

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK**

RICHARD MINSKY, an individual, d/b/a
SLART ENTERPRISES,

Plaintiff,

v.

LINDEN RESEARCH, INC., d/b/a LINDEN LAB, a Delaware
corporation, JOHN DOE (a/k/a VICTOR VEZINA), an individual,
PHILIP ROSEDALE, an individual, MITCHELL KAPOR, an
individual, other DOES, presently unknown to Plaintiff,

Defendants.

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**MEMORANDUM OF LAW IN SUPPORT OF DISSOLUTION OF TEMPORARY
RESTRAINING ORDER AND IN OPPOSITION TO PLAINTIFF'S MOTION FOR A
PRELIMINARY INJUNCTION**

Defendants Linden Research, Inc., Philip Rosedale, and Mitchell Kapor (collectively, "Linden Lab") are the creators and operators of Second Life, a website which simulates a real world environment. On September 2, 2008, Plaintiff Richard Minsky ("Plaintiff") filed an Order to Show Cause, seeking a Temporary Restraining Order and Preliminary Injunction related to the use of the term "SLART" in the Second Life community. On September 4, 2008, this Court, proceeding *ex parte*, issued its Memorandum-Decision and Order (the "Order") granting Plaintiff's request for a temporary restraining order. In accordance with Federal Rule of Civil Procedure 65(b)(4), Linden Lab respectfully requests that the Court dissolve the Order and deny the motion for preliminary injunction.

I. INTRODUCTION

Defendant Linden Lab created and operates an immensely popular Internet entertainment website called "Second Life." Second Life presents to users the opportunity to participate in a fantasy environment which simulates the real world. Users can create characters, called "avatars," to represent themselves in the online world, where they can interact with each other,

explore the space, and create content. Second Life has over 15 million subscribers in the United States and in 66 other countries around the world. It is featured regularly in news commentary and popular culture, and has been licensed for use in several prime time television shows. Many educational institutions, including Harvard, Princeton, and Stanford Universities, have virtual campuses in Second Life where they host classes and events, and provide information resources. *Time* magazine recognized Second Life in its 2006 “Person of the Year” edition, which highlighted the importance of user-created content on the Internet. The tremendous popularity of Second Life among its devoted fans is in no small part due to the freedom of self expression which Linden Lab’s service offers to its users, who may continually create and modify their content alone and in interaction with others.

Plaintiff has taken advantage of Second Life’s popularity to garner personal fame (or infamy) and monetary gain. He has set upon a calculated course to deceive the overworked U.S. Patent and Trademark Office to issue improperly a registration for “SLART,” a term that Plaintiff did not create and does not even own. Plaintiff has since leveraged the ill-gotten registration to demand that Linden Lab interfere with the legitimate activities of others in the Second Life environment and has led this Court into issuing an *ex parte* order based on false and exaggerated allegations that evidence is disappearing. There is no actual or threatened loss of any evidence. Plaintiff’s motivations are clear – he wishes to use his illegitimate trademark registration to harass Linden Lab and its users and is attempting to violate the privacy rights of Second Life’s devoted followers, all in an effort to benefit himself. Given Plaintiff’s manipulation of the trademark registration system and Linden Lab’s absence from the Court’s process to date, it is not surprising that the Court only saw one distorted view of the facts and law in issuing the Order. On a proper record which demonstrates the lack of merit in Plaintiff’s

claims and the potential for immense harm to Linden Lab, the required outcome is dissolution of the Order and denial of the motion for preliminary injunction.

Specifically, the Order should be dissolved for each of the following reasons:

1. The Order is not supported by an adequate showing of actual or threatened harm to Plaintiff. Defendants have been and continue to preserve evidence of the activities which are relevant to this litigation and have appropriately responded to Plaintiff's notices of claimed infringement. As a result, the only infringing use of which Plaintiff had complained before seeking the Order was removed from Second Life as of July 29, 2008, the date of service of the original Complaint, and – to Defendants' knowledge – has not reappeared since. Plaintiff never gave Defendants any prior notice of the infringements alleged in his Memorandum of Law and Defendants have been unable to locate the alleged infringements.

2. The Order was improperly issued on an *ex parte* basis. The only argument advanced on the need for relief without giving Defendants notice was the bare assertion that uses were “disappearing” and the speculative conclusion that therefore evidence would be lost. Yet Plaintiff had demanded removal of the alleged infringing use. He cannot now claim irreparable harm from that removal. No support was offered for his conjecture that evidence is likely to be lost and, in fact, there is no threat of loss.

