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**IN THE UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

THE HECKER LAW GROUP,
a Professional Law Corporation,

Plaintiff,

v.

JAMES BOOTH, an individual;
and DOES 1-5,

Defendants.

Civil Action No.

COMPLAINT FOR:

- (1) DECLARATORY JUDGMENT;**
- (2) BREACH OF CONTRACT;**
- (3) INTENTIONAL INTERFERENCE
WITH PROSPECTIVE ECONOMIC
ADVANTAGE;**
- (4) FRAUD;**
- (5) BREACH OF FIDUCIARY DUTY;**
- (6) UNLAWFUL, UNFAIR, AND
FRAUDULENT BUSINESS
PRACTICES IN VIOLATION OF
CAL. BUS. & PROF. CODE §17200**

DEMAND FOR JURY TRIAL

THE HECKER LAW GROUP
1925 Century Park East, Suite 2300
Los Angeles, California 90067

1 Plaintiff, The Hecker Law Group, PLC (hereinafter “HLG”) alleges upon
2 information and belief as follows:

3 **THE PARTIES**

4 1. Plaintiff, HLG, is a professional law corporation organized and existing
5 under the laws of the State of California and having a principal place of business at
6 1925 Century Park East, Suite 2300, Los Angeles, California. HLG is, and was at all
7 times mentioned herein, in good standing and qualified to do business in the State of
8 California.

9 2. Defendant James Booth (hereinafter “Booth”) is and was at all times
10 mentioned herein a foreign citizen residing in Manila, Philippines, and doing business
11 in the County of Los Angeles, State of California and has stipulated to personal
12 jurisdiction and venue in this judicial district.

13 **JURISDICTION**

14 3. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 2201-
15 2202, the Declaratory Judgment Act, and 28 U.S.C. § 1332(a), Diversity Jurisdiction,
16 given the diverse citizenship of the parties and an amount in controversy exceeding
17 \$75,000.00.

18 4. This Court has supplemental subject matter jurisdiction over the related
19 state claims for breach of contract, intentional interference with prospective economic
20 advantage, fraud, breach of fiduciary duty, and unlawful, unfair and fraudulent
21 competition under California Business & Professions Code § 17200 et seq., given the
22 substantial overlap of common relevant facts under 28 U.S.C. § 1367.

23 5. Venue for this action is proper in this judicial district pursuant to 28
24 U.S.C. §§ 1391(b) and (c).

25 **FACTUAL BACKGROUND**

26 6. HLG is an intellectual property law firm located in Los Angeles,
27 California.
28

1 7. At all relevant times herein, HLG was the owner of the domain name
2 hh.com (“HH.com”, “the HH.com Domain Name”, or “Domain Name”).

3 8. HH.com is a two letter “.com” domain name with repeating consonants.

4 9. Repeating two letter .com domain names are rare. There are only twenty-
5 six two-letter .com domain names with repeating letters (namely, aa.com, bb.com, ...,
6 zz.com) and only twenty-one two-letter .com domain names with repeating
7 consonants.

8 10. Because HH.com is a two letter, repeating consonant .com domain name,
9 it is uniquely valuable.

10 11. In or about October 2010, Defendant Booth began sending unsolicited
11 emails and making unsolicited telephone calls to HLG. In those emails and calls,
12 Booth held himself out as having special expertise in procuring and facilitating
13 domain name sales. Booth attempted to convince HLG to sell the HH.com Domain
14 Name and to hire Booth as HLG’s exclusive domain name broker for that purpose.

15 12. To induce HLG to hire Booth to sell the HH.com Domain Name, Booth
16 represented to HLG that: (1) Booth could easily arrange a sale of the Domain Name at
17 a price exceeding four million dollars and (2) any broker fee for the transaction would
18 be paid by the **buyer** (and not HLG) over and above the sale price.

19 13. On October 25, 2016, Booth emailed HLG's President, Gary Hecker,
20 stating: *“I have spoken with my partner Andy and we both agree that 4m+ is*
21 *achievable for you. If you are happy to give me 90 days exclusive on the name I will*
22 *certainly get you results”*.

23 14. Through the remainder of 2016, Booth persisted in his efforts to induce
24 HLG to enter into a 90-day exclusive broker agreement for Booth to broker the sale of
25 the valuable HH.com Domain Name.

