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ST. FRANCIS HIGH SCHOOL – SALESIAN COLLEGE PREPARATORY, INC.

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

MANDO MORLOS, an individual,

Plaintiff,

v.

ST. FRANCIS HIGH SCHOOL – SALESIAN COLLEGE PREPARATORY, a private high school,

Defendant.

Case No. 3:24-cv-01773-TLT

NOTICE OF MOTION AND MOTION TO DISMISS PLAINTIFF'S CLAIM II FOR BREACH OF CONTRACT FOR FAILURE TO STATE A CLAIM UNDER RULE 12(b)(6)

Date of Hearing: **July 30, 2024**
Time: **2:00 p.m.**
Courtroom: **9, 19th Floor**
Before the Hon. Trina L. Thompson

TO THE PLAINTIFF AND HIS COUNSEL OF RECORD:

PLEASE TAKE NOTICE THAT on July 30, 2024 at 2:00 p.m., or as soon thereafter as counsel may be heard in Courtroom 9 of the above-captioned court, located at 450 Golden Gate Avenue, San Francisco, California 94102, before the Honorable Trina L. Thompson, Judge presiding, Defendant St. Francis High School – Salesian College Preparatory, Inc. will and hereby does move to dismiss Plaintiff's Claim II for Breach of Contract.

This Motion seeks dismissal of said claim pursuant to Rule 12(b)(6) on the ground that the claim is preempted by the Copyright Act.

Counsel for the Moving Party met and conferred in writing and by telephone with counsel for Plaintiff to seek agreement for the relief requested in this motion, but was unable to obtain agreement.

DATED: June 20, 2024

BROWN WEGNER LLP

/s/ Jason P. Tkaczuk

Jason P. Tkaczuk
Attorneys for Defendant
ST. FRANCIS HIGH SCHOOL – SALESIAN COLLEGE PREPARATORY, INC.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION TO DISMISS CLAIM II

I. INTRODUCTION

This is an action between a high school and its former official photographer. The photographer, Plaintiff Mando Morlos ("Morlos"), filed suit against Defendant St. Francis High School – Salesian College Preparatory, Inc. ("St. Francis") for copyright infringement of photographs that Morlos took while under contract with the school, and for breach of contract for allegedly using the photographs in ways that exceeded the license Morlos granted to St. Francis. But this breach of contract claim should be dismissed because it is preempted by the Copyright Act of 1976, as it does not contain an additional element other than what is asserted in the copyright claim.

II. SUMMARY OF RELEVANT FACTUAL ALLEGATIONS

Morlos served as the school photographer at St. Francis High School from 2018 to 2020. Dkt 1 at ¶ 11. As part of his contract with Defendant, Morlos licensed Defendant to use his photographs for a limited time and manner. Dkt. 1 at ¶ 11. He alleges that his agreements with Defendant permitted Defendant to use the photos only in print materials and on the stfrancis.net website and only through May of 2021. Dkt 1 at ¶ 12. Morlos alleges that Defendant posted photographs on social media sites that are beyond those authorized in his contracts and that Defendant continued to display the photographs and post them online after the time period allowed in his contracts with Defendant. Dkt 1 ¶¶ 13-17.

The Complaint asserts causes of action for Copyright Infringement and for Breach of Contract.

III. LEGAL STANDARD

Under Rule 12(b)(6), a defendant may move to dismiss an action for failure to allege "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. The plausibility standard is not akin to a 'probability requirement,' but it asks for more than a sheer possibility that a defendant has acted unlawfully." *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (internal citations omitted). For purposes of ruling on a Rule 12(b)(6) motion, the Court "accept[s] factual allegations in the complaint as true and construe[s] the pleadings in the light most favorable to the nonmoving party." *Manzarek v. St. Paul Fire & Marine Ins. Co.*, 519 F.3d 1025, 1031 (9th Cir. 2008).

Nonetheless, the Court is not required to " 'assume the truth of legal conclusions merely because they are cast in the form of factual allegations.' " *Fayer v. Vaughn*, 649 F.3d 1061, 1064 (9th Cir. 2011) (quoting *W. Mining Council v. Watt*, 643 F.2d 618, 624 (9th Cir. 1981)). Mere "conclusory allegations of law and unwarranted inferences are insufficient to defeat a motion to dismiss." *Adams v. Johnson*, 355 F.3d 1179, 1183 (9th Cir. 2004); *accord Iqbal*, 556 U.S. at 678. Furthermore, "'a plaintiff may plead herself out of court'" if she "plead[s] facts which establish that [s]he cannot prevail on h[er] ... claim." *Weisbuch v. Cnty. of L.A.*, 119 F.3d 778, 783 n.1 (9th Cir. 1997) (quoting *Warzon v. Drew*, 60 F.3d 1234, 1239 (7th Cir. 1995)).

A Rule 12(b)(6) motion may be used to dismiss a state law claim that is preempted by federal law. *See Wilson v. ColourPop Cosmetics, LLC*, No. 22-CV-05198-TLT, 2023 WL 6787986, at *8 (N.D. Cal. Sep. 7, 2023) (granting motion to dismiss based on implied preemption), *appeal dismissed*, No. 23-2627, 2023 WL 9112928 (9th Cir. Dec. 20, 2023).

