

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----x
PATRICK SHIPSTAD,

16-CV-5145 (LAK)

Plaintiff,

-against-

ONE WAY OR ANOTHER PRODUCTIONS, LLC,
and PRINCETON HOLT,

Defendants.
-----x

PLAINTIFF'S MEMORANDUM OF LAW IN OPPOSITION
TO DEFENDANTS' MOTION TO DISMISS

Submitted by:

Edward C. Greenberg, LLC
570 Lexington Avenue, 19th Floor
New York, NY 10022
Tel: (212) 697-8777
Fax: (212) 697-2528

TABLE OF CONTENTS

| | | |
|------|---|----|
| I. | INTRODUCTION | 1 |
| II. | STATEMENT OF FACTS | 1 |
| III. | LEGAL STANDARD ON MOTION TO DISMISS..... | 4 |
| IV. | PLAINTIFF STATES A CLAIM FOR COPYRIGHT INFRINGEMENT | 4 |
| | a. Plaintiff’s Claims Should Not Be Dismissed Based Upon the Substantial Similarity Test..... | 4 |
| | b. Defendants’ Uses of Plaintiff’s Copyright Image Are Not Transformative Fair Uses and Thus the Action Should Not Be Dismissed..... | 13 |
| | i. Purpose and Character of the Use, Including Whether Such Use is of a Commercial Nature or is for Nonprofit Educational Purposes | 13 |
| | ii. The Nature of the Copyrighted Work | 14 |
| | iii. The Amount and Substantiality of the Portion Used in Relation to the Copyrighted Work as a Whole..... | 15 |
| | iv. The Effect of the Use Upon the Potential Market for the Value of the Copyrighted Work | 15 |
| | c. Defendants’ Uses of Plaintiff’s Copyrighted Image Are Not <i>De Minimus</i> and Thus the Action Should Not Be Dismissed. | 23 |
| | d. There is No Implied License to Warrant Dismissal of the Action..... | 25 |
| V. | PLAINTIFF PROPERLY ALLEGES PERSONAL LIABILITY AGAINST DEFENDANT PRINCETON HOLT | 28 |
| VI. | CONCLUSION..... | 31 |

TABLE OF AUTHORITIES

Statutes

17 U.S.C. 101.....13, 28

17 U.S.C. 103.....18

17 U.S.C. 106.....2, 28

17 U.S.C. 107.....13

17 U.S.C. 204.....28

N.Y. CIV. RIGHTS LAW §§ 51, 5211, 12

The Lanham Act11

Cases

Alfred Bell & Co. v. Catalda Fine Arts, Inc.,
191 F.2d 99 (2d Cir. 1951).....18

Bell Atl. Corp. v. Twombly,
550 U.S. 544, 127 S. Ct. 1955, 167 L. Ed. 2d 929 (2007).....4

BWP Media USA, Inc. v. Gossip Cop Media, Inc.,
2016 U.S. Dist. LEXIS 94511 (S.D.N.Y. July 20, 2016)6, 14

Campbell v. Acuff-Rose Music, Inc.,
510 U.S. 569, 114 S. Ct. 1164 (1994).....13

Cariou v. Prince,
714 F.3d 694, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013) *passim*

Castle Rock Ent., Inc. v. Carol Publishing Group, Inc.,
150 F.3d 132 (2d Cir. 1998).....16

Chambers v. Time Warner,
282 F.3d 147 (2d Cir. 2002).....4

Conley v. Gibson,
355 U.S. 41, 78 S. Ct. 99 (1957).....4

Curtis v. Gen. Dynamics Corp.,
1990 U.S. Dist. LEXIS 17333, 18 U.S.P.Q.2D (BNA) 1608 (W.D. Wash. 1990).....6

Design Options, Inc. v. BellePointe, Inc.,
940 F. Supp. 86, 92 (S.D.N.Y. 1996).....27

Gal v. Viacom Int’l, Inc.,
518 F. Supp. 2d 526, 2007 U.S. Dist. LEXIS 68808 (NYSD 2007)6, 9

Gershwin Pub. Corp. v. Columbia Artists Management, Inc.,
443 F.2d 1159, 1971 U.S. App. LEXIS 1005129

Gillespie v. Ast Sportswear,
2001 U.S. Dist. LEXIS 1997, 2001 WL 180147 (S.D.N.Y. Feb. 22, 2001).....12

Gordon v. Invisible Children, Inc.,
2015 U.S. Dist. LEXIS 129047; 2015 WL 5671919 (S.D.N.Y. 2015).....8

Hamil Am., Inc. v. GFI, Inc.
193 F.3d 92, 1999 U.S. App. LEXIS 24287 (2d Cir. 1999)5, 10, 11

I.A.E., Inc. v. Shaver,
74 F.3d 678, (7th Cir. 1996)27

Kregos v. AP
3 F.3d 656, 1993 U.S. App. LEXIS 22413 (2d Cir. 1993).....7, 10

L. Batlin & Son, Inc. v. Snyder,
536 F.2d 486, 1976 U.S. App. LEXIS 11846 (2d Cir. N.Y. 1976)18

Lewinson v. Henry Holt & Co., LLC,
659 F. Supp. 2d 547, 560, 2009 U.S. Dist. LEXIS 87652 (S.D.N.Y. 2009)18

Lottie Joplin Thomas Trust v. Crown Publishers, Inc.,
456 F. Supp 531, 1977 U.S. Dist. LEXIS 15712 (S.D.N.Y. 1977)29

Peer Int’l Corp. v. Luna Records,
887 F. Supp. 560, 1995 U.S. Dist. LEXIS 3548 (S.D.N.Y. 1995)29

Peter Pan Fabrics, Inc. v. Martin Weiner Corp,
274 F.2d 487, 1960 U.S. App. LEXIS 5506 (2^d Cir. 1960)9

Psihoyos v. Pearson Educ., Inc.
855 F. Supp. 2d 103, 2012 U.S. Dist. LEXIS 27265 (2012)26, 27

Ringgold v. Black Entm’t Television, Inc.,
126 F.3d 70, 1997 U.S. App. LEXIS 24443 (2d Cir. 1997) *passim*

Robinson v. Buy-Rite Costume Jewelry, Inc.,
2004 U.S. Dist. LEXIS 16675, 2004 WL 1878781 (S.D.N.Y. Aug. 20, 2004).....12

Rogers v. Koons,
960 F. 2d 301 (2d Cir. 1992).....6, 12

Sandoval v. New Line Cinema Corp.,
147 F.3d 215 (2d Cir. 1998).....24

SmithKline Beecham Consumer Healthcare, L.P. v. Watson Pharms., Inc.
211 F.3d 21 (2d Cir. 2000).....25

Still v. DeBuono,
101 F.3d 888, 891 (2d Cir. 1996).....4

Twentieth Century-Fox Film Corp. v. MCA, Inc.,
715 F.2d 1327, 1983 U.S. App. LEXIS 27636 (9th Cir. Cal. 1983)6

Varghese v. China Shenghuo Pharm. Holdings,
672 F. Supp. 2d 596 (S.D.N.Y. 2009).....4

Viacom Intern. Inc. v. Fanzine Intern. Inc.,
2000 U.S. Dist. LEXIS 19960, 2000 WL 1854903 (S.D.N.Y. July 12, 2000).....4, 27

Walker v. Time Life Films, Inc.,
784 F.2d 44, (2d Cir 1986), cert. denied, 476 U.S. 1159 (1986)7

Weinstein Co. v. Smokewood Entm’t Group, LLC,
664 F. Supp. 2d 332, 2009 U.S. Dist. LEXIS 88682 (N.Y.S.D. 2009)4, 25, 26, 28

Weissmann v. Freeman,
868 F.2d 1313 (2d Cir. 1989).....18

Yurman Design, Inc. v. PAJ, Inc.,
262 F.3d 101, 2001 U.S. App. LEXIS 18029 (2d Cir. N.Y. 2001)7

Other Authorities

Individual Rules of Practice of Hon. Lewis A. Kaplan p. 34

I. INTRODUCTION

Defendants move to dismiss plaintiff's Amended Complaint in its entirety based upon a wide variety of arguments. While defendants' arguments neither contain relevant substance nor are persuasive, each is addressed in detail hereinbelow. Defendants fail to meet the burden to warrant dismissal *pre-discovery*. For the many reasons set forth hereinbelow, defendants' motion to dismiss ought to be denied.