26 15. No agreement, however, was reached or entered into in 2016. Further, at
27 no time during 2016 was Booth contracted, permitted or otherwise authorized in any
28 way, to act on HLG’s behalf for the sale of HH.com.

1 16. Despite that fact, beginning at least as early as November 2016, Booth
2 began to intentionally misrepresent to the public, including to other domain name
3 brokers, that Booth was the exclusive broker for the sale of the HH.com Domain
4 Name, when in fact, he was not.

5 17. On or about November 11, 2016, Booth participated in a promotional
6 interview published on the World Wide Web in which Booth falsely claimed that he
7 was the exclusive broker of the HH.com Domain Name, knowing that claim was
8 completely false.

9 18. During Booth's interview, published in the online blog "Domaingang"
10 which covers the domain business, Booth misrepresented that: ***"I have also been***
11 ***lucky enough to obtain HH.com on an exclusive..."*** when, in fact, Booth had no
12 right whatsoever, exclusive or otherwise, to broker the HH.com Domain Name.

13 19. Booth also used the name of HLG's president in advertising and
14 promoting Booth's services as a domain name broker and in misrepresenting to the
15 public that Booth was the exclusive broker for the HH.com Domain Name, all without
16 HLG's knowledge, permission or consent.

17 20. In making such false representations, Booth, *inter alia*, intentionally
18 sought: (1) to dissuade other domain name brokers from pursuing the opportunity to
19 market and sell the HH.com Domain Name; (2) to dissuade potential customers for the
20 Domain Name from contacting HLG, and (3) to enhance Booth's personal reputation
21 and cache by associating himself with the rare, high value HH.com Domain Name and
22 its owner, all for Booth's commercial benefit and gain.

23 21. HLG informed Booth in writing that he was falsely representing himself
24 as being HLG's exclusive broker when he was not, without HLG's knowledge,
25 permission or consent, and that Booth's actions were damaging to HLG.

26 22. When confronted by HLG about his wrongdoing, Booth admitted that:
27 (1) his interview with the Domaingang publication was about Booth's domain name
28 service business for his own benefit; (2) he should not have claimed to be HLG's

1 exclusive broker when, in fact, he knew wasn't; and (3) he should not have used
2 HLG's president's name and right of publicity without his knowledge, permission or
3 consent.

4 23. Thereafter, Booth continued in his efforts to convince HLG to enter into
5 a limited, 90-day, exclusive domain name broker agreement by, among other things,
6 promising that Booth would not engage in such misconduct again in the future.

7 24. In reliance on Booth's representations to HLG that Booth would not
8 engage in such misconduct again, on January 6, 2016, HLG entered into a narrow,
9 limited domain name broker agreement with Booth having an effective date of
10 January 5, 2016 ("Agreement"). The Agreement is attached to this Complaint as
11 Exhibit A.

12 25. The Agreement expressly set forth the terms and conditions that Booth
13 must satisfy in order to be entitled to a broker fee.

14 26. Among other things, the terms of the Agreement expressly required that:

- 15 (1) Booth procure a buyer for HH.com within the 90-day term;
- 16 (2) the sale conclude for a minimum sale price of \$4.3 million;
- 17 (3) the Broker fee be paid by the buyer over and above the \$4.3
- 18 million minimum sale price; and
- 19 (4) Booth keep all pricing information strictly confidential.

20 27. Booth did not procure a buyer for HH.com during the 90-day term.

21 28. Booth did not present any *bona fide* offers for purchase of the HH.com
22 Domain Name to HLG during the 90-day term of the Agreement.

23 29. No sale of HH.com was procured for the \$4.3 million minimum sale
24 price or greater during the 90-day term of the Agreement or otherwise.

25 30. Booth did not keep pricing information strictly confidential.

26 31. Further, despite the expiration of the Agreement on April 5, 2016, Booth
27 continued to represent to the public that he was the exclusive broker for the HH.com
28

1 Domain Name, without HLG's knowledge, permission or consent, and in violation of
2 the express terms of the Agreement.

3 32. For example, on April 13, 2016, after the 90-day term of the Agreement
4 had expired, Booth wrote to the representative of a Chinese domain name broker and
5 falsely stated that, ***"I [James Booth] am the one that holds the exclusive contract***
6 ***with Hecker Law Group."***

7 33. In addition to falsely stating that he was the exclusive broker for the
8 HH.com Domain Name when he was not, Booth also falsely broadcast to the public,
9 including the domain name broker community, that the HH.com Domain Name had
10 been sold, when, in fact, it had not been sold and was actively available for sale.

