduced its New Generic  
26 Top Level Domain Program, which allows parties to apply  
27 for new generic top level domains ("gTLD"), unique top  
28 level domains ("TLD"), to be used in lieu of

1 traditional TLDs, such as <.com> or <.net>. Id. at ¶  
2 20. The application window opened on January 12, 2012,  
3 and closed on May 30, 2012. Id. at ¶ 21.

4 ICANN also provided for a New gTLD Dispute  
5 Resolution Procedure and authority for administering  
6 this procedure was delegated to the World Intellectual  
7 Property Organization ("WIPO"). Id. at ¶ 22. WIPO  
8 subsequently adopted the WIPO Rules for New gTLD  
9 Dispute Resolution for Legal Rights Objections. Id.  
10 Under these policies and rules, third parties were  
11 allowed to challenge a gTLD application by filing a  
12 Legal Rights Objection ("LRO") during a specified  
13 period. Id. at ¶ 23. The principal inquiries  
14 pertaining to applications for gTLDs that are also  
15 trademarks are (1) whether the applicant has *bona fide*  
16 rights in the trademark that corresponds to the  
17 applied-for gTLD and (2) whether registration of the  
18 gTLD by the applicant would create an impermissible  
19 likelihood of consumer confusion. Id. at ¶ 24.

20 Plaintiff submitted its Application for the gTLD  
21 <.delmonte> during the specified period. Id. at ¶ 25.  
22 On March 1, 2013, Defendant filed an LRO objecting to  
23 Plaintiff's Application. Id. at ¶ 31. On June 14,  
24 2013, WIPO appointed a three-member panel to decide,  
25 based on its determination as to the principal  
26 inquiries pertaining to gTLDs, whether to uphold or  
27 reject Defendant's LRO. Id. at ¶ 35. On August 6,  
28 2013, a majority of the WIPO panel decided in favor of

1 sustaining Defendant's LRO. Id. at ¶ 36.

2 On August 13, 2013, Plaintiff filed this Action in  
3 this Court, requesting a declaration that: (1)  
4 Plaintiff has *bona fide* rights in the DEL MONTE Mark;  
5 (2) that Plaintiff is not in violation of the Anti-  
6 Cybersquatting Consumer Protection Act ("ACPA"), 15  
7 U.S.C. § 1125(d); and (3) Plaintiff's registration of  
8 the gTLD <.delmonte> will not create an impermissible  
9 likelihood of confusion. Plaintiff also requests that  
10 this Court order Defendant to withdraw its LRO. Id. at  
11 ¶ 42.

## 12 II. Legal Standard

### 13 A. Motion to Dismiss Pursuant to Rule 12(b)(1)

14 Federal Rule of Civil Procedure 12(b)(1) authorizes  
15 a court to dismiss claims over which it lacks proper  
16 subject matter jurisdiction. A court is free to  
17 determine jurisdiction on a motion to dismiss for lack  
18 of jurisdiction under Rule 12(b)(1) "unless the  
19 jurisdictional issue is inextricable from the merits of  
20 a case." Kingman Reef Atoll Invs., L.L.C. v. United  
21 States, 541 F.3d 1189, 1195 (9th Cir. 2008) (citing  
22 Roberts v. Corrothers, 812 F.2d 1173, 1177 (9th Cir.  
23 1987)).

24 "[U]nlike a Rule 12(b)(6) motion, in a Rule  
25 12(b)(1) motion, the district court is not confined to  
26 the four corners of the complaint -- it may consider  
27 facts and need not assume the truthfulness of the  
28 complaint[,] and the existence of disputed material

1 facts will not preclude the court from evaluating the  
2 existence of subject matter jurisdiction.

3 Americopters, LLC v. Fed. Aviation Admin., 441 F.3d  
4 726, 732 n.4 (9th Cir. 2006); see also Ass'n of Am.  
5 Med. Colls. v. United States, 217 F.3d 770, 778 (9th  
6 Cir. 2000). The moving party "should prevail [on a  
7 motion to dismiss] only if the material jurisdictional  
8 facts are not in dispute and the moving party is  
9 entitled to prevail as a matter of law." Casumpang v.  
10 Int'l Longshoremen's & Warehousemen's Union, 269 F.3d  
11 1042, 1060-61 (9th Cir. 2001) (internal citations  
12 omitted); Tosco Corp. v. Cmty. for a Better Env't, 236  
13 F.3d 495, 499 (9th Cir. 2001), overruled on other  
14 grounds by, Hertz Corp. v. Friend, 559 U.S. 77 (2010).

15 **B. Motion to Dismiss Pursuant to Rule 12(b)(6)**

16 Federal Rule of Civil Procedure 12(b)(6) allows a  
17 party to move for dismissal of one or more claims if  
18 the pleading fails to state a claim upon which relief  
19 can be granted. Dismissal can be based on a lack of  
20 cognizable legal theory or lack of sufficient facts  
21 alleged under a cognizable legal theory. Balistreri v.  
22 Pacifica Police Dep't, 901 F.2d 696, 699 (9th Cir.  
23 1990). However, a party is not required to state the  
24 legal basis for its claim, only the facts underlying  
25 it. McCalden v. Cal. Library Ass'n, 955 F.2d 1214,  
26 1223 (9th Cir. 1990). In a Rule 12(b)(6) motion to  
27 dismiss, a court must presume all factual allegations  
28 of the complaint to be true and draw all reasonable

1 inferences in favor of the non-moving party. Klarfeld  
2 v. United States, 944 F.2d 583, 585 (9th Cir. 1991).

3 The question presented by a motion to dismiss is  
4 not whether the plaintiff will prevail in the action,  
5 but whether the plaintiff is entitled to offer evidence  
6 in support of its claim. Swierkiewica v. Sorema N.A.,  
7 534 U.S. 506, 511 (2002). "While a complaint attacked  
8 by a Rule 12(b)(6) motion to dismiss does not need  
9 detailed factual allegations, a plaintiff's obligation  
10 to provide the 'grounds' of his 'entitle[ment] to  
11 relief' requires more than labels and conclusions, and  
12 a formulaic recitation of a cause of action's elements  
13 will not do." Bell Atl. Corp. v. Twombly, 550 U.S.  
14 544, 555 (2007) (internal citation omitted). Although  
15 specific facts are not necessary if the complaint gives  
16 the defendant fair notice of the claim and the grounds  
17 upon which the claim rests, a complaint must  
18 nevertheless "contain sufficient factual matter,  
19 accepted as true, to state a claim to relief that is  
20 plausible on its face." Ashcroft v. Iqbal, 556 U.S.  
21 662, 678 (2009) (internal quotation marks omitted).

