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16 **UNITED STATES DISTRICT COURT**
17 **SOUTHERN DISTRICT OF CALIFORNIA**

18 **DR. SEUSS ENTERPRISES, L.P.,**

19 Plaintiff,

20 v.

21 **COMICMIX LLC; GLENN**
22 **HAUMAN; DAVID JERROLD**
23 **FRIEDMAN a/k/a DAVID**
24 **GERROLD; and TY**
25 **TEMPLETON,**

26 Defendants.

Case No.: 3:16-cv-02779-JLS (BGS)

**DEFENDANTS' OPPOSITION TO
PLAINTIFF'S RENEWED MOTION
FOR SUMMARY JUDGMENT;
REQUEST FOR RELIEF PURSUANT
TO FED. R. CIV. P. 56(f)(1)**

Honorable Janis L. Sammartino

Hearing: June 10, 2021, 1:30 p.m.
Courtroom: 4D

1 **I. Introduction.**

2 Defendants ComicMix LLC, Glenn Hauman, David Gerrold, and Ty
3 Templeton (“Defendants”) oppose Plaintiff Dr. Seuss Enterprises, L.P.’s (“DSE”) renewed motion for summary judgment on three of its copyright infringement
4 claims, which further requests a finding of willfulness and \$225,000 in enhanced
5 damages. ECF No. 175. DSE fails to establish that it is entitled to judgment on any
6 issue or claim, as material questions of fact remain as to the extent of infringement,
7 if any, and the scope of relief available.

9 Deciding any aspect of DSE’s motion would be premature because viable
10 defenses are unresolved. The Ninth Circuit’s *Unicolors* decision makes the validity
11 of two of DSE’s copyright registrations a live issue that requires a referral to the
12 Copyright Office. ECF No. 177. DSE does not establish that the use of copyright-
13 protected material was greater than *de minimis* from each Dr. Seuss book. *See id.* p.
14 19. DSE also cannot establish willful infringement to justify enhanced damages
15 because the evidence shows that Defendants sought to employ fair use, not to
16 infringe. The Court should grant Defendants summary judgment pursuant to Rule
17 56(f)(1) and find that they did not infringe willfully, and that any infringement was
18 innocent and subject to at most minimal damages.

19 **II. Procedural History.**

20 DSE alleged that Defendants’ unpublished 2016 book *Oh, the Places You’ll*
21 *Boldly Go!* (“*Boldly*”) infringed its copyrights in Dr. Seuss books including *Oh, the*
22 *Places You’ll Go!* (“*Go!*”), *The Sneetches and Other Stories* (“*Sneetches*”) and *How*
23 *the Grinch Stole Christmas* (“*Grinch*”), and certain alleged trademarks. ECF Nos.
24 1, 39. This Court granted summary judgment to Defendants on all claims. ECF No.
25 149. The Ninth Circuit affirmed the judgment on the trademark claims, but reversed
26 and remanded the grant of summary judgment as to copyright fair use. *Dr. Seuss*
27 *Enters., L.P. v. ComicMix LLC*, 983 F.3d 443 (9th Cir. 2020) (“Opinion”).
28

On remand, Defendants renew their request to refer the questions of invalidity for *Go!* and *Grinch* to the Register of Copyrights. ECF No. 177. DSE again moves for summary judgment of willful infringement of *Go!*, *Grinch*, and *Sneetches*, and requests enhanced damages of \$75,000 per work. ECF No. 175.

III. Legal Standard.

“The court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). A “material fact” is one that might affect the outcome of the case. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). “A genuine dispute of a material fact is ‘one that could reasonably be resolved in favor of either party.’” *Folkens v. Wyland Worldwide, LLC*, 882 F.3d 768, 773 (9th Cir. 2018) (quoting *Ellison v. Robertson*, 357 F.3d 1072, 1075 (9th Cir. 2004)). “In addition to the defense of a genuine dispute of material fact, to successfully resist summary judgment, there must be at least one viable theory of law under the asserted facts that would, if true, entitle the opponent of the motion to judgment as a matter of law.” *Arney v. United States*, 479 F.2d 653, 661 (9th Cir. 1973).

The Court is “required to view the facts and draw reasonable inferences in the light most favorable to the [nonmoving] party.” *Scott v. Harris*, 550 U.S. 372, 378 (2007). The Court may not weight evidence or make credibility determinations, which are “jury functions, not those of a judge.” *Anderson*, 477 U.S. at 255.

IV. Argument.

Beyond fair use, Defendants’ pleaded defenses to the copyright infringement claims include invalidity as to *Go!* and *Sneetches*, and *de minimis* use as to *Sneetches* and *Grinch*. ECF No. 53 pp. 16 & 19-31 (Twelfth, Sixteenth, Nineteenth, and Twenty-Second Affirmative Defenses). Evidence supporting the well-founded defenses requires that DSE’s renewed motion for summary judgment be denied. DSE fails to show willful infringement. Its showing instead supports the Court

1 finding that any infringement was not willful but innocent and entering summary
 2 judgment for Defendants on that issue. DSE has no actual damages and it is entitled
 3 to at most the minimum statutory damages available.