II. STATEMENT OF FACTS

Plaintiff respectfully refers the Court to the Amended Complaint, which sets forth the relevant facts in detail. For the Court's convenience, we have included a brief summary of such facts herein. Plaintiff created the subject image of an individual known as Taylor Negron (hereinafter "Negron") and duly registered said image with the United States Copyright Office on March 25, 2011 (hereinafter the "Subject Image"). Mr. Negron (a victim of cancer who is now deceased) was an actor/performer with a lengthy professional resume as set forth on his IMDB page annexed to the Amended Complaint.

Plaintiff alleges that defendants One Way or Another Productions, LLC and Princeton Holt appropriated the Subject Image and used same without a license from plaintiff in promotional materials and advertisements for the motion picture entitled "Alienated". Upon information and belief, defendants employed the Subject Image on the Internet, on posters, and in various other advertising and marketing materials such as DVD packaging for a first run movie entitled "Alienated" of which Negron was a lead actor. Negron's image was employed prominently as is admitted by defendants in their attempts to secure film distribution, sell/rent DVDs and for other commercial and trade purposes.

Owing to Negron's declining health and eventual demise, defendants or one or more of them, had the subject registered image that was created by the author/plaintiff Photoshopped (altered by commonly available computer software) without seeking a license or permission from the author to do so. The author was unaware of defendants' use, intentions and ultimately its creation of an unauthorized derivative work of his registered image. Prior to filing suit, plaintiff, through counsel, issued a notice and demand letter pursuant to F.R.C.P. 11, seeking inter alia, disclosure of any exculpatory documents or information. [Exhibit A-I hereto]. Notably, no fair use or substantial similarity defense was raised in response to said requests for information.

Throughout defendants moving papers, defendants try to argue that the edits that they made to plaintiff's image make it permissible. However, as will be brought out in discovery should defendant fail to stipulate to same, virtually every single commercial (or editorial) image published and employed in product packaging, advertisements and/or any other visual media in the modern day, is Photoshopped (edited). Photoshop images that are cropped and retouched are considered "derivatives". Were they not, no photographer or photojournalist could protect his/her works under either the United States Constitution Article 1 Section 8 or USC Title 17. 17 U.S.C. 106 expressly provides that "the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:...[sic] (2) to prepare derivative works based upon the copyrighted work". 17 U.S.C. 106

Whether the photo in question was Photoshopped to make Beyoncé appear slimmer, Tom Hanks taller, Ricki Martin younger or OJ Simpson more ominous, the practice has been in place for decades. The difference here is that photographers who license their images on agreed terms either Photoshop the image themselves or grant permission or license to the publisher or syndicator of the work to Photoshop the image so as to conform with the licensee's needs. Such

trade practice is ubiquitous and applies to movie fan magazines, Time, National Geographic, every advertising agency in the USA or EU and so on. Computer alteration to make Mr. Negrón look younger or otherwise Photoshopped for commercial purposes is not “transformative”. The allegation does violence to Article 1 Section 8 of the US Constitution and eviscerates all protection under USC Title 17 afforded to a duly registered image.

Remarkably, defendants, and those acting on their behalf, detailed their actions in a series of articles published to the Internet and viewed widely. Defendants’ own words frankly serve as admissions to the allegations in the Amended Complaint. Plaintiff has essentially caught defendants “red handed”. Defendants have filed the within motion in a transparent attempt to escape liability where it is clear as day.

Upon information and belief, defendant, One Way or Another, employed the services of one, Monica Trombley, Esq. as “in house legal counsel”. Ms. Trombley represents herself to the public and the legal community as an attorney for film makers. She has written for publication on the topics of securing copyrights and intellectual property licenses in connection with film production and may be (subject to discovery) a principal in the defendant entity One Way or Another Productions, LLC. Defendants *knew better* and they did not seek or obtain a license from plaintiff to use the image. Instead, they willfully appropriated same for their own gain.

It is noteworthy that defendants do not aver that plaintiff does not possess a valid registration and are not contesting such validity in this action. Defendants do not offer to the Court the identity of “another” author”. Defendants created an unauthorized derivative of a registered work and employed same in commerce, period. Defendants’ claims are mere subterfuge and an attempt which would fool neither Penn nor Teller to direct this Court’s attention away from an otherwise straightforward case of textbook copyright infringement.

III. LEGAL STANDARD ON MOTION TO DISMISS

In assessing a motion to dismiss, a court must consider all of the facts as alleged in the Complaint as true and make all reasonable inferences in favor of plaintiff. *See, Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555, 127 S. Ct. 1955, 167 L. Ed. 2d 929 (2007); *Chambers v. Time Warner*, 282 F.3d 147, 152 (2d Cir. 2002); *Varghese v. China Shenghuo Pharm. Holdings*, 672 F. Supp. 2d 596, 604 (S.D.N.Y. 2009). Only if plaintiff has failed to establish all of the necessary elements for a cause of action, should plaintiff's claim(s) be dismissed.

The Court may grant a motion to dismiss “only where ‘it appears beyond doubt that the plaintiff can prove no set of facts in support of his claim which would entitle him to relief’.” *Weinstein Co. v. Smokewood Entm’t Group, LLC*, 664 F. Supp. 2d 332, 337-338, 2009 U.S. Dist. LEXIS 88682 (N.Y.S.D. 2009), citing *Still v. DeBuono*, 101 F.3d 888, 891 (2d Cir. 1996) (quoting *Conley v. Gibson*, 355 U.S. 41, 45-46, 78 S. Ct. 99 (1957)). As explained hereinbelow, Defendants’ motion ought to be denied.

Attached hereto as Exhibit “A” is a copy of Plaintiff’s Amended Complaint and its exhibits A through I, the latter sub-exhibits of which shall herein be identified and referred to as Exhibit A-A, A-B, and so forth through to A-I. We note that movants did not annex a copy of the Amended Complaint to the moving papers, in contravention to the Court’s Individual Rules of Practice. Individual Rules of Practice of Hon. Lewis A. Kaplan p. 3.

IV. PLAINTIFF STATES A CLAIM FOR COPYRIGHT INFRINGEMENT

a. Plaintiff’s Claims Should Not Be Dismissed Based Upon the Substantial Similarity Test

Defendants argue that defendant’s use of plaintiff’s image is not substantially similar¹ so

¹ “[C]are must be taken to recognize that the concept of ‘substantial similarity’ itself has unfortunately been used to mean two different things. On the one hand, it has been used as the threshold to determine the degree of

as to warrant an infringement. The test for substantial similarity, when applied in the context of determining the degree of similarity sufficient to demonstrate actionable infringement, is “whether an average lay observer would recognize the alleged copy as having been appropriated from the copyrighted work.” *Hamil Am., Inc. v. GFI, Inc.* 193 F.3d 92, 100, 1999 U.S. App. LEXIS 24287 (2d Cir. 1999).