3. The Order is impermissibly vague. It could be read to require Defendants to determine what constitutes an infringement of Plaintiff's alleged mark and to remove such uses. Defendants are not in a position to make that legal analysis and requiring Defendants to do so and to remove other users' content raises the potential that Defendants will interfere with legitimate, non-infringing uses, even assuming Plaintiff has a valid trademark which Defendants submit he does not. The Order further could be read to require Defendants to disclose to Plaintiff

the personal, private identity of any user whom Plaintiff accuses of infringement, without any showing of infringement or any procedural safeguard whatsoever on the use Plaintiff may make of that identity. This threatens to invade the privacy of millions of other users of Second Life and undermines the security of those users who desire to interact and speak anonymously, which is their Constitutional right;

4. The Order is not supported by an adequate showing of likely success on the merits. No analysis of the likelihood of confusion, the touchstone for a finding of infringement, was even advanced by Plaintiff. Absent a showing of likely confusion, Plaintiff was not entitled to the presumption of irreparable harm which the Order affords him. Moreover, Plaintiff is not entitled to the trademark registration upon which he relies, having obtained it by misrepresentation to the Patent and Trademark Office. Finally, Plaintiff has no legitimate claim to a mark which includes a mark owned by Second Life.

II. PROCEDURAL ISSUES

There are substantial preliminary procedural issues in this matter which must be addressed by the Court at the appropriate time.

First, Defendants reserve their right to contest personal jurisdiction, both as a matter of law and as a matter of contract. As to the former, the Court's ability to exercise jurisdiction over Defendant Linden Research, Inc., a Delaware corporation located in California and over the individual defendants Philip Rosedale and Mitchell Kapor, has not been established. As to the latter, the terms of service to which users of Second Life must agree include a forum selection clause. Defendants are entitled to an opportunity to raise all of these issues.

Second, any analysis of the merits of Plaintiff's claims or his right to relief must depend upon the allegations in the Complaint. However, even brief examination of the Complaint

reveals that it fails to state a cause of action. For example, the purported trademark infringement claim asserted against Defendants appears to rest on the allegation that "Linden made statements implying or stating that it is their mark Those statements confuse the ownership of the SLART mark and are deceptive as to the source of my goods and services." (Am. Compl. ¶ 41.) Plaintiff further alleges that Defendants have "refused to notify Vezina of the violation," and have made statements to Vezina that "would confuse the infringing party and deceive them as to the true ownership of the SLART mark." (Am. Compl. ¶¶ 44, 46.) These allegations are barely intelligible and do not allege a proper cause of action for trademark infringement under the Lanham Act or any other claim. *See generally* 4 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* § 23:1, *et seq.* (4th ed. 2008). Defendants therefore reserve their right to challenge the legal sufficiency of the pleading.

Notwithstanding these procedural issues, however, Defendants — in light of the need to address the Order under the abbreviated schedule mandated by the Court — submit this brief demonstrating that the Order must be dissolved and the preliminary injunction motion denied.

III. FACTUAL BACKGROUND

A. Linden Lab Creates and Offers the Second Life Service.

Linden Lab created and operates a website which offers a service known as Second Life. Second Life provides the opportunity for users to participate in an online environment which simulates the real world. Users who choose to participate create a character to represent them in the online world, known as an 'avatar' and, using the avatar, they may interact with each other, explore the space, and create and manipulate content. Linden Lab was one of the first companies to offer this type of service, which is made possible only as a result of the devotion of substantial engineering resources and innovative effort. (*See* Declaration of Laura C. Pirri, dated Sept. 8, 2008 ("Pirri Decl."), ¶¶ 2, 6.)

On Second Life, as with other websites such as eBay, users can use the service as they desire to do, as long as they are in compliance with the terms of service governing participation in the Second Life environment. On a continual basis, users create, modify and delete content, just as eBay users may add or remove items listed for sale on the eBay website. In Second Life, users interact online regarding topics and content that they have created and identified and in doing so they alter the Second Life environment on an ongoing basis. Second Life does not and, given the number of users, cannot monitor or control the conduct of each user during all the time that user is on the site. Linden Lab has, however, established certain policies and procedures governing conduct on the site and users are required to abide by the terms governing use of the Linden Lab services if they choose to participate. (*See id.* ¶¶ 4-5.)

To use the Second Life services, a user must register, choose a user name and agree to the Second Life terms of service. In so doing, users agree to abide by the Second Life Community Standards and not to post or transmit content that infringes another party's rights. (*See id.* ¶ 5 and Exs. A-B.)

Avatars created by users will have a name chosen by the user. Typically users choose names that are fanciful and that do not disclose their actual identity because they choose to speak and act anonymously. To protect this right of users to remain anonymous, Linden Lab has adopted a privacy policy. (*See id.* ¶ 6 and Ex. C.)

Linden Lab has adopted and uses the trademark SL in connection with offering its online services. Linden Lab's first use in commerce of the SL trademark was at least as early as December of 2004. Linden Lab has chosen to allow Second Life residents to license the SL mark for use in connection with their activities in the Second Life environment. Both Linden Lab and its licensees use the SL trademark in connection with products and services in and for

the Second Life environment. (*See id.* ¶ 8.) Plaintiff has acknowledged that Linden Lab owns the SL trademark. (*See id.* ¶ 9 and Exs. D-E.)

