

DESIGNATED FOR PUBLICATION

****E-Filed 7/30/09****

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

JENNA GODDARD, individually and on behalf of
all others similarly situated,

Plaintiff,

v.

GOOGLE, INC., a Delaware corporation,

Defendant.

Case Number C 08-2738 JF (PVT)

**ORDER¹ GRANTING MOTION TO
DISMISS**

RE: Docket No. 50.

I. BACKGROUND

Plaintiff Jenna Goddard (“Plaintiff”) alleges that she and a class of similarly situated individuals were harmed as a result of clicking on allegedly fraudulent web-based advertisements for mobile subscription services. She alleges that Defendant Google, Inc. (“Google”) illegally furthered this scheme. The facts are set forth more fully in this Court’s previous order granting Google’s motion to dismiss. *See Goddard v. Google*, No. C 08-2738 JF (PVT), 2008 WL 5245490 (N.D. Cal. Dec. 17, 2008). In support of its prior motion to dismiss, Google asserted

¹ This disposition is not designated for publication in the official reports.

1 that each of Plaintiff’s claims was barred by § 230(c)(1) of the Communications Decency Act
2 (“CDA”), which prevents a website from being treated as the “publisher or speaker” of third-
3 party content, and thus typically immunizes website operators from liability arising from the
4 transmission of such content.² As Google argued, claims that seek to impose liability on a
5 website operator as the speaker or publisher of third-party content—or to impose liability that is
6 “merely a rephrasing of” such speaker or publisher liability, *Barnes v. Yahoo, Inc.*, ___ F.3d ___,
7 2009 WL 1740755, at *8 (9th Cir. 2009) —are barred by the CDA unless the website also is an
8 “information content provider,” meaning that it “is ‘responsible, in whole or in part, for the
9 creation or development of’ the offending content.” *Fair Housing Council of San Fernando*
10 *Valley v. Roommates.com, LLC (Roommates)*, 521 F.3d 1157, 1162 (9th Cir. 2008) (en banc)
11 (quoting 47 U.S.C. § 230(f)(3)).

12 Faced with the implications of this clear analytic framework, which was articulated in the
13 Ninth Circuit’s 2008 *en banc* decision in *Roommates*, Plaintiff resorted to creative argument in
14 an attempt to show that her claims did not seek to hold Google liable for the dissemination of
15 online content at all. The Court rejected Plaintiff’s artful pleading and dismissed the complaint.
16 *See Goddard*, 2008 WL 5245490, at *4-7. Plaintiff was granted leave to amend, with express
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18 ² Although “[c]ourts have construed the immunity provisions in § 230 broadly in all cases
19 arising from the publication of user-generated content,” *Doe v. MySpace, Inc.*, 528 F.3d 413, 418
20 (5th Cir. 2008), the Ninth Circuit recently noted in *Barnes* that “neither . . . subsection [(c)(1)]
21 nor any other declares a general immunity from liability deriving from third-party content,
22 *Barnes*, 2009 WL 1740755, at *2-3 (referring to “the so-called immunity” provided by § 230).
23 Nonetheless, immunity is defined as an “exemption from . . . liability,” Black’s Law Dictionary
24 (8th ed. 2004), and that is what § 230(c) provides, albeit not in every case. Thus, with the
25 recognition that cases involving the application of § 230 require a “careful exegesis of the
26 statutory language,” *Barnes*, 2009 WL 1740755, at *3, courts consistently have used the term
27 “immunity” to describe the effect of the CDA’s provisions. *See, e.g., Zeran*, 129 F.3d at 330
28 (“By its plain language, § 230 creates a federal immunity to any cause of action that would make
service providers liable for information originating with a third-party user of the service.”); *see*
also Roommates, 521 F.3d at 1164-65; *Doe*, 528 F.3d at 418; *Green v. America Online*, 318 F.3d
465, 471 (3d Cir. 2003); *Carafano v. Metrosplash*, 339 F.3d 1123-24 (9th Cir. 2003); *Batzel v.*
Smith, 333 F.3d 1018, 1029-35 (9th Cir. 2003); *Ben Ezra, Weinstein, & Co. v. Am. Online Inc.*,
206 F.3d 980, 984-86 (10th Cir. 2000). This Court also will refer to the CDA’s protections as a
form of “immunity.”