4 **A. The copyright registration validity issue must be fully resolved before**
 5 **any determination of liability as to *Go!* and *Sneetches*.**

6 Valid registration is a threshold issue. 17 U.S.C. § 411(a). “[T]he Copyright
 7 Act expressly prohibits copyright owners from bringing infringement actions
 8 without first properly registering their work.” *Unicolors, Inc. v. H&M Hennes &*
 9 *Mauritz, L.P.*, 959 F.3d 1194, 1197 (9th Cir. 2020). And “courts may not consider
 10 in the first instance whether the Register of Copyrights would have refused
 11 registration due to the inclusion of known inaccuracies in a registration
 12 application.” *Id.* This Court decided the materiality of the inaccuracies in the *Go!*
 13 and *Sneetches* registrations without referring the question to the Register. ECF No.
 14 88. Under *Unicolors*, the Court must solicit and consider the Register’s opinion as a
 15 basis for a new determination on validity before deciding the infringement claims.

16 A copyright registration can raise at most a presumption of validity, which is
 17 “not tantamount to holding that [the plaintiff] in fact owns a valid copyright.”
 18 *United Fabrics Int’l, Inc. v. C&J Wear, Inc.*, 630 F.3d 1255, 1258 (9th Cir. 2011).
 19 “To rebut the presumption, an infringer must simply offer some evidence or proof
 20 to dispute or deny the plaintiff’s prima facie case of infringement.” *Id.* at 1257; *see*
 21 ECF No. 107-1 p. 17. Defendants have presented substantial evidence rebutting that
 22 presumption, namely the facial, apparently fatal mistakes in the *Sneetches* and *Go!*
 23 registration certificates. *See* ECF Nos. 57-1, 177.

24 After the Court denied Defendants’ motion for referral, they did not waive or
 25 abandon the issue by not raising it again at the summary judgment stage. “Given
 26 the churning of the law” in the Ninth Circuit before the *Unicolors* decision,
 27 Defendants had not “slept on their rights.” *Golden Gate Hotel Ass’n v. City &*
 28

1 *County of San Francisco*, 18 F.3d 1482, 1487 (9th Cir. 1994) (vacating order
2 striking a defense that new Ninth Circuit precedent had made viable).

3 DSE concedes that the registration issue was not taken up on appeal. Fair use
4 was “the only copyright-related question before the Ninth Circuit.” ECF No. 175-1
5 p. 11. DSE contends that “Defendants did not appeal from that decision [denying
6 the referral to the Register of Copyrights] and cannot attack the validity of DSE’s
7 copyrights at the remand stage.” *Id.* p. 15 (citing *In re Cellular 101, Inc.*, 539 F.3d
8 1150, 1155 (9th Cir. 2008)). But *In re Cellular 101* is inapposite, as it concerned a
9 defense that was not raised in an answer to the complaint, or in the lower courts, or
10 in an earlier appeal, when no intervening change in law was claimed. *Id.* at 1155.
11 Here, Defendants undeniably raised invalidity in their answer and motion for
12 referral. And though that motion was denied, the *Unicolors* decision restored the
13 defense to viability after the appeal was briefed and argued.

14 Referral is both mandatory and ripe. DSE has not shown that, if the
15 Copyright Office had known that *Go!* and *Sneetches* incorporated previously
16 published work, it would have issued registrations despite the nondisclosure. The
17 question must be put to the Register of Copyrights. Under *Unicolors*, until she is
18 heard from, no reasonable trier of fact can decide the validity of registration and the
19 merits of the *Go!* and *Sneetches* claims cannot be resolved. Therefore DSE’s
20 motion for summary judgment must be denied.

21 **B. The *de minimis* defense must be fully resolved before any**
22 **determination of liability as to *Sneetches* and *Grinch*.**

23 DSE claims that “Defendants have not contested the substantial similarity
24 between *Boldly* and the DSE Works,” namely *Go!*, *Sneetches*, and *Grinch*. ECF No.
25 175-1 p. 9. To the contrary, Defendants have consistently contended that *Boldly*
26 makes no more than *de minimis* use of *Sneetches* and *Grinch*, using only the
27 discrete elements that Defendants considered necessary to make their mashed-up
28 references explicit. DSE fails to show that *Boldly* is substantially similar to each

1 work, as required to make out its affirmative case. *See id.* p. 15. It argues only that
 2 *Boldly* is substantially similar to “elements of the DSE Works” as a group, not each
 3 book individually. *Id.* The Ninth Circuit found that *Boldly* copied aspects of “14 of
 4 *Go!*’s 24 pages.” Opinion p. 20. But its use of any other Dr. Seuss work was *de*
 5 *minimis*. And as DSE recognizes, fair use was “the only copyright-related question
 6 before the Ninth Circuit.” ECF No. 175-1 p. 11. The Ninth Circuit did not dispose
 7 of the *de minimis* defense or even mention it. It remains subject for consideration.
 8 And DSE fails to prove that *Boldly* made substantial enough use of *Sneetches* or
 9 *Grinch*’s copyright-protected elements to amount to infringement.

