


**In the
Supreme Court of the United States**



FRANCE.COM, INC., A CALIFORNIA CORPORATION,
Petitioner,

v.

THE FRENCH REPUBLIC; ATOUT FRANCE;
THE MINISTRY FOR EUROPE AND FOREIGN
AFFAIRS; FRANCE.COM, A DOMAIN NAME,
Respondents.

**On Petition for a Writ of Certiorari to the
United States Court of Appeals for the Fourth Circuit**

**REPLY BRIEF OF PETITIONER
IN SUPPORT OF A WRIT OF CERTIORARI**

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RULE 29.6
CORPORATE DISCLOSURE STATEMENT

France.com, Inc. has no parent corporation and no publicly held company owns 10% or more of its stock.

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**REPLY BRIEF OF PETITIONER
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ARGUMENT

As this Court held in *Sachs*, “the phrase [‘based upon’] is read most naturally to mean those elements of a claim that, if proven, would entitle a plaintiff to relief under his theory of the case.” *OBB Personenverkeher v. Sachs*, 577 U.S. 27, 34 (2015) quoting *Saudi Arabia v. Nelson*, 507 U.S. 349 (1993) (emphasis added). Below, the French Republic persuaded the Fourth Circuit to adopt a different method of determining what a Foreign Sovereign Immunities Act (FSIA) claim is ‘based upon.’ In so doing, the Fourth Circuit veered markedly from *Nelson*, *Sachs*, and its sister circuits by treating France.com’s distinct individual claims as homogeneous.¹ The Fourth Circuit’s

¹ *Sachs* requires that a court look at each individual claim alleged by a plaintiff to determine what that the ‘actual harm’ alleged by that claim is ‘based upon.’ The Fourth Circuit did not analyze France.com’s separate claims. It instead erroneously picked one non-commercial antecedent as the gravamen of all of France.com’s claims. That antecedent claim is ancillary to whether France.com could prove any single claim. While *Sachs* rejects an exhaustive claim-by-claim, element-by-element analysis in favor of zeroing in on what the claim is actually about, that rejection is in the context of admonishing courts to focus on the crux of actual claims and crucial elements rather than apply a formulaic test that invites parties, through truly artful pleading, to attempt to bring claims within a FSIA exception when a plain reading of the claim shows it should be kept out.

failure to analyze what individual claims are ‘based upon’ in favor of a ‘one ring to rule them all’ approach – mistaking antecedent conduct related to claims as the foundation for all claims – is plain error and certiorari should be granted. ^{2,3}

This case is somewhat unique amongst Foreign Sovereign Immunities Act (FSIA) cases. While many cases present expropriation or commercial activities exceptions as they relate to a single claim or related claims – this suit deals with the expropriation and commercial activities exceptions as they relate to distinct individual claims.⁴ The Fourth Circuit’s analysis reveals an utter failure to consider Peti-

See Sachs, at 35. Any suggestion that *Sachs* does not require examination of individual claims and elements is to read the holding in *Sachs* not as a reiteration and clarification of *Nelson* but rather as a rejection of *Nelson* – which it clearly is not.

² Just as it is inappropriate to look beyond the elements of claims to confer jurisdiction (as in *Nelson* and *Sachs*), so too is it inappropriate to look beyond the elements of claims to shield one from jurisdiction. *See Nelson*, 507 U.S. at 577 citing *Callejo v. Bancomer*, 764 F.2d 1101, 1109 (5th Cir. 1985).

³ “The Supreme Court’s decisions in [*Nelson*] and [*Sachs*] teach that the court must separate antecedent conduct that is related to a wrongful act from the conduct that actually forms the ‘foundation’ of the claim.” *Exxon Mobil Corp. v. Corporación Cimex S.A.*, No. 19-cv-1277 (APM), 2021 U.S. Dist. LEXIS 194608, at *4 (D.D.C. Oct. 8, 2021) (citing *Sachs* and *Nelson*).