1 instructions that she attempt to “establish Google’s involvement in ‘creating or developing’ the
2 AdWords, either ‘in whole or in part,’” so as to avoid CDA immunity. *Id.* at *7.

3 In her amended complaint, Plaintiff now alleges that “Google’s involvement [in creating
4 the allegedly fraudulent advertisements] was so pervasive that the company controlled much of
5 the underlying commercial activity engaged in by the third-party advertisers.” Amended
6 Complaint ¶ 21. Plaintiff alleges that Google “not only encourages illegal conduct, [but]
7 collaborates in the development of the illegal content and, effectively, requires its advertiser
8 customers to engage in it.” *Id.*³ These allegations, if supported by other specific allegations of
9 fact, clearly would remove Plaintiff’s action from the scope of CDA immunity. The quoted
10 allegations, however, are mere “labels and conclusions” amounting to a “formulaic recitation of
11 the elements” of CDA developer liability, and as such, they “will not do.” *Bell Atl. Corp. v.*
12 *Twombly*, 550 U.S. 544, 555 (2007). Rather, the Court must examine the pleading to determine
13 whether Plaintiff alleges mechanisms that plausibly suggest the collaboration, control, or
14 compulsion that she ascribes to Google’s role in the creation of the offending AdWords. Having
15 undertaken such an examination, the Court concludes that Plaintiff has not come close to
16 substantiating the “labels and conclusions” by which she attempts to evade the reach of the CDA.
17 Accordingly, her complaint once again must be dismissed.

18 II. LEGAL STANDARD FOR DISMISSAL PURSUANT TO RULE 12(b)(6)

19 A complaint may be dismissed for failure to state a claim upon which relief may be
20 granted for one of two reasons: (1) lack of a cognizable legal theory; or (2) insufficient facts
21 under a cognizable legal theory. *Robertson v. Dean Witter Reynolds, Inc.*, 749 F.2d 530, 533-34
22 (9th Cir. 1984). For purposes of a motion to dismiss, all allegations of material fact in the
23 complaint are taken as true and construed in the light most favorable to the nonmoving party.
24 *Clegg v. Cult Awareness Network*, 18 F.3d 752, 754 (9th Cir. 1994). A complaint should not be
25 dismissed “unless it appears beyond doubt the plaintiff can prove no set of facts in support of his

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27 ³ On the basis of recent Ninth Circuit authority, Plaintiff also asks the Court to revisit its
28 holding that her breach of contract claim impermissibly would treat Google as the speaker or
publisher of third-party content. The Court addresses Plaintiff’s contentions to that effect in
Section III.B.

1 claim that would entitle him to relief.” *Clegg*, 18 F.3d at 754. However, a plaintiff is required to
 2 provide “more than labels and conclusions,” and the “[f]actual allegations must be enough to
 3 raise a right to relief above the speculative level.” *Twombly*, 550 U.S. at 555.

4 III. DISCUSSION

5 As explained at length in this Court’s earlier order, the CDA has been interpreted to
 6 provide a “robust” immunity for internet service providers and websites, with courts “adopting a
 7 relatively expansive definition of ‘interactive computer service’ and a relatively restrictive
 8 definition of ‘information content provider.’” *Carafano v. Metrosplash.com, Inc.*, 339 F.3d
 9 1119, 1123 (9th Cir. 2003). Thus, a website operator does not become liable as an “information
 10 content provider” merely by “augmenting the content [of online material] generally.”
 11 *Roommates*, 521 F.3d at 1167-68. Rather, the website must contribute “materially . . . to its
 12 alleged unlawfulness.” *Id.* at 1167-68. A website does not so “contribute” when it merely
 13 provides third parties with neutral tools to create web content, even if the website knows that the
 14 third parties are using such tools to create illegal content. *See, e.g., id* at 1169 & n.24 (noting that
 15 where a plaintiff brings a claim “based on a website operator’s passive acquiescence in the
 16 misconduct of its users,” the website operator generally will be immune “even if the users
 17 committed their misconduct using tools of general availability provided by the website
 18 operator”); *see also Zeran v. Am. Online, Inc.*, 129 F.3d 327, 333 (4th Cir. 1997) (holding that
 19 provider is shielded from liability despite receiving notification of objectionable content on its
 20 website and failing to remove it).