Defendants do not deny that plaintiff’s work was Photoshopped and altered by them without a license, nor do they deny that plaintiff created the image and duly registered same with the United States Copyright Office, prior to the subject unauthorized use. Defendants’ altering of Negron’s appearance via minor facial alterations while perhaps odious, was motivated solely by economics and performed via computer without the author’s knowledge or consent by defendants who had invested money in a completed project featuring a deceased actor who could not promote the film he had just shot.

Opposing counsel seeks to make this case about “transformative uses” and conflate it with other unrelated, nuanced and complicated matters of copyright law. Such is not the case here. Opposing counsel seeks nothing less than a decision from this Court permitting anyone to infringe on any registered image by merely Photoshopping the original, registered image sans consent or license. Since the ability to perform such alterations is possessed by all publishers, media companies and most nine-year-old children, why not simply relieve the Copyright Office of its duties to register photography which can no longer be protected? This dramatic and sarcastic statement underlines the giant departure from the intent and purpose of the Copyright

similarity that suffices, once access has been shown, as indirect proof of copying; on the other hand, [the term] ‘substantial similarity’ is more properly used, after the fact of copying has been established, as the threshold for determining that the degree of similarity suffices to demonstrate actionable infringement.” *Ringgold* at 74, citing *Laureyssens v. Idea Group, Inc.*, 964 F.2d 131, 139-40 (2d Cir 1992); *Nimmer* § 13.01 [B]

Act that defendants seek this Court to make.

This Court has held that “dissimilarities between the works will not serve to automatically relieve the infringer of liability, as ‘no copier may defend an act of plagiarism by pointing out how much of the copy he has *not* pirated’. [emphasis added]” *Gal v. Viacom Int’l, Inc.*, 518 F. Supp. 2d 526, 545, 2007 U.S. Dist. LEXIS 68808 (NYSD 2007) (citing *Rogers v. Koons*, 960 F. 2d 301, 308 (2d Cir. 1992)). Here, defendants try to divert attention from the fact that they used plaintiff’s photograph of Negron in their advertising materials, by emphasizing the differences between the works as whole, rather than noting the obvious fact that the photograph of Negron’s face is the same in both plaintiff’s copyrighted photograph and defendant’s advertising and promotional materials. Negron’s head is substantially similar in both works, as defendant’s use is of *the same photograph*. See *BWP Media USA, Inc. v. Gossip Cop Media, Inc.*, 2016 U.S. Dist. LEXIS 94511, *14 (S.D.N.Y. July 20, 2016) (“that there is no dispute that Defendant directly copied” the images “from third-party websites; the images used by Defendant were not merely substantially similar, they were identical to the images licensed to the third-party sites”); *Curtis v. Gen. Dynamics Corp.*, 1990 U.S. Dist. LEXIS 17333, *21, 18 U.S.P.Q.2D (BNA) 1608 (W.D. Wash. Sept. 26, 1990) (finding no issue as to substantial similarity where the cropped use of the image “is identical to the central image of” plaintiff’s photograph).

Although the question of substantial similarity² is not solely for the jury and can be decided by the Court where there is *no issue of fact*, traditionally and in most cases, the question is an issue of fact for the jury. *Twentieth Century-Fox Film Corp. v. MCA, Inc.*, 715 F.2d 1327,

² “[C]are must be taken to recognize that the concept of ‘substantial similarity’ itself has unfortunately been used to mean two different things. On the one hand, it has been used as the threshold to determine the degree of similarity that suffices, once access has been shown, as indirect proof of copying; on the other hand, [the term] ‘substantial similarity’ is more properly used, after the fact of copying has been established, as the threshold for determining that the degree of similarity suffices to demonstrate actionable infringement.” *Ringgold* at 74, citing *Laureyssens v. Idea Group, Inc.*, 964 F.2d 131, 139-40 (2d Cir 1992); Nimmer § 13.01 [B]

1330, 1983 U.S. App. LEXIS 27636, *7 (9th Cir. Cal. 1983) (reversing the Court's granting of summary judgment, noting that substantial similarity is usually an extremely close question of fact, finding that such questions exist for the jury to consider); *Yurman Design, Inc. v. PAJ, Inc.*, 262 F.3d 101, 111, 2001 U.S. App. LEXIS 18029, *16 (2d Cir. N.Y. 2001) (the jury properly reviewed the issue of substantial similarity); *Kregos v. AP 3 F.3d 656*, 663, 1993 U.S. App. LEXIS 22413 (2d Cir. 1993) (when assessing substantial similarity on a motion for summary judgment, the Court's task is to "decide whether the lack of substantial similarity between the protectable aspects of the works was 'so clear as to fall outside the range of disputed fact questions' ") (citing *Walker v. Time Life Films, Inc.*, 784 F.2d 44, 48 (2d Cir 1986), cert. denied, 476 U.S. 1159, 106 S. Ct. 2278 (1986)).

Here, the substantial similarity test does not even need to be invoked as both works include the **same photo**. Defendant's advertising and promotional materials clearly include an improper and unlawful appropriation of plaintiff's work. If one were to take plaintiff's photograph and overlay it with defendant's unauthorized work, one would clearly see that it is the same photograph of actor Taylor Negron. Defendants copied the primary focal point from plaintiff's image and emblazoned it on their advertising and promotional materials. Defendant's use of plaintiff's image clearly incorporates the key focal point from plaintiff's image, which includes the creative elements captured by plaintiff, such as the creative use of the angle at which plaintiff directed light to hit Negron's face and to be captured by the camera, so as to detail lines between his eyes, on his forehead, on his cheeks, and around his mouth.

We note that defendant's arguments of substantial similarity, transformative fair use, and *de minimus* use overlap, and that many of the factual and legal arguments in opposition to one are equally as valuable in opposition to the other. Taylor Negron was a professional actor. The

infringing image portrays Taylor Negron as an actor and featured player in a movie in which he acted. The movie/DVD was/is a financial endeavor motivated solely by profit only. There is nothing remotely transformative, and defendant's use of plaintiff's image is clearly substantially similar to the original as it is an edited version of the same image.

In support of defendant's argument that the subject alleged infringement fails the substantial similarity test, defendant relies upon a series of cases that are easily distinguished but require attention so as to retain focus on the far simpler facts of the within matter. These distinctions are important as they help to give factual context to the Court's application of the ordinary observer test, and how, by comparison or contrast, it should be applied in this case.

Defendant relies heavily on the case of *Gordon v. Invisible Children, Inc.*, 2015 U.S. Dist. LEXIS 129047; 2015 WL 5671919 (*Gordon*). In *Gordon*, the court granted defendant's motion to dismiss in a case where the similarities were vague and limited to "a male figure standing in front of crowd, wearing a white tank top, with his arms stretched out to the side", but where the differences were widespread. By contrast, here we are not comparing vague differences, but rather the *same image* of actor Taylor Negron, wo defendants readily admit is clearly recognizable.

The differences of the works at issue in *Gordon* included the color, medium, poses, ethnicities, gender, and overall look and feel. Plaintiff's work was a photographic print, in black and white; whereas defendant's work was in color and was a video with thousands of frames most of which did not include the few similarities at issue. By contrast here, we are comparing two still images, both of which include plaintiff's photograph of Negron.