22 If dismissed, a court must then decide whether to  
23 grant leave to amend. The Ninth Circuit has repeatedly  
24 held that a district court should grant leave to amend  
25 even if no request to amend the pleadings was made,  
26 unless it determines that the pleading could not  
27 possibly be cured by the allegation of other facts.  
28 Lopez v. Smith, 203 F.3d 1122, 1130 (9th Cir. 2000).





1 "Federal courts are courts of limited  
2 jurisdiction." Kokkonen v. Guardian Life Ins. Co. of  
3 Am., 511 U.S. 375, 377 (1994). Accordingly, "the  
4 burden of establishing" that a cause lies within the  
5 Court's jurisdiction "rests upon the party asserting  
6 jurisdiction." Id. (citing McNutt v. Gen. Motors  
7 Acceptance Corp., 298 U.S. 178, 182-83 (1936)).

8 1. Request for a Declaration that Plaintiff has  
9 Bona Fide Rights in the Mark

10 "The Ninth Circuit has stated that trademark  
11 disputes have sufficiently ripened into an actual  
12 controversy under the [Declaratory Judgment Act] when  
13 'the plaintiff has a real and reasonable apprehension  
14 that he will be subject to liability.'" Neilmed Prods.  
15 v. Med-Systems, 472 F. Supp. 2d 1178, 1180 (N.D. Cal.  
16 2007) (quoting Chesebrough-Pond's v. Faberge, 666 F.2d  
17 393, 396 (9th Cir. 1982)); see also Rhoades v. Avon  
18 Prods., 504 F.3d 1151, 1157 (9th Cir. 2007) (quoting  
19 Hal Roach Studios, Inc. v. Richard Feiner & Co., Inc.,  
20 896 F.2d 1542, 1555-56 (9th Cir. 1990)) ("[A]n action  
21 for a declaratory judgment that a patent [or trademark]  
22 is invalid, or that the plaintiff is not infringing,  
23 [presents] a case or controversy if the plaintiff has a  
24 real and reasonable apprehension that he will be  
25 subject to liability if he continues to manufacture his  
26 product").

27 The reasonable apprehension of litigation test need  
28 not necessarily be met for an actual controversy to

1 exist. Amazon.com, Inc. v. Nat'l Ass'n of Coll.  
2 Stores, Inc., 826 F. Supp. 2d 1242, 1249 (W.D. Wash.  
3 2011) (citing MedImmune, 549 U.S. at 132 n.11).  
4 Instead, to satisfy the case or controversy  
5 requirement, "the dispute [must] be 'definite and  
6 concrete, touching the legal relations of parties  
7 having adverse legal interests'" and it must "be 'real  
8 and substantial' and 'admi[t] of specific relief of a  
9 conclusive character, as distinguished from an opinion  
10 advising what the law would be upon a hypothetical  
11 state of facts.'" MedImmune, 549 U.S. at 127 (quoting  
12 Aetna, 300 U.S. at 240-41). Indeed, the "triad of  
13 injury in fact, causation, and redressability comprises  
14 the core of Article III's case-or-controversy  
15 requirement, and the party invoking federal  
16 jurisdiction bears the burden of establishing its  
17 existence." Steel Co. v. Citizens for a Better Env't,  
18 523 U.S. 83, 103-04 (1998) (citing FW/PBS, Inc. v.  
19 Dallas, 493 U.S. 215, 231 (1990)); see also Lujan v.  
20 Defenders of Wildlife, 504 U.S. 555, 560-61 (1992).

21 Plaintiff and Defendant vigorously disagree over  
22 whether there is a case or controversy over Plaintiff's  
23 bona fide rights in the DEL MONTE Mark. Defendant, for  
24 example, argues that it has never contested the  
25 validity or scope of Plaintiff's South African  
26 trademark rights. Mot. 10:2-11; Reply 13:8-14:21.  
27 Defendant further asserts that any such ruling on  
28 Plaintiff's rights would be an improper advisory

1 opinion. Mot. 9:8-17. Plaintiff, on the other hand,  
2 attempts to narrow the issue. Plaintiff contends that  
3 there is a case or controversy over Plaintiff's bona  
4 fide rights in the DEL MONTE Mark sufficient to allow  
5 it to register the gTLD. Opp'n 14:12-15:15.  
6 Plaintiff's asserted rights in the DEL MONTE Mark  
7 appear to stem from either Plaintiff's licenses to use  
8 the Mark, or its South African trademark registration.  
9 Id. at 10:7-26; 14:5-9.

10 To the extent that Plaintiff requests this Court to  
11 determine the validity of its actions - namely applying  
12 to ICANN for the gTLD <.delmonte> - under its licenses  
13 with Defendant, it is clear that there exists a case or  
14 controversy between the Parties. There is a case or  
15 controversy if Plaintiff is requesting that this Court  
16 determine its bona fide rights under the DEL MONTE Mark  
17 to apply for the <.delmonte> gTLD. This is so because  
18 Defendant challenged Plaintiff's gTLD registration on  
19 the ground that Plaintiff's licenses do not confer upon  
20 Plaintiff the right to use the DEL MONTE Mark as a  
21 gTLD. See Stockton Decl. Ex. E ¶¶ 17-22. Defendant's  
22 act of filing the LRO caused Plaintiff's injury of not  
23 being awarded <.delmonte>. A determination as to the  
24 validity of Plaintiff's actions would certainly touch  
25 upon the legal rights of both Parties. Such a  
26 declaration issued by this Court would settle, at least  
27 to a certain degree, the disputes of the two Parties  
28 with respect to <.delmonte>. Thus, Plaintiff is

1 correct to focus on the transaction at hand, not the  
2 fact that Defendant has not challenged Plaintiff's  
3 other uses of the DEL MONTE Mark in its other domain  
4 names. Opp'n 12:9-13:14.

5 It appears, then, that there is a case or  
6 controversy within the meaning of Article III.  
7 However, a crucial question remains: whether federal  
8 subject matter jurisdiction lies in this Action.