21 A. Developer liability

22 Plaintiff identifies several mechanisms by which Google allegedly contributes to the
 23 illegality of the offending advertisements, or even “requires” the inclusion of illegal content in
 24 such advertisements. Each of these mechanisms involves Google’s “Keyword Tool,” which
 25 Plaintiff describes as a “suggestion tool” employing an algorithm to suggest specific keywords to
 26 advertisers. Amended Complaint ¶ 22.⁴ To demonstrate that the Keyword Tool is not a “neutral
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28 ⁴ Plaintiff also alleges that Google representatives meet with certain advertisers in order
 to assist them with the creation of AdWords, but she does not allege that these representatives

1 tool” of the kind uniformly permitted within the scope of CDA immunity, Plaintiff alleges that
2 when a potential advertiser enters the word “ringtone” into Google’s Keyword Tool, the tool
3 suggests the phrase “free ringtone,” and that this suggestion is more prevalent than others that
4 may appear. Amended Complaint ¶ 22. Plaintiff contends that the suggestion of the word “free,”
5 when combined with Google’s knowledge “of the mobile content industry’s unauthorized charge
6 problems,” makes the Keyword Tool “neither innocuous nor neutral.” Pl.’s Opp. at 7. Plaintiff
7 also alleges that Google disproportionately suggests the use of the term “free ringtone” to
8 ordinary users of Google’s web search function, causing them to view the allegedly fraudulent
9 MSSPs’ AdWords with greater frequency.

10 Even assuming that Google is aware of fraud in the mobile subscription service industry
11 and yet disproportionately suggests the term “free ringtone” in response to an advertiser’s entry
12 of the term “ringtone,” Plaintiff’s argument that the Keyword Tool “materially contributes” to the
13 alleged illegality does not establish developer liability. The argument is nearly identical to that
14 rejected by the Ninth Circuit in *Carafano v. Metroplash*, 339 F.3d 1119 (9th Cir. 2003). There,
15 the defendant website provided its users with a “detailed questionnaire” that included multiple-
16 choice questions wherein “members select[ed] answers . . . from menus providing between four
17 and nineteen options.” *Id.* at 1121. Although they included sexually suggestive phrases that
18 might facilitate the development of libelous profiles, the menus of pre-prepared responses were
19 considered neutral tools because “the selection of the content was left exclusively to the user.”
20 *Id.* at 1124-25 (rejecting argument that website’s sixty-two questions and menu of “pre-prepared
21 responses” was so extensive as to render it an information content provider, since quantitative
22 scope of contribution was “a distinction of degree rather than of kind”).

23 Under *Carafano*, even if a particular tool “facilitate[s] the expression of information,” *id.*
24 at 1124, it generally will be considered “neutral” so long as users ultimately determine what
25 content to post, such that the tool merely provides “a framework that could be utilized for proper
26 or improper purposes,” *Roommates*, 521 F.3d at 1172 (interpreting *Carafano*). Indeed, as already

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have contributed in any way to the allegedly illegal MSSP AdWords that give rise to this action.

1 noted, the provision of neutral tools generally will not affect the availability of CDA immunity
2 “even if a service provider *knows* that third parties are using such tools to create illegal content.”
3 *Goddard*, 2008 WL 5245490, at *3 (emphasis added). As a result, a plaintiff may not establish
4 developer liability merely by alleging that the operator of a website should have known that the
5 availability of certain tools might facilitate the posting of improper content. Substantially greater
6 involvement is required, such as the situation in which the website “elicits the allegedly illegal
7 content and makes aggressive use of it in conducting its business.” *Roommates*, 521 F.3d at
8 1172.