B. Use of the SL Trademark and the Generic Term “Art” by the Second Life Community.

In 2006, before Plaintiff became a user of Second Life, the Second Life community was creating art in or inspired by the Second Life virtual world and were sharing and discussing that art. In connection with this art created in or inspired by Second Life and the commentary and discussion around it, many residents in the Second Life environment have used the SL trademark and the generic term “art” in various forms, including with and without a space between “SL” and “art.” For example:

In June 2006, a user posted to her website an image from Second Life with a poem inspired by Second Life. The title of the post was: “A shot in the dark at SLart.”

In May 2006, Torley Linden, one of Linden Lab’s employees on the Community Initiatives team, posted an image from Second Life to the Snapzilla website with the comment – “don’t be SLartled” – playing on the meaning of “SLart.”

In June 2006, a Second Life resident wrote a commentary on the Internet titled “Submit Your SL Art to San Jose Museum.”

(*See id.* ¶ 11 and Exs. F-H.)

C. Plaintiff’s Attempt to Usurp SLART for His Exclusive Use.

On November 19, 2006, Plaintiff first registered as a Second Life user and apparently began using the term SL combined with ART to describe his art-related activities on Second Life, as others had done before him. (*See id.* ¶ 9.) Unlike others, however, Plaintiff apparently formed the intention to usurp the term SLART for his exclusive use. On March 22, 2007, Plaintiff filed a trademark application with the United States Patent and Trademark Office (“PTO”) to register SLART, claiming that he first used this mark in December 2006. He

attached an exemplar of his use of SLART reflecting the tagline, “a critical review and journal of the arts in Second Life,” and showing “SL” and “ART” in different colors. (*See id.* ¶ 12 and Exs. I-J.)

On July 5, 2007, the Patent and Trademark Office refused the SLART application, recognizing that SLART merely described Plaintiff’s services related to art in Second Life. The Examining Attorney pointed out that “applicant seeks registration of “SLART” for publication services related to Second Life Art. . . . The term “SLART” is commonly used to describe art within the online world Second Life.” (*See id.* ¶ 13 and Ex. K.)

On July 12, 2007, Plaintiff filed a response to the Office Action, in which he falsely stated that SLART was not descriptive of his services related to art in Second Life. Relying upon the so-called Urban Dictionary which allows anyone on the Internet to identify and define terms, Plaintiff claimed that SLART was “a slang term, and NOT one that refers to art in Second Life.” He pointed the Examiner to a reference which purported to define SLART as a combination of words such as “slut” and “fart.” No evidence was offered, however, of any actual use of the term SLART in any context other than as a reference to art in Second Life. Plaintiff also falsely claimed that his mark was different from forms of the mark in which “SL” and “Art” were separated by a space, contending that such other uses would be pronounced differently (as “ess ell art”), even though his own depiction of his one-word format differentiated the SL from ART so as to suggest it would be pronounced the same way as the form of the mark with a space. (*See id.* ¶ 14 and Ex. L.)

In reliance on these false and misleading arguments, the Patent and Trademark Office issued a trademark registration to Plaintiff for SLART.¹ Immediately thereafter, Plaintiff began

¹ Commentators have recognized that the United States trademark application system is, "subject to abuse" since registrations result from a non-adversarial review by a government examiner, with no involvement by

to serve cease-and-desist notices on residents allegedly using SLART. Many residents reacted to such notices with surprise and anger, given the fact that SL and Art had been used in the community previously without objection. (*See id.* ¶ 15 and Ex. M.)

D. Second Life Trademark Policies and Privacy Policy.

Linden Lab has a trademark policy on use of its SL mark, which residents agree to follow when they choose to use the service. Linden Lab has offered users the opportunity to use its SL trademark to show affiliation with Second Life but in a consistent manner that protects against confusion with Linden Lab's services and prevents conflicts among Second Life users. Linden Lab does not and has never allowed the SL trademark to be incorporated into another trademark, and its license to use SL expressly prohibits registration of any trademark that includes the SL trademark. (*See id.* ¶ 16 and Ex. N.)

Linden Lab also has a policy with respect to claims it receives that residents in the Second Life environment are infringing intellectual property rights. With respect to trademarks, on receipt of a proper notice claiming infringement of a mark in the Second Life environment, Linden Lab investigates the claim and then acts to remove or disable access to allegedly infringing uses of the mark. Linden Lab notifies the resident accused of infringement and requests that the infringing use be removed. If it is not removed, then Linden Lab takes steps to remove it. When removing allegedly infringing content from Second Life, Linden Lab retains a copy of the content for evidentiary purposes and in the event that restoration is required by law.

interested litigants. *See, e.g.,* Graeme B. Dinwoodie and Mark D. Janis, *Trademarks and Unfair Competition Law and Policy* 305 (2d ed. Aspen Pub. 2007) (attached hereto as Exhibit A). As such, applicants for registration owe a duty of candor to the U.S. Patent and Trademark Office to insure that valid registrations are issued. *Id.* at 310. Due to the extremely high volume of applications, 275,790 in 2006 alone, 3 J. Thomas McCarthy, *McCarthy on Trademark and Unfair Competitions* § 19:125 (4th ed. 2008), an unscrupulous applicant can simply fool even a diligent examining attorney and, like here, a registration can issue wrongfully.