9 As a preliminary matter, it is clear that a dispute  
10 over the terms or the scope of the license agreements  
11 would not arise under the Lanham Act. See Everest &  
12 Jennings, Inc. v. E & J Mfg. Co., 263 F.2d 254, 262  
13 (9th Cir. 1958) ("It has been long the law that actions  
14 brought to enforce contracts of which a patent is the  
15 subject matter must, in the absence of diversity of  
16 citizenship, be brought in the state court . . . The  
17 same rule applies to the construction of this section  
18 when trade-marks are involved"); see also Saturday  
19 Evening Post Co. v. Rumbleseat Press, Inc., 816 F.2d  
20 1191, 1194 (7th Cir. 1987) ("a dispute over the terms  
21 of a copyright license is not deemed to arise under the  
22 Copyright Act"); Geneva Intern. Corp. v. Petrof, Spol,  
23 S.R.O., 608 F. Supp. 2d 993, 998 (N.D. Ill. 2009) ("A  
24 license to use a trademark is a contract, and disputes  
25 over the language of a trademark license are governed  
26 by the rules of contract interpretation").<sup>1</sup> Federal

27 \_\_\_\_\_

28 <sup>1</sup> "Federal jurisdiction extends only to those cases  
in which a well-pleaded complaint establishes either

1 jurisdiction, then, must derive from somewhere else in  
2 Plaintiff's Complaint. In other words, the Court  
3 rejects Plaintiff's argument that this Court has  
4 jurisdiction arising from Plaintiff's request that this  
5 Court interpret its license rights. See Opp'n 10:8-10.

6 2. Request for Declaration of Compliance With the  
7 ACPA - 15 U.S.C. § 1114(2)(D)(v)

8 Plaintiff's alternative basis for jurisdiction is  
9 through its request for a declaration that it is not in  
10 violation of the ACPA. Opp'n 3:4-7; 11:9-11.

11 Plaintiff requests relief in the form of a declaration  
12 that it has not violated 15 U.S.C. § 1125(d). See  
13 Compl. ¶ 42; Opp'n 11:9-20, 15:23-19:3. While  
14 Plaintiff styles this particular claim for relief as  
15 rising under the Declaratory Judgment Act, functionally  
16 it is indistinguishable from a claim under 15 U.S.C. §  
17 1114(2)(D)(v).

18  
19 \_\_\_\_\_  
20 that [1] federal [trademark] law creates the cause of  
21 action or [2] that the plaintiff's right to relief  
22 necessarily depends on resolution of a substantial  
23 question of federal [trademark] law, in that [federal  
24 trademark] law is a necessary element of one of the  
25 well-pleaded claims."

26 Duncan v. Tuetzle, 76 F.3d 1480, 1486 (9th Cir. 1996)  
27 (internal quotation marks omitted) (quoting  
28 Christianson v. Colt Indus. Operating Corp., 486 U.S.  
800, 808 (1988)).

As this portion of Plaintiff's Complaint requires  
only contractual interpretation, it does not arise  
under the Lanham Act.

1 Federal courts have jurisdiction to adjudicate  
2 actions arising under the Lanham Act. See 15 U.S.C. §  
3 1121; 28 U.S.C. § 1338. Such disputes include actions  
4 involving the ACPA. See Rearden LLC v. Rearden  
5 Commerce, Inc., 683 F.3d 1190, 1195, 1202 (9th Cir.  
6 2012).

7 Unless Plaintiff's claims are "so attenuated and  
8 unsubstantial as to be absolutely devoid of merit,"  
9 Plaintiff has successfully invoked federal jurisdiction  
10 by pleading claims under the ACPA. Hagans v. Lavine,  
11 415 U.S. 528, 536-37 (1974) (quoting Newburyport Water  
12 Co. v. Newburyport, 193 U.S. 561, 579 (1904)); see also  
13 Sallen v. Corinthians Licenciamentos LTDA, 273 F.3d 14,  
14 23-24 (2d Cir. 2001). In other words, unless  
15 Plaintiff's ACPA claims are obviously frivolous or  
16 plainly insubstantial, this Court has federal  
17 jurisdiction. A claim meets this standard only if it  
18 is clearly contradicted by prior decisions so "as to  
19 foreclose the subject and leave no room for inference  
20 that the questions sought to be raised can be the  
21 subject of controversy." Id. at 538 (quoting Ex parte  
22 Poresky, 290 U.S. 30, 32 (1933)).

23 Neither party cites to any case law applying the  
24 ACPA's provisions to gTLDs, such as the one at issue in  
25 this case. Nor could this Court find any. Rather,  
26 Plaintiff argues for an extension of the ACPA to  
27 encompass gTLDs assigned via ICANN's new gTLD program.  
28 Such an argument is not manifestly frivolous.

1 Defendant avers, however, that no case or  
2 controversy exists with respect to the ACPA. See Mot.  
3 7:14-15, 7:17-24. It is insufficient, however, for  
4 Defendant merely to represent that it does not intend  
5 to sue Plaintiff under the ACPA with respect to its  
6 current domain names. See Sallen, 273 F.3d at 18. The  
7 focus is on whether there is a "definite and concrete"  
8 dispute between the parties that is not only "real and  
9 substantial," but also "[admits] of specific relief  
10 through a decree of a conclusive character."  
11 MedImmune, 549 U.S. at 127 (quoting Aetna 300 U.S. at  
12 240-41).

13 Assuming that Plaintiff's reading of 15 U.S.C. §  
14 1114 is correct, a decree by this Court that  
15 Plaintiff's application for <.delmonte> is in  
16 compliance with the ACPA would allow this Court to  
17 issue injunctive relief, such as by ordering Defendant  
18 to withdraw its LRO. See 15 U.S.C. § 1114(2)(D)(v).  
19 Plaintiff surely would be afforded "specific relief . .  
20 . of a conclusive character" were this Action to be  
21 decided in its favor. MedImmune, 549 U.S. at 127.

22 Thus, in Sallen v. Corinthians Licenciamentos LTDA,  
23 the First Circuit found in a case where the plaintiff  
24 invoked 15 U.S.C. § 1114(2)(D)(v) that there was a live  
25 controversy where: (1) both parties were still claiming  
26 exclusive rights to the same domain name, (2) the  
27 domain name had been transferred to the defendant, and  
28 (3) the defendant was using the domain name. 273 F.3d



1 at 25-26. The court also reasoned that there was an  
2 actual dispute because a declaration of plaintiff's  
3 compliance with the ACPA was relevant not only to  
4 defend against a lawsuit under the ACPA, but also to  
5 redress plaintiff's loss of his domain name in the  
6 prior Uniform Domain-Name Dispute Resolution Policy  
7 ("UDRP") proceedings. Id.

8 The Court holds that Plaintiff is correct in  
9 arguing that a case or controversy exists here. Just  
10 as in Sallen, a dispute arose with respect to the  
11 Parties' respective rights to a mutually excludable  
12 internet domain. Here, after Plaintiff applied for the  
13 gTLD <.delmonte>, Defendant filed an LRO objecting to  
14 Plaintiff's gTLD application. Compl. ¶¶ 25, 31. And,  
15 here, just as in Sallen, a determination was made as to  
16 the domain's ownership pursuant to a policy  
17 "prohibiting the registration of a domain name that is  
18 identical to, confusingly similar to, or dilutive of  
19 another's mark." 15 U.S.C. § 1114(2)(D)(ii)(II). In  
20 particular, the WIPO panel sustained Defendant's LRO,  
21 thereby denying Plaintiff's registration of  
22 <.delmonte>. Compl. ¶ 36. Therefore, just as in  
23 Sallen, a "certain controversy" exists. Sallen, 273  
24 F.3d at 26.

