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AT SEATTLE COURT  
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WESTERN DISTRICT OF WASHINGTON DEPUTY

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

MICROSOFT CORPORATION, a  
Washington corporation,  
  
Plaintiff,  
  
v.  
  
JOHN DOES 1-50 d/b/a Super Viagra Group  
  
Defendants.

No. **CV04-0516**  
COMPLAINT FOR DAMAGES AND  
INJUNCTIVE RELIEF

Plaintiff Microsoft Corporation ("Microsoft") brings this action against JOHN DOES 1-50 d/b/a Super Viagra Group.

**I. JURISDICTION AND VENUE**

1. This is an action for violations of the federal CAN-SPAM Act of 2003 (15 U.S.C. §7701 et seq.) and other state and federal causes of action. Passed by Congress and signed into law in December 2003, the CAN-SPAM Act is new, comprehensive legislation aimed at curbing the growing abuse of unsolicited commercial electronic mail by e-mail marketers.

2. In this action, Microsoft seeks damages and injunctive relief to remedy defendants' unauthorized use of Microsoft's computers and computer systems to deliver

COMPLAINT FOR DAMAGES AND  
INJUNCTIVE RELIEF - 1

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1 millions of misleading and deceptive commercial e-mail messages, or "spam," in violation of  
2 federal and state law and Microsoft's policies.

3 3. Since January 1, 2004, the Super Viagra Group has sent hundreds of millions  
4 of illegal e-mail messages to Microsoft's e-mail subscribers advertising either "Super Viagra"  
5 or a weight loss patch. The e-mailing practices of this spam group are sophisticated, and are  
6 in violation of state and federal law. The Super Viagra Group routes its e-mail messages  
7 through open proxies and hijacked computers in countries around the world, uses misleading  
8 transmission information and subject lines, and take other actions to disguise their true  
9 identities.

10 4. This Court has subject matter jurisdiction pursuant to 28 U.S.C. § 1331 and 28  
11 U.S.C. § 1338(a). The Court has supplemental jurisdiction over the state law claims pursuant  
12 to 28 U.S.C. § 1367.

13 5. The Court has personal jurisdiction over the Defendants, who have engaged in  
14 business activities in and directed to Washington, have committed a tortious act within the  
15 state, have used personal property in the state, and have purposefully availed themselves of  
16 the opportunity to conduct commercial activities in this forum.

17 6. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b), because  
18 substantial part of the events or omissions giving rise to the claims pled herein occurred in the  
19 Western District of Washington.

## 20 **II. THE PARTIES**

21 7. Plaintiff Microsoft is a Washington corporation with its principal place of  
22 business in Redmond, Washington.

23 8. Microsoft is unaware of the true names and capacities of defendants sued  
24 herein as DOES 1 - 50 and, therefore, sues these defendants by such fictitious names.  
25 Microsoft will amend this complaint to allege their true names and capacities when  
26 ascertained. Microsoft is informed and believes and therefore alleges that each of the

1 fictitiously named defendants is responsible in some manner for the occurrences herein  
2 alleged, and that Microsoft's injuries as herein alleged were proximately caused by such  
3 defendants.

4 9. The actions alleged herein to have been undertaken by the defendants were  
5 undertaken by each defendant individually, were actions that each defendant caused to occur,  
6 were actions that each defendant authorized, controlled, directed, or had the ability to  
7 authorize, control or direct, and/or were actions each defendant assisted, participated in, or  
8 otherwise encouraged, and are actions for which each defendant is liable. Each defendant  
9 aided and abetted the actions of the defendants set forth below, in that each defendant had  
10 knowledge of those actions, provided assistance and benefited from those actions, in whole or  
11 in part. Each of the defendants was the agent of each of the remaining defendants, and in  
12 doing the things hereinafter alleged, was acting within the course and scope of such agency  
13 and with the permission and consent of other defendants. Each of the defendants knew, or  
14 consciously avoided knowing, that other defendants had or would engage in a pattern or  
15 practice that violated the CAN-SPAM Act of 2003.