Another difference in *Gordon* is that Plaintiff's work depicted Caucasians, while defendant's work depicted Ugandan people. Plaintiff's work featured only males, whereas in

defendant's work, all of the people in the background were female. Further, the Court found that the overall look and feel of the two works was entirely different. Here, what is at issue is that both plaintiff's work and defendant's advertisements include plaintiff's copyright registered photograph of Negron.

Defendant also relies upon the 1960 case of *Peter Pan Fabrics, Inc. v. Martin Weiner Corp.*, 274 F.2d 487; 1960 U.S. App. LEXIS 5506 (2^d Cir. 1960) (Peter Pan). In *Peter Pan*, the Second Circuit reviewed the District Court's granting of a *preliminary injunction*, and did not assess the issue of a motion to dismiss. Further Peter Pan involved plaintiff's copyright in a textile design and defendant's use of a different but similar design on dresses. Notwithstanding these differences, the Court in *Peter Pan* found that an ordinary observer—when viewing plaintiff's textile pattern, and also viewing defendant's dress with a similar but different pattern—as both including the same pattern. Clearly a small square textile pattern looks dramatically different in shape and size from an entire dress. Even though the single textile pattern and the dress as a whole clearly look different in shape, arrangement and size, in *Peter Pan*, the Court found that the ordinary observer would recognize the pattern used within the two different mediums was the same. Similarly, here, an ordinary observer would see that the photograph of Negron's face in Plaintiff's Image is the same as that employed in defendant's advertising materials.

Defendant further relies upon the case of *Gal v. Viacom Int'l, Inc.*, 518 F. Supp. 2d 526, 2007 U.S. Dist. LEXIS 68808 (NYSD 2007) (Gal). In *Gal*, the court compares plaintiff's unpublished screenplay with defendant's novel. In *Gal*, this Court assessed a motion for summary judgment, and rather than applying the ordinary observer test, applied the more stringing "striking similarity test", which the Court explains, is applied when the plaintiff does

not prove access. Here, neither access, nor the striking similarity test are at issue. The Court notes that in the *same case*, it previously applied the substantial similarity test on a motion to dismiss, and under that test found that the works at issue *were indeed* substantially similar. Unlike in *Gal* where the Court compared two different texts with similar ideas, here, plaintiff's image of Negron and Defendant's advertising materials both contain the same photograph of Negron's face, which is the dominant feature and focal point of plaintiff's image.

Defendant relies on the case of *Kregos v. AP 3 F.3d 656*, 1993 U.S. App. LEXIS 22413 (2d Cir. 1993) (*Kregos*). This is yet another case aimed at diverting the Court from defendants' rather mundane transgressions of well settled Copyright Law. In *Kregos*, the Second Circuit affirmed the District Court's granting of a motion for *summary judgment*, where defendant's baseball "pitching form" was entirely different by roughly 40% and where many of the similarities were largely attributed to the nature of the sport. The Court explained that there are so few creative elements at play the two forms are not substantially similar. *Id.* at 664. Here, unlike the difficult comparison of the copyrightable elements in two sets of baseball statistics, here, the subject infringement involves the easy comparison of two visuals where the photograph of Negron's face is clearly the same and employed in both works.

Defendants also rely on the case of *Hamil Am., Inc. v. GFI, Inc.* 193 F.3d 92, 1999 U.S. App. LEXIS 24287 ("*Hamil*"), where the Second Circuit reviewed this Court's Judgment on liability, finding of willful copyright infringement, and award of damages after *trial*. The Second Circuit found that the District Court properly applied the ordinary observer test in its finding of substantial similarity when comparing plaintiff's textile pattern with defendant's apparel bearing a different but similar pattern.

In *Hamil*, the Court noted that a witness admitted to creating “knock-off”s, which he defined as “the redesign of another design with sufficient changes so that the redesigner does not get sued for copyright infringement”, and where he “tries to put in enough differences that he thinks they will get away with it”, but that “[t]hey didn’t in this case”. *Hamil* at 99. Likewise here, defendant’s coloring and cropping of plaintiff’s image does not negate the instance of copyright infringement, but if anything goes to defendant’s *willful* infringement of the image.

Lest we not forget, and as alleged in the Amended Complaint, the instant action arises from defendants’ use of plaintiff’s copyright registered photograph of Negron, without a license, authorization or consent, where defendants’ general counsel wrote and published an article which expressly referred to her work on the subject film and where she **expressly pinpointed the need to secure “[a]ll licenses for the use of music, service marks, trademarks, and other intellectual property not belonging to the production [emphasis added]”** [Amended Complaint at para 63; and Exhibit “A-H” hereto]. Said article further states that the **need to “get the proper documentation for the use of music, an actor, a crew member’s technical abilities, etc.”... “ or else risk “get[ing] sued for copyright infringement... [emphasis added]”**. [Exhibit A-H, p. 5]

Defendant’s mention of Negron’s right of publicity is a red herring as the Copyright Act does not grant *the subject of the photo* the exclusive rights to distribute same, but rather grants such rights to the *creator* of the photo. The subject has an entirely different set of rights from the creator. They are not mutually exclusive. Indeed, when an image of a recognizable person is used in advertising, *both* the consent of the copyright holder, and of the individual depicted are required. Plaintiff does not allege that he has control over Negron’s rights of publicity and the within action does not include claims under the Lanham Act, nor under N.Y. CIV. RIGHTS LAW

§§ 51, 52. The distracting references to Mr. Negron's right of publicity are simply distracting and have no logical place in this discussion.³

The within action concerns plaintiff's copyrighted photograph of Negron, which he created. The core focal point of plaintiff's photograph is Negron's head, as the photo depicts Negron from the waist up with his body almost washed out by a black turtleneck set upon a dark gray background. Negron's head and face is the core of the Subject Image, and plaintiff's photograph of same is certainly copyrightable. This Court has elaborated on copyrightable elements of originality that exist within a photograph. *Robinson v. Buy-Rite Costume Jewelry, Inc.*, 2004 U.S. Dist. LEXIS 16675, *6, 2004 WL 1878781 (S.D.N.Y. Aug. 20, 2004) ("Elements of originality in a photograph may include posing the subjects, lighting, angle, selection of film and camera, evoking the desired expression, and almost any other variant involved.") (*citing Gillespie v. Ast Sportswear*, 2001 U.S. Dist. LEXIS 1997, No. 97 Civ. 1911 (PKL), 2001 WL 180147, *6 (S.D.N.Y. Feb. 22, 2001) (*quoting Rogers v. Koons*, 960 F.2d 301, 307 (2d Cir. 1992))). Here, plaintiff incorporated such elements by his post of Negron, the lighting and the angle by which he directed it in the room, the angle at which he held the camera, the selection of camera, evoking the desired expression from Negron, and the timing at which he took the photograph. Each of these copyrightable elements are visible in the primary focal point of plaintiff's photograph, to wit, plaintiff's photograph of Negron's head. Defendants

³ From a practical matter, Mr. Negron is deceased and defendants do not cite to any authority for the proposition that a Civil Rights Claim can be brought by a deceased person. Further, there is a standing issue here. Opposing counsel does not at any point claim that he represents the Estate of Mr. Negron or that anyone else does. If such a state or federal claim were to be made, the plaintiff would be the Estate of Mr. Negron and the defendant(s) if any would be the defendant(s) herein and/or their agents as they were the ones who used the image for trade and advertising purposes. This hypothetical claim is separate and apart from plaintiff's within claim of copyright infringement.

appropriated and cropped Negron's head from plaintiff's photograph and utilized same in the advertising and promotion of the film "Alienated". Such constitutes copyright infringement.

b. Defendants' Uses of Plaintiff's Copyright Image Are Not Transformative Fair Uses and Thus the Action Should Not Be Dismissed.