Linden Lab has filed a petition to cancel Plaintiff's trademark registration on the grounds that plaintiff committed fraud on the PTO.

Under Linden Lab's privacy policy, Linden Lab does not disclose the identities of Second Life users who claim infringement or who are alleged to infringe, except pursuant to proper legal process and as required by law. A Second Life user who is repeatedly subject to proper notices of infringement may be suspended or terminated from Second Life under Linden Lab's "repeat infringer" policy. (*See id.* ¶¶ 17-18 and Exs. C, O.)

E. Linden Lab's Communications with Plaintiff.

On or about April 24, 2008, Linden Lab received a letter from Plaintiff asserting that a Second Life user with the avatar name Victor Vezina had violated his SLART trademark. Plaintiff complained about a particular space in the Second Life environment designed to look like a garden and called "SLart Garden" and of a group named "SLartists of Second Life." Plaintiff demanded that Linden Lab notify Victor Vezina that he or she was in violation of the terms of service and must not use SLART within Second Life or his or her group would be subject to deletion, land confiscation, and/or account termination. (*See id.* ¶ 19 and Ex. P.)

In response to the letter, Linden Lab undertook an investigation, because Plaintiff's SLART trademark violates Linden Lab's policy prohibiting registration of a trademark that includes the SL mark and because SL and ART had long been in use by users of Second Life in connection with referring to art on Second Life. (*See id.* ¶ 20.) Subsequently, on May 13, 2008 Linden Lab was contacted by an attorney claiming to represent Plaintiff. In a telephone communication between Linden Lab and this attorney, the attorney advised Linden Lab that the use by Vezina had disappeared. Linden Lab had not removed or disabled the complained of Vezina use. On May 29, 2008, Plaintiff's counsel informed Linden Lab by email that Plaintiff would not pursue further action on his claim regarding Vezina. (*See id.* ¶ 21 and Ex. Q.) In further telephone and email communications, Linden Lab continued to attempt to resolve with Plaintiff and his attorney the issues of his use and registration of SLART. (*See id.* ¶ 22.)

On July 31, 2008, Linden Lab received Plaintiff's Complaint, which renewed the claim regarding Victor Vezina's use of SLART. This was the first time Linden Lab became aware that the Victor Vezina use of which Plaintiff had earlier complained was again appearing on the website. The Complaint alleges that Plaintiff sent an abuse report complaining of the Vezina use to Linden Lab. However, counsel at Linden Lab responsible for trademark matters did not receive the report. The same day as it received the Complaint, in an excess of caution, Linden Lab removed or disabled access to the content of Victor Vezina about which Plaintiff complained. Linden Lab retained copies of the removed content for evidentiary purposes and in the event that restoration is required by law.² (*See id.* ¶¶ 23-24.)

On September 5, 2008, Linden Lab received the Order and first learned of Plaintiff's complaint regarding the alleged use of SLART by another Second Life user. Plaintiff had not previously notified Linden Lab of the infringement claim nor had he given any notice of his intent to seek the Order, even though at the time he sought the Order he was engaged in a mediation with Defendants under the auspices of the American Arbitration Association. Upon receiving the Order, Linden Lab searched the Second Life environment for the allegedly infringing use of SLART but to date has not been able to find it. (*See id.* ¶¶ 25-27.)

IV. ARGUMENT

A temporary restraining order ("TRO") is an "extraordinary remedy that is infrequently granted." *Ross v. Giambruno*, Civ. A. No. 93-CV-1382 (FJS), 1994 WL 263701, at *1 (N.D.N.Y. June 7, 1994).³ Under Federal Rule of Civil Procedure 65(b), an *ex parte* TRO may

² Linden Lab removed the Vezina use of SLart in an excess of caution and based upon the filing by Plaintiff of a Complaint. The Vezina use, however, is a good example of the problem with Plaintiff's allegations of infringement. The Vezina use presents the term SLart in a format which emphasizes the SL portion of the term. It is likely this mark would be pronounced "ess ell art," which by Plaintiff's admission is not infringing.

³ In accordance with Northern District of New York Local Rule 7.1(a), all cited cases exclusively reported on computerized databases are attached hereto as Exhibit B.

only be issued if the seeking party presents “specific facts [that] clearly show that immediate and irreparable injury, loss, or damage will result to the movant before the adverse party can be heard in opposition; and . . . certifies in writing any efforts made to give notice and the reasons why it should not be required.” Fed. R. Civ. Pro. 65(b)(1)(A)-(B). The legal standard for a TRO is the same as that for a preliminary injunction: the party seeking relief must produce evidence sufficient to demonstrate “(1) that he or she will suffer irreparable harm absent injunctive relief, and (2) either (a) that he or she is likely to succeed on the merits, or (b) that there are sufficiently serious questions going to the merits to make them a fair ground for litigation, and that the balance of hardships tips decidedly in favor of the moving party.” *Dzwonczyk v. Syracuse City Police Dept.*, No. 5:08-CV-00557, 2008 WL 2782699, at *1 (N.D.N.Y. Jul. 7, 2008) (citing *Moore v. Consol. Edison Co. of N.Y., Inc.*, 409 F.3d 506, 510 (2d Cir. 2005)).