9 Like the menus in *Carafano*, Google’s Keyword Tool is a neutral tool. It does nothing
10 more than provide options that advertisers may adopt or reject at their discretion. *See* Pl.’s Opp.
11 at 6 (conceding that advertisers’ use of keywords is discretionary). “[T]he selection of the
12 content [is] left exclusively to the user.” *Carafano*, 339 F.3d at 1124-25. While a website
13 clearly will not “*automatically* [enjoy] immun[ity] so long as the content originated with another
14 information content provider,” *Roommates*, 521 F.3d at 1171 n.31 (citing *Carafano*, 339 F.3d at
15 1125), Plaintiff’s allegations, if true, would not establish that Google did anything to encourage
16 the posting of false or misleading AdWords, *cf. id.* at 1171-72, much less that Google “elicit[ed]
17 . . [or] ma[de] aggressive use of [them] in conducting its business,” *id.* at 1172. As in *Carafano*,
18 where the dating website easily could have been expected to know that the inclusion of sexually
19 suggestive options in its “pre-prepared” user profile responses might well encourage libelous
20 impersonations or pranks, *see Carafano*, 339 F.3d at 1121,⁵ Plaintiff’s suggestion that Google
21 should have been aware of the danger of combining the words “free” and “ringtone” does not
22 make Google a co-developer of the offending AdWords. Indeed, “the [allegedly misleading]
23 posting[s] w[ere] contrary to [Google’s] express polic[y],” *cf. Roommates*, 521 F.3d at 1171,
24 which warns advertisers that they “are responsible for the keywords [they] select and for ensuring
25 that [their] use of the keywords does not violate any applicable laws.” *See* Amended Complaint,

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27 ⁵ For example, “pre-prepared responses” to a question regarding the poster’s “main source
28 of current events” apparently included the phrase “Playboy/Playgirl,” while the question “why
did you call” included the response “looking for a one-night stand.” *Carafano*, 339 F.3d at 1121.

1 Ex. A.

2 The insufficiency of Plaintiff's theory becomes even more apparent in the context of her
3 attempted analogy to the facts of *Roommates*, in which a housing website *required* potential
4 subscribers to identify their sex, sexual orientation, and family status, and to indicate their
5 preferred sex, sexual orientation, and family status in a potential roommate. The Ninth Circuit's
6 partial denial of immunity to the website turned entirely on the website's decision to *force*
7 subscribers to divulge the protected characteristics and discriminatory preferences "as a condition
8 of using its services." *Id.* at 1164. Thus, while the court retreated from *Carafano*'s earlier
9 suggestion in dicta that a website consisting of user-generated content "could *never* be liable
10 because 'no [user] profile has any content until a user actively creates it,'" *Roommates*, 521 F.3d
11 at 1171 (quoting *Carafano*, 339 F.3d at 1124) (emphasis added), it carved out only a narrow
12 exception to that rule. *See Goddard*, 2008 WL 5245490, at *3; *see also Doe v. MySpace, Inc.*, __
13 F. Supp. 2d __, 2009 WL 1457170, at *2 (E.D. Tex. 2009) (finding *Roommates* "not applicable"
14 to an action against the social utility website MySpace.com, because, whereas "[t]he Ninth
15 Circuit repeatedly stated throughout its *en banc* opinion that the Roommates.com website
16 *required* its users to provide certain information as a condition of its use , users of
17 MySpace.com are not *required* to provide any additional information to their profiles" (emphasis
18 in original)); *Atlantic Recording Corp. v. Project Playlist, Inc.*, 603 F. Supp. 2d 690, 701
19 (S.D.N.Y. 2009) (noting that the *Roommates* decision "was based solely on the fact that
20 Roommates.com . . . , in violation of federal and California state housing law, *required* potential
21 subscribers" to engage in discriminatory conduct (emphasis in original)).

22 Recognizing the narrowness of the *Roommates* holding, Plaintiff alleges that Google
23 effectively "requires" advertisers to engage in illegal conduct. Yet Plaintiff's use of the word
24 "requires" is inconsistent with the facts that Plaintiff herself alleges. The purported
25 "requirement" flows from Google's alleged "suggestion" of the phrase "free ringtone" through its
26 Keyword Tool, and from the MSSPs' purported knowledge that only "free ringtones" generate
27 substantial revenue-producing internet traffic. According to Plaintiff, MSSPs "[f]acing the
28 Hobson's choice of accepting either Google's 'suggestions' or drastically reduced revenue . . .

1 have accepted Google's 'suggestions' to include the keyword 'free' along with the keyword
2 'ringtone' in order to advertise to the majority of 'ringtone' searches, whether their products are
3 free or not." Opp. at 8:4-8 (citing Amended Complaint ¶ 26).