10 “For an unauthorized use of a copyrighted work to be actionable, the use
 11 must be significant enough to constitute infringement.” *Newton v. Diamond*, 388
 12 F.3d 1189, 1192-93 (9th Cir. 2003). “This means that even where the fact of
 13 copying is conceded, no legal consequences will follow from that fact unless the
 14 copying is substantial.” *Id.* at 1193. “In other words, to establish its infringement
 15 claim, Plaintiff must show that the copying was greater than *de minimis*.” *VMG*
 16 *Salsoul, LLC v. Ciccone*, 824 F.3d 871, 877 (9th Cir. 2016). *See also Google LLC*
 17 *v. Oracle Am., Inc.*, No. 18-956, slip op. at 28-29 (Apr. 5, 2021) (“If a defendant
 18 had copied one sentence in a novel, that copying may well be insubstantial.”).

19 *Boldly* employs elements of only two illustrations from *Sneetches* and one
 20 from *Grinch*, each in significantly different form. ECF No. 115-2 at 303:22-306:22;
 21 *see* ECF No. 39 pp. 14-16. It does not copy any text from either book.

22 These takings are quantitatively insignificant. *Sneetches* and *Grinch* include
 23 33 illustrations apiece, counting their covers. ECF No. 69 p. 16; *see* ECF No. 107-
 24 22 Ex. 10. Thus, *Boldly* adapts visual aspects from 2 of 33 *Sneetches* illustrations,
 25 or 6%, and 1 of 33 *Grinch* illustrations, or 3%. DSE is estopped from arguing that
 26 takings to that extent are substantial, based on the contrary positions it took against
 27 Defendants’ motion for a referral to the Register of Copyrights. According to DSE,
 28

1 some 22 lines out of 245 in *Sneetches*, or 9%, were drawn in some measure from
 2 previously published works; and according to DSE, that was not substantial enough
 3 to require mention to the Copyright Office. ECF No. 69 p. 16. Agreeing, the Court
 4 found it “evident that the amount of lines used in [*Sneetches*] is not significant.”
 5 ECF No. 88 pp. 7-8. If 9% was not a substantial use of previously published
 6 material, then 6% and 3% cannot be.

7 *Boldly*’s use of *Sneetches* and *Grinch* elements is also qualitatively
 8 insubstantial, because those elements were not particularly significant to the Dr.
 9 Seuss books. “Quantitatively insignificant infringement may be substantial only if
 10 the material is qualitatively important to plaintiff’s work.” *Apple Computer, Inc. v.*
 11 *Microsoft Corp.*, 821 F. Supp. 616, 624 (N.D. Cal. 1993). *Boldly* includes no Dr.
 12 Seuss characters: no *Sneetches*, *Zax*, or *Whos*, and no *Grinch*. It also does not
 13 include, use, or allude to the plots, storylines, dialogues, monologues, or narration
 14 found in *Sneetches* or *Grinch*. DSE seemed to acknowledge the point, as it alleged
 15 that *Boldly* “misappropriates” the title and “story arc” of *Go!*, but not of *Sneetches*
 16 or *Grinch*. ECF No. 39 ¶ 35. For example, the MacGuffin of the title story in
 17 *Sneetches* is a Star-On Machine that places star-shaped status symbols on the
 18 *Sneetches*’ bellies, a function that the Ninth Circuit called the book’s “heart” and
 19 “expressive core,” central to its plot, character and moral. Opinion p. 23. *Boldly*
 20 depicts the machine shorn of that role, “repurposed to remind you of the
 21 transporter in *Star Trek*.” *Id.* The characters bear delta-like Starfleet insignia, not
 22 star symbols. *Boldly* strips the machine of its central purpose and uses only its
 23 appearance. Moreover, seven “different iterations of the machine appear in ten” of
 24 *Sneetches*’ pages. *Id.* The particular view of the machine that *Boldly* repurposed
 25 appears no more significant to the story in *Sneetches* than the others. ECF No. 107-
 26 22 Ex. 11 pp. 302-06, 309-10.

1 Likewise, the Zax faceoff repurposed in *Boldly* was one of only four views of
 2 the same faceoff in *Sneetches*, and not the one that Dr. Seuss treated as more
 3 substantial by reproducing it on the title page.¹ *Id.* pp. 298, 312-15; Opinion p. 18.
 4 And *Boldly* draws from the layout of a *Grinch* illustration depicting the Whos in
 5 Whoville enjoying Christmas, which is just one of six such illustrations in *Grinch*,
 6 no more important than the other five—and not one of the two featured on *Grinch*'s
 7 first and last pages. ECF No. 107-22 Ex. 10 pp. 268, 271-73, 290, 293; ECF No.
 8 107-23 at 137:1-138:18; see Opinion p. 17.

9 DSE has not shown that *Boldly*'s limited, fragmented use of *Sneetches* and
 10 *Grinch* would have even a *de minimis* effect on their sales. DSE offers no evidence
 11 that the few illustrations employed drive any purchasing decisions. See *Hustler*
 12 *Mag. v. Moral Majority, Inc.*, 796 F.2d 1148, 1156 (9th Cir. 1986) (“the effect on
 13 the marketability of back issues of the entire magazine is *de minimis* because [the
 14 amount used] is only one page of a publication which would be purchased for ‘its
 15 other attractions’”). At summary judgment, DSE argued that “discovery has shown
 16 that *Boldly* is likely to supplant the market for *Go!* as well as its derivatives”—not
 17 for *Grinch* or *Sneetches*. ECF No. 107-1 p. 20; *accord* pp. 27-29. The Ninth Circuit
 18 also saw potential market consequences only for *Go!* derivatives: “Works like
 19 *Boldly* would curtail *Go!*'s potential market for derivative works.” Opinion p. 28.