Plaintiff did not make the required showing either to avoid the notice requirement or to merit the relief he sought. On the notice requirement, Plaintiff merely asserted that “[u]pon being served with the original Complaint in the present matter, Linden caused the infringing matter to disappear” (Pl.’s Mem. of Law, ¶ 2.) The infringing matter was removed from the public website, however, as a result of Plaintiff’s demand. Plaintiff’s further speculation that therefore “infringements will continue to pop up and disappear” (Pl.’s Mem. of Law, ¶ 18) does not support an inference that any evidence is lost or will be lost. The Victor Vezina use of which he complained in his Complaint was removed initially without intervention by Second Life and, when it reappeared, was removed by Second Life on its receipt of the Complaint in this action. Moreover, the fact that the uses which Plaintiff has demanded be removed are removed does not support the inference made in the Order that therefore evidence has been lost. Linden Lab has

maintained and continues to maintain records of notices of claimed trademark infringement and its responses to those notices which reflect any resulting changes. (*See Pirri Decl.*, ¶¶ 18, 24.)

Moreover, Plaintiff never sets forth the reasons why he could not give notice of his intention to seek the Order. He could readily have given notice to Defendants as Plaintiff was, at the time he filed his Memorandum of Law, engaged with Defendants in an online mediation under the auspices of the American Arbitration Association. Yet, Plaintiff remained silent, not only on his motion to seek the Order but on the new claims of infringement in his Memorandum of Law.

Similarly, Plaintiff's allegations of irreparable harm and likelihood of success lack the evidentiary support necessary to merit this extraordinary remedy. As to irreparable harm, no showing was made at all that the use of which Plaintiff complains by Victor Vezina is ongoing. Moreover, Plaintiff provides nothing other than mere speculation and conjecture that the use may reappear. In fact, Second Life removed the use complained of on July 29, 2008, and nothing that has happened in the ensuing weeks gives any suggestion whatsoever that the use will be resumed. Where the infringing use of which Plaintiff complains has ceased, there is no ongoing harm at all, let alone irreparable harm to the Plaintiff.

As to the merits of his infringement claim, Plaintiff has not made any showing that there has been any confusion or that there is likely to be any confusion as a result of the alleged infringement of which he complains. Moreover, Plaintiff's trademark registration is the result of misrepresentations made to the Patent and Trademark Office, as set forth above.

Finally, as to the balance of harms, the Order fails to consider the substantial burden placed on Defendants by an Order that includes vague terms that do not give Defendants sufficient notice of the conduct prohibited, that may place on Defendants the burden to seek out

and identify what constitutes an infringement of Plaintiff's mark and to prevent all such uses, as well as to disclose on a mere demand from Plaintiff the private and personal identity of users of Second Life, without any sufficient showing of a legal basis for that disclosure and without even the barest procedural safeguard to prevent Plaintiff from misusing such sensitive personal information.

A. The Temporary Restraining Order Should Be Dissolved Because It Fails To Meet the Requirements of Rule 65 and the Legal Standard for Injunctive Relief

A temporary restraining order may only be granted *ex parte* if the seeking party presents “specific facts [that] clearly show that immediate and irreparable injury, loss, or damage will result to the movant.” Fed. R. Civ. Pro. 65(b)(1)(A). In addition, the legal standard for injunctive relief requires the moving party to present sufficient evidence of irreparable harm, likelihood of success on the merits, and hardship. *See, e.g., Dzwonczyk*, 2008 WL 2782699, at *1. Plaintiff has failed to meet these standards.

1. Plaintiff Has Not Presented Sufficient Evidence of Likelihood of Success on the Merits

In order to demonstrate the likelihood of success on the merits in a trademark infringement claim, “the likelihood of confusion inquiry is the relevant analysis.” *Kadant, Inc. v. Seeley Mach, Inc.*, 244 F. Supp. 2d 19, 26-27 (N.D.N.Y. 2003). In the Second Circuit, likelihood of confusion is determined after examination of the factors set forth in *Polaroid Corp. v. Polarad Elec. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961). *Kadant*, 244 F. Supp. 2d at 27. The *Polaroid* decision requires non-exclusive consideration of eight factors, including:

- 1) the strength of plaintiff's mark; 2) the degree of similarity between plaintiff's and defendant's mark; 3) the proximity of the products of plaintiff and defendant; 4) the likelihood that plaintiff will use the trademark to “bridge the gap” in proximity by using the mark for products closer to defendant's area of commerce; 5) the sophistication of the buyers or potential buyers of the products;

6) the quality of defendant's product; 7) actual confusion; and 8) whether defendant acted in good or bad faith.

