



**ROBERT NOVAK D/B/A PETSWAREHOUSE.COM, Plaintiff,  
VERSUS TUCOWS, INC., OPENSRS AND NITIN NETWORKS,  
INC., Defendants.**

**No 06-CV-1909 (JFB) (ARL)**

**UNITED STATES DISTRICT COURT FOR THE EASTERN DIS-  
TRICT OF NEW YORK**

*2007 U.S. Dist. LEXIS 21269; 73 Fed. R. Evid. Serv. (Callaghan) 331*

**March 26, 2007, Decided**

**March 26, 2007, Filed**

**SUBSEQUENT HISTORY:** Affirmed by *Novak v. Tucows Inc., 2009 U.S. App. LEXIS 9786 (2d Cir. N.Y., May 6, 2009)*

**COUNSEL:** [\*1] Plaintiff appears Pro se.

For Defendant Tucows is represented by Glenn Matthew Mitchell, Esq., Schwimmer Mitchell Law Firm, Mount Kisco, New York.

For Defendant Nitin is represented by Gary Adelman, Esq., Adelman & Lavania, LLC, New York, New York.

**JUDGES:** JOSEPH F. BIANCO, United States District Judge.

**OPINION BY:** JOSEPH F. BIANCO

**OPINION**

MEMORANDUM AND ORDER

JOSEPH F. BIANCO, District Judge:

*Pro se* plaintiff Robert Novak ("Novak") brings the present action against defendants

Tucows, Inc. and its subsidiary, OpenSRS<sup>1</sup> (collectively, "Tucows") and Nitin Networks, Inc. ("Nitin") (collectively, "defendants"), alleging that defendants' transfer of his internet domain name, "petswarehouse.com," constituted trademark infringement and trademark dilution in violation of the Lanham Act, 15 U.S.C. § 1114, 1117, 1125(a) & 1125(c). Plaintiff also brings pendent state claims, including: conversion, negligence, bailee breach of duty, bailee breach of trust, negligent misrepresentation, breach of contract, tortious interference and intentional infliction of emotional distress.

1 Tucows, Inc. does business under the name OpenSRS; however, there is no legal entity by the name of OpenSRS that is connected with Tucows. (Lazare Decl., P 3; Tucows' Br., at 6 n.6.) Therefore, this Court shall consider Tucows, Inc. and OpenSRS as a single entity.

[\*2] Presently before the court are defendants' motions to dismiss the complaint pursuant to *Fed. R. Civ. P. 12(b)(3)*, on the basis of improper venue,



under *Fed. R. Civ. P. 12(b)(6)* and *12(b)(1)*, on the grounds that plaintiff fails to state a federal claim upon which relief may be granted and, absent any federal question, this Court lacks jurisdiction due to an absence of complete diversity between the parties. Plaintiff cross-moves to strike certain of both defendants' declarations and exhibits, and defendant Tucows moves to strike certain of plaintiff's exhibits.

For the reasons that follow, plaintiff's motion to strike is granted in part and denied in part. Defendant Tucows' motion to strike is granted, and both defendants' motions to dismiss are granted on the basis of improper venue.

## I. BACKGROUND

### A. The Facts

The following facts are taken from the amended complaint.

In approximately November 1997, Novak registered for and obtained the Internet domain name "petswarehouse.com" through "Bulkregister.com," an internet domain name registration [\*3] company. (Am. Compl. PP 36, 38.) He then commenced selling pet supplies and livestock via his website. (*Id.* P 124.) According to Novak, his website was the fourth most-visited pet-supply-related site in the United States during 1999. (*Id.* P 5.) On July 30, 2001, Novak trademarked the domain name "petswarehouse.com" and was awarded trademark number 2,600,670. (*Id.* P 36.)

