

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF NEW YORK (SYRACUSE)

JAMES BASS,

Plaintiff,

- against -

SYRACUSE UNIVERSITY

Defendant.

Case No.: 5:19-CV-566-TJM-ATB

**REPLY MEMORANDUM OF LAW IN FURTHER SUPPORT OF PLAINTIFF'S
MOTION FOR PARTIAL SUMMARY JUDGMENT ON LIABILITY AGAINST
DEFENDANT FOR COPYRIGHT INFRINGEMENT**

Plaintiff James Bass (“Plaintiff”), via counsel, respectfully submits this reply memorandum of law in further support of his motion for partial summary judgment against Defendant Syracuse University (“Defendant”) on the issue of liability for copyright infringement.

ARGUMENT

POINT I: DEFENDANT HAS FAILED TO SHOW THAT AN IMPLIED LICENSE EXISTED FOR USE OF THE PHOTOGRAPHS ON A BILLBOARD

Defendant primarily argues that the Court should imply a license with respect to Defendant’s alleged infringing conduct. Defendant contends that because Plaintiff delivered the Photographs to Defendant with the intent that they be distributed, a license must be implied with respect to any and all commercial uses, including billboards. But this overlooks Plaintiff’s sworn testimony that he only granted a limited license to Defendant for use of the Photographs on social media. [Plaintiff’s Rule 7.1 Statement (“7.1”) ¶ 5; Bass Decl. ¶ 5]

“[C]ourts have found implied licenses 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.’ ” *SmithKline Beecham Consumer Healthcare, L.P. v. Watson Pharm., Inc.*, 211 F.3d 21, 25 (2d Cir. 2000) (quoting *Effects Assocs., Inc. v. Cohen*, 908 F.2d 555, 558 (9th Cir. 1990)) (emphasis added) (alteration in original). While the Second Circuit has not yet developed a test for determining whether a copyright owner has conveyed an implied license, “our Circuit has followed the lead of other appeals courts and 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.” *Psihoyos v. Pearson Educ., Inc.*, 855 F. Supp. 2d 103, 120 (S.D.N.Y. 2012) (quoting *Weinstein Co. v. Smokewood Entm’t Grp., LLC*, 664 F.Supp.2d 332, 344 (S.D.N.Y. 2009)).

“Ultimately, . . . the question comes down to whether there was a ‘meeting of the minds’ between the parties to permit the particular usage at issue.” *Goodman v. Universal Beauty Prod. Inc.*, No. 17-CV-1716 (KBF), 2018 WL 1274855, at *3 (S.D.N.Y. Mar. 9, 2018) (citing *Ulloa v. Universal Music and Video Distrib. Corp.*, 303 F. Supp. 2d 409, 416 (S.D.N.Y. 2004)).

Goodman is instructive. There, the photographer gave permission to defendant to use a photograph solely as a headshot but remained silent with respect to other commercial uses. The court determined that the burden rested on defendant to show that the photographer had conveyed an intention to permit commercial uses beyond a headshot:

But the fact that plaintiff authorized Dahroug to use the Photograph as a headshot falls far short of suggesting an implied license for any and all commercial uses, including product packaging. But in addition, defendants have not proffered evidence of any intent on plaintiff’s part to convey a license. For instance, defendants have not proffered evidence of a discussion or communication (implicit or explicit) between plaintiff and Dahroug suggesting plaintiff intended, expected, or anticipated that he was conveying a right to reproduction in external, commercial circumstances (let alone unlimited and perpetual reproductions). Rather, the record demonstrates that, if anything, plaintiff communicated the opposite intention

Goodman, No. 17-CV-1716 (KBF), 2018 WL 1274855, at *6.

Similarly, in this case, Plaintiff limited the use of the Photographs to Defendant’s social media accounts. [7.1 ¶ 5; Bass Decl. ¶ 5] He never authorized Defendant to display the Photographs on billboards. [7.1 ¶ 5; Bass Decl. ¶ 5] The burden therefore rests on Defendant to show that Plaintiff conveyed an intention to permit commercial uses beyond social media. Defendant has failed to meet that burden and therefore summary judgment should be granted.