20 The Court may find *de minimis* use at the summary judgment stage. See
 21 *Newton*, 388 F.3d 1189; *VMG*, 824 F.3d 871. If the Court does not so find, then
 22 summary judgment should still be denied. Typically, “[w]hether Defendants’ use is
 23 considered *de minimis* is a question of fact for the jury.” *Lanard Toys v. Anker Play*

24
 25 ¹ The Zax faceoff repurposed in *Boldly* was itself a derivative work, based on an
 26 earlier published story that went undisclosed when the copyright for *Sneetches* was
 27 registered and renewed. ECF Nos. 69-2, 69-3 p. 28, 69-6 p. 5. DSE also failed to
 28 inform the Copyright Office that the story has entered the public domain. ECF No.
 120 pp. 8-9. The Register of Copyrights must address the dubious validity of the
Sneetches registration before the Court can properly measure the *de minimis* issue.

1 *Prods.*, No. 19-4350-RSWL-AFMx, 2020 U.S. Dist. LEXIS 221783, *67 (C.D.
 2 Cal. Nov. 12, 2020). The factfinder must determine whether the substantiality of the
 3 few uses of *Sneetches* and *Grinch* in *Boldly* exceed the *de minimis* threshold.

4 **C. The Court should not reach damages at this stage, but if it does, the**
 5 **evidence supports a finding of not willful but innocent infringement.**

6 The case cannot proceed to judgment until all defenses are resolved. Each
 7 work allegedly infringed is subject to a viable defense, so assessing damages as to
 8 any work would be premature. The Court should not reach damages at this stage.

9 Any judgment assessing statutory damages beyond the statutory minimum
 10 would be not just premature but unconstitutional. *Feltner v. Columbia Pictures TV*,
 11 523 U.S. 340, 355 (1998). “[T]here is no right to a jury trial when a judge awards
 12 the minimum statutory damages.” *Reed v. Ezelle Inv. Props.*, 353 F. Supp. 3d
 13 1025, 1027 n. 4 (D. Or. 2018) (*quoting GoPets Ltd. v. Hise*, 657 F.3d 1024, 1034
 14 (9th Cir. 2011)). DSE seeks an award that is 100 times greater than the statutory
 15 minimum of \$750 per infringed work and 375 times greater than the minimum for
 16 works innocently infringed. 17 U.S.C. § 504(c)(2). DSE demanded a jury trial “on
 17 all issues and claims so triable.” ECF No. 39 at 30. Defendants are entitled to rely
 18 on that demand. *Fuller v. City of Oakland*, 47 F.3d 1522, 1530-31 (9th Cir. 1995).

19 Further, DSE’s claim for enhanced damages based on “willful infringement”
 20 is not supported by the evidence and must be denied. If the Court reaches the issue,
 21 it should grant summary judgment for Defendants pursuant to Rule 56(f)(1), find
 22 that any infringement was not willful but innocent, and award no more than the
 23 \$750 per work, or \$200 per work innocently infringed. 17 U.S.C. § 504(c)(2).

24 **a. Defendants did not commit willful infringement.**

25 DSE fails to meet the plaintiff’s burden to prove willful infringement. 17
 26 U.S.C. § 504(c)(2); H.R. Rep. No. 1476, 94th Cong., 2d Sess. 163 (1976) (“the
 27 burden of proving willfulness rests on the copyright owner”). DSE still “mistakes
 28 Defendants’ intentional use of DSE works with willful infringement, though

1 Defendants acted on a well-founded, good-faith belief that *Boldly* is fair use.” ECF
2 No. 120 p. 2.

3 Willfulness may be found when “there can be no argument that defendants
4 believed that their use was privileged in any way.” *Getaped.com, Inc. v. Cangemi*,
5 188 F. Supp. 2d 398, 403 (S.D.N.Y. 2002). That is not the case here. Defendants
6 who believe their work is a fair use are not willful infringers unless “the copyright
7 law supported the plaintiffs’ position so clearly that the defendants must be deemed
8 as a matter of law to have exhibited a reckless disregard of the plaintiffs’ property
9 rights.” *Princeton Univ. Press v. Mich. Document Servs.*, 99 F.3d 1381, 1392 (6th
10 Cir. 1996).

11 Copyright precedent did not clearly support DSE’s position when Defendants
12 conceived and developed *Boldly* in 2016. To the contrary, as the Ninth Circuit had
13 recently acknowledged, the fair use factors are “porous,” and other courts
14 sometimes “threw up their hands because the doctrine is ‘so flexible as virtually to
15 defy definition.’” *Monge v. Maya Magazines, Inc.*, 688 F.3d 1164, 1171 (9th Cir.
16 2012) (*quoting Princeton*, 99 F.3d at 1392). No court had considered how fair use
17 applies to a mash-up before DSE filed suit. And at first measure, the Court found a
18 “near-perfect balancing of the factors,” in which “‘the most important factors’
19 ...stand in equipoise” and, “although it would appear that the purposes of copyright
20 favor Defendants, that determination is also a close and unsettled call.” ECF No. 38
21 p. 13. After discovery, the Court granted summary judgment on the fair use
22 defense. ECF No. 149. The Ninth Circuit’s different view in 2020 did not convert
23 Defendants’ good-faith intentions in 2016 into willful infringement, willful
24 blindness, or reckless disregard.