On February 11, 2003, in the Circuit Court of Colbert County, Alabama, an individual named John Benn obtained a default judgment against Novak in the amount of \$ 50,000. (*Id.* P 37.) Faced with the prospect of litigation in Alabama, Novak, a New York resident, opted to transfer the domain name "petswarehouse.com" from "Bulkregister.com," which was based in Maryland, to another company,

Nitin, which was located in New York. (*Id.* PP 38-39.) On March 21, 2003, Novak contacted Nitin by telephone in order to initiate the transfer of his domain name. (*Id.* P 39.) A little over one month later, on May 1, 2003, Benn applied for a writ of execution to obtain Novak's domain name "petswarehouse.com" in an effort to enforce the default judgment that he had been awarded against Novak. (*Id.* P 41.) Novak [\*4] asserts that it was only as a result of the May 1, 2003 writ of execution that he became aware that his domain name was actually being held by Tucows, a Canadian registration company, rather than the New York-based Nitin. (*Id.* P 42.) Novak contacted Nitin on May 2, 2003, and demanded that Nitin transfer registration of "petswarehouse.com" from Tucows back to Nitin. (*Id.*) Novak was told by Nitin that such a transfer was not possible. (*Id.*)

The Alabama trial court's May 1, 2003 writ of execution required Tucows to suspend domain name hosting of "petswarehouse.com" and to turn over the domain name to the Colbert County Sheriff's Department for public auction. (*Id.* P 45; Ex. C.) On May 23, 2003, Tucows transferred control over the domain name to the Alabama court pursuant to the court's order, and access to Novak's servers through the "petswarehouse.com" web address was suspended. (*Id.* P 47, 124; Ex. D.) Internet users accessing "petswarehouse.com" were directed to a web page providing notice of the Colbert County Sheriff's Sale of the domain name pursuant to the Alabama trial court's writ of execution. (*Id.* P 68; Ex. E.) On July 28, 2003, Benn purchased "petswarehouse. [\*5] com" in a public auction held by the Colbert County Sheriff, in which Benn was the only bidder. (*Id.* P 54.) On September 16, 2003, Tucows transferred the domain name to Benn pursuant to the Alabama trial court's order. (*Id.* P 55.)

Novak challenged the Alabama trial court's decision, and on April 2, 2004, the Alabama Court of Civil Appeals reversed Benn's default

judgment and writ of execution against Novak on the basis that the judgment had been entered without personal jurisdiction over Novak. (*Id.* P 71.) Armed with the state appellate court decision, Novak demanded that Tucows return control of "petswarehouse.com" to him. (*Id.* P 72.) On October 1, 2004, after Benn was denied rehearing by the Alabama Court of Civil Appeals and the Alabama Supreme Court, Tucows returned the domain name to Novak. (*Id.* P 72-73.)

Plaintiff alleges that the transfer of his domain name out of his control between May 1, 2003 and October 1, 2004 destroyed his pet-supply business. Prior to May 23, 2003, Novak had received approximately 12,000 daily visitors to "petswarehouse.com." (*Id.* P 134.) Following transfer of the domain name, visitors to the website were directed to the sheriff's [\*6] notice of sale, and Novak was unable to process any pet-supply orders. (*Id.*) According to Novak, Tucows and Nitin's transfer of the domain name out of his control diluted the "petswarehouse.com" trademark in violation of the Lanham Act, 15 U.S.C. § 1125(c). Novak also asserts that the transfer deceptively and misleadingly represented Tucows and Nitin's association with "petswarehouse.com," and constituted unfair competition and cyberpiracy under 15 U.S.C. §§ 1114, 1117 & 1125(a).

## B. Procedural History

On April 25, 2006, Novak, proceeding *pro se*, filed the instant complaint against defendants Tucows, Inc. and OpenSRS. By letter dated May 11, 2006, defendant Tucows indicated its intention to move for dismissal on the basis of improper venue. Upon learning of defendants' proposed motion to dismiss, plaintiff modified his claims, adding Nitin as a defendant, and filed an amended complaint on May 16, 2006. On July 10, 2006, defendants Nitin and Tucows moved to dismiss the complaint on the basis of improper venue, or, in the alterna-

tive, failure to state a claim and lack of subject-matter [\*7] jurisdiction. Plaintiff cross-moved to strike the declarations and exhibits submitted by defendants in support of their motions to dismiss, and defendants moved to strike certain of plaintiff's exhibits. Oral argument and an evidentiary hearing were held on December 22, 2006, January 25, 2007 and February 9, 2007.