### 16 **III. NATURE OF MICROSOFT'S INTERNET E-MAIL SERVICES**

17 10. Microsoft owns and operates interactive computer services that enable its  
18 customers to, among other things, access the Internet and exchange electronic mail ("e-mail")  
19 on the Internet. Microsoft owns and maintains computers and other equipment, including  
20 specialized computers or "servers" that process e-mail messages and otherwise support its e-  
21 mail services. Microsoft maintains this equipment in Washington and California, among  
22 other states. E-mail sent to and from Microsoft's customers is processed through and stored  
23 on these computers. Microsoft is an internet service provider ("ISP"), a provider of "Internet  
24 Access Service" as defined by 15 U.S.C. §7702(11), and an "interactive computer service" as  
25 defined by RCW 19.190.010. Microsoft's computers and computer systems are "protected  
26 computers" under the federal Computer Fraud and Abuse Act, 18 U.S.C. § 1030(e)(2).

1           11. One of Microsoft's services is "MSN Hotmail" which provides free and  
2 subscription based email on the Internet through a web-based e-mail service that can be  
3 accessed at www.hotmail.com. MSN Hotmail allows account-holders to exchange e-mail  
4 messages with any other e-mail user who has an Internet e-mail address throughout the world.  
5 MSN Hotmail has millions of registered accounts, whose users all have unique e-mail  
6 addresses ending in "@hotmail.com."

7           12. Another of Microsoft's services is "MSN Internet Access" (referred to herein  
8 as "MSN") which provides free and subscription-based e-mail services that can be accessed  
9 on the web or via Microsoft's proprietary network. MSN allows account-holders to exchange  
10 e-mail messages with any other e-mail user who has an Internet e-mail address throughout the  
11 world. MSN has millions of registered accounts, whose users all have unique e-mail  
12 addresses ending in "@msn.com."

#### 13           **IV. SPAM AND THE PURPOSES BEHIND THE FEDERAL CAN-SPAM ACT**

14           13. The United States Congress, in passing the CAN-SPAM<sup>1</sup> Act of 2003,  
15 concluded that "[u]nsolicited commercial e-mail, commonly known as 'spam', has quickly  
16 become one of the most pervasive intrusions in the lives of Americans." Indeed, Congress  
17 estimated that by the end of 2003, if not sooner, spam would account for over 50% of all e-  
18 mail. This is in sharp contrast to two years earlier when spam only accounted for 8% of all e-  
19 mail. Congress has concluded that the rate at which spam is increasing is "reaching critically  
20 high levels." In fact, in 2003, an estimated 2 trillion spam messages were expected to be sent  
21 over the Internet.

22           14. In addition to plaguing recipients by its sheer volume, spam is also notoriously  
23 deceptive in form and content. In April 2003, the Federal Trade Commission found that 66%  
24 of all spam contains "some kind of false, fraudulent, or misleading information, either in the  
25

26 <sup>1</sup> CAN-SPAM is an acronym for "Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003".

1 e-mail's routing information, its subject line, or the body of its message." In fact, the FTC  
2 found that "one-third of all spam contains a fraudulent return e-mail address that is included  
3 in the routing information (known as the 'header') of the e-mail message". Congress found  
4 that falsified headers "not only trick ISP's increasingly sophisticated filters," but also "lure  
5 consumers into mistakenly opening messages from what appears to be people they know."

6 15. Congress also found that not only do spammers use false sender information,  
7 but they also use false or misleading subject lines. According to Congress, the FTC found  
8 that 42% of spam contains misleading subject lines that "trick the recipient into thinking that  
9 the e-mail sender has a personal or business relationship with the recipient." Congress  
10 provided examples of this type of false or misleading subject line: "Hi, it's me" and "Your  
11 order has been filled."

12 16. The economic impact of spam is enormous. Congress noted that a 2001  
13 European Union study found that "spam costs Internet subscribers worldwide \$9.4 billion  
14 each year." Congress also noted that the estimated costs "to United States businesses from  
15 spam in lost productivity, network system upgrades, unrecoverable data, and increased  
16 personnel costs, combined, will top \$10 billion in 2003." Of that amount, approximately \$4  
17 billion will be associated with lost employee productivity.