⁴ Petitioner asserted the District Court had jurisdiction over its claim of expropriation because of the FSIA expropriation exception. As Petitioner’s Lanham Act and trademark related claims did not deal with the expropriation of property, but rather that the French Republic, *et. al.*, infringed upon Petitioner’s registered trademark rights, Petitioner alleged the FSIA commercial activities exception conferred jurisdiction.

tioner's commercial activities exception claims as they relate to Petitioner's trademark claims. Consider France.com's trademark infringement claim, which has been dismissed with prejudice by the Fourth Circuit. France.com holds the federal trademark registration in FRANCE.COM in international classes 35, 39, and 41 pertaining to travel and tourism. The French Republic admits that it is now using the domain name <France.com> within the U.S. to direct internet traffic to its own tourism website, France.fr. These known facts support a prima facie trademark infringement claim, and liability cannot be escaped under the Foreign Sovereign Immunities Act because of a non-commercial factual antecedent. Lanham Act claims are commercial by definition. Regardless of whether the French Republic obtained the domain name <france.com> through the French courts or whether they had paid for and registered the domain out of whole cloth, their use of the domain in the United States is what gives rise to Petitioner's trademark-related claims, not their control of the domain.

In *Nelson*, the employment contract was not an element of any of the plaintiff's tort claims arising from his imprisonment and torture. Thus, this Court held the contract and commercial activity connected to it could not be the gravamen of those claims. In *Sachs*, the sale of train tickets was not an element of any of the plaintiff's claims related to the fall through the train platform. Thus, this Court held the sale of tickets could not be the 'commercial activity' the suit was based upon. In both cases, Plaintiffs were attempting to use preceding commercial activity as the basis

for later tort suits.⁵ In both cases, this Court simply asked, ‘what are the claims actually about and are they based upon the commercial activity the plaintiffs are attempting to use to confer jurisdiction?’.

The French Republic’s ‘nothing to see here’ opposition belies the import of and conflict created by the Fourth Circuit’s decision. The court’s misapplication of the ‘based upon’ analysis is diametrically opposed to the basic principle of *Sachs*. Rather than look to the claims and elements which, if proven, would entitle France.com to relief, the Court avoided any examination of individual claims and elements whatsoever and instead determined one factual antecedent was the gravamen of the entire suit.

That factual antecedent – an undomesticated French court order which, contrary to United States law⁶, granted the French Republic exclusive

⁵ The French Republic, in their Response to the Petition, again cite to *Garb v. Rep. of Poland*. The French Republic Opp. 17. The use of *Garb* is misplaced once again. *Garb* stands for the proposition that later commercial activity cannot provide a basis for jurisdiction over claims arising out of an earlier non-commercial expropriation (*i.e.* attempting to obtain jurisdiction over claims related to a taking because of subsequent commercial activity involving the taken property). See *Garb v. Rep. of Poland*, 440 F.3d 579 (2d Cir. 2006). In *Garb*, the plaintiff did not have a separate cause of action arising out of the later commercial activity. Their claim was based upon the taking not the later commercial activity. In this suit Petitioner’s trademark infringement-related claims arise independently from the expropriation.

⁶ The ruling regarding the trademark – which undergirded the ruling to transfer the domain – was contrary to basic tenets of U.S. trademark law. Additionally, efforts by the French Republic to assert exclusive rights to the word France and rights of publicity to that word would have likely been met with

personality rights in the word “France” – is irrelevant to the adjudication of France.com’s trademark infringement claim. France.com’s burden of proof for the trademark infringement claim does not involve the French court order, nor does how the French Republic found itself in a position to commit infringement allow it to escape liability in the United States under The Lanham Act. How the French Republic obtained the <france.com> domain is distinct from how it then used the <france.com> domain in violation of France.com’s federally registered FRANCE.COM trademark.

But since the Fourth Circuit did not analyze how elements of various claims tied back to the French court order, France.com is simply told its trademark-related claims cannot be brought. This is despite its pleading all elements of such claims and asserting jurisdiction under the FSIA commercial activities exception. The Fourth Circuit effectively barred a United States citizen with a valid United States trademark from enforcing its statutory trademark rights in the United States. Instead of determining what the ‘actual harm’ of each claim is ‘based upon,’ the Court determined that France.com’s entire suit does not exist ‘but for’ the French court order. This is not what *Sachs* or *Nelson* prescribes, but rather what it warns against.