Further, Defendant argues that Plaintiff’s act of filing the lawsuit several months after discovering the infringement concerning the billboard, without first accusing Defendant of infringement, constitutes an implied license. This argument was also rejected by the court in *Goodman*.

Defendants also claim that plaintiff's failure to file a lawsuit for several years after discovering the infringement is evidence of an implied license, as plaintiff admits he has known about the infringement since 2014. According to defendants, this delay in bringing suit constitutes a "lack of objection" under the relaxed approach. As discussed in more detail below, Congress set a three-year statute of limitations for copyright claims; certainly, commencing a lawsuit within the limitations period does not, without more, constitute a sufficient basis for "lack of objection" to raise a triable issue as to the existence of an implied license. But in addition, a delay by plaintiff in commencing a lawsuit cannot, on its own, suggest a question of fact as to an implied license.

Goodman, No. 17-CV-1716 (KBF), 2018 WL 1274855, at *6.

In short, Defendant had failed to show that there was any "meeting of the minds" which would have permitted Defendant to use the Photographs on a commercial billboard.

Accordingly, the implied license theory should be rejected.

**POINT II: PLAINTIFF HAS MET HIS BURDEN OF SHOWING THAT
DEFENDANT'S USAGE WAS UNAUTHORIZED**

While "it is a defense to copyright infringement that the alleged infringer possessed a license to use the copyrighted work, *Graham v. James*, 144 F.3d 229, 236 (2d Cir. 1998), "[t]he burden of proving that a license exists falls on the party invoking the defense." *Associated Press v. Meltwater U.S. Holdings, Inc.*, 931 F.Supp.2d 537, 561-62 (S.D.N.Y. 2013) (Cote, J.) (citing *Graham*, 144 F.3d at 236).

It is well-established that a copyright infringement claim lies where defendant's challenged use exceeds the scope or duration of a license. *See, e.g., Microsoft Corp. v. Harmony Computers & Elecs., Inc.*, 846 F. Supp. 208, 214 (E.D.N.Y. 1994) ("plaintiff's claim that defendants exceeded the scope of its license agreements states a claim for copyright infringement rather than breach of contract"); *Marshall v. New Kids On The Block P'ship*, 780 F. Supp. 1005, 1009 (S.D.N.Y. 1991) ("Case law in this Circuit indicates that a copyright licensee can make himself a 'stranger' to the licensor by using the copyrighted material in a manner that

exceeds either the duration or the scope of the license.”); *Leutwyler v. Royal Hashemite Court of Jordan*, 184 F. Supp. 2d 303 (S.D.N.Y. 2001); *Marvullo v. Gruner & Jahr*, 105 F. Supp. 2d 225 (S.D.N.Y. 2000).

Defendant argues that the burden rests on Plaintiff to show that Defendant has exceeded the scope of the license. [Dkt. #23, p. 12 of 21] Plaintiff has met that burden on the instant motion. Plaintiff granted Defendant the right to display the Photographs on its social media accounts. [7.1, ¶¶ 5-9] But that license did not extend to use of the Photographs on a commercial billboard. [*Id.*]

Defendant is therefore liable for infringement because it exceeded the scope of the license by displaying the Photographs on unauthorized platforms, namely a billboard, without Plaintiff’s authorization. *Microsoft Corp.*, 846 F. Supp. at 214.

POINT III: THE REMAINING AFFIRMATIVE DEFENSES SHOULD BE DISMISSED

A. Failure to State a Claim Should Be Dismissed

A defense based on failure to state a claim must be directed to the pleading. *See Eclairé Advisor Ltd. v. Daewoo Engineering Co.*, 375 F.Supp.2d 257, 260 (S.D.N.Y. 2005). A complaint must plead “enough facts to state a claim to relief that is plausible on its face.” *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). “A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

Here, Plaintiff’s complaint sets forth a plausible set of facts to support each element of his copyright infringement claim. *See* Complaint, Dkt. #1, ¶¶ 7-9 (ownership and validity of copyright); ¶¶ 10-12 (Defendant’s unauthorized copying of Bass’ work for purpose of a

billboard).