25 3. Conclusion

26 Because an actual controversy exists between the  
27 Parties and because Plaintiff has pleaded a  
28 nonfrivolous claim under the ACPA, this Court holds

1 that it has subject matter jurisdiction over this  
2 Action.

3 4. Discretion to Decline to Exercise Jurisdiction  
4 Under the Declaratory Judgment Act

5 Even if a district court determines that it has  
6 jurisdiction under the Declaratory Judgment Act, it is  
7 still not required to exercise its authority to hear  
8 the case. Wilton v. Seven Falls Co., 515, U.S. 277,  
9 283 (1995); Huth v. Hartford Ins. Co., 298 F.3d 800,  
10 802 (9th Cir. 2002). Several factors are relevant in  
11 determining whether to exercise jurisdiction. For  
12 example, “[a] district court should avoid needless  
13 determination of state law issues; it should discourage  
14 litigants from filing declaratory actions as a means of  
15 forum shopping; and it should avoid duplicative  
16 litigation.” Huth, 298 F.3d at 803 (citing Gov’t Emps.  
17 Ins. Co. v. Dizol, 133 F.3d 1220, 1225 (9th Cir.  
18 1998)). Defendant proposes at least two other factors:  
19 “whether the declaratory action will serve a useful  
20 purpose in clarifying the legal relations at issue,  
21 [and] whether the declaratory action is being sought to  
22 obtain a res judicata advantage.” Mot. 13:14-15  
23 (quoting Williams v. Azzogleads.com, Inc., No. CV 08-  
24 807 AHS (ANx), 2008 WL 4383875, at \*1 (C.D. Cal. Sept.  
25 4, 2008) (citations omitted)).

26 The Court finds that although exercising  
27 jurisdiction would require it to determine state law  
28 issues with respect to the scope of Plaintiff’s

1 licenses, such issues are necessary to the proper  
2 adjudication of this case. As such, the Court finds  
3 that the first factor is neutral in determining whether  
4 to exercise jurisdiction.

5 The Court finds that the second factor,  
6 discouraging litigants from using declaratory actions  
7 as a means of forum shopping, weighs against exercising  
8 jurisdiction. In particular, Plaintiffs already have a  
9 means of review available to them: the ICANN request  
10 for reconsideration process. See Bylaws for Internet  
11 Corporation for Assigned Names and Numbers, Art. IV,  
12 ICANN (Nov. 27, 2013),  
13 <https://www.icann.org/en/about/governance/bylaws>.  
14 Notwithstanding Plaintiff's assertions that ICANN's  
15 reconsideration process fails to provide adequate due  
16 process (Opp'n 16:23-18:3), Plaintiff still bypassed  
17 the procedures available to it to file this Action. As  
18 such, the Court finds that this factor weighs against  
19 exercising jurisdiction.

20 The next factor, avoiding duplicative litigation,  
21 is neutral. Neither Plaintiff nor Defendant have  
22 identified any parallel litigation. Additionally,  
23 because no litigation beyond this Action is  
24 anticipated, the Court finds that this Action does not  
25 appear to be brought to obtain a *res judicata*  
26 advantage. Accordingly, the Court finds that this  
27 factor weighs toward exercising jurisdiction.

28 The Court finds that the next factor, whether the

1 declaratory action will help clarify the legal  
2 relations between the parties, weighs toward exercising  
3 jurisdiction. In particular, the Action will clarify  
4 the legal relationship regarding gTLDs between the  
5 Parties with respect to the DEL MONTE Mark.

6 Because most of the factors either weigh toward or  
7 are neutral with respect to exercising jurisdiction  
8 over this Action, this Court does not decline to  
9 exercise jurisdiction.

10 **B. Failure to State a Claim**

11 Having found that it has jurisdiction over this  
12 Action, the Court next must determine whether Plaintiff  
13 has stated a claim sufficient to survive Defendant's  
14 Rule 12(b)(6) Motion to Dismiss. Beyond arguing that  
15 there is no cognizable case or controversy, Defendant  
16 argues that Plaintiff has not stated a claim for relief  
17 under the ACPA. Mot. 8:14-15.

18 Under Rule 12(b)(6), a party may move to dismiss  
19 claims based on a lack of a cognizable legal theory or  
20 lack of sufficient facts alleged under a cognizable  
21 legal theory. Balistreri, 901 F.2d at 699.

22 Under 15 U.S.C. § 1125(d), "a party can be held  
23 liable if it registers, traffics in, or uses a 'domain  
24 name' that is 'identical or confusingly similar' to a  
25 distinctive mark . . . with bad faith intent to profit  
26 from the mark." 15 U.S.C. § 1125(d)(1)(A). Under 15  
27 U.S.C. § 1114(2)(D)(v), "[a] domain name registrant  
28 whose domain name has been suspended, disabled, or

1 transferred under a policy described under clause  
2 (ii)(II) may . . . file a civil action to establish  
3 that the registration or use of the domain name by such  
4 registrant is not unlawful under this Act." 15 U.S.C.  
5 § 1114(2)(D)(v). A policy described under clause  
6 (ii)(II) is a "reasonable policy . . . prohibiting the  
7 registration of a domain name that is identical to,  
8 confusingly similar to, or dilutive of another's mark."  
9 15 U.S.C. § 1114(2)(D)(ii).

10 1. Definition of "Domain Name"

11 In order for Plaintiff to state a claim under  
12 either 15 U.S.C. § 1125(d) or § 1114(2)(D)(v), it must  
13 first show that a "domain name" is at issue in this  
14 case. Plaintiff must therefore show that the gTLD  
15 <.delmonte> is a "domain name" and, therefore, subject  
16 to these provisions of the ACPA.

17 This appears to be a matter of first impression,  
18 and the Court keeps in mind that "[n]ot once has any  
19 court imputed trademark rights to a gTLD. In fact,  
20 rather than look at a gTLD to determine trademark  
21 rights, the Ninth Circuit and others ignore the TLD as  
22 though it were invisible next to the second level  
23 domain name in an infringement action." Image Online  
24 Design, Inc. v. Core Ass'n, 120 F. Supp. 2d 870, 878  
25 (C.D. Cal. 2000).