Defendants argue that their uses of plaintiff's copyright registered image are a fair use. The claim is made because defendants are bereft of valid defenses and thus offer up the famous "catch all defense" in the hopes of distracting the Court. The Copyright Act permits "fair use" of a copyrighted work... for purposes such as criticism, news reporting teaching... scholarship, or research..." and provides for four factors to consider in determining whether a use is a permissible "fair use". 17 U.S.C. 107. Although the categories in the preamble to 17 U.S.C. 107 serve an "illustrative and not limitative" function, the fair use inquiry may be guided by the examples given in the preamble, looking to whether the use is for criticism, comment, news reporting and the like" *Ringgold v. Black Entm't Television, Inc.*, 126 F.3d 70, 78, 1997 U.S. App. LEXIS 24443 (2d Cir. 1997), *citing Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577, 114 S. Ct. 1164 (1994) (quoting 17 U.S.C. 101)).

The four statutory factors to be assessed in a fair use analysis are: 1) the purpose and character of the use; 2) the nature of the copyrighted work; 3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and 4) the effect of the use upon the potential market for the value of the copyrighted work. 17 U.S.C. 107. Each of said four factors are addressed hereinbelow with respect to plaintiff's image and defendant's unauthorized use of same. Most respectfully, the proffered defense is wholly inapplicable to the facts here.

i. Purpose and Character of the Use, Including Whether Such Use is of a Commercial Nature or is for Nonprofit Educational Purposes

Here, defendant's use of the image is admittedly of a commercial nature and for profit as it is admittedly to promote the success of the film Alienated inclusive of sale and distribution of

same. Indeed, defendant's article goes into detail about how the artwork is directly attributable to the **commercial** success of the film. (see Amended Complaint Exhibit A-G hereto). Thus, this factor weighs heavily in favor of plaintiff and against a finding of fair use. See *BWP Media USA, Inc. v. Gossip Cop Media, Inc.*, 2016 U.S. Dist. LEXIS 94511, *28 (S.D.N.Y. July 20, 2016). Movie posters, DVD covers, ads for financial backing for a film or attempts at securing commercial distributors are rarely the platforms for a "fair use".

Further, the Court must note the more than one dozen corporate logos accompanying the infringing image in one of the many versions of defendants' uses of plaintiff's image. See visual hereinbelow and also in Exhibit A-D hereto). It is odd to see the names of retailers and entertainment networks employed in a claim of fair use about a movie which must be *paid for* by subscription, purchase or otherwise to be viewed.

A cursory review of the corporate logos, represents to the consumer and trade public that the movie via purchase, streaming or otherwise can be "accessed" from Amazon, I Tunes, Dish Network, Verizon, Hoopla, Microsoft etc. All companies are profit making entities, and the movie is offered for no discernable educational purpose. It is a science fiction movie and with all deference to Ray Bradbury and Arthur C. Clarke, makes no pretense at being "educational" nor does it reflect any reportage of any actual newsworthy events. It is pure fiction.

ii. The Nature of the Copyrighted Work

When assessing the nature of the copyrighted work, Courts suggest a consideration of "whether the work is expressive or creative... and whether the work is published or unpublished" *Cariou v. Prince*, 714 F.3d 694, 709-710, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013). Here, plaintiff's copyrighted photograph is expressive, creative, and published, all factors which weigh

against a finding of fair use. Such creations are the very types of works that the Copyright Act was intended to protect.

iii. The Amount and Substantiality of the Portion Used in Relation to the Copyrighted Work as a Whole

In considering this Factor, the Court “considers the proportion of the original work used, and not how much of the secondary work comprises the original”. *Cariou v. Prince*, 714 F.3d 694, 710, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013). Here, the primary focal point of plaintiff’s image is Negron’s head. The remainder of the image is a dark gray background, and Negron’s torso cloaked in a black turtleneck, which blends into the dark gray background. By contrast, Negron’s head is bright, vibrant, and the key visual in plaintiff’s work; it is the most substantial aspect of plaintiff’s work. Defendant’s appropriated this substantial and core part of plaintiff’s work and employed it in their advertising and promotional materials to market their movie, “Alienated”. Indeed, defendants likewise set the image on a dark gray background. One version of defendant’s advertisements (which includes the logos for iTunes, Amazon, YouTube, Vudu, Google play, hoopla, Microsoft, Verizon Fios, Playstation, Dish Network and 10 other companies further shows Negron’s neck, as photographed by plaintiff and included in the original Subject Image.

iv. The Effect of the Use Upon The Potential Market For the Value of the Copyrighted Work

In considering this factor, the Court should assess if there is a suppression or destruction of the market for original work or its potential derivatives. *Cariou v. Prince*, 714 F.3d 694, 708, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013). Here, the market is the same, as the market for plaintiff’s photograph of Negron is fans of Negron as an actor. Likewise, the market for the movie alienated, includes the same market. Here, defendants’ unauthorized use of plaintiff’s image deprives plaintiff of his right and ability to license his image to defendant’s for said

purpose. As a professional photographer, defendant's livelihood depends on his ability to license his works. By stealing his work from him, defendants have inhibited plaintiff from taking advantage of the market to license said image for its commercial value. The defendants simply did not want to pay for a license and thus never sought to secure one though the identity of the author was known to them via Negron during his lifetime and the public record.

In *Cariou v. Prince*, the Court notes "[t]here is nothing in the record to suggest that Cariou would ever develop or license secondary uses of his work in the vein of Prince's artworks". *Id.* at 709. By contrast here, it is very reasonable to suggest that plaintiff might license secondary uses of his work for commercial purposes, such as to advertise a film. However, by appropriating his image without even asking plaintiff, defendant's deprived plaintiff of that opportunity to offer or deny such a license.

In consideration of all of the four statutory factors, the Court notes that "ultimate test of fair use... is whether the copyright law's goal of 'promoting the Progress of Science and useful Arts'... work be better served by allowing the use than by preventing it." *Id.* at 705 (quoting *Castle Rock Ent., Inc. v. Carol Publishing Group, Inc.*, 150 F.3d 132 (2d Cir. 1998)). Here defendants sought to cut corners and rather than seek permission to use another's intellectual property—from a photographer whose livelihood depends on the value, exchange and use of their intellectual property—defendants appropriated the work for their own economic gain. Such actions are directly contrary to the Progress of Science and useful Arts and such actions serve the very purpose for why Congress Enacted Section 5 [Copyright Infringement] of Title 17.

The Second Circuit warned in *Ringgold v. Black Entm't Television, Inc.* that:

"courts considering the fair use defense in the context of visual works copied or displayed in other visual works must be careful not to permit this factor too easily to tip the aggregate fair use assessment in favor of those whom the other three factors do not favor. Otherwise, a defendant who uses a creative work in a way

that does not serve any of the purposes for which the fair use defense is normally invoked and that impairs the market for licensing the work will escape liability simply by claiming only a small infringement.” 126 F.3d 70, 80 (2d Cir. 1997).