Polaroid, 287 F.2d at 495.

When granting injunctive relief on trademark infringement claims, the district court is required to consider the *Polaroid* factors. *New Kayak Pool Corp. v. R & P Pools, Inc.*, 246 F.3d 183, 185 (2d Cir. 2001) (vacating lower court's decision regarding preliminary injunction where "the district court did not apply the *Polaroid* test to the facts before it, or even mention the test in its opinion"). *See generally Arrow Fastener Co., Inc. v. Stanley Works*, 59 F.3d 384, 399-400 (2d Cir. 1995) ("[W]e reiterate the importance of a thorough, delineated analysis of the eight *Polaroid* factors by district courts in trademark cases. . . . [I]t is incumbent upon the district judge to engage in a deliberate review of each factor, and, if a factor is inapplicable to a case, to explain why."). Here, there has been no analysis of the *Polaroid* factors by either Minsky or the Court and, thus, no determination regarding likelihood of confusion. Because Minsky's likelihood of success may only be ascertained after an assessment of likelihood of confusion, the Order does not meet the applicable standards and should be dissolved.

2. Plaintiff Has Not Alleged Facts Sufficient to Demonstrate Immediate and Irreparable Injury

The Order should also be dissolved because there are no facts supporting a finding of irreparable injury. The Court states that irreparable harm may be assumed in the trademark context. (Order, at 4.) However, this presumption can only arise where the party seeking relief "has shown a 'high probability of confusion.'" *Tough Traveler, Ltd. v. Outbound Prods.*, 60 F.3d 964, 967 (2d Cir. 1995); *see also New Kayak Pool Corp.*, 246 F.3d at 185 ("In Lanham Act cases such as this one, where the plaintiff has a protected mark, a showing of likelihood of confusion establishes both a likelihood of success on the merits and irreparable harm.") (internal quotations omitted); *Kadant*, 244 F. Supp. 2d at 27 ("[A] showing of likelihood of confusion will

also give rise to a presumption of irreparable harm.) Plaintiff made no showing of likely confusion, and thus, Plaintiff is not entitled to a presumption of irreparable harm.

3. The Balance of Hardships Does Not Favor the Plaintiff

Even if this Court were to find that there are sufficiently serious questions going to the merits of Plaintiff's claims to make them a fair ground for litigation, the Order should be dissolved because the balance of hardships tips in favor of Linden Lab.

Plaintiff claims that a "restraining order and/or injunction" is necessary because he fears that without such an order, "infringements will continue to pop up and disappear during the TTAB proceeding, making it difficult or impossible to pursue remedies on an individual basis." (Pl.'s Mem of Law., ¶ 18.) However, this claim cannot tip the balance of hardships in Plaintiff's favor as the removal of allegedly infringing content is, in fact, the remedy that Plaintiff seeks.

In its Order, the Court states that "it is a comparatively minor hardship for Defendants to remove the infringing uses from their site . . . and to otherwise comply with the TRO's demands." (Order, at 4.) However, this presumes that any content that Plaintiff claims is an infringing use does indeed constitute trademark infringement. Such a presumption would allow Plaintiff to control the content of other users simply by claiming trademark infringement.

Further, to the extent that the Court's Order requires disclosure of the identities of Second Life's users, Linden Lab will suffer additional impairment of its relationship with its subscribers. Linden Lab has a strong interest in protecting the privacy, security and First Amendment rights of its users. In an online forum such as Second Life, the ability of users to speak and interact on a pseudonymous and anonymous basis is critical to promoting the free exchange of ideas and information. Linden therefore maintains a privacy policy under which Linden does not disclose the identities of Second Life users except pursuant to proper legal process and as required by law. (See Pirri Decl., ¶¶ 6, 18 and Ex. C.) This is because disclosure of user identity information

in the absence of valid legal process would disrupt the understanding between Linden and its members and would likely lead to a loss of present and future business. *See, e.g., In re Subpoena Duces Tecum to Am. Online, Inc.*, Misc. Law No. 40570, 2000 WL 1210372, at *5 (Va. Cir. Ct. 2000) (“It can not be seriously questioned that those who utilize the ‘chat rooms’ and ‘message boards’ of AOL do so with an expectation that the anonymity of their postings and communications generally will be protected. If AOL did not uphold the confidentiality of its subscribers . . . one could reasonably predict that AOL subscribers would look to AOL’s competitors for anonymity. As such, the subpoena duces tecum [seeking the identity of an AOL subscriber] potentially could have an oppressive effect on AOL.”).