4 In Google's apt paraphrase, Plaintiff is alleging "that Google's mathematical algorithm
5 'suggests' the use of the word 'free' in relation to 'ringtone' as a means of attracting more
6 visitors to [the MSSPs'] sites, and that MSSPs whose offerings are not actually free are literally
7 powerless to resist." This reasoning fails to disclose a "requirement" of any kind, nor does it
8 suggest the type of "direct and palpable" involvement that otherwise is required to avoid CDA
9 immunity. Cf. *Roommates*, 521 F.3d at 1169-70. Such involvement might occur where a
10 website "remov[es] the word 'not' from a user's message reading '[Name] did *not* steal the
11 artwork' in order to transform an innocent message into a libelous one." *Id.* at 1169. Even
12 accepting Plaintiff's factual allegations as true, the allegations do not come close to suggesting
13 involvement at such a level, or, indeed, that Google's AdWords program was anything other than
14 "a framework that could be utilized for proper or improper purposes." *Id.* at 1172.

15 **B. Contract claims in light of *Barnes v. Yahoo!***

16 As in her original complaint, Plaintiff alleges that she and similarly situated individuals
17 were intended third-party beneficiaries of Google's Advertising Terms, which in turn incorporate
18 a Content Policy requiring that mobile subscription service advertisers display certain
19 information about their products, including whether downloading the products will result in
20 charges to the consumer. See First Amended Complaint, Ex. F. Plaintiff alleges that Google
21 "breached" its Content Policy, and she urges the Court to reconsider the rationale for its prior
22 dismissal of her breach of contract claim in light of the Ninth Circuit's recent decision in *Barnes*
23 *v. Yahoo!*, ___ F.3d ___, 2009 WL 1740755 (9th Cir. 2009).⁶ In *Barnes*, the court addressed

24 _____
25 ⁶ Plaintiff also urges the Court to deny the instant motion on the ground that CDA
26 immunity is an affirmative defense that must be raised by the defendant in a responsive pleading.
27 Plaintiff relies exclusively on *Barnes v. Yahoo!, Inc.*, 565 F.3d 560 (9th Cir. 2009), in which the
28 court stated that because "[t]he assertion of an affirmative defense does not mean that the
plaintiff has failed to state a claim, [it] does not by itself justify dismissal under Rule 12(b)(6)." *Id.* at 563 (citing *Gomez v. Toledo*, 446 U.S. 635, 640 (1980)). The court observed that Yahoo!,
the defendant, "ought to have asserted its affirmative defense by responsive pleading, which is

1 whether Yahoo! enjoyed immunity against the plaintiff's claims that it either was negligent in
2 undertaking to remove, or breached an oral contract to remove, offensive and unauthorized
3 content posted about the plaintiff by her ex-boyfriend on one of Yahoo!'s public profile pages.
4 *Id.* at *1-2. The court reasoned that claims that a website negligently undertook to remove
5 harmful or offensive content are barred by the CDA, since the action of removing or screening
6 content "is quintessentially that of a publisher," and because "to impose liability on the basis of
7 such conduct necessarily involves treating the liable party as a publisher of the content it failed to
8 remove." *Id.* at *5. However, the court held that certain promissory conduct by a defendant may
9 remove it from the protections of the CDA even where the alleged promise was to remove or
10 screen third-party content, since "one can, and often does, promise to do something without
11 actually doing it at the same time," thus giving rise to "a legal duty distinct from the conduct . . .
12 of a publisher." *Id.* at *9.

13 Read as broadly as possible, *Barnes* stands for the proposition that when a party engages
14 in conduct giving rise to an independent and enforceable contractual obligation, that party may be
15 "h[eld] . . . liable [not] as a publisher or speaker of third-party content, but rather as a counter-
16 party to a contract, as a promisor who has breached." *Id.* Theoretically, intended third-party
17 beneficiaries—whose rights under a contract are different from those of the contracting parties but
18 still are legally cognizable—could invoke the distinction drawn in *Barnes* between liability for
19 acts that are coextensive with publishing or speaking and liability for breach of an independent
20 contractual duty. In a third-party-beneficiary case, "as in any other contract case, the duty the
21

22 the normal method of presenting defenses except for those specifically enumerated in Rule
23 12(b)." *Id.*

24 Beyond the fact that (1) *Barnes* held only that "section 230 is an affirmative defense and
25 [is] to [be] treat[ed] . . . as such," *id.* (emphasis removed), and (2) affirmative defenses routinely
26 serve as a basis for granting Rule 12(b)(6) motions where the defense is "apparent from the face
27 of the [c]omplaint," *Nemet Chevrolet, Ltd. v. Consumeraffairs.com, Inc.*, 564 F. Supp. 2d 544,
28 550 (E.D. Va. 2008) (granting Rule 12(b)(6) motion on the basis of CDA immunity); *see also*
Universal Comm'n Sys., Inc. v. Lycos, Inc., 478 F.3d 413 (1st Cir. 2007) (affirming Rule
12(b)(6) dismissal on the basis of CDA immunity); *Green*, 318 F.3d at 468 (same), the Ninth
Circuit later deleted the entire relevant portion of its original *Barnes* opinion, *see Barnes*, 2009
WL 1740755, at *1.