25 Defendants believed in good faith, at all material times, that their use of any
26 DSE copyright would be a fair use. Their “internal communications during the
27 production of [the allegedly infringing book] clearly demonstrate their belief” that
28

1 their work would not constitute infringement. *Schiffer Publ'g Ltd, v. Chronicle*
 2 *Books, LLC*, No. 03-4962, 2005 U.S. Dist. LEXIS 416, *18 (E.D. Pa. Jan. 11, 2005)
 3 (finding no willful infringement). They first formulated the mash-up concept of
 4 *Boldly* when Hauman said, “If we’re parodying TWO things (Pat the Bunny and
 5 Trek) we’re on safer ground, I think.” ECF No. 107-30. Though phrased in terms of
 6 “parody,” Hauman was anticipating how fair use might apply to mash-ups. He said
 7 he was “slightly concerned, although we’re pretty well protected by parody. (Of
 8 course, IANAI, but I feel pretty secure on the point. It helps that we’re using Trek
 9 to parody Seuss and Seuss to parody Trek.)” ECF No. 107-22 Ex. 18 p. 2. As the
 10 Ninth Circuit has now held, “mash-ups can be fair use.” Opinion p. 12.

11 Discussing the earlier DSE lawsuit *Dr. Seuss Enterprises, L.P. v. Penguin*
 12 *Books USA, Inc.*, 109 F.3d 1394 (9th Cir. 1997), Hauman further noted that the case
 13 had “helped define the distinction between parody and satire,” while adding,
 14 “Luckily, we come down well on the side of parody here.” *Id.* Again referencing
 15 *Penguin*, he said: “this is a parody of [DSE’s] work, which legally allows for reuse,
 16 vs. satire, which doesn’t. Ironically it was a Seuss lawsuit that helped define the
 17 legal distinction.” ECF No. 107-43 p. 2. DSE calls Hauman’s knowledge of
 18 *Penguin* “convincing” evidence of willful blindness. ECF No. 175-1 p. 21. But
 19 evidence that defendants know of third-party infringers like Penguin “does not
 20 show that the [defendants] understood their own actions to be culpable.”
 21 *RCA/Ariola, Int’l, Inc. v. Thomas & Graystron Co.*, 845 F.2d 773, 779 (8th Cir.
 22 1988) (affirming finding that infringements were not willful). When infringement
 23 depends on unsettled questions of law, summary judgment on willfulness is not
 24 proper. *See id.* (citing *Hearst Corp. v. Stark*, 639 F. Supp. 970, 980 (N.D. Cal.
 25 1986)). And reliance on legal precedent, even erroneously, can negate a finding of
 26 willfulness. In *Schiffer*, during a book’s pre-production review, a non-attorney cited
 27 *Bridgeman Art Library Ltd. v. Corel Corp.*, 25 F. Supp. 2d 421 (S.D.N.Y. 1998), as
 28

1 support for her belief that the plaintiffs' works were not copyrightable: "'there is no
 2 © in the photography of a flat piece (ruling against Bridgheman [sic] in 2000) as
 3 there is no creativity in it so we are OK on that score.'" 2005 U.S. Dist. LEXIS 416,
 4 *18. The *Schiffer* court found her belief supported a finding that the infringement
 5 was not willful, *id.*, although it had found the defendants' reliance on *Bridgeman*
 6 was "misplaced." *Id.*, 2004 U.S. Dist. LEXIS 23052, *26 (E. D. Pa. Nov. 12, 2004).
 7 Similarly, Hauman's discussion of *Penguin* evidences good-faith belief in fair use.

8 Hauman's public position was consistent. He told a ThinkGeek buyer who
 9 asked if the work was licensed, "No license, this is straight parody fair use of both
 10 Seuss and Trek." ECF No. 107-42 p. 2. The Kickstarter campaign page called
 11 *Boldly* "a parody mash-up." ECF No. 107-50 p. 3. It noted that some might
 12 disagree: "While we firmly believe that our parody, created with love and affection,
 13 fully falls within the boundary of fair use, there may be some people who believe
 14 that this might be in violation of their intellectual property rights." *Id.* p. 6.
 15 Foreseeing DSE's standard anti-fair use stance did not make the Defendants' belief
 16 in fair use reckless or willful. Awareness of "risk" does not suffice. A court's
 17 finding "that the defendants knew or should have known that they were not certain
 18 about whether title was clear" is consistent with negligence, not willfulness.
 19 *Grateful Dead Prods. v. Auditory Odyssey*, No. 94-56258, 1996 U.S. App. LEXIS
 20 1626, *4-5 (9th Cir. Jan. 18, 1996). Mere negligence is not willfulness. *Erickson*
 21 *Prods. v. Kast*, 921 F.3d 822, 833 (9th Cir. 2019).