18 17. With these findings as a backdrop, the United States Congress passed the  
19 CAN-SPAM Act. In so doing, Congress provided four specific purposes of the Act: "(i)  
20 prohibit senders of electronic mail (e-mail) for primarily commercial advertisement or  
21 promotional purposes from deceiving intended recipients or Internet service providers as to  
22 the source or subject matter of their e-mail messages; (ii) require such e-mail senders to give  
23 recipients an opportunity to decline to receive future commercial e-mail from them and to  
24 honor such requests; (iii) require senders of unsolicited commercial e-mail (UCE) to also  
25 include a valid physical address in the e-mail message and a clear notice that the message is  
26 an advertisement or solicitation; and (iv) prohibit businesses from knowingly promoting or

1 permitting the promotion of, their trade or business through e-mail transmitted with false or  
2 misleading sender or routing information.”

3 18. As Congress recognized, the growth in unsolicited commercial electronic mail  
4 imposes significant monetary costs on providers of Internet access services that carry and  
5 receive such mail, as there is a finite volume of mail that such providers can handle without  
6 further investment in infrastructure. The sheer volume of spam is threatening to overwhelm  
7 not only the average consumer's in-box, but also the network systems of Internet access  
8 service providers.

9 19. Microsoft has invested substantial time and money in efforts to protect itself  
10 and its equipment from spam and the spammers who promote and profit from spam, as well as  
11 in efforts to protect its registered users worldwide from receiving spam.

12 20. Microsoft has a clearly articulated policy prohibiting the use of its services for  
13 junk e-mail, spamming, or any unsolicited messages (commercial or otherwise). Microsoft's  
14 policies also prohibit automated queries of any sort, harvesting or collection of e-mail  
15 addresses, and any use of the services that is not personal and non-commercial. These  
16 policies are included in the Terms of Use for MSN and MSN Hotmail, which can be accessed  
17 via a clearly marked link on [www.msn.com](http://www.msn.com), as well as on the home pages for each of the  
18 services.

## 19 **V. DEFENDANTS' UNLAWFUL CONDUCT**

20 21. Microsoft is informed and believes, and on that basis alleges, that defendants  
21 have been—and are currently involved in—widespread spamming by sending misleading,  
22 deceptive and unsolicited commercial e-mail to MSN Hotmail account holders.

23 22. Microsoft is informed and believes, and on that basis alleges, that defendants  
24 own or operate a number of Internet domains, by which they advertise their products or  
25 services including, but not limited to, the domains [zoteucas.com](http://zoteucas.com), [lookatthestarz.com](http://lookatthestarz.com),  
26 [suppatimeitnow.com](http://suppatimeitnow.com), [topendmarket.com](http://topendmarket.com), [lastforalongtime.com](http://lastforalongtime.com), [takeituptothetop.com](http://takeituptothetop.com),

1 unbelievablepricez.com, wasupicu.com, whatuthinkwillhappen.com, supriseyourlover.com,  
2 dealzofthecentury.com, markityourself.com, starttheyearover.com, trymetoday.com,  
3 cisetefuts.com, newholdersbarz.com, trymetoday.com, turnmarketset.com,  
4 holdonrywow.com, happynewyaer.com, butetoit.com, casdetut.com, poeunsec.com,  
5 saetritu.com, judfexts.com, nitefurdet.com, comecitnow.com, seeitnowhere.com,  
6 whatisallthefussabout.com, countupandlookaway.com, partnerprorgamz.com,  
7 hoppinonin.com, sabetimesaround.com, timesquarepatry.com wbegeds.com, and  
8 netgios.com.

9           23.     Microsoft is informed and believes, and on the basis alleges, that its MSN  
10 Hotmail service has received millions of unsolicited commercial e-mail messages from  
11 defendants advertising their domains, and offering products or services relating to “Super  
12 Viagra” or a weight loss patch.