26 Plaintiff asserts that the ACPA "makes no  
27 distinction between top, second, or even third-level  
28 domain names." Opp'n 16:7-8. Defendant, on the other

1 hand, notes that a TLD has never been found to be a  
2 "domain name" for ACPA purposes. Mot. 8:17-18. The  
3 parties, however, go no further in their arguments.  
4 The Court must itself determine if the <.delmonte>  
5 gTLD constitutes a "domain name" under the ACPA.

6 Since Congress passed the ACPA, numerous courts  
7 have defined a "domain name" as consisting of "at least  
8 two parts: the top level domain and the second level  
9 domain." Sallen, 273 F.3d at 19; Rearden LLC, 683 F.3d  
10 at 1196 n.1 (9th Cir. 2012) (quoting Office Depot Inc.  
11 v. Zuccarini, 596 F.3d 696, 698-99 (9th Cir. 2010));  
12 Coca-Cola Co. v. Purdy, 382 F.3d 774, 783 (8th Cir.  
13 2004); Interactive Prods. Corp. v. A2z Mobile Office  
14 Solutions, Inc., 326 F.3d 687, 691 (6th Cir. 2003);  
15 Virtual Works, Inc. v. Volkswagen of Am., Inc., 238  
16 F.3d 264, 266 (4th Cir. 2001); Sporty's Farm L.L.C. v.  
17 Sportsman's Mkt., Inc., 202 F.3d 489, 492-93 (2d Cir.  
18 2000); Brookfield Commc'ns v. W. Coast Entm't Corp.,  
19 174 F.3d 1036, 1044 (9th Cir. 1999); see also GoForit  
20 Entm't, LLC v. DigiMedia.com L.P., 750 F. Supp. 2d 712,  
21 725 (N.D. Tex. 2010) (holding that a third-level domain  
22 was not a domain name under the ACPA, reasoning that it  
23 was never assigned or registered with a registrar, and  
24 that only second and top level domain combinations were  
25 domain names).

26 It follows, then, that under this definition of  
27 "domain name," a TLD is merely a necessary, but not  
28 sufficient, part of a "domain name." But these

1 holdings are not directly on point and, accordingly,  
2 are not conclusive. If they were, this Court's inquiry  
3 would end here.

4 The plain language of the ACPA is equivocal: "any  
5 alphanumeric designation" on the Internet that is "part  
6 of an electronic address" may be a domain name so long  
7 as it "is registered" with "a domain name registrar,  
8 domain name registry, or other domain name registration  
9 authority." 15 U.S.C. § 1127 (emphasis added). A  
10 plain reading of this definition suggests that the  
11 <.delmonte> gTLD, as an alphanumeric designation, can  
12 be a domain name so long as it is registered with "a  
13 domain name registrar, domain name registry, or other  
14 domain name registration authority." Id.

15 It follows, then, that answering the question of  
16 whether ICANN is a "domain name registrar, domain name  
17 registry, or domain name registration authority" is  
18 critical to determining whether a TLD is a domain name  
19 because applicants apply directly to ICANN for a new  
20 gTLD. See Compl. ¶ 20.

21 "ICANN is a nonprofit corporation that was created  
22 in 1998, in response to a policy directive of the  
23 Department of Commerce, to administer the domain name  
24 system on the Department's behalf."<sup>2</sup> Coalition for

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25  
26 <sup>2</sup> To the extent that these facts regarding ICANN's  
27 role were not presented to this Court, this Court may  
28 take judicial notice of them because they are not  
subject to "reasonable dispute because" they are  
generally known within this court's territorial

1 ICANN Transparency, Inc. v. VeriSign, Inc., 567 F.3d  
2 1084, 1088 (9th Cir. 2009).

3 As part of its coordination of the domain name  
4 systems, ICANN maintains a relationship with the  
5 key actors in the system, including *registries*,  
6 which operate top-level domains ('TLDs') such as  
7 '.com' or '.org' and maintain information on all  
8 domain names registered within a particular top-  
9 level domain, and *registrars*, which make domain  
10 names available to customers and register domain  
11 names with a registry. The customer and owner  
12 of the domain name is the 'registrant.'

13 Vizer v. VIZERNEWS.COM, 869 F. Supp. 2d 75, 78 (D.D.C.  
14 2012) (citing Office Depot, 596 F.3d at 699; Dotster,  
15 Inc. v. Internet Corp. for Assigned Names and Numbers,  
16 296 F. Supp. 2d 1159, 1160 (C.D. Cal. 2003)); see also  
17 Name.Space, Inc. v. Internet Corp. for Assigned Names &  
18 Nos., CV 12-8676 PA (PLAx), 2013 WL 2151478, at \*1-4  
19 (C.D. Cal. Mar. 4, 2013) (providing an overview of  
20 ICANN's history and its role in administering the  
21 Domain Name System).

22 At least with respect to its normal functions,  
23 ICANN does not provide the typical services domain name  
24 registries or domain name registrars provide and ICANN

25 \_\_\_\_\_  
26 jurisdiction or can be accurately and readily  
27 determined from sources whose accuracy cannot  
28 reasonably be questioned. Fed. R. Evid. 201(b); Vizer  
v. VIZERNEWS.COM, 869 F. Supp. 2d 75, 77 n.3 (D.D.C.  
2012).



1 has not been recognized as a domain name registrar or  
2 registry in the past. See Vizer, 869 F. Supp. 2d at  
3 82. This makes sense, as ICANN's role has been to  
4 administer and coordinate these entities, not to act at  
5 the individual domain name level. Accordingly, the  
6 Court finds that ICANN is neither a "domain name  
7 registrar" nor a "domain name registry" for purposes of  
8 the ACPA.

9 However, this leaves open the question of whether  
10 ICANN is an "other domain name registration authority"  
11 for the purposes of the ACPA. 15 U.S.C. § 1127. If  
12 ICANN is, then a gTLD could be a domain name.

13 In Vizer, the court found that the "plain language"  
14 of the ACPA "makes clear that the phrase 'other domain  
15 name authority that registered or assigned the domain  
16 name,' covers only entities that perform the functions  
17 of the registrar and registry by registering or  
18 assigning domain names." Vizer, 869 F. Supp. 2d at 82.  
19 The court held that ICANN was not a "domain name  
20 authority" - or a domain name registrar or registry -  
21 in the context of § 1125(d)(2)(A).<sup>3</sup> Id. The court  
22 reasoned that "ICANN's role within the domain name  
23 system [does] not give it the 'hands-on' role in  
24 'register[ing]' or 'assign[ing]' the defendant domain  
25

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26  
27 <sup>3</sup> However, this Court recognizes that the Vizer  
28 court limited its holding and explicitly stated that  
its holding *did not* apply to ICANN's role in approving  
new gTLDs. Id. at 83 n.7.