22 Their good faith was reasonably based on decades in the publishing industry
 23 and work on other fair use parodies and mashups. Gerrold had written a Sherlock
 24 Holmes/Oscar Wilde mashup story and *A Doctor for the Enterprise*, a Dr. Who/Star
 25 Trek mashup comic. ECF No. 107-22 Ex. 18 p. 2, ECF No. 107-24 at 27:24-30:8,
 26 ECF No. 107-25 at 68:16-69:4. Templeton had worked on many fair use parodies,
 27 including at *Mad* and *National Lampoon*, and was "familiar with parody culture" in
 28

1 such works as *Bored of the Rings*, *Goodnight Keith Moon*, and *Goodnight Batcave*.
 2 ECF No. 107-23 at 111:19-115:2, 121:16-122:8, 180:11-184:10, 222:9-225:10. As
 3 he put it, it is “a commonality in parody publishing that you try to match the thing
 4 you are parodying.” *Id.* at 123:22-124:11, 131:4-6, 184:11-15. Their reliance on
 5 their extensive experience was reasonable, not reckless or blind.

6 DSE argues that Defendants either ignored its cease-and-desist letters or
 7 failed to consult a lawyer in response. ECF No. 175-1 pp. 18-20. The evidence
 8 shows that Defendants promptly engaged counsel and responded. The day that DSE
 9 sent the first cease-and-desist letter, Hauman told Templeton, “The mistake that the
 10 C&D makes is that they think we’re not parodying Seuss, when we very
 11 specifically are. ... We’re obviously commenting on Dr. Seuss.” ECF No. 107-64.
 12 He concluded that DSE had no basis to oppose a book it had not read, while it was
 13 still being drafted, so the letter was “running a bluff.” *Id.* Yet the same day,
 14 Hauman forwarded the letter to Andrews McMeel Publishing, which had agreed to
 15 print and distribute *Boldly*, precipitating AMP’s withdrawal. ECF Nos. 107-56,
 16 107-63, 107-60, 107-68 p. 2. Within a month of that first letter, Hauman also
 17 consulted a free-speech attorney in California who opined that *Boldly* would be
 18 protected by fair use, Defendants’ lead counsel sent DSE a letter offering the same
 19 opinion, and Hauman told Kickstarter of his “good faith belief” that the project had
 20 been “misidentified as infringing.” ECF Nos. 107-68, 107-69, 120 p. 10. A month
 21 was a reasonable time to respond. *See United Fabrics Int’l, Inc. v. G-III Apparel*
 22 *Grp., Ltd.*, Case No. CV13-00803-ODW, 2013 U.S. Dist. LEXIS 180839, *16
 23 (C.D. Cal. Dec. 27, 2013) (“a jury could find that three months was a reasonable
 24 time for Defendants to investigate the infringement claims”); *cf. Guess?, Inc. v.*
 25 *Tres Hermanos*, 993 F. Supp. 1277, 1286 (C.D. Cal. 1997) (“The nine month delay
 26 from the cease-and-desist letter to the filing of suit is a reasonable time for Plaintiff
 27 to have allowed Defendants to respond to its request and pursue settlement
 28

avenues.”). And a determination that use is not infringing, even if inaccurate, “does not necessarily constitute knowing or reckless copyright infringement.”

Shapkin/Crossroads Prods. v. Legacy Home Video, No. 96-55650, 1997 U.S. App. LEXIS 23175, *9 (9th Cir. Aug. 29, 1997).

DSE’s arguments about its cease-and-desist letters fail to show willfulness, given Defendants’ good-faith beliefs. “[A] party accused of infringement, who reasonably and in good faith believes the contrary, is not willful.” *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 695 F.3d 946, 956 n. 4 (9th Cir. 2012) (quoting 3 Nimmer on Copyright § 12.06[B][5]), *rev’d on other grounds*, 572 U.S. 663 (2014). Accordingly, “[c]ontinued use of a work even after one has been notified of his or her alleged infringement does not constitute willfulness so long as one believes reasonably, and in good faith, that he or she is not infringing.” *Evergreen Safety Council v. RSA Network Inc.*, 697 F.3d 1221, 1228 (9th Cir. 2012) (citing *Princeton Univ. Press*, 99 F.3d at 1381). DSE cites no court holding that a finding of non-willfulness is unavailable to parties who act without conferring with counsel. *See Henley v. Devore*, 733 F. Supp. 2d 1144, 1166 (C.D. Cal. 2010) (denying fair use defense while “declin[ing] to hold that an infringer must, as a matter of law, consult an attorney or investigate complicated fair use doctrine to avoid a finding of willfulness”). Even if it perhaps “showed poor judgment in moving forward ... without seeking legal advice ... the record on summary judgment does not support a finding of willfulness.” *Idearc Media Corp. v. Northwest Directories, Inc.*, 623 F. Supp. 2d 1223, 1233 (D. Or. 2008). “Defendants’ behavior after receiving notice of plaintiffs’ claims of copyright infringement did not rise to the level of reckless disregard – one who, after receiving notice of a possible infringement either ‘sneers in the face of the copyright owner’ or ‘hides its head in the sand like an ostrich.’” *Schiffer*, 2004 U.S. Dist. LEXIS 23052, *20-21 (quoting *Video Views v. Studio 21*, 925 F.2d 1010, 1021 (7th Cir. 1991)).