The United States Supreme Court has made clear that the First Amendment’s protection extends to speech on the internet. *See Reno v. ACLU*, 521 U.S. 844, 870-71 (1997) (applying First Amendment analysis to online speech, noting “[t]hrough the use of chat rooms, any person with a phone line can become a town crier with a voice that resonates farther than it could from any soapbox. Through the use of Web pages, mail exploders and newsgroups, the same individual can become a pamphleteer.”). Courts also recognize that anonymity is a particularly important component of Internet speech. *See, e.g., Doe v. 2themart.com Inc.*, 140 F. Supp. 2d 1088, 1097 (W.D. Wash. 2001) (“Internet anonymity facilitates the rich, diverse, and far ranging exchange of ideas[;] . . . the constitutional rights of Internet users, including the First Amendment right to speak anonymously, must be carefully safeguarded.”); *ACLU v. Johnson*, 4 F. Supp. 2d 1029, 1033 (D.N.M. 1998) (recognizing a First Amendment right to “communicat[e] and access[] information anonymously” on the Internet), *aff’d*, 194 F.3d 1149 (10th Cir. 1999).

“A court order, even when issued at the request of a private party in a civil lawsuit, constitutes state action and as such is subject to constitutional limitations.” *Doe v. 2themart.com*

Inc., 140 F. Supp. at 1091-92 (citations omitted). Courts have made clear that where compelled disclosure would infringe First Amendment rights, the party seeking the disclosure must meet a heightened standard of scrutiny. For example, in *Columbia Ins. Co. v. Seescandy.com*, 185 F.R.D. 573 (N.D. Cal. 1999), the court explained that the need to provide a forum for injured parties “must be balanced against the legitimate and valuable right to participate in online forums anonymously or pseudonymously” *Id.* at 578. Accordingly, the court required that the plaintiff demonstrate that it had a prima facie case before the court would authorize the plaintiff to seek discovery aimed at identifying a pseudonymous defendant, who had purportedly infringed the plaintiff’s trademarks by registering an Internet domain name virtually identical to the trademark. Significantly, the court evaluated whether the plaintiff had met this test not by simply accepting its allegations, but by independently evaluating the evidence. *See id.* at 579. The court reasoned that this screening mechanism was necessary as “a protection against the misuse of *ex parte* procedures to invade the privacy of one who has done no wrong. . . . [It] is necessary here to prevent abuse of this extraordinary application of the discovery process and to ensure that plaintiff has standing to pursue an action against defendant.” *Id.* at 579-80.

Thus, before requiring Linden Lab to disclose the identity of any of its users, this Court must consider whether the Plaintiff has made an adequate showing as to his claims against the anonymous defendant. *See Doe v. Individuals*, No. 3:07 CV 909 (CFD), 2008 U.S. Dist. LEXIS 48749, at *15 (D. Conn. June 13, 2008) (explaining that several courts have required that a plaintiff make a concrete showing as to each element of a prima facie case against the defendant and citing cases). Here, no such showing has been made, and, therefore, no such disclosure should be required. Moreover, should the Court determine that the disclosure of the identity of an anonymous user is necessary, a protective order should be issued to ensure that the disclosed

information may be used by Plaintiff solely for the purpose of enforcing his claimed intellectual property rights and may not be publicized or used in any inappropriate manner.

B. THE TEMPORARY RESTRAINING ORDER SHOULD BE DISSOLVED BECAUSE IT IS IMPERMISSIBLY VAGUE

The Order should be dissolved because it is impermissibly vague. Rule 65(d) mandates that every order granting an injunction “state its terms specifically” and “describe in reasonable detail . . . the act or acts restrained or required.” Fed. R. Civ. Pro. 65(d)(1)(B)-(C). As the Supreme Court has noted, the provisions of Rule 65(d) are designed to check the “potent weapon” that is the judicial contempt power. *Int’l Longshoremen’s Ass’n v. Phila. Marine Trade Ass’n*, 389 U.S. 64, 76 (1967) (“When [the contempt power] is founded upon a decree too vague to be understood, it can be a deadly one. Congress responded to that danger by requiring that a federal court frame its orders so that those who must obey them will know what the court intends to require and what it means to forbid.”). In the context of trademarks, the terms of an injunction may not be so vague as to force a party “to guess—on pain of contempt—at what conduct the Lanham Act proscribes.” *Sterling Drug, Inc. v. Bayer AG*, 14 F.3d 733, 748 (2d Cir. 1994); *see also Weight Watchers Int’l, Inc. v. Luigino’s, Inc.*, 423 F.3d 137, 142 (2d Cir. 2005) (finding Rule 65(d) to be unsatisfied where the injunction “did not ‘describe in reasonable detail’ the line between the forbidden and permitted”).

