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News

Supreme Court rejects sex.com appeal

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In the latest stage of one of the internet's longest-running domain name disputes, the US Supreme Court last week rejected an appeal over an award of \$65 million, due to be paid by a man who effectively stole the lucrative domain name sex.com from its original owner.

Sex.com was originally registered by Gary Kremen of San Francisco in 1994. The following year, Stephen Cohen, an ex-convict, took the name from Kremen by sending a forged letter of transfer to Network Solutions (which subsequently became part of VeriSign).

Cohen then ran a highly profitable porn portal until November 2000 when a court awarded Kremen the return of the domain name, having found that the forged signature on the letter to Network Solutions misspelled Kremen's name.

A Californian district court ordered Cohen to pay the sum of \$65 million in damages to Kremen. Cohen has to date paid nothing and failed to appear at several court hearings, but managed to appeal as far as the Supreme Court – albeit without success. Kremen's lawyer James Wagstaffe explains why he thinks Cohen has failed: "mainly because he is a fugitive from justice and has blatantly abused the litigation process."

Pamela Urueta, another of Kremen's lawyers, elaborates:

"The Supreme Court's denial of Mr. Cohen's writ petition is significant because it puts the final nail in the coffin. Cohen has tried unsuccessfully both in the Ninth Circuit and, most recently in the Supreme Court, to overturn the \$65 million judgment against him. There is nowhere else for him to try to appeal; the judgment is final."

Cohen is currently believed to be living in Tijuana, Mexico. But the story is not over yet. Perhaps fearing that he'll never see money from Cohen, Kremen is seeking to recover from VeriSign. Another of Kremen's legal team, Charles Carreon, commented on Thursday, " I trust that, eventually, VeriSign will accept responsibility for its initial blunder, and pay Gary the damages that are due."

Kremen still awaits the court's decision in his separate appeal against Network Solutions, now a part of VeriSign. He contends that it negligently transferred the domain name to Stephen Cohen; VeriSign counters that a domain name isn't property and therefore that it is not responsible for the negligent transfer.

See also:

Sex.com appeal fails, \$65 million judgment stands, OUT-LAW News, 09/09/2002

Yahoo! upset by Sex.com wildcard, OUT-LAW News, 24/08/2001

Appeal court may find VeriSign liable for sex.com cock-up, OUT-LAW News, 14/08/2002

Sex.com appeal in negligence case against VeriSign, OUT-LAW News, 17/07/2002

Slavery of Sex.com damages, OUT-LAW News, 30/01/2002

Network Solutions "screwed up" sex.com dispute, OUT-LAW News, 25/01/2002

Court awards damages of \$65 million in sex.com dispute, OUT-LAW News, 04/04/2001

Former owner of sex.com becomes a fugitive, OUT-LAW News, 06/03/2001

Sex.com involved in more dirty dealings, OUT-LAW News, 25/01/2001

Sex.com for sale for \$85 million, OUT-LAW News, 19/01/2001

Court orders transfer of sex.com, OUT-LAW News, 28/11/2000

Sex.com domain name could not be stolen, OUT-