Here, defendants’ argument that the subject alleged copyright infringement is a legally transformative fair use appears to rely solely on the Second Circuit’s decision of *Cariou v. Prince*, 714 F.3d 694, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013) (“*Cariou*”). *Cariou* is offered by defendants in their moving papers because it was a complicated case with distracting and irrelevant elements which the United States Supreme Court regrettably did not get to decide owing to the well-publicized settlement. *Cariou* solely concerns individual works of *fine art*, NOT advertising, packaging, product promotion etc. Copyright law abounds with exceptions for fine art. The within case has nothing whatsoever to do with fine art; it is about getting people’s interest in the film, and finding film distributors, so as to further maximize defendant’s economic gain.

Notwithstanding these key differences, a close review of the *Cariou* decision and the works discussed within same illustrates how the subject alleged infringement is not legally transformative fair use. Defendants argue that the edits that they made to plaintiff’s image rise to a level of transformation to characterize it as fair use. However, the Court in *Cariou*, stresses that “a secondary work may modify the original without being transformative. For instance, a derivative work that merely presents the same material but in a new form, such as a book of synopses of television shows, is not transformative.”

Here, defendants have infringed upon plaintiff’s image by editing the images level of contrast and shadows without plaintiff’s license, authorization or consent. Said modifications amount to the unauthorized editing of plaintiff’s copyrighted image, and *at most*, the creation of an unauthorized derivative work, for which only plaintiff has the right to create. However, defendant’s editing of plaintiff’s work does not necessarily even amount to the creation of a

derivative work. *Lewinson v. Henry Holt & Co., LLC*, 659 F. Supp. 2d 547, 560, 2009 U.S. Dist. LEXIS 87652, *25 (S.D.N.Y. 2009) (“for a work to constitute a "derivative work" under Section 103 of the Copyright Act, "[a]ll that is needed to satisfy both the Constitution and the statute is that the 'author' contributed something more than a 'merely trivial' variation, something recognizably 'his own.'") (citing, *Weissmann v. Freeman*, 868 F.2d 1313, 1321 (2d Cir. 1989) (quoting *Alfred Bell & Co. v. Catalda Fine Arts, Inc.*, 191 F.2d 99, 102-03 (2d Cir. 1951)). *L. Batlin & Son, Inc. v. Snyder*, 536 F.2d 486, 491, 1976 U.S. App. LEXIS 11846, *15 (2d Cir. N.Y. 1976) (the reproduction of the work in a different size and medium were only trivial variations); Certainly, the editing of plaintiff’s work by defendants do not rise to the level of being legally “transformative”.

The Second Circuit made its assessment by “looking at the artworks and the photographs side by side” *Cariou v. Prince*, 714 F.3d 694, 708, 2013 U.S. App. LEXIS 8380 (2d Cir. 2013). Below on the left is Negron’s image, and on the right is one of the few versions of defendants’ uses of plaintiff’s image. Here, a side by side comparison of plaintiff’s image and defendant’s use of plaintiff’s image shows that many of the creative elements of plaintiff’s image are still intact and indeed copied. The angle at which the light hits Negron’s face is the same. Both images show the same lines on Negron’s face, around his mouth, on his cheeks, along his jaw, on his forehead, and between his eyes, which are created by the way that plaintiff angled the light to hit Negron’s face, and the angle from which he held the camera.



By contrast, defendants argue that their use of plaintiff’s image is akin to Prince’s use of Cariou’s images in Prince’s work entitled “James Brown Disco Ball”. Included herein below are Cariou’s images on the left, and Prince’s work “James Brown Disco Ball” on the right. The Court notes that in James Brown Disco Ball, Prince took headshots from Cariou’s photographs, placed them on different bodies, which he then painted and covered with objects. *Id.* At 700. The Court notes that in this work, “Cariou’s work is almost entirely obscured”. A simple review of the images side by side shows that Prince *completely covered the faces* from Cariou’s photographs, such that only part of their hair could be seen, and placed them over *other bodies*, with additional modifications to make them look *non-human*. The level of transformation is night and day when compared to the works at issue in the within case.



Indeed, it is important to note that in *Cariou v. Prince*, the Court found that there were **issues of fact** with regard to whether **five** of the 30 images were transformative fair use, and *remanded that issue back to the District Court to assess.* *Id.* at 711. A review and comparison of these five images as compared to defendants’ uses of plaintiff’s images is equally beneficial in demonstrating where defendants’ uses of plaintiff’s image falls on the scale.

The five images that the Second Circuit did NOT find to be Fair Use, and for which the Court did not give an opinion with regard to same, are entitled “Graduation”, “Meditation”,

“Charlie Company”, “Canal Zone (2007)”, and “Canal Zone (2008)”. The Court expressly notes and cautions that it does **not** suggest “that any cosmetic changes to the photographs would necessarily constitute fair use.” *Id.* at 708.

Immediately below on the left is Cariou’s image, and on the right is Prince’s use of said image in his work entitled “Graduation” [Images from the Second Circuit’s decision]. The Court notes that for Graduation, Cariou’s image is “tingled blue, and the jungle background is in softer focus than in Cariou’s original”, and that “[l]ozenges [are] painted over the subject’s eyes and mouth” to “make the subject appear anonymous, rather than as a strong individual who appears in the original”. *Id.* at 11. The image is further altered by “the enlarged hands and electric guitar that Prince pasted onto his canvas... to create the impression that the subject is not quite human” and changes the “comfort[able]” feel of Cariou’s image to the “discomfort” felt with Prince’s image. *Id.* Despite all of these changes, the Court did not find this to be a fair use. *Id.*



Next, below and to the right is an image of Prince’s “Meditation”, which is a further alteration of the same image used in “Graduation”. The Court notes that for “Meditation”, Prince “added lozenges and a guitar” to “Meditation”, just like in “Graduation”, but further *cut the subject out of its background, switching the direction he is facing, and taping that image on to a blank canvas.* *Id.*

Similarly, here, defendants cut the subject out of the background in plaintiff’s image, but did not obscure Negron’s face with “lozenges”, like Prince did in Meditation. Again, despite these changes, the Court did not find this to be a fair use. *Id.*



Immediately hereinbelow on the left is a copy of Cariou’s image of a Rastafarian, and on the right is Prince’s image entitled “Charlie Company”. *Id.* The Court notes the addition of “two copies of a seated nude woman... [which] unarguably change the tenor of the piece”, and the addition of “lozenges covering all six faces” and that it is unclear whether these alterations amount to a sufficient transformation of the original work of art such that the new work is transformative.” *Id.*



Another image that the Second Circuit did not find to be a fair use was “Canal Zone (2007), which it notes “Prince created a gridded collage using 31 different photographs of Cariou’s, many of them in whole or significant part, with alterations of some of those photographs limited to lozenges or cartoonish appendages painted or drawn on”. *Id.*

The Court further does not find a fair use with Canal Zone (2008), which “incorporates six photographs of Cariou’s in whole or in part, including the same subject as Meditation and Graduation... with lozenges and guitar, on a background comprising components of various landscape photographs, taped together”. *Id.* Said image is included for reference immediately hereinbelow.



By reviewing the above images, it is clear that defendants’ uses of plaintiff’s images is even less obscured than Prince’s use of Cariou’s images in Graduation, Meditation, Charlie Company, Canal Zone (2007), and Canal Zone (2008). The primary focal point and key aspect of plaintiff’s image is Negron’s head, which is intact and clearly displayed in defendants’ promotional and advertising materials. Unlike in the five Prince images above, where the Second Circuit *declined* to find a fair use, Negron’s face is not entirely covered by paint and objects. Rather, his facial features, and the creative elements—like the way in which plaintiff

angled the light to hit Negron's face such that the camera could capture expressive lines and shadows on Negron's face—are all clearly copied and emblazoned on defendants' advertising and marketing materials. Taylor Negron's face was simply Photoshopped in the same manner as thousands of professionally published images are Photoshopped every day, and in the same manner as millions of social media images are Photoshopped by everyone from children to senior citizens before posting same. For the many foregoing reasons, defendants' uses of plaintiff's copyright registered image are not a legally transformative fair use.

c. Defendants' Uses of Plaintiff's Copyrighted Image Are Not *De Minimus* and Thus the Action Should Not Be Dismissed.