Defendant argues that the pleading contains “insufficient and conflicting factual content” with respect to the scope of the license, which is the issue in dispute. However, the complaint plainly alleges that “Syracuse did not license the Photographs from Plaintiff for other uses besides social media, nor did Syracuse have Plaintiff’s permission or consent to publish the Photographs other than social media.” [Dkt. 1, ¶ 12] Accordingly, on the face of the pleading, Plaintiff has alleged facts to support a plausible inference that infringement has occurred. Accordingly, the defense of failure to state a claim should be dismissed.

B. The Defense of Waiver Should Be Dismissed

As to the defense of waiver, “[w]aiver is the voluntary or intentional relinquishment of a known right, or intentional conduct inconsistent with claiming such a right.” *Torain v. Clear Channel Broad., Inc.*, 651 F. Supp. 2d 125, 145 (S.D.N.Y. 2009). Accordingly, “[i]ntent is the key element in establishing waiver.” *Id.* at 146 (citation omitted). Waiver is an affirmative defense. Fed.R.Civ.P. 8(c)(1).

Here, no reasonable trier of fact can conclude that Bass manifested an intent to intentionally and knowingly relinquish his copyright to the Photographs. Without citing any caselaw authority, Defendant argues that the Court may imply a waiver through Plaintiff’s conduct. Defendant argues that because Plaintiff was aware of the Defendant’s infringement several months before filing suit, he should be deemed to have waived his rights to claim infringement. There is no legal basis for these arguments. As noted, “[w]aiver is the voluntary or intentional relinquishment of a known right, or intentional conduct inconsistent with claiming such a right.” *Torain*, 651 F. Supp. 2d at 145). Because Defendant has failed to raise a question of fact as to Bass’ intent to knowingly waive his rights, the waiver defense fails as a matter of

law.

C. The Defense of Equitable Estoppel Should Be Dismissed

As to the defense of equitable estoppel, Defendant is required to show “(1) an act constituting a concealment of facts or a false misrepresentation; (2) an intention or expectation that such acts will be relied upon; (3) actual or constructive knowledge of the true facts by the wrongdoer; (4) reliance upon the misrepresentations which causes the innocent party to change its position to its substantial detriment.” *Patriarch Partners VIII, LLC*, 842 F.Supp.2d 682, 713 (S.D.N.Y. 2012).

Defendant argues that it relied on Plaintiff’s silence regarding use of the Photographs on a commercial billboard. However, Defendant has failed to show reliance on any *affirmative* conduct or statement, i.e., “an act constituting a concealment of facts or a false misrepresentation” to support a defense of equitable estoppel. Because there is no evidence whatsoever to support the elements of Defendant’s estoppel defense, this defense should be dismissed as a matter of law.

D. The Defense of Ratification Should Be Dismissed

“Ratification has three conjunctive elements: (1) acceptance by the principal of the benefits of the transaction (2) with full knowledge of the relevant facts (3) under circumstances indicating an intention to adopt the unauthorized acts.” *Monarch Ins. Co. v. Insurance Corp. of Ireland*, 835 F.2d 32, 36 (2d Cir.1987).

Here, Defendant claims that because Plaintiff did not accuse Defendant of infringing his copyrights in November 2018, when he first became aware of the billboards, that he must have therefore ratified the infringing conduct. Defendant has not cited any caselaw in the context of copyright law and instead relies on cases dealing with a bank’s failure to repudiate an

unauthorized transaction. Such cases are inapposite. The Copyright Act provides that a copyright holder may sue within three years after his cause of action accrued. 17 U.S.C. 507. Simply because Plaintiff waited a few months after discovering the infringement to obtain counsel does not mean he ratified the Defendant's infringement.

In short, there is no evidence that Bass ratified Defendant's unlawful conduct as there is no evidence to suggest that Bass manifested an intent to adopt Defendant's unauthorized use of the Photographs on a commercial billboard.

CONCLUSION

For the foregoing reasons, and those set forth in Plaintiff's principal brief, Plaintiff James Bass' respectfully requests that his motion for partial summary judgment on liability against Defendant Syracuse University should be GRANTED.

Respectfully Submitted,

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