## II. EVIDENTIARY OBJECTIONS

### A. Plaintiff's Motion to Strike

#### 1. General Objections to Admissibility of Foreign Declarations

According to Novak, the declarations of two of defendant Tucows' employees in Canada are inadmissible under *Fed. R. Evid. 902(12)*. *Rule 902(12)* permits foreign documents to be submitted into evidence as self-authenticating business records if accompanied by a declaration signed "in a manner that, if falsely made, would subject the maker to criminal penalty under the laws of the country where the declaration is signed." *Fed. R. Evid. 902(12)*. Novak argues that, in order to meet this requirement, a "jurat including penalty of perjury" under Canadian law should have been provided by defendants with regard to the declarations submitted by Brenda Lazare ("Lazare"), Tucows' Secretary and [\*8] General Counsel, and Evgeniy Pirogov ("Pirogov"), Team Leader of the OpenSRS Development Team. (Pl.'s Br., at 25-26.) However, where a matter must be supported by a sworn declaration, a declaration written outside of the United States may be supported "with like force and effect" by a statement in writing that "I declare (or certify, verify, or state) under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct. Executed on (date)." 28 U.S.C. § 1746. In this instance, both the Lazare and Pirogov declarations contain the requisite statement, and are therefore admissi-

ble. (See Lazare Decl., at 9; Pirogov Decl., at 6.)

## 2. Objections to the Lazare Declaration

According to plaintiff, the Lazare declaration is also defective in failing to authenticate the attached Exhibits J-L as business records. The contested exhibits include: Exhibit J, excerpts from the registrar's agreement between Tucows and ICANN, the non-profit corporation that administers the internet domain name and internet protocol number system; Exhibit K, excerpts from Tucows' registrar license and the registry-registrar agreement between Tucows [\*9] and Network Solutions, Inc. a/k/a Verisign, Inc. ("Verisign"), a registry that operates and maintains ".com" top-level domain names; and Exhibit L, excerpts from Nitin's reseller application and the reseller agreement between Tucows and Nitin. (Lazare Decl., Ex. J-L.) In the declaration, Lazare, as Secretary and General Counsel of Tucows, clearly sets forth her personal knowledge of the facts stated therein, explaining that she has held her current position overseeing management of the regulatory compliance and disputes department of Tucows since June 2000. (Lazare Decl., P 1-2.) Specifically, Lazare details Tucows' relationship with ICANN, Verisign and Nitin, and clearly sets forth how the related exhibits were created and maintained in the course of "regularly conducted business activity," pursuant to *Fed. R. Evid. 803(6)*. Therefore, the Court finds that Exhibits J-L are properly authenticated by the Lazare declaration and, moreover, are admissible as business records.

Plaintiff further asserts that the Lazare Declaration should be held inadmissible on the basis that it contains legal argument. The Court finds that the first 26 paragraphs of the [\*10] declaration contain factual descriptions of the domain name registration and transfer processes. (*Id.* PP 1-26.) However, paragraphs 27-31 of the declaration present legal argument regarding the applicability of the forum selection clause at issue in this case, and as such,

those paragraphs shall be disregarded. (*Id.* PP 27-31.) See, e.g., *Kamen v. Am. Tel. & Tel. Co.*, 791 F.2d 1006, 1011 (2d Cir. 1986) (holding that it was improper for district court to consider "conclusory and hearsay" statements in an attorney affidavit where the statements were not based upon personal knowledge).