1 defendant allegedly violated [would] spring[] from a contract—an enforceable promise—not from
2 any non-contractual conduct or capacity of the defendant.” *Id.* A court thus would be able to
3 infer that the defendant had “implicitly agreed to an alteration” in the baseline rule that there is
4 “no liability for publishing or speaking the content of other information service providers.” *Id.* at
5 *10.

6 In the instant case, there is no allegation that Google ever promised Plaintiff or anyone
7 else, in any form or manner, that it would enforce its Content Policy. Under California law, “[i]f
8 a contract is to be a basis of liability for the [defendant’s] violation of [its own terms and
9 conditions] . . . [,] it must be a contract in which the [defendant] promises to abide by [these
10 terms].” *Souza v. Westlands Water Dist.*, 135 Cal. App. 4th 879, 892 (2006); *see also Barnes*,
11 2009 WL 1740755, at *10 (“[A] . . . condition of the enforceability of a promise . . . is that [it]
12 be worded consistently with its being intended to be enforceable.” (quoting *Workman v. United*
13 *Parcel Serv. Inc.*, 234 F.3d 998, 1001 (7th Cir. 2000)). Google’s Advertising Terms and
14 incorporated Content Policy constituted a promise by Google’s advertising customers to Google
15 in exchange for participation in Google’s advertising service. Neither agreement contains any
16 promise *by Google* to enforce its terms of use or otherwise to remove noncompliant
17 advertisements. *Cf. Green v. America Online*, 318 F.3d 465, 472 (3d Cir. 2003) (holding that
18 “Green failed to state a claim for breach of contract because . . . by their terms, the Member
19 Agreement and Community Guidelines were not intended to confer any rights on Green and AOL
20 did not promise to protect Green from the acts of other subscribers”).

21 Moreover, even if Google had promised to enforce its Advertising Terms and
22 incorporated Content Policy—and it did not—Plaintiff would not be a third-party beneficiary of
23 that promise. In that scenario, Google would be the promisor under the agreement and each
24 allegedly fraudulent MSSP would be a promisee. But a third party is not an intended beneficiary
25 of an agreement unless the *promisee* intends the agreement to benefit the third party. *Souza*, 135
26 Cal. App. 4th at 893. For Plaintiff to be an intended third-party beneficiary of Google’s alleged
27 promise, the Advertising Terms would have to reflect an intent by each allegedly fraudulent
28 MSSP to benefit Plaintiff. That proposition simply is illogical, and this Court, like the court in

1 *Souza*, is “aware of no case in which a third-party-beneficiary contract was formed when a
2 promisee bargained for and obtained a promisor’s engagement to force the promisee to satisfy its
3 own obligation to the third party.” *Id.* at 894.

4 Undoubtedly, the allegedly fraudulent MSSPs *did* promise to abide by the Content Policy,
5 and Plaintiff might well sue *them* as an intended third-party beneficiary of their contract with
6 Google. But Plaintiff’s claim against Google rests not on any promise, but on a “general
7 [content] policy. . . on the part of [Google],” *Barnes*, 2009 WL 1740755, at *10, a theory of
8 liability that *Barnes* expressly precludes. Plaintiff’s inability to point to any promise by Google,
9 and her ultimate reliance on Google’s Content Policy, reveals that unlike the claim in *Barnes*,
10 which rested on a promise that scarcely could have been clearer or more direct,⁷ Plaintiff’s
11 contract claim alleges liability that “is [not] different from, and [is] merely a rephrasing of,
12 liability for negligent undertaking.” *Id.* at *8. This Court already has rejected Plaintiff’s contract
13 claim on that very ground, *see Goddard*, 2008 WL 5245490, at *5 (holding that breach of
14 contract and negligent undertaking claims would treat Google as the publisher or speaker of
15 third-party content, and dismissing both claims as indistinguishable), and now does so again.