1 name sufficient to confer *in rem* jurisdiction in this  
2 Court" under the ACPA. Id. at 83.

3 ACPA co-sponsor Senator Patrick Leahy's comments on  
4 the bill are illuminating: "Since registrars only  
5 register second level domain names," the definition of  
6 domain name "under current registration practice,  
7 *applies only to second level domain names.*" 145 Cong.  
8 Rec. 14986, 15025 (1999) (emphasis added). The Senate  
9 Judiciary Committee Report on the ACPA similarly opines  
10 that the definition of "domain name" "essentially  
11 covers the second-level domain names assigned by domain  
12 name registration authorities." S. Rep. No. 106-140,  
13 at \*10 (1999). Senator Leahy further clarified that  
14 "[o]nly these entities that actually offer the  
15 challenged name, placed it in a registry, or operate  
16 the relevant registry" were intended to be covered by  
17 the terms "domain name registrar, domain name registry,  
18 or other domain name authority." 145 Cong. Rec. 14986,  
19 15025 (1999).

20 In short, both the plain language of the statute  
21 and its legislative history suggest that ICANN is not a  
22 "domain name registration authority" within the meaning  
23 of the ACPA. Such an inference implies, of course,  
24 that a gTLD such as <.delmonte> is not a domain name  
25 within the meaning of the ACPA. If this were the case,  
26 then Plaintiff's request under 15 U.S.C. §  
27 1114(2)(D)(v) for a declaration that it is in  
28 compliance with the ACPA must fail as the ACPA would be

1 inapplicable to this Action.

2 The difficulty, of course, is that ICANN *does* act  
3 in a "hands-on" role with respect to the new gTLD  
4 program. The application process for the new gTLD  
5 program is extensive, encompassing many steps before  
6 ICANN finally delegates a new gTLD into the root zone.<sup>45</sup>  
7 See gTLD Applicant Guidebook Version 2012-06-04, ICANN,  
8 (June 4, 2012),  
9 [http://newgtlds.icann.org/en/applicants/agb/guidebook-f](http://newgtlds.icann.org/en/applicants/agb/guidebook-full-04jun12-en.pdf)  
10 [ull-04jun12-en.pdf](http://newgtlds.icann.org/en/applicants/agb/guidebook-full-04jun12-en.pdf).<sup>6</sup> ICANN's extensive involvement in  
11

12 <sup>4</sup> These facts regarding ICANN's new gTLD  
13 application process are judicially noticeable because  
14 they are not subject to reasonable dispute and are  
15 capable of accurate and ready determination by resort  
16 to sources whose accuracy cannot reasonably be  
17 questioned. Fed. R. Evid. 201; Lee v. City of Los  
18 Angeles, 250 F.3d 668, 688-89 (9th Cir. 2001). The  
19 Court notes that Plaintiff does not appear to contest  
20 their authenticity as Plaintiff cites to the same  
21 website. See Opp'n 17:20-18:2.

22 <sup>5</sup> The "root zone" is a database that "represents  
23 the delegation details of top-level domains, including  
24 gTLDs and ccTLDs." New Generic Top-Level Domains  
25 Glossary: Terms Applicable to the Application Process,  
26 at 6, ICANN, (Aug. 30, 2011),  
27 [http://archive.icann.org/en/topics/new-gtlds/glossary-3](http://archive.icann.org/en/topics/new-gtlds/glossary-30aug11-en.pdf)  
28 [0aug11-en.pdf](http://archive.icann.org/en/topics/new-gtlds/glossary-30aug11-en.pdf). "Delegation" refers to "[t]he process  
through which the root zone is edited to include a new  
TLD, and the management of domain name registrations  
under such TLD is turned over to the registry  
operator." Id. at 2.

<sup>6</sup> ICANN's new gTLD application process allows  
potential applicants to submit applications for new  
gTLDs during a four month period. Id. at 1-2, 1-3.  
After the submission window closes, ICANN checks each

1 the new gTLD program is quite different from its role  
2 application for completeness. Id. at 1-5. Each  
3 application requires a \$185,000 evaluation fee. Id. at  
4 1-42. After new gTLD applications are publicly posted  
5 on ICANN's website, ICANN opens a Comment Period and  
6 comments received within 60 days of the application  
7 posting are considered by evaluators. Id. at 1-5, 1-6.  
8 After the completeness check, ICANN begins an Initial  
9 Evaluation, consisting of a "String review" and  
10 "Applicant review." Id. at 1-8, 1-9. "String reviews"  
11 consider whether the applied for gTLD string will cause  
12 security or stability problems; "Applicant reviews"  
13 consider whether an "applicant has the requisite  
14 technical, operational, and financial capabilities to  
15 operate a registry." Id. at 1-9. Certain applicants  
16 that fail the Initial Evaluation may request an  
17 Extended Evaluation wherein the applicant and  
18 evaluators exchange additional information to clarify  
19 information in the application. Id. at 1-11. ICANN's  
20 application process also allows for third parties to  
21 file formal objections during the Objection Filing  
22 Period. Id. at 1-10. The application process also  
23 includes a Dispute Resolution period. Id. at 1-12. If  
24 a formal objection is filed against an application,  
25 independent dispute resolution service providers  
26 initiate and conclude proceedings based on the  
27 objections received. Id.

19 If there is more than one qualified application for  
20 an identical or similar gTLD string, a "String  
21 Contention" case arises. Id. at 1-13. Such cases are  
22 resolved either through a community priority evaluation  
23 or through an auction. Id. Finally, applicants who  
24 have successfully completed all relevant stages of the  
25 application process must complete several additional  
26 steps, including the execution of a registry agreement  
27 with ICANN and the completion of a technical test,  
28 before ICANN delegates the new gTLD into the root zone.  
Id. at 1-14, 1-15. Furthermore, ICANN's involvement  
with successful applicants is ongoing; even after  
delegation, ICANN performs regular audits to ensure  
gTLD registry operators' compliance with their  
agreement obligations. Id. at 5-15.

1 in administering the Domain Name System. By receiving  
2 and reviewing applications for new gTLDs and by  
3 ultimately delegating new gTLDs into the root zone,  
4 ICANN acts much like a traditional domain name  
5 registrar. And by performing regular audits and in  
6 delegating new gTLDs into the root zone, ICANN acts  
7 much like a traditional domain name registry. Even so,  
8 given the limited and circumscribed nature of the new  
9 gTLD program, construing ICANN as a "domain name  
10 registration authority" seems akin to cramming a square  
11 peg into a round hole.