The French Republic, understandably, minimizes the impact of that erroneous result. The ramifications for U.S. rights holders (and not simply intellectual property rights holders) attempting to enforce statutory

arguments that they waived all such arguments when disclaiming such exclusive rights in their own prior U.S. trademark filings.

rights in the only fora in the world in which such rights can be enforced are enormous. If U.S. statutory rights can be extinguished simply because a foreign court adjudicates issues tangentially related to those rights, there is no certainty for rights holders. In a Circuit often confronted with intellectual property, domain name, and international contracting suits, the proposition that Foreign Sovereigns can use their own judicial processes to obtain U.S. assets (increasingly, digitized easily transferable assets), use those assets however they wish (even if in so doing violate other U.S. statutory rights), and then raise a ‘comity’ umbrella⁷ to avoid U.S. judicial review must be rejected.

The French Republic’s arguments that *Sachs* really has not been a focus for the Petitioner and that the Fourth Circuit didn’t misapply it are inaccurate. France.com asserted trademark claims from the outset, pleading each of the elements of those claims and asserting the commercial activities exception provides a basis for jurisdiction. When the Fourth Circuit decided to look outside of those trademark claims to determine the gravamen of Petitioner’s suit

⁷ With no hint of irony, the French Republic argues for international comity and respect of French law and judicial processes while simultaneously dismissing U.S. law and processes. As noted *supra*, France disclaimed all exclusive rights and interests in the word France when the United States required such a disclaimer in order for it to receive its own ‘Atout France’ trademark – and while that disclaimer certainly does not constrain what the French Republic can do on its own soil or in its own courts, the Republic so far is managing to render that disclaimer and the Lanham Act a nullity through arguments made in France and decisions on those arguments followed by demands of comity regarding those French decisions.

(and in so doing cited *Sachs*), France.com filed for a rehearing arguing the panel had not determined the gravamen the way this Court directed in *Sachs* and *Nelson*. The manner of determining the gravamen of a FSIA suit has been an issue from the outset.

The French Republic's assertion that there is no circuit split is also inaccurate. It is true that the Fourth Circuit did not state, at any point in their opinion, that 'we are going to do things differently than the Second or Eleventh Circuits,' etc. But such a statement is not what makes a circuit split. France.com has asserted that the approach of the Fourth Circuit conflicts with the approach taken in other Circuits applying *Sachs* and *Nelson*. Supporting that argument, France.com has provided both this Court's precedent as well as Circuit applications of that precedent (including application from the Fourth Circuit). See fn. 3.

The French Republic is understandably non-plussed at the idea of federal court litigants in the United States facing different applications of this Court's precedent depending on where they happen to file suit. A copyright holder in the Second Circuit in *Pablo Star*⁸ can sue a sovereign infringer because the suit is based upon the act of infringement which the court finds commercial. That same litigant in the Fourth Circuit might face a court that ignores infringement in favor of questioning how the infringer ended up with the copyrighted material in the first place – did they purchase it, was it a non-commercial theft, or was it a photo that they picked up at an

⁸ *Pablo Star Ltd. v. Welsh Gov't*, 961 F.3d 555 (2d Cir. 2020) cert. denied, 141 S.Ct. 1069 (2021).

embassy gala? If obtained through non-commercial means, it appears the later infringement on U.S. statutory rights is a non-factor. The Fourth Circuit seems to take a 'but for' approach – 'but for' the French ruling there is no transfer and 'but for' the transfer there is no use of the domain which infringes on Petitioner's trademark. That approach cannot be allowed to stand in light of this Court's precedent.



CONCLUSION

Respectfully, the Petition should be granted. Petitioner requests that this matter be scheduled for plenary review or, alternatively, in view of the Fourth Circuit's clear error, Petitioner requests that this Court issue a summary reversal of the Court of Appeals' decision and remand the matter for a claim-by-claim analysis.

Respectfully submitted,

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