13           24.     Many of those e-mail messages contain false or misleading “From” lines. By  
14 placing false names in place of the name of the true sender, defendants obscure the point of  
15 origin and transmission path of the e-mail.

16           25.     Many of those e-mail messages are sent through open proxies, or hijacked  
17 computers, thereby disguising the true sender of the e-mail messages.

18           26.     Many of those e-mail messages purport to originate from the hotmail.com and  
19 msn.com domains when, in fact, they did not. Defendants did not have permission to use  
20 Microsoft’s hotmail.com and msn.com domain names in that fashion.

21           27.     Many of defendants’ commercial e-mails use fictional domain names or use  
22 the domain names of other innocent third-parties. Microsoft is informed and believes, and on  
23 that basis alleges, that defendants did not have permission to use those domain names.

24           28.     Many of those e-mail messages contain false and misleading subject lines, for  
25 example “adequacy nevertheless incantation alcoholism”.





1 36. Defendants engaged in a pattern or practice of initiating, to protected  
2 computers, commercial e-mail messages that:

3 a) contained subject headings that defendants knew, or reasonably should have known,  
4 were likely to mislead a recipient, acting reasonably under the circumstances, about a material  
5 fact regarding the contents or subject matter of the messages;

6 b) failed to contain a functioning return e-mail address or other Internet-based  
7 mechanism, clearly and conspicuously displayed, that a recipient could use to submit a reply  
8 e-mail message or other form of Internet-based communication requesting not to receive  
9 future commercial e-mail messages from that sender at the e-mail address where the message  
10 was received; and

11 c) failed to include a clear and conspicuous identification that the message was an  
12 advertisement or solicitation, failed to provide a clear and conspicuous notice of the  
13 opportunity to decline to receive further commercial electronic mail messages from the  
14 sender; or failed to provide a valid physical postal address of the sender.

15 37. Defendants' actions were willful and knowing.

16 38. As a result of defendants' actions, Microsoft has been damaged in an amount  
17 to be proven at trial.

18 39. Defendants' actions violated 15 U.S.C. § 7704(a)(2), (a)(3) and (a)(5), and  
19 entitle Microsoft to injunctive relief, statutory damages and aggravated damages because of  
20 defendants' willful and knowingly violation of the CAN-SPAM Act.

21 **COUNT III**  
22 **(Trespass to Chattels)**

23 40. Microsoft realleges and incorporates by this reference each and every  
24 allegation set forth in paragraphs 1 through 39 above.

25 41. The computers, computer networks and computer services that constitute  
26 Microsoft's MSN Hotmail e-mail system are the personal property of Microsoft.

1 42. Defendants were aware that their actions were specifically prohibited by  
2 Microsoft's Terms of Service and/or were on notice that Microsoft did not authorize their  
3 actions in any way.

4 43. Defendants have knowingly, intentionally and without authorization used and  
5 intentionally trespassed upon Microsoft's property.

6 44. As a result of defendants' actions, Microsoft has been damaged in an amount  
7 to be proven at trial.

8 **COUNT IV**  
9 **(Conversion)**

10 45. Microsoft realleges and incorporates by this reference each and every  
11 allegation set forth in paragraphs 1 through 44 above.

12 46. Defendants have willfully interfered with and converted Microsoft's personal  
13 property, without lawful justification, as a result of which Microsoft has been deprived of  
14 possession and use of its property.

15 47. As a result of defendants' actions, Microsoft has been damaged in an amount  
16 to be proven at trial.

17 **COUNT V**  
18 **(Violation of the Washington Commercial Electronic Mail Act (RCW Ch. 19.190) and**  
19 **the Washington Consumer Protection Act (RCW Ch. 19.86))**

20 48. Microsoft realleges and incorporates by this reference each and every  
21 allegation set forth in paragraphs 1 through 47 above.