12 It appears, then, that the Court must turn to the  
13 other elements of Plaintiff's claim under the ACPA.  
14 For this purpose, this Court assumes, without deciding,  
15 that the <.delmonte> gTLD is a "domain name."

16 2. 15 U.S.C. §§ 1114(2)(D)(v) and 1125(d)

17 In order to show liability for cybersquatting under  
18 § 1125(d), a plaintiff must show that "(1) the  
19 defendant *registered, trafficked in, or used* a domain  
20 name; (2) the domain name is identical or confusingly  
21 similar to a protected mark owned by the plaintiff; and  
22 (3) the defendant acted 'with bad faith intent to  
23 profit from that mark.'" Rearden LLC, 683 F.3d at 1219  
24 (emphasis added) (quoting DSPT Intern., Inc. v. Nahum,  
25 624 F.3d 1213, 1218-19 (9th Cir. 2010)); see also  
26 GoPets Ltd. v. Hise, 657 F.3d 1027, 1030 (9th Cir.  
27 2011).

28 15 U.S.C. § 1114(2)(D)(v), on the other hand,

1 provides a cause of action for reverse domain name  
2 hijacking. See Hawes v. Network Solutions, Inc., 337  
3 F.3d 377, 383 (4th Cir. 2003); Barcelona.com, Inc., 330  
4 F.3d at 625; Ricks v. BMEzine.com, LLC, 727 F. Supp. 2d  
5 936, 959 (D. Nev. 2010). To prevail on such a claim,  
6 Plaintiff must show

7 (1) that it is a domain name registrant; (2)  
8 that its domain name was *suspended, disabled, or*  
9 *transferred* under a policy established by a  
10 registrar as described in 15 U.S.C. §  
11 1114(2)(D)(ii)(II); (3) that the owner of the  
12 mark that prompted the domain name to be  
13 suspended, disabled, or transferred has notice  
14 of the action by service or otherwise; and (4)  
15 that the plaintiff's registration or use of the  
16 domain name is not unlawful under [this  
17 chapter].

18 Barcelona, Inc., 330 F.3d at 626 (emphasis added); see  
19 also Ricks, 727 F. Supp. 2d at 960 (holding that the  
20 words "this chapter" in § 1114(2)(D)(v) refers only to  
21 the ACPA, not the whole Lanham Act). In other words, §  
22 1114(2)(D)(v) covers situations in which a domain name  
23 registrant has been found to be a cybersquatter by an  
24 administrative panel of a registrar, registry, or other  
25 domain name authority. See Sallen, 273 F.3d at 28.  
26 Furthermore, because § 1114(2)(D)(v) requires a court  
27 to determine whether a party is in compliance with §  
28 1125(d), (see Sallen, 273 F.3d at 18; Ricks, 727 F.

1 Supp. 2d at 960), it follows that § 1114(2)(D)(v) can  
2 apply *only if* the Plaintiff's actions could also be  
3 subject to § 1125(d) liability. See AIRFX.com v. AIRFX  
4 LLC, No. 11-01064-PHX-FJM, 2012 WL 3638721, at \*6 (D.  
5 Ariz. Aug. 24, 2012) ("Because we have concluded that  
6 plaintiffs cannot be liable under the ACPA for  
7 cybersquatting as a matter of law . . . we conclude  
8 that there is no genuine issue of fact as to whether  
9 plaintiffs' use of the domain name is lawful").

10 The ACPA does not provide a definition of  
11 "register." See GoPets, 657 F.3d at 1030. Faced with  
12 this issue, the Vizer court found that registering a  
13 "domain name" under the ACPA includes entering into a  
14 contractual relationship with a registrar to "make a  
15 record" of the requested domain name. See Vizer, 869  
16 F. Supp. 2d at 81-82. In other words, "registration"  
17 under the ACPA at least requires the registrant to  
18 enter into a contract to have its proposed domain name  
19 entered into the appropriate registry. See also  
20 GoPets, 657 F.3d at 1030 ("It is obvious that, under  
21 any reasonable definition, the initial contract with  
22 the registrar constitutes a 'registration' under  
23 ACPA"). A typical domain name registration is  
24 essentially automatic: "[r]egistrars accept  
25 registrations for new or expiring domain names, connect  
26 to the appropriate registry operator's TLD servers to  
27 determine whether the name is available, and register  
28 available domain names on behalf of registrants."

1 Coalition for ICANN Transparency Inc. v. VeriSign,  
2 Inc., 464 F. Supp. 2d 948, 952 (N.D. Cal. 2006).

3 The Court finds that Plaintiff has not "registered"  
4 the <.delmonte> gTLD. Plaintiff alleges that it  
5 entered into a contract with ICANN by submitting its  
6 application for the <.delmonte> gTLD. Compl. ¶ 25.  
7 But even so, ICANN never "made a record of" the  
8 <.delmonte> gTLD in the root zone because it sustained  
9 Defendant's LRO. Id. at ¶ 36. "[R]egistration" in the  
10 gTLD context requires ICANN to actually delegate  
11 <.delmonte> into the root zone and thereby make a  
12 record of the domain into the Domain Name System. Cf.  
13 GoForIt Entm't, 750 F. Supp. 2d at 723 (holding that  
14 third level domain names are not covered by the ACPA  
15 because they are not registered or assigned by a domain  
16 name registrar). No such event occurred here as  
17 Defendant's LRO successfully prevented ICANN from  
18 delegating <.delmonte>. Compl. ¶ 36. Unlike the  
19 mechanical second level registration system, the gTLD  
20 application process does not immediately and  
21 automatically delegate a gTLD into the root zone upon  
22 application. See gTLD Applicant Guidebook, at 1-48, 1-  
23 49. Instead, an application must survive several  
24 discrete steps, including any filed objections, in  
25 order to reach the delegation stage. Id.

26 Plaintiff avers, however, that "[i]t is of no  
27 moment that the application and registration occur  
28 simultaneously for a second-level domain name, and



1 separately for a TLD" because "[i]n both cases a WIPO  
2 Panel is called upon to determine whether the  
3 registration is, or was, appropriate." Opp'n 16:11-15.

4 Plaintiff's argument misses a crucial point. It is  
5 precisely because application and registration occur  
6 simultaneously for second level domains that the ACPA  
7 is necessary. Once an available domain name is applied  
8 for and registered, all other potential applicants are  
9 barred from using that domain. No advance notice is  
10 given. Thus, the UDRP and 15 U.S.C. § 1125(d) exist to  
11 dissuade the unscrupulous use of another's mark. That  
12 trademark owners may be excessively vigilant in  
13 protecting their marks is an outgrowth of such a system  
14 of instantaneous registration and mutual exclusion. 15  
15 U.S.C. § 1114(2)(D)(v), meant to counteract "reverse  
16 domain name hijacking," exists to prevent overreaching  
17 by overzealous trademark owners.