11 34. For example, on May 25, 2016, more than a month after the 90-day term
12 of the Agreement expired, Booth emailed a domain name broker he believed was
13 seeking to broker the sale of the HH.com Domain Name.

14 35. In that email, Booth once again falsely represented himself as the
15 exclusive broker of the HH.com Domain Name. Booth used that representation in a
16 calculated effort to intimidate, impede and prevent that domain name broker from
17 acting on HLG's behalf to sell HH.com, all under false pretenses. Thus, Booth wrote
18 to that broker: ***"I have been informed that you have been trying to sell the domain***
19 ***name hh.com. HH.com is under the exclusive contract with Booth.com. Please can***
20 ***you inform me who gave you permission to sell the HH.com?"***

21 36. Booth also engaged in other purposeful acts designed and intended to
22 interfere, undermine and foreclose the contractual business relations of HLG with
23 other domain name brokers and purchasers.

24 37. For example, as further part of Booth's egregious, purposeful effort to
25 interfere with the prospective economic advantage of HLG, Booth falsely announced
26 to the public that the HH.com Domain Name had been sold, when, in fact, it had not
27 been sold.
28

1 38. Further, Booth used online messaging to impede and prevent third party
2 domain name brokers and prospective purchasers from procuring and facilitating a
3 sale of the HH.com Domain Name by propagating false information about the status
4 of the HH.com Domain Name.

5 39. For example, in May 2017, Booth broadcast that the HH.com Domain
6 Name was sold, and published that false information stating:

7 ***“We have a few recent sales.... HH.com - SOLD.”***

8 40. Booth’s self-promotional and interferential broadcast, however, was
9 wholly fabricated and completely false – again misrepresenting that the HH.com
10 Domain Name was sold and that Booth had sold it.

11 41. Further, in 2017, without HLG’s knowledge, permission or consent, and
12 while the HH.com Domain Name was being actively marketed by another broker,
13 Booth falsely advertised, listed, and promoted the HH.com Domain Name for sale,
14 when Booth was not authorized as a broker or agent of HLG and at a time when Booth
15 had no authorized involvement with HLG or the HH.com Domain Name whatsoever.

16 42. Shockingly, Booth posted the HH.com Domain Name for sale at a
17 fictitious “offer price” that was more than seven figures lower than the actual offer
18 price. As a result of Booth’s shocking, fraudulent offer for sale of the HH.com
19 Domain Name at a falsely low sale price, Booth made it virtually impossible for HLG
20 to procure or negotiate with prospective buyers at any price exceeding the falsely
21 advertised sale price posted and published by Booth. Booth’s false offer also violated
22 the confidentiality provision of the Agreement.

23 43. Booth also made disparaging remarks to brokers and others about HLG’s
24 President as part of his effort to dissuade others from seeking to do business or doing
25 business with HLG, and to interfere with the prospective sale of the Domain Name by
26 others, all for Booths personal gain and economic advantage.

27 44. Booth ignored demands by HLG that Booth cease and desist his
28 fraudulent and wrongful conduct and cease his unauthorized activities and

1 involvement regarding HH.com. Booth failed to cease and desist and responded to
2 HLG's demands in a defamatory manner.

3 45. HLG ultimately sold the HH.com Domain Name in the Spring of 2017,
4 more than a year following the expiration of the Agreement.

5 On April 7, 2017, a lawyer from a law firm named "Revision Legal" sent a
6 letter entitled "Breach of Brokerage Agreement" to HLG on behalf of James Booth:
7 (1) asserting that HLG breached the Agreement, (2) asserting that HLG owes Booth a
8 fee of 10% of the sale price of the HH.com Domain Name (expressly stating, "***You***
9 ***owe my client 10% of the purchase price***", which is an amount exceeding
10 \$75,000.00), (3) claiming that the amount Booth asserts is owed by HLG is owed
11 pursuant to the terms of the Agreement, and (4) threatening to proceed with litigation
12 if HLG does not accede to Booth's demand for payment in an amount exceeding
13 \$75,000.00.

14 46. HLG has disputed, and continues to dispute, Booth's assertions, claims
15 and demands.

16 47. HLG has disputed, and continues to dispute, that it owes Booth 10% of
17 the sale price of the HH.com Domain Name, or any amount whatsoever under the
18 terms of the Agreement or otherwise.