1 “The fact that *Boldly* was never published” is compelling evidence that
 2 Defendants are not willful infringers. ECF No. 175-1 p. 26. They pledged not to
 3 publish or sell it “unless and until they should be prevail in this action.” ECF No.
 4 53 p. 15. They kept true to their word even after they were cleared of all claims,
 5 forgoing reliance on this Court’s fair use finding for nearly two years over the
 6 course of the appeal. Their fastidious good faith was the opposite of recklessness.
 7 *Cf. Zomba Enters. v. Panorama Records, Inc.*, 491 F.3d 574, 584-85 (6th Cir. 2007)
 8 (affirming willfulness finding; defendant “exhibited a reckless disregard” for
 9 plaintiff’s rights by selling infringing works in reliance on a claim of fair use after
 10 the court entered a consent order forbidding further sales).

11 If any dispute of fact remains as to whether any infringement was willful, the
 12 issue cannot be disposed by summary judgment. When the “salient issue [is]
 13 whether Defendants had a reasonable, good faith belief that their conduct did not
 14 infringe Plaintiff’s copyrights. ... Questions of ‘good faith’ and ‘reasonableness’
 15 generally are reserved for the jury.” *Clinton v. Adams*, Case No. CV 10-9746
 16 ODW, 2012 U.S. Dist. LEXIS 196209, *11-12 (C.D. Cal. May 7, 2012), *rev’d in*
 17 *part on other grounds*, 555 Fed. Appx. 737 (9th Cir. 2014). *See also Erickson*
 18 *Prods. v. Kast*, 921 F.3d 822, 833 (9th Cir. 2019), *Henley*, 733 F. Supp. 2d at 1166.
 19 If the Court does not grant Defendants summary judgment on the issue it should
 20 present the issue to the jury.

21 **b. Any infringement should be found innocent.**

22 The Court should instead find that any infringement was innocent because
 23 Defendants were “not aware and had no reason to believe that [their] ... acts
 24 constituted an infringement of copyright.” 17 U.S.C. § 504(c)(2). Innocence is
 25 established where a defendant reasonably believed its “acts did not constitute
 26 infringement” or “that he was not engaging in the acts constituting infringement.”
 27 *Rosen v. Netfronts, Inc.*, No. CV 12-658 CAS, 2013 U.S. Dist. LEXIS 96532, *11
 28 (C.D. Cal. July 9, 2013).

1 The evidence shows that Defendants believed they were “acting within the
 2 dictates of copyright law.” *Peker v. Master Collection*, No. CV-98-672, 2001 U.S.
 3 Dist. LEXIS 25371, *4 (E.D.N.Y. Sept. 18, 2001) recommending \$200 damages
 4 award in accordance with Section 504(c)(2)), *adopted and aff’d in pertinent part*,
 5 47 Fed. Appx. 597 (2d Cir. 2002). That belief was reasonable, as borne out by in
 6 this action. They were not aware in 2016 that *Boldly* would be found an
 7 infringement on appeal in 2020, and they reasonably believed that it would not be.
 8 This Court found the issue of fair use close and unsettled at the pleadings stage, and
 9 found fair use at summary judgment. The Ninth Circuit’s different opinion on *de*
 10 *novo* review does not make those decisions unreasonable. The statutory minimum is
 11 appropriate “where the defendant’s defense was based on a non-frivolous but
 12 ultimately unsuccessful legal argument.” *NFL v. Primetime 24 Joint Venture*, 131
 13 F. Supp. 2d 458, 478 (S.D.N.Y. 2001) (collecting cases).

14 **c. No damages award should exceed the statutory minimum.**

15 DSE’s request for \$225,000 in damages shocks the conscience. *Boldly* was
 16 not published, brought Defendants no sales and no profits, and caused DSE no
 17 actual damages or other losses. “While a plaintiff in a trademark or copyright
 18 infringement suit is entitled to damages that will serve as a deterrent, it is not
 19 entitled to a windfall.” *Daimler AG v. A-Z Wheels LLC*, No. 16-cv-875-JLS, 2020
 20 U.S. Dist. LEXIS 204301, *6-7 (S.D. Cal. Nov. 2, 2020) (*quoting Adobe Sys. v.*
 21 *Tilley*, No. 09-01085-PJH, 2010 WL 309249, *5 (N.D. Cal. Jan. 19, 2010)). “Courts
 22 should ensure that statutory damages awards ... ‘bear[] a plausible relationship to
 23 Plaintiff’s actual damages.’” *Adobe Sys. v. Nwubah*, No. 18-CV-06063-LHK, 2020
 24 U.S. Dist. LEXIS 109922, *41 (N.D. Cal. June 23, 2020) (*quoting Yelp Inc. v.*
 25 *Catron*, 70 F. Supp. 3d 1082, 1102 (N.D. Cal. 2014)). DSE has none.