18 In contrast, the gTLD application process  
19 deliberately separates application from registration.  
20 By doing so, the process is designed to stymie  
21 cybersquatting activity. In order to do so, the gTLD  
22 process introduces high entry costs in the form of its  
23 hefty evaluation fee and extensive initial review  
24 process. Moreover, the extensive evaluation process,  
25 with its provision for transparency for interested  
26 stakeholders, further protects against the potentiality  
27 of successful cybersquatting behavior. Such barriers  
28 present serious challenges to typical cybersquatting

1 activity. As a result, the protections of the ACPA are  
2 much less relevant to the gTLD application process than  
3 for the current second level domain name registration  
4 process.

5 The Court also finds that Plaintiff has not  
6 "trafficked in" or "used" the <.delmonte> gTLD to give  
7 rise to ACPA liability. A party may be liable for  
8 cybersquatting if he "traffics in" an offending domain  
9 name. 15 U.S.C. § 1125(d)(1)(A)(ii). To "traffic" is  
10 to engage in "transactions that include . . . sales,  
11 purchases, loans, pledges, licenses, exchanges of  
12 currency, and any other transfer for consideration or  
13 receipt in exchange for consideration." 15 U.S.C. §  
14 1125(d)(1)(E). It follows that Plaintiff could not  
15 have "trafficked in" the <.delmonte> gTLD without a  
16 "registration" as without ICANN's delegation of the  
17 <.delmonte> gTLD, Plaintiff had nothing to transfer for  
18 consideration. Simply put, Plaintiff cannot transfer  
19 something that does not exist. The same holds true for  
20 whether Plaintiff "used" the <.delmonte> gTLD. While  
21 the definition of "use" under the ACPA may be broad,  
22 (see DSPT Int'l, 624 F.3d at 1219 (holding that a  
23 defendant used a domain name by changing its contents  
24 to obtain leverage in his claim for commissions)), the  
25 Court finds that there must still be a registered  
26 domain name in order for there to be liability for  
27 "use" of that domain name. Because the <.delmonte>  
28 gTLD was never delegated, it follows that Plaintiff

1 could not have "used" <.delmonte> in any manner.

2       Accordingly, because Plaintiff has not pleaded  
3 sufficient facts to show that it "registered,  
4 trafficked in, or used a domain name," the Court finds  
5 that Plaintiff has failed to make out a prima facie  
6 case for cybersquatting under 15 U.S.C. § 1125(d).  
7 Rearden LLC, 683 F.3d at 1219. Because the Court finds  
8 that Plaintiff cannot be liable under the ACPA as a  
9 matter of law, the Court finds that § 1114(2)(D)(v)  
10 similarly is inapplicable to this Action. As such, the  
11 Court finds that Plaintiff has failed to state a claim  
12 upon which relief may be granted.

13       The Court recognizes the paradoxical nature of this  
14 result - second level domain disputes adjudicated under  
15 the UDRP could be subject to review under the ACPA but  
16 disputes over top level domains may not. However, this  
17 Court believes that extending the ACPA to cover such  
18 disputes would upset the balance reached by ICANN in  
19 formulating its new gTLD program. This Court is  
20 convinced that dismissal is warranted given the  
21 precautions set forth within ICANN's new gTLD  
22 application process and the stark contrast between that  
23 application process and the second level domain  
24 registration system. Moreover, the Court cautions that  
25 this holding does not necessarily foreclose application  
26 of the ACPA in the context of *successful* gTLD  
27 registrations. The Court agrees with Defendant that  
28 owning a gTLD "carries with it a far stronger public

1 association of brand ownership than any domain name  
2 registration." Reply 7:15-17. The need for judicial  
3 review in the context of a successful gTLD application  
4 therefore is much more significant than in the context  
5 of an unsuccessful application.

6 Finally, this Court agrees with Defendant that  
7 accepting Plaintiff's construction of § 1114(2)(D)(v)  
8 would render an attempt to register a domain name  
9 actionable under the ACPA. See Mot. 8:20-24. Reading  
10 "registration" to encompass the gTLD application  
11 process would make actionable instances where  
12 individuals entered into contracts with registrars to  
13 register an infringing domain name but were ultimately  
14 unsuccessful in obtaining that domain name. Such a  
15 reading of the ACPA is incongruent with the rest of the  
16 statute. Furthermore, the Court believes that such a  
17 reading would broaden the scope of the ACPA beyond that  
18 contemplated by Congress or supported by the case law.

19 3. Requests for Declaratory Relief

20 It is well established that the Declaratory  
21 Judgment Act "does not create an independent cause of  
22 action." Chevron Corp. v. Camacho Naranjo, 667 F.3d  
23 232, 244-45 (2d Cir. 2012) (quoting Davis v. United  
24 States, 499 F.3d 590, 594 (6th Cir. 2007)). As such,  
25 this Court need not separately determine if Plaintiff  
26 has adequately pleaded a claim under the Declaratory  
27 Judgment Act.

28 //

1           4.   Conclusion

2           The Court finds that the ACPA is inapplicable to  
3 this Action because even if the Court had found that  
4 <.delmonte> was a domain name, Plaintiff has still  
5 failed to plead a cognizable theory under the ACPA  
6 because <.delmonte> was never registered, transferred,  
7 or used. The Court notes that Plaintiff has not  
8 pleaded any other claims because the Declaratory  
9 Judgment Act does not create an independent cause of  
10 action. Accordingly, the Court hereby **GRANTS**  
11 Defendant's Motion to Dismiss Plaintiff's Complaint  
12 [17]. Furthermore, because the facts of this Action  
13 ultimately revolve around Plaintiff's application for  
14 the gTLD <.delmonte>, the Court hereby dismisses  
15 without leave to amend as Plaintiff cannot allege any  
16 facts sufficient to cure its cause of action. See  
17 Lopez v. Smith, 203 F.3d at 1130.

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1 **IV. Conclusion**

2 For the foregoing reasons, the Court hereby **GRANTS**  
3 Defendant's Motion to Dismiss Pursuant to Fed. R. Civ.  
4 P. 12(b)(1) and 12(b)(6) [17]. The Court hereby  
5 dismisses this case without leave to amend. The Clerk  
6 shall close this action.

7  
8  
9  
10 **IT IS SO ORDERED.**

11 DATED: February 5, 2014

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13 RONALD S.W. LEW

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**HONORABLE RONALD S.W. LEW**  
15 Senior, U.S. District Court Judge  
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