Defendants argue that their use of plaintiff's image is *de minimus* in the context that it is so trivial that it does not rise to the level of an infringement. In support of this argument, defendants argue that in their use of plaintiff's image is “insubstantial, not clearly visible, and unrecognizably obscured by a smoky glaze, extension alterations of lighting, heavy shadows, and even major difference in facial features”. Such description and adjectives lend for a melodramatic, highly exaggerated view of reality. We are reminded of the great Groucho Marx who while playing a shady member of the bar swindling brother Chico inquired, “Who are you going to believe me or your own lying eyes”? Defendants would like the Court to believe that movie cover art, for which the very usage, design and effectiveness was promoted by the infringer as successful is now *de minimus*?

In *Ringgold v. Black Entm't Television, Inc.*, 126 F.3d 70, 1997 U.S. App. LEXIS 24443 (2d Cir. 1997), the Second Circuit reversed and remanded the District Court's granting of summary of judgment based on a finding that the use was *de minimus*. The Second Circuit addressed each of three respects for the *de minimus* argument, and under each assessment, found that the use was not *de minimus*.

In *Ringgold*, plaintiff's artwork was hung on a wall in the background for a scene in a television show episode. The artwork was at least partially visible in nine sequences, ranging in duration from 1.86 to 4.16 seconds, with an aggregate duration of 26.75 seconds. *Id.* at 73. In the longest segment, the plaintiff's artwork was "partially obscure[ed]" by the people in the foreground, "was not in perfect focus", and although an observer could detect an artwork depicting African Americans, "the lack of perfect focus preclude[d] identification of the details of the work". *Id.* at 76. Despite this, the Second Circuit found that a "visually significant aspect of the poster is discernible" and thus the use was not *de minimus*. *Id.* at 77.

By contrast, in *Sandoval v. New Line Cinema Corp.*, the Court found that images used in the background of a motion picture film for a total of 35.6 seconds were *de minimus* where the images were displayed with "poor lighting and at a great distance", "out of focus", and "not displayed with sufficient detail for the average lay observer to identify even the subject matter of the photographs". 147 F.3d 215, 218 (2d Cir. 1998). While defendants try to draw a comparison to the uses at issue in *Sandoval*, here, defendants' use of plaintiff's image is clearly front and center, in focus, and as acknowledged by defendants in their moving papers, clearly displayed with sufficient detail to identify Negron as the subject of the photograph. Not only is plaintiff's claim for copyright infringement unlike that in *Sandoval* when assessing *de minimus* use, but it is stronger than that in *Ringgold*.

Here, as set forth hereinabove, the primary and key focal point of plaintiff's image is Negron's head, which is incorporated into defendants' advertising and promotional materials. Thus a "visually significant aspect of [plaintiff's work *sic*] is discernible". *See, Ringgold v. Black Entm't Television, Inc.*, 126 F.3d 70, 77, 1997 U.S. App. LEXIS 24443 (2d Cir. 1997). Not only is plaintiff's image prominently displayed at the center of plaintiff's advertising materials,

but unlike in *Ringgold*, even the details of plaintiff's work are visible in the advertisements, such as the angle at which the light hits plaintiff's face making visible the lines between his eyes, on his jaw line, cheeks and around his mouth. Other lighting and a different camera angle and focus could intentionally fade and hide these lines from the camera's lens. Further, unlike *Ringgold*, where the artwork was only partially visible for a total 26.75 seconds from an entire television episode, here, plaintiff's image is visible on defendant's advertisements the *entire time* they are published and distributed. For the many foregoing reasons, defendants' uses of plaintiff's image are not *de minimus*.

d. There is No Implied License to Warrant Dismissal of the Action

Defendants argue that Plaintiff granted defendants a non-exclusive implied license, however such argument is wholly unsupported by law and reason. As this Court has clearly set forth, a copyright owner's grant of an assignment or *exclusive* license must be unambiguously set forth in a writing signed by the parties, clearly evincing the copyright owner's intent to enter into same. *Weinstein Co. v. Smokewood Entm't Group, LLC*, 664 F. Supp. 2d 332, 343, 2009 U.S. Dist. LEXIS 88682 (N.Y.S.D. 2009) ("*Weinstein*").

Defendants attempt to argue that there exists a non-exclusive license, completely ignoring the fact that they had **zero** communications *with plaintiff*, making such impossible.

The Second Circuit has cautioned that "implied *non-exclusive* licenses should be found 'only in narrow circumstances where one party 'created a work at [the other's] request and handed it over, intending that [the other] copy and distribute it' [emphasis added]". *Id.* at 344 citing *SmithKline Beecham Consumer Healthcare, L.P. v. Watson Pharms., Inc.* 211 F.3d 21, 25 (2d Cir. 2000) [internal citations omitted].

In *Weinstein*, the Court held that the pleadings failed to allege facts sufficient to establish the existence of a non-exclusive license. *Weinstein Co. v. Smokewood Entm't Group, LLC*, 664 F. Supp. 2d 332, 345, 2009 U.S. Dist. LEXIS 88682 (N.Y.S.D. 2009). Unlike in *Weinstein* where email correspondence existed between the parties referring to a proposed license, here, there is no such correspondence between plaintiff and defendants. Thus, the within case points *even more against* a finding for an implied license than in *Weinstein*.

Defendants' *counsel* alleges on p.5 of its Memorandum of Law that Negron provided a headshot of himself to defendant for use in the sales, marketing, and distribution of the film. Notwithstanding the assertion in the Memorandum of Law, this office has been furnished with information which appears to rebut same. Regardless, the within motion concerns the sufficiency of plaintiff's Amended Complaint. Such assertions are not alleged in plaintiff's Amended Complaint, and are rather issues of fact to be explored in discovery. Notwithstanding, even if same were to be established through discovery, such would not serve to establish an implied license.

Just like in *Weinstein* where Weinstein did not allege that it requested the creation of the movie "Push" [*Id.* at 344], here, the Amended Complaint does not allege that One Way or Another and Holt requested that Shipstad create the subject image of Negron with the intention of using those images to promote the film *Alienated*. Indeed, the image of Negron appears to have been created *before* the subject movie was created, making the hypothetical prior request impossible. Such simply did not occur and is not alleged.

Other Courts have added a requirement that after a specific request from the licensee, that the copyright holder then deliver the work directly to the licensee. *Psihoyos v. Pearson Educ.*,

Inc. 855 F. Supp. 2d 103, 121, 2012 U.S. Dist. LEXIS 27265 (2012), citing *I.A.E., Inc. v. Shaver*, 74 F.3d 678, 775 (7th Cir. 1996).

Defendants further try to argue that a license must exist for them to use the image for defendants' economic gain because otherwise the image would have no value. Such an argument is akin to saying that anyone can steal others' intellectual property that is not currently making a profit, if they steal it for the purpose of profiting from it. Such argument causes logic and the purpose and intent of the Copyright Act to stand on their head.