The Order is impermissibly vague in a number of respects. The first prong of the Order enjoins Defendants from “presenting unauthorized uses of the SLART federal registered trademark or encouraging, enabling or condoning infringement of the mark by others” Similarly, the second prong restrains Defendants from “hiding the identity(ies) of user(s) of its service who infringe on the SLART trademark.” Most fundamentally troubling, the language of these two prongs of the Order would appear to require Defendants to delineate between

authorized and unauthorized uses of SLART and to recognize acts of trademark infringement by others. The determination of trademark infringement is a legal conclusion, involving a complex set of statutory and practical considerations, as well as subjective interpretation.⁴ It is well accepted that an order for injunctive relief may not be couched in legal terms that render it incomprehensible to the lay person. See *Reno Air Racing Ass’n, Inc. v. McCord*, 452 F.3d 1126, 1134 (9th Cir. 2006) (“The recipient of a TRO, which usually takes effect immediately, should not be left guessing as to what conduct is enjoined. The benchmark for clarity and fair notice is not lawyers and judges, who are schooled in the nuances of trademark law. The ‘specific terms’ and ‘reasonable detail’ mandated by Rule 65(d) should be understood by the lay person, who is the target of the injunction.”); 5 *McCarthy on Trademarks and Unfair Competition* § 30:13 (4th ed. 2008) (“A court order should be phrased in terms of objective actions, not legal conclusions.”). Because it calls for Defendants to make a complicated legal determination, the Order does not meet the requirements of Rule 65(d) and should be dissolved.

The language of the second prong of the Order requiring Linden to cease “hiding” infringers is also extremely troubling both for the reason stated above in that it requires Linden to know who is an “infringer” but also because it is extremely vague. Does this language impose an affirmative duty on Linden to disclose the identity of such “infringers” *sua sponte*? In any event, Plaintiff has now served a demand on Linden Lab to disclose the identity of Victor Vezina and the Order appears to give *carte blanche* to Plaintiff to demand the private identity of any user whom he decides to accuse of infringement. The Order provides no safeguards with respect to the use of such identities and thus, Plaintiff would be free to take that private, personal

⁴ For example, see Exhibit A of Minsky’s Order to Show Cause. Minsky deems the use of “SLart” by an online art gallery to be an infringement but explains that the use of “slart botgirl” is not an infringing use. Even accepting the legal legitimacy of this conclusion, it is difficult to follow Minsky’s reasoning. Both the offending use and the acceptable use appear in classified ads designed to attract users to various locations in the Second Life world. Moreover, both uses of “SLART” ultimately describe the same content—i.e., user-generated virtual images.

information and post it on the Internet. Under the law, Defendants are entitled to an Order which provides reasonably understood constraints.

The Order is also vague with regard to its use of “encouraging, enabling or condoning,” infringement. If Defendants fail to search out and prevent any use by others which Plaintiff may claim is infringing, is Linden “condoning” those uses? Further, condoning and encouraging refer, at least in part, to a state of mind, and it is not clear how a defendant can be ordered to restrain from a mental process. To the extent this language and the “enabling” language refer to some form of conduct, that conduct is not described or specified in the Order, rendering the Order impermissibly vague.

Finally, the fourth prong of the Order requires that Defendants cease “claiming ownership of, control of, affiliation with, endorsement by, or other legal relationship to the SLART mark.” The fourth prong of the order is also extremely problematic, as Linden Lab has previously filed an application to cancel Plaintiff’s SLART mark before the PTO and because Linden has maintained and continues to maintain that SLART is in violation of its own trademark and trademark policies. (*See Pirri Decl.*, ¶ 20.) This language is tantamount to an injunction preventing Linden from pursuing its own trademark rights and legal claims. Further, as with the ‘condoning’ language of the Order, this language would appear to go at least in part to mental processes, which cannot properly be the subject of an Order and, to the extent they are intended to prevent particular behavior, that behavior is either not identified or falls within the realm of Defendants’ right to recourse to the judicial system, which cannot be properly enjoined by this Court.

V. THE MOTION FOR A PRELIMINARY INJUNCTION SHOULD BE DENIED

For all the foregoing reasons, the motion for a preliminary injunction should be denied. Further, Federal Rule of Civil Procedure 65(c) provides that “[t]he court may issue a preliminary injunction or a temporary restraining order only if the movant gives security in an amount that the court considers proper to pay the costs and damages sustained by any party found to have been wrongfully enjoined or restrained.” Fed. R. Civ. Pro. 65(c). Although the district court is vested with discretion in determining security and may, in certain circumstances, dispense with the requirement altogether, *see, e.g., Cosgrove v. Bd. of Educ. of the Niskayuna Cent. Sch. Dist.*, 175 F. Supp. 2d 375, 399 (N.D.N.Y. 2001), in this case, the order sought by Plaintiff could cause substantial harm to Defendants if it requires Linden Lab to interfere with its users’ legitimate conduct or to reveal their personal information. Defendants therefore request an opportunity to be heard on the proper amount of security in the event the Court declines to dissolve the Order or issues a preliminary injunction.

CONCLUSION

As explained above, the Order fails to meet the requirements of either Rule 65 or the applicable legal standard for injunctive relief. Plaintiff has not alleged facts sufficient to support a showing of irreparable harm, a likelihood of success on the merits, or that the balance of harms tips in his favor. Because of these reasons and because the TRO is impermissibly vague, the TRO should be dissolved and a preliminary injunction should not be issued.

Dated: September 8, 2008

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By: _____ /s/

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