SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 39

23STCV19554
VERANDAGLOBAL.COM, INC., et al. vs INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, INC.

July 11, 2025
8:30 AM

Judge: Honorable Tony L. Richardson
Judicial Assistant: Patricia Salcido
Courtroom Assistant: Karlet Ghazarian

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Talcott J. Franklin via LACourtConnect

For Defendant(s): Jeffrey Alan Levee

NATURE OF PROCEEDINGS: Hearing on Demurrer - without Motion to Strike (Res #4434); Case Management Conference

The Court's tentative ruling is electronically posted on the Court's website before the hearing is held.

The matters are not called for hearing.

Counsel for Plaintiff and counsel for Defendant both submit on the Court's tentative ruling in open court and represent they do not wish to be heard.

After considering the moving papers and all documents relating to the motion, the Court adopts its tentative ruling as the final ruling of the Court as follows:

DEPARTMENT	39
HEARING DATE	July 11, 2025
CASE NUMBER	23STCV19554
MOTION	Demurrer to Second Amended Complaint
MOVING PARTY	Defendant Internet Corporation for Assigned Names and Numbers
OPPOSING PARTY	Plaintiffs Verandaglobal.com, Inc. and Bryan Tallman

MOTION

Plaintiffs Verandaglobal.com, Inc. and Bryan Tallman ("Plaintiffs") sued Defendant

23STCV19554 July 11, 2025
VERANDAGLOBAL.COM, INC., et al. vs INTERNET CORPORATION FOR ASSIGNED NAMES AND NUMBERS, INC. 8:30 AM

Judge: Honorable Tony L. Richardson CSR: None
Judicial Assistant: Patricia Salcido ERM: None
Courtroom Assistant: Karlet Ghazarian Deputy Sheriff: None

Internet Corporation for Assigned Names and Numbers ("Defendant") for breach of contract. Plaintiffs are the registrants of single-character domain names in Katakana, Hangul, and Hebrew. Plaintiffs allege Defendant prohibits Plaintiffs from registering English single-character domain names, while allowing others to register other English single-character domain names. Defendant demurs to Plaintiffs' second amended complaint. Plaintiffs oppose the demurrer.

ANALYSIS

"It is black letter law that a demurrer tests the legal sufficiency of the allegations in a complaint." (*Lewis v. Safeway, Inc.* (2015) 235 Cal.App.4th 385, 388.) In ruling on a demurrer, the court must "liberally construe[]" the allegations of the complaint. (Code Civ. Proc., § 452.) "This rule of liberal construction means that the reviewing court draws inferences favorable to the plaintiff, not the defendant." (*Perez v. Golden Empire Transit Dist.* (2012) 209 Cal.App.4th 1228, 1238.)

Defendant argues Plaintiffs fail to allege they have standing to pursue claims against Defendant. In this regard, Plaintiffs contend Defendant breached Plaintiffs' expectation that policies set by VeriSign, Inc. ("VeriSign") would govern the registration of domain names, and Defendant would be responsible for enforcing the policies set by VeriSign. (Second Amended Complaint, ¶¶ 128-129.) Plaintiffs' expectations do not confer standing.

Plaintiffs further allege Defendant received funds from Plaintiffs when Plaintiffs registered and renewed domain names. (*Id.*, ¶¶ 131-132.) However, Plaintiffs concede Defendant received those funds from registrars, not from Plaintiffs. As such, Plaintiffs fail to allege standing. (See *Surrey v. TrueBeginnings, LLC* (2008) 168 Cal.App.4th 414, 417 [focus of standing inquiry on plaintiff, not on issues plaintiff seeks to have determined; thus, plaintiff must have a special interest "that is concrete and actual rather than conjectural or hypothetical"].)

Accordingly, for that reason and those explained below, the Court sustains Defendant's demurrer to Plaintiffs' second amended complaint in its entirety.

First Cause of Action: Violation of Business and Professions Code Section 17200

Plaintiffs must allege a claim under Business and Professions Code section 17200 "with

reasonable particularity . . . .” (*Khoury v. Maly's of California, Inc*. (1993) 14 Cal.App.4th 612, 619.) In their second amended complaint, Plaintiffs allege Defendant fraudulently promised to comply with its own policies. (Second Amended Complaint, ¶¶ 152-154.) Defendant’s alleged breach of its policies is not inherently fraudulent. Plaintiffs allege no facts to suggest Defendant intended to breach such policies at the time Defendant published them. Likewise, despite Plaintiffs recitation of Defendant’s policies (see id., ¶¶ 19-27, 34-35), they allege no facts to support their claim Defendant’s conduct was unfair or unlawful under Business and Professions Code section 17200. (See, e.g., *id.*, ¶¶ 158, 159.) Thus, Plaintiffs fail to allege a claim under Business and Professions Code section 17200.

Second, Third, and Fourth Causes of Action: Breach of Contract, Quasi-contract, and Implied Covenant of Good Faith and Fair Dealing

As Defendant points out, Plaintiffs fail to adequately allege Plaintiffs and Defendants entered into a contractual agreement. Plaintiffs allege, “[Defendant] agreed that . . . it would NOT: (a) discriminate against Plaintiffs; (b) compete against Plaintiffs by holding domain names at [Defendant]; (c) act as a registry or registrar; (d) speculate in or warehouse domain names; (e) auction or sell domain names; or (f) engage in or benefit from a commercial transaction related to a domain name.” (Second Amended Complaint, ¶ 172; see also ¶ 173.) However, Plaintiffs concede they did not interact with Defendant but rather with domain name registrars and others. (*Id.*, ¶¶ 224, 226.) Plaintiffs “cannot blow hot and cold as to the Facts positively stated.” (*Manti v. Gunari* (1970) 5 Cal.App.3d 442, 449.) Consequently, Plaintiffs fail to allege claims for breach of contract.

In its January 29, 2025 order, the Court sustained Defendant’s demurrer to Plaintiff’s first amended complaint. In this second amended complaint, Plaintiff added new causes of action for conversion, breach of fiduciary duty, tortious interference, and quiet title. The Court’s order of January 29, 2025 did not grant Plaintiffs the right to add new causes of action. (*People ex rel. Department of Public Works v. Clausen* (1967) 248 Cal.App.2d 770, 785 [when a trial court sustains a demurrer to a pleading but grants leave to amend “such granting of leave to amend must be construed as permission to the pleader to amend the cause of action which he pleaded in the pleading to which the demurrer has been sustained,” not to add new claims without the court’s permission].) Accordingly, the Court strikes the fifth through eighth causes of action without leave to amend as in violation of this Court’s January 29, 2025 order. (See Code Civ. Proc., § 436, subd. (b) [court may strike “any part of any pleading not drawn or filed in conformity with . . . an order of the court”]; *Greshko v. County of Los Angeles* (1987) 194

Cal.App.3d 822, 830 such granting of leave to amend must be construed as permission to the pleader to amend the cause of action which he pleaded in the pleading to which the demurrer has been sustained.)

The Court has already provided Plaintiffs with an opportunity to state claims against Defendant, and Plaintiffs failed to do so. As such, the Court concludes leave to amend is futile. (*Grieves v. Superior Court* (1984) 157 Cal.App.3d 159, 168.)

CONCLUSION AND ORDER

Defendant's demurrer to the first through fourth causes of action in Plaintiffs' second amended complaint is sustained without leave to amend.

The Court strikes the fifth through eighth causes of action in Plaintiffs' second amended complaint as in violation of this Court's order of January 29, 2025.

Defendant is to give notice of this ruling and to file proof of service of same.

The Court orders the case is hereby dismissed.