16 IV. CONCLUSION

17 As in the original complaint, each of Plaintiff’s claims would treat Google as the
18 publisher or speaker of third-party content. Yet Plaintiff has failed to allege facts that plausibly
19 would support a conclusion that Google created or developed, in whole or in part, any of the
20 allegedly fraudulent AdWords advertisements. Plaintiff offers numerous theories of such
21 involvement, but these theories merely lend truth to the Ninth Circuit’s observation that there
22 almost always will be *some* “argu[ment] that *something* the website operator did encouraged the
23 illegality.” *Roommates*, 521 F.3d at 1174. As the *en banc* court cautioned in *Roommates*, only

24 [w]here it is *very clear* that the website directly participates in developing the
25 alleged illegality . . . [will] immunity . . . be lost. . . . [I]n cases of enhancement
by implication or development by inference[,] . . . section 230 must be interpreted

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27 ⁷ The promise in *Barnes*—to remove the falsified and harmful profile page—was made by
28 Yahoo!’s Director of Communications, who assured Barnes that she would “personally walk
[Barnes’] statements over to the division responsible for stopping unauthorized profiles and
[that] they would take care of [the problem].” *Barnes*, 2009 WL 1740755, at *2.

1 to protect websites not merely from ultimate liability, but from having to fight
2 costly and protracted legal battles.

3 *Id.* at 1174-75 (emphasis added). Here, Plaintiff's theory is at best one of "enhancement by
4 implication or development by inference." These "implications" and "inferences" fall well short
5 of making it "very clear" that Google contributed to any alleged illegality, and Plaintiff's
6 complaint clearly must be dismissed.

7 In assessing whether Plaintiff once again should be given leave to amend, the Court must
8 consider "the presence or absence of undue delay, bad faith, dilatory motive, repeated failure to
9 cure deficiencies by previous amendments, undue prejudice to the opposing party[,] and futility
10 of the proposed amendment." *United States v. SmithKline Beecham, Inc.*, 245 F.3d 1048, 1052
11 (9th Cir. 2001) (quoting *Moore v. Kayport Package Exp., Inc.*, 885 F.2d 531, 538 (9th Cir.
12 1989)); *see also Foman v. Davis*, 371 U.S. 178, 182 (1962) (providing factors constraining
13 district court's discretion to deny leave to amend). At least two of the relevant factors compel
14 denial of leave to amend in this case.

15 First, amendment almost certainly would be futile. In her original complaint and
16 supporting arguments in opposition to Google's motion to dismiss, Plaintiff largely ignored the
17 analytic framework provided by *Roommates* and other cases. While she did allege in conclusory
18 fashion that Google assisted its AdWords customers in drafting their advertisements, she offered
19 no allegations to support this claim and failed even to argue it in her papers. Now having been
20 directed explicitly to do so, Plaintiff makes sweeping allegations of Google's involvement in the
21 AdWords process but offers no more than tenuous "implications" and "inferences" that fail to
22 explain how Google "controlled" or "collaborated" with any MSSP in the creation of any
23 allegedly fraudulent advertisement. This minimally persuasive response to the Court's clear
24 directive strongly suggests that amendment would be futile.

25 Second, the Ninth Circuit implicitly has identified a special form of "prejudice" to
26 defendants who improperly are denied early dismissal of claims falling within the zone of CDA
27 immunity. As the court stated in *Roommates*, "close cases . . . must be resolved in favor of
28 immunity, lest we cut the heart out of section 230 by forcing websites to . . . fight[] off claims

1 that they promoted or encouraged—or at least tacitly assented to—the illegality of third parties.”
2 *Roommates*, 521 F.3d at 1174. Because the CDA “must be interpreted to protect websites not
3 merely from ultimate liability, but from having to fight costly and protracted legal battles,” *id.* at
4 1175, this Court’s conclusion that Plaintiff almost certainly will be unable to state a claim
5 compels the additional conclusion that Google must be extricated from this lawsuit now lest the
6 CDA’s “robust” protections be eroded by further litigation. For these reasons, Plaintiff’s
7 complaint will be dismissed without leave to amend.

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9 **IT IS SO ORDERED.**

10 DATED: 7/30/09

11
12 
13 JEREMY FOGEL
United States District Judge

1 This Order has been served electronically upon the following persons:

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7 This Order has NOT been served upon the following persons:

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