19 48. As further set forth herein, HLG contends that Booth has breached the
20 Agreement and has engaged in other unlawful conduct causing damage to HLG.

21 49. As of the date of the filing of this action, Booth continues to maintain his
22 assertions, claims and demands set forth in the letter dated April 7, 2017 sent to HLG
23 by Booth's lawyer.

24 50. As a result of Booth's unlawful acts, HLG has suffered damages in an
25 amount exceeding \$75,000.00, and there is an actual, present, and justiciable
26 controversy in view of Booth's claim of breach of the Agreement, demand for
27 payment, and threat of litigation against HLG.
28

FIRST CAUSE OF ACTION

DECLARATORY JUDGMENT

51. HLG incorporates by reference paragraphs 1 – 50 above as though fully set forth herein.

52. An actual, present, and justiciable controversy has arisen and now exists between HLG and Booth concerning their respective rights, duties, and obligations under the Agreement.

53. HLG contends that Booth is not entitled to any commission, fee, or consideration whatsoever relating to the sale of the Domain Name. HLG further contends that the Agreement is null and void because Booth knowingly made material misrepresentations to HLG to induce HLG to enter into the Agreement.

54. Booth disputes this and contends that he is owed a commission under the terms of the Agreement in an amount exceeding \$75,000.00.

55. Given the dispute between parties relating to the sale of the Domain Name and any alleged commission owed to Booth relating thereto, HLG now seeks, and alleges it is entitled to, a declaration and corresponding judgment from this Court pursuant to 28 U.S.C. §§ 2201-2202 that HLG is not obligated or liable to Booth for any claimed commission and that the Agreement is null and void because it was procured by fraud.

SECOND CAUSE OF ACTION

BREACH OF CONTRACT

56. HLG incorporates by reference paragraphs 1 – 50 above as though fully set forth herein.

57. Booth and HLG entered into a written Agreement.

58. HLG performed all of its obligations, covenants and conditions required of it under pursuant to the terms of the Agreement, except to the extent that such obligations, covenants and conditions have been excused, prevented, or waived by Booth's acts and omissions.

1 59. Booth breached the Agreement and breached the implied covenant of
2 good faith and fair dealing therein by, *inter alia*, doing the acts alleged herein, failing
3 to keep all pricing information relating to HH.com confidential, failing to take all
4 necessary steps to successfully effectuate and conclude a sale of the Domain Name,
5 and failing to reasonably cooperate with third party brokers who had, or may have
6 had, prospective buyers for the Domain Name.

7 60. As a result of Booth's breach of contract, HLG was unable to obtain a
8 sale price for the Domain Name that it otherwise would have obtained in the absence
9 of Booth's breach, thereby suffering damages in a sum not less than one million
10 dollars.

11 **THIRD CAUSE OF ACTION**
12 **INTENTIONAL INTERFERENCE WITH PROSPECTIVE**
13 **ECONOMIC ADVANTAGE**

14 61. HLG incorporates by reference paragraphs 1 – 50 as though fully set
15 forth herein.

16 62. Prospective advantageous economic relationships existed between HLG
17 and third parties, namely, third party brokers and prospective buyers of the Domain
18 Name.

19 63. Booth was aware of these prospective economic relationships.

20 64. Booth intentionally interfered with these prospective economic
21 relationships by engaging in conduct that was independently wrongful, fraudulent, and
22 in violation of California Business & Professions Code § 17200, et seq. Booth's
23 wrongful conduct included, among other things, intentionally: (1) publicizing a false
24 sales price for the Domain Name, (2) publicizing that Booth was the exclusive broker
25 for the Domain Name when he was not, (3) publicizing that the Domain Name was
26 sold when it was not, and (4) publicizing that a sale of the Domain Name was pending
27 when it was not.
28

1 65. As a direct result of Booth's interference, both the actual and prospective
2 economic relationships between HLG and third-party brokers and prospective buyers
3 of the Domain Name were harmed, and proximately and actually caused HLG to
4 suffer damages in an amount in excess of one million dollars.

5 66. Further, Booth's wrongful actions were done deliberately and with
6 malice, fraud, and oppression, thereby entitling HLG to an award of punitive
7 damages against Booth.

8 **FOURTH CAUSE OF ACTION**

9 **FRAUD**

10 67. HLG incorporates by reference paragraphs 1 – 50 as though fully set
11 forth herein.