26 While statutory damages need not correspond directly with actual damages,
 27 the total absence of actual damages supports only the minimum award. “[T]he
 28 legislative history of the Copyrights Act, while not entirely clear on this point,

1 seems to contemplate that when a plaintiff does not establish that any damage has
 2 resulted from an infringement, the minimum amount of \$250 will be awarded.”
 3 *Mon Cheri Bridals, LLC v. Cloudflare, Inc.*, No. 19-cv-01356-VC (TSH), 2021
 4 U.S. Dist. LEXIS 65446, *6 (N.D. Cal. Apr. 1, 2021) (*quoting Bly v. Banbury*
 5 *Books, Inc.*, 638 F. Supp. 983, 987 (E.D. Pa. 1986)). That Congressional history
 6 states that “the plaintiff in an infringement suit is not obliged to submit proof of
 7 damages and profits and may choose to rely on the provision for minimum statutory
 8 damages.” *Id.* (*quoting* H.R. Rep. No. 1476 at 161). Congress deems the statutory
 9 minimum a sufficient deterrent for good-faith users. As the House Report further
 10 explains, “by establishing a realistic floor for liability, the [innocent infringer]
 11 provision preserves its intended deterrent effect.” H.R. Rep. No. 1476, at 163.

12 So DSE is incorrect when contending that an award must be substantial to
 13 have a “deterrent effect on others” or to “discourag[e] the defendant[s] from future
 14 infringements.” Doc. 175-1 p. 25. It is telling that what DSE wants to discourage
 15 and deter are unwritten works like “*Oh the Places Yoda’ll Go!, Oh the Places*
 16 *You’ll Pokemon Go!, Oh the Places You’ll Yada Yada Yada! ... ‘Picard Hears A*
 17 *Q’* and ‘*One Kirk, Two Kirk, Red Shirt, Blue Shirt.*” *Id.* Sight unseen, DSE judges
 18 these hypothetical, potential fair use works to be future infringements, just as it
 19 insisted that *Boldly* was not a fair use work without asking to review a copy. Doc.
 20 No. 53 pp. 17-18 (Fifteenth Affirmative Defense ¶¶ 17-18). Its apparent goal is “a
 21 chilling effect on creativity insofar as [it] discourag[e]s the fair use of existing
 22 works in the creation of new ones.” *SOFA Entm’t, Inc. v. Dodger Prods., Inc.*, 709
 23 F.3d 1273, 1280 (9th Cir. 2013). DSE never saw a fair use that it didn’t dislike. *See*
 24 *Lombardo v. Dr. Seuss Enters., L.P.*, 729 Fed. Appx. 131 (2d Cir. 2018). But “a
 25 copyright holder cannot prevent another person from making a ‘fair use’ of
 26 copyrighted material.” *Google*, No. 18-956, slip op. at 13. The chilling effect that
 27 DSE seeks is contrary to public policy, not a basis for an enhanced award.

DSE's disproportionate request for \$225,000 further justifies the most minimal award allowed. *See Dream Games of Ariz., Inc. v. PC Onsite*, 561 F.3d 983 (9th Cir. 2009) ("the decisionmaker may consider plaintiff's conduct during litigation" when setting an award of statutory damages); *McNamara v. Univ. Commer. Servs.*, Civ. No. 07-6079-TC, 2008 U.S. Dist. LEXIS 69961, *12 (D. Or. Sept. 16, 2008) (awarding \$1,000 in statutory damages to copyright plaintiff who had demanded \$300,000); *UN4 Prods. v. Primozich*, 372 F. Supp. 3d 1129, 1135 (W.D. Wash. 2019) (finding \$750 "adequate to deter defendants" and not "imposing draconian penalties that are out of proportion to the harm caused by Defendants' actions or any benefits derived therefrom"). Any award under 17 U.S.C. § 504(c)(2) should be limited to \$750 per work, or \$200 per work upon a finding of innocent infringement.

V. Conclusion.

Therefore, and upon the record evidence previously filed, Defendants respectfully request that the Court:

1. Deny DSE's renewed motion for summary judgment in all respects;
2. Submit a request to the Register of Copyrights to advise the Court whether the inaccurate information included in the applications for *Go!* and *Sneetches*, if known, would have caused it to refuse registration pursuant to 17 U.S.C. § 411(b)(2);
3. Stay the proceedings pending the Register's response;
4. Upon the Register's response, find that the copyright registrations for *Go!* and *Sneetches* are invalid and dismiss the infringement claims as to those works;
5. Find that Defendants made *de minimis* use of *Sneetches* and *Grinch* and dismiss the infringement claims as to those works;

6. Find that any infringement was not willful and grant Defendants summary judgment on that issue pursuant to Fed. R. Civ. P. 56(f)(1);
7. Find that any infringement was innocent and grant Defendants summary judgment on that issue pursuant to Fed. R. Civ. P. 56(f)(1);
8. Award the minimum statutory damages available per work for any infringement; and
9. Submit any remaining triable issues to the jury.

April 30, 2021

Respectfully submitted,

/s/ Dan Booth

Dan Booth

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Michael Licari

THE LAW OFFICES OF MICHAEL LICARI

Attorneys for Defendants

CERTIFICATE OF SERVICE

I hereby certify that on this April 30, 2021 I electronically filed the foregoing document by using the Court's ECF system, thereby causing a true copy thereof to be served upon counsel of record for Plaintiff Dr. Seuss Enterprises, L.P., as identified on the Notice of Electronic Filing.

/s/ Dan Booth