## 3. Objections to the Pirogov Declaration

Novak argues that the Pirogov Declaration lacks personal knowledge, expresses "expert opinion" testimony, and includes hearsay. Pirogov, Team Leader of the OpenSRS Development Team since October 2003, asserts in his declaration that his duties include "supervision of the software development that allows Tucows to process transfers, and maintenance of the logs that archive prior transfers." (Pirogov Decl., PP 1-4.) Based upon Pirogov's position and his statements, the Court finds that he has sufficient personal knowledge to describe Tucows' [\*11] domain name transfer process, and to authenticate the exhibits demonstrating that process. Furthermore, the Court finds no basis in the declaration for Novak's assertion that it includes "expert opinion" testimony or hearsay.

In addition, plaintiff objects to the admissibility of Exhibits B-I, authenticated therein, on the basis that they have been newly created for purposes of this litigation, and were not kept in the ordinary course of business. The Court disagrees. First, the Court finds that these exhibits have been authenticated by Pirogov pursuant to *Rule 901(b)(9)*, which permits the admission of "[e]vidence describing a process or system used to produce a result and showing that the process or system produces an accurate result." *Fed. R. Evid. 901(b)(9)*. Furthermore, to the extent that Exhibits B-I are submitted merely as a demonstrative aid, the Court finds that the hearsay rule is not applicable. "[T]here is no requirement that demonstrative evidence be shown to be totally accurate. Rather, alleged inaccuracies go to the weight and not the admissibility of the evidence." 5-900 *Weinstein's*



*Federal Evidence* § 900.07 [\*12] (2006); see, e.g., *Datskow v. Teledyne Cont'l Motors Aircraft Prod.*, 826 F. Supp. 677, 686 (W.D.N.Y. 1993) (admitting computer-generated animation used to show theory of how accident occurred). Thus, the Court shall consider Exhibits B-I to the extent that they demonstrate the process of transferring domain names, rather than to show the transfer steps specific to "petswarehouse.com."<sup>2</sup>

2 At the evidentiary hearing, Eliot Noss, CEO of Tucows, testified regarding a series of additional exhibits that recreate the steps taken during Novak's transfer of the domain name "petswarehouse.com" based upon information stored in Tucows' databases. This Court ruled that such exhibits were, in fact, admissible for purposes of showing the transfer steps specific to the transaction in question:

There are a few documents in which the witness testified the computer took data and put it in the form of how it would have appeared on the page at the time to show where the information would have been inputted on the forms as they currently existed at the time of the transaction. I find that that is also admissible. . . . [T]he witness properly laid the foundation for the[m] having retained the data, and for what forms they used at the time, and it was clear to point out that this was not created at the time, but it was recreated to show, based upon what data they stored, where it would have been inputted on their existing

forms. So I think it is admissible under the rules of evidence. . . . I think, based upon [Noss'] testimony, they have laid the proper foundation for the admissibility of the documents. So I am admitting Defense Exhibits T1 through 10.

(Transcript of December 22, 2006 Hearing (hereinafter "Dec. 22, 2006 Tr.," at 125-26.)

4. Objections to the Agarwal Declaration

Novak argues that the declaration submitted by Nitin Agarwal ("Agarwal"), CEO and founder of Nitin, contains impermissible hearsay and is not based on personal knowledge. The Court finds, based upon Agarwal's position, that he had personal knowledge of the events relating to Nitin's handling of the transfer of Novak's domain name. Moreover, any potential defects in Agarwal's declaration were subsequently cured by his testimony at the evidentiary hearing, in which he set forth a clear basis for his personal knowledge of Novak's interactions with Nitin in transferring "petswarehouse.com."

Plaintiff also asserts that the Agarwal Declaration contains the false statement that "[a]t the time of the transfer [March 21, 2003], Nitin Networks was not registering any domain names as a registrar, and was exclusively using Defendant Tucows for all of its registrations and transfers."<sup>3</sup> (Agarwal Decl., P 4.) According to plaintiff, this statement conflicts with evidence that Nitin Networks was, in fact, registering domain names. However, plaintiff's objection does not go to the admissibility of the Agarwal Declaration, but to its credibility and [\*14] weight.

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