22 49. Defendants initiated the transmission, conspired with one another to initiate the  
23 transmission or assisted in the transmission of commercial e-mail messages from a computer  
24 located in Washington and/or to an e-mail address that they knew, or had reason to know, is  
25 held by a Washington resident. Those commercial e-mail messages:

26 a) used Microsoft's or another third party's internet domain names without  
permission;

1 b) misrepresented or obscured information identifying the true point of origin or the  
2 transmission path of a commercial electronic e-mail message; or

3 c) contained false or misleading information in the subject line.

4 50. As a result of defendants' actions, Microsoft has been damaged in an amount  
5 to be proven at trial.

6 51. Defendants' actions violated RCW § 19.190.020, and entitle Microsoft to  
7 actual damages or statutory damages of \$1,000 per email, whichever is greater.

8 52. Defendants' actions affected the public interest, are unfair or deceptive acts in  
9 trade or commerce and unfair methods of competition, and violated the Washington  
10 Consumer Protection Act, RCW Ch. 19.86. Microsoft is entitled to treble damages and an  
11 award of its attorneys' fees and costs under that Act.

12 **COUNT VI**

13 **(Violation of the federal Computer Fraud and Abuse Act – 18 U.S.C. § 1030(a)(4), (g))**

14 53. Microsoft realleges and incorporates by this reference each and every  
15 allegation set forth in paragraphs 1 through 52 above.

16 54. By the actions alleged above, defendants knowingly and with intent to defraud,  
17 accessed Microsoft's protected computer system, without authorization and/or in excess of  
18 authorized access.

19 55. By the actions alleged above, defendants furthered the intended fraud and  
20 obtained unauthorized use of Microsoft's protected computer system, and the value of that use  
21 exceeds more than \$5,000 in any 1-year period.

22 56. Defendants' activity constitutes a violation of the federal Computer Fraud and  
23 Abuse Act, 18 U.S.C. § 1030(a)(4), and Microsoft is entitled to damages under that Act.  
24 Microsoft is also entitled under the Act to injunctive and equitable relief against defendants.  
25  
26

1 **COUNT VII**  
2 **(Violation of the federal Computer Fraud and Abuse Act – 18 U.S.C. § 1030(a)(5), (g))**

3 57. Microsoft realleges and incorporates by this reference each and every  
4 allegation set forth in paragraphs 1 through 56 above.

5 58. By the actions alleged above, defendants intentionally and knowingly accessed  
6 Microsoft's protected computer system, and knowingly caused the transmission of a program,  
7 information, code, or command, without authorization and/or in excess of authorized access.

8 59. By the actions alleged above, defendants intentionally caused damage, without  
9 authorization, to Microsoft's protected computer system, and the aggregate loss resulting  
10 therefrom exceeds at least \$5,000 in value.

11 60. Defendants' activity constitutes a violation of the federal Computer Fraud and  
12 Abuse Act, 18 U.S.C. § 1030(a)(5), and Microsoft is entitled to damages under that Act.  
13 Microsoft is also entitled under the Act to injunctive and equitable relief against defendants.

14 **COUNT VII**  
15 **(Violation of the Lanham Act – 15 U.S.C. § 1125(a))**

16 61. Microsoft realleges and incorporates by this reference each and every  
17 allegation set forth in paragraphs 1 through 60 above.

18 62. Defendants used the designations "hotmail.com" and "msn.com", which  
19 incorporate Microsoft's registered trademarks and service marks and which are words, terms,  
20 names, or combinations thereof, or false designations of origin, or false or misleading  
21 descriptions or representations of fact.

22 63. Defendants' activities involved interstate commerce in connection with goods  
23 and services.

24 64. Defendants' conduct is likely to cause confusion, mistake, or deception as to  
25 defendants' affiliations, connection, or association with Microsoft, or as to the origin,  
26 sponsorship, or approval of their goods or services, or commercial activities.

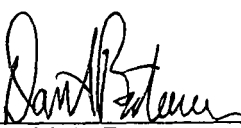


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4. That the Court grant Microsoft such other or additional relief as is just and proper.

DATED this 9<sup>th</sup> day of March, 2004.

PRESTON GATES & ELLIS LLP

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