12 68. As alleged in paragraphs 17 through 26 of this Complaint, to induce HLG
13 to enter into the Agreement with Booth, Booth promised that he would never again
14 engage in certain misconduct including, but not limited to: (1) falsely representing that
15 he was the exclusive broker for the Domain Name when he was not, and (2)
16 publishing or otherwise disseminating false and/or unauthorized information about the
17 Domain Name.

18 69. In fact, Booth knew at the time he made those representations that they
19 were false and Booth intended that HLG rely on those misrepresentations to induce
20 HLG to enter into the Agreement.

21 70. HLG justifiably relied on Booth's representations as being honest and
22 forthcoming.

23 71. HLG would not have entered into the Agreement had HLG known that
24 Booth's representations were false.

25 72. As a direct and proximate result of Booth's fraud, HLG has suffered
26 damages in an amount in excess of one million dollars.

27 73. Further, Booth's actions were done deliberately and with malice, fraud,
28 and oppression thereby entitling HLG to an award of punitive damages against Booth.

FIFTH CAUSE OF ACTION**BREACH OF FIDUCIARY DUTY**

74. HLG incorporates by reference paragraphs 1 – 50 as though fully set forth herein.

75. As a result of the broker-seller relationship with Booth, HLG placed substantial trust and confidence in Booth, and Booth owed HLG fiduciary duties, including, among other things: (1) a duty to deal fairly and honestly with HLG, (2) a duty to disclose to HLG material facts and terms that were adverse to its interests, (3) a duty to disclose to HLG Booth's conflicts of interest, (4) duties of care, loyalty, skill, competence, and good faith, and (5) a duty to refrain from self-dealing.

76. Booth breached those fiduciary duties to HLG by, among other things, engaging in the conduct as alleged above in this Complaint.

77. As a direct and proximate result of Booth's breaches of fiduciary duty, HLG has incurred damages in excess of one million dollars.

78. Booth's breaches of his fiduciary duty were fraudulent, oppressive, willful, and malicious, thereby entitling HLG to an award of punitive damages against Booth.

SIXTH CAUSE OF ACTION**VIOLATIONS OF CAL. BUS. & PROF. CODE § 17200**

79. HLG incorporates by reference paragraphs 1 – 50 as though fully set forth herein.

80. Section 17200 of the California Business & Professions Code ("Unfair Competition Law" or "UCL") prohibits any "unlawful", "unfair", and "fraudulent" business practice.

81. The acts and conduct of Booth as alleged above in this Complaint constitute unlawful, unfair, and fraudulent business acts and/or practices as defined by the UCL. Booth's misconduct includes, *inter alia*: (1) falsely representing to the public that he was the exclusive broker for the Domain Name when in fact he was not,

(2) falsely representing to the public that the Domain Name was sold when in fact it was not, (3) falsely representing purchase prices for the Domain Name without HLG's knowledge, approval, or consent, (4) publishing unauthorized false pricing for the Domain Name, and (5) disparaging HLG's President to others.

82. Section 17200 also prohibits any "unfair, deceptive, untrue or misleading advertising." For the reasons set forth above, Booth engaged in unfair, deceptive, untrue, and misleading advertising in violation of Section 17200.

83. Booth's unlawful, unfair and fraudulent conduct caused HLG to lose money in amount in excess of one million dollars.

PRAYER FOR RELIEF

WHEREFORE, HLG requests that the court enter judgment in its favor as follows:

1. Issue a declaratory judgment declaring that HLG is not liable to Booth for any claimed broker fees, commissions, or consideration whatsoever;
2. Issue an award of:
 - a. Compensatory damages against Booth in amount of at least one million dollars;
 - b. Punitive damages;
 - c. Reasonable attorneys' fees and costs to the extent permitted by law;
 - d. Grant such other relief that is determined to be just and proper.

Respectfully submitted,

DATED: June 19, 2017

THE HECKER LAW GROUP

By: /s/ James M. Slominski

James M. Slominski
Attorneys for Plaintiff

DEMAND FOR TRIAL BY JURY

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Plaintiff hereby demands a jury trial on all issues and causes of action triable to a jury.

Respectfully submitted,

DATED: June 19, 2017

THE HECKER LAW GROUP

By: /s/ James M. Slominski

James M. Slominski
Attorneys for Plaintiff

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