Further, there is no evidence, and certainly nothing alleged in the Amended Complaint to clearly and unambiguously demonstrate plaintiff's intent to grant the license to defendants, as is required for to Court to find that a non-exclusive implied license to exists. *Psihoyos v. Pearson Educ., Inc.* 855 F. Supp. 2d 103, 124, 2012 U.S. Dist. LEXIS 27265 (2012) (concluding that **“ultimately, whichever test is applied, the question comes down to whether there was a ‘meeting of the minds’** between the parties to permit the particular usage at issue” [emphasis added]) (citing *Design Options, Inc. v. BellePointe, Inc.*, 940 F. Supp. 86, 92 (S.D.N.Y. 1996) (holding that there must be evidence that ‘both parties to the transaction, not just the defendant, intended that the defendant could use or copy the plaintiff's work without liability for copyright infringement”); *Viacom Intern. Inc. v. Fanzine Intern. Inc.*, No. 98 Civ. 7448, 2000 U.S. Dist. LEXIS 19960, 2000 WL 1854903, at *3 (S.D.N.Y. July 12, 2000) (“an implied license protects he licensee only to the extent the *copyright owners intended that their copyrighted works be used in the manner in which they were eventually used*” [emphasis added])).

Defendants effectively argue that they received the image from Negrón and that Negrón had the authority to and in fact did grant a license to them. Such argument would require plaintiff to have transferred an exclusive license for the distribution of his photograph, or to have

assigned his copyrights in his image to Negron. It is well settled that under the Copyright Act, the transfer of an exclusive license, including a license to distribute a copyrighted work, or a transfer of ownership (also known as an “assignment”) must be unambiguously set forth in a writing signed by the copyright owner or his agent. 17 U.S.C. 101, 106, 204. *Weinstein Co. v. Smokewood Entm’t Group, LLC*, 664 F. Supp. 2d 332, 338, 2009 U.S. Dist. LEXIS 88682 (N.Y.S.D. 2009). Here, there is no evidence of, and plaintiff’s Amended Complaint certainly does not allege any such assignment of rights to Negron, nor any writing signed by Shipstad clearly and unequivocally granting such rights.

Rather, as alleged in the Amended Complaint, defendants used plaintiff’s copyrighted photograph of Negron without seeking or obtaining plaintiff’s license, authorization or consent, in violation of the exclusive rights granted to plaintiff under Title 17. For the above-specified reasons, no implied license exists, nor is one alleged in the Amended Complaint, from which all reasonable inferences must be drawn in favor of plaintiff for the purposes of the within motion.

V. PLAINTIFF PROPERLY ALLEGES PERSONAL LIABILITY AGAINST DEFENDANT PRINCETON HOLT

Plaintiff alleges personal liability for copyright infringement against defendant Princeton Holt. As set forth in Defendant’s moving papers, and as alleged in the Amended Complaint at ¶ 19, Princeton Holt is the Managing Member of co-defendant One Way or Another Productions, LLC. Defendant makes the blanket argument that simply because Holt is a managing member of an LLC, that he is protected from liability, regardless of that individual’s involvement in the infringement. However, such proposition is contradicted by the legal standard for personal liability for copyright infringement.

It is well settled that an individual is liable for copyright infringement when “he has the right and ability to supervise the infringing activity and also has a direct financial interest in such

activities.” *Gershwin Pub. Corp. v. Columbia Artists Management, Inc.*, 443 F.2d 1159; 1971 U.S. App. LEXIS 10051. Alternatively, “[a]n individual, including a corporate officer, director or stockholder, who causes a corporate defendant to infringe, or personally participates in the acts constituting the infringement, is jointly and severally liable for the infringement.” *Lottie Joplin Thomas Trust v. Crown Publishers, Inc.*, 456 F. Supp 531, 1977 U.S. Dist. LEXIS 15712. Further, individuals who participate in, exercise control over, or benefit from the infringement are liable as copyright infringers (*see, Peer Int’l Corp. v. Luna Records*, 887 F. Supp. 560, 1995 U.S. Dist. LEXIS 3548).

Here, plaintiff alleges, inter alia, the following with regard to Holt’s personal involvement in the alleged copyright infringement:

- that Holt consulted with an attorney with regard to securing a distribution deal for the film (Amended Complaint ¶ 43)
- that Holt obtained the artwork for the film containing the Subject Image from the film’s graphic artist Menzel (Amended Complaint ¶ 46)
- that Holt had the right and ability to supervise and did in fact supervise Menzel and her use of the Subject Image in advertising, marketing and promotional materials for the film “Alienated” (Amended Complaint ¶ 49)
- that Holt personally participated in the subject unauthorized use of the Subject Image (Amended Complaint ¶ 50);
- That Holt showed the artwork around to distribution companies, using the image to promote the movie and to secure a distribution deal (Amended Complaint ¶ 51)
- That Holt determined that the artwork containing the Subject Image was “market ready” (Amended Complaint ¶ 51)
- That Holt provided the artwork to distribution companies for their further distribution, thus contributing to the infringement and inducing the infringement of the Subject Image by the distributors (Amended Complaint ¶ 52)
- That Holt provided materials with the Subject Image to TomCat Films / Summer Hill Films, and Gravitax Ventures (Amended Complaint ¶ 53)

- That Holt had a right and ability to supervise and did in fact supervise the use and distribution of the promotion, advertising, and marketing materials displaying the Subject Image (Amended Complaint ¶ 55)

Plaintiff further annexes to the Amended Complaint three published articles published by defendants and their employees which further demonstrate Holt's hands-on involvement in the alleged copyright infringement. [Exhibits A-F, A-G, and A-H hereto]. Here, as set forth above, Holt clearly had a right and ability to supervise the infringing activity and had/has a direct financial interest in such activities. In Exhibit "A-F", Holt admits to distributing the film's artwork (containing the Subject Image) to distribution companies with the intention of securing a distribution deal for the film. Such examples demonstrate his personal participation in the unauthorized publication and distribution of the Subject Image. Even the article authored by him (Exhibit "A-F" hereto) includes an unauthorized publication of Plaintiff's image.

For the above-referenced reasons and for the other instances enumerated in the Amended Complaint and its exhibits, plaintiff states a claim for personal liability for copyright infringement against Princeton Holt.

Notwithstanding the above, as discovered by our due diligence, according to the New York State, Department of State, Division of Corporations, defendant One Way or Another Productions LLC, was not created until June 6, 2016, one month *after* plaintiff (through his counsel) notified defendant of the subject alleged infringements. [Exhibit I]. Thus, there is an issue of fact for whether limited liability protection even applies to the subject infringing acts at issue herein. This is notwithstanding defendants' general counsel's notation in her March 18, 2016 article (Exhibit "A-H", p.5) that **"if you don't have a separate business entity for your film... you will be personally liable for damages from these lawsuits"**. We agree with said statement.

VI. CONCLUSION

For the many foregoing reasons, defendants' motion to dismiss the Amended Complaint ought to be denied in its entirety. Plaintiff's Amended Complaint states claims of copyright infringement against both defendant One Way or Another Productions, LLC and Princeton Holt, and accordingly, plaintiff should be permitted his right to prosecute his claims and to proceed with discovery.

Dated: August 15, 2016

Respectfully submitted,

s/Tamara L. Fitzgerald (TL 3784)
Edward C. Greenberg, LLC
By: Tamara L. Fitzgerald (TL 3784)
570 Lexington Avenue, 19th Floor
New York, NY 10022
Tel: (212) 697-8777
Fax: (212) 697-2528