IV. MORLOS' BREACH OF CONTRACT CLAIM IS PREEMPTED AND SHOULD THEREFORE BE DISMISSED.

Morlos' claim for breach of contract is preempted by 17 U.S.C section 310(a). The Copyright Act of 1976 expressly preempts state claims, including state breach of contract claims, where the plaintiff's work "come[s] within the subject matter of copyright" and the state law grants "legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright." 17 U.S.C. § 310(a).

To determine whether a claim falls within the Copyright Act's express preemption provision, the Ninth Circuit considers whether (1) the work at issue falls within the scope of copyright subject matter, and (2) the law at issue grants rights equivalent to any of the exclusive rights within the scope of copyright. *Montz v. Pilgrim Films & Television, Inc.*, 649 F.3d 975, 979 (9th Cir. 2011). "To survive preemption, a state cause of action must assert rights that are qualitatively different from the rights protected by copyright." *Id.* at 980. A state cause of action is "qualitatively different" when it contains an additional element not required for a copyright claim. *Id*. "The [exclusive] rights protected under the Copyright Act include the rights of reproduction, preparation of derivative works, distribution, and display." *Altera Corp. v. Clear Logic Inc.*, 424 F.3d 1079, 1089 (9th Cir. 2005) (citing 17 U.S.C. § 106). The preemption analysis requires an approach that is fact-specific to each case. *Chesler/Perlmutter Prods., Inc. v. Fireworks Ent., Inc.*, 177 F. Supp. 2d 1050, 1058 (C.D. Cal. 2001).

For breach of express contract claims, courts have found that where a defendant is alleged to have made a separate promise above and beyond a promise to refrain from copyright infringement, the plaintiff can defeat preemption; otherwise, the breach of contract claim is preempted. *Compare Chesler/Perlmutter*, 177 F. Supp. 2d at 1058-59 (finding no preemption where terms required defendant to pay plaintiff specific amounts and hire plaintiff's employees and gave plaintiff right to good faith consultation on business and creative matters) *with United Fabrics Int'l, Inc. v. J.C. Penney Corp., Inc.*, CASE NO. CV 08-01936 MMM (PJWx), 2008 WL 11337642, at *5-*8 (C.D. Cal. July 21, 2008) (finding preemption where terms merely required defendant to not infringe plaintiff's designs by reproducing them).

Here, Morlos' state law claim for breach of contract, just like the breach of contract claim in *United Fabrics,* is preempted because the subject photographs fall within the scope of copyright, and the claim has no additional element not required for a copyright claim.

a. The Photographs at Issue Fall within the Scope of the Copyright Subject Matter.

As to the first step of the preemption analysis, the works at issue—the photographs he took for the school (referenced in the Complaint as the "Subject Photographs")—are all alleged to fall within the scope of copyright protection. Dkt 1 at ¶¶ 18, 20. Morlos asserts a claim for copyright infringement over the Subject Photographs in Claim I of his Complaint, and claims that these photographs are copyrighted. *See* Dkt 1 at ¶¶ 19-22. It is therefore indisputable that the first element is met here.

b. Morlos' Breach of Contract Claim Has No Additional Element Not Required for His Copyright Claim.

As to the second step of the preemption analysis, the state law breach of contract claim asserts rights that are qualitatively identical to Morlos' copyright infringement claim regarding the same set of facts; there is no additional element alleged. *Compare* Dkt 1 at ¶¶ 25, 26 *with* ¶ 34. For the copyright claim, Morlos alleges that Defendant engaged in infringement because "Defendant reproduced, distributed, and publicly displayed the Subject Photographs without authorization from Plaintiff." Dkt 1 at ¶¶ 23, 24. For the contract claim, Morlos alleges that Defendant refused to remove the Subject Photographs when he demanded and therefore breached "by displaying Plaintiff's copyrighted photographs on websites other than Defendant's own website without Plaintiff's permission." Dkt 1 at ¶¶ 34, 36. The claims are qualitatively identical.

A brief comparison of *Chesler/Perlmutter* and *United Fabrics* illustrates this point. In *Chesler/Perlmutter*, the court granted the plaintiff's motion for remand and in so doing found that none of its state law contract claims were completely preempted. Specifically, as to the plaintiff's breach of express contract claim, the court found that several alleged promises by the defendant comprising the contract claim (i.e., to pay money to the plaintiff at specified intervals; for an exclusive right to its concept; to hire

the plaintiff's writer and one of its employees; and to provide the plaintiff with the right to prior good faith consultation with respect to all business and creative matters) went beyond a mere promise not to accept the benefit of a copyright work, and therefore provided the necessary extra element to defeat preemption. *Chesler/Perlmutter*, 177 F. Supp. 2d at 1058-59.

In *United Fabrics*, by contrast, the court granted the defendant's motion to dismiss the plaintiff's breach of express contract claim because it was preempted by the Copyright Act. There, the plaintiff alleged that it created unique graphic artworks for use in the fashion industry and distributed them to the defendants, who agreed not to infringe on the artworks or use the designs on any products other than the plaintiff's. *United Fabrics*, 2008 WL 11337642 , at *2. These allegations formed the basis of the plaintiff's breach of express contract claim against the defendants for manufacturing and selling product bearing the plaintiff's artwork (but not created by the plaintiff). *Id.* at *6. However, the court found the plaintiff's breach of express contract claim was preempted because the alleged promises giving rise to the claim were nothing more than promises not to infringe on the plaintiff's copyrights, and the contract contained no terms whereby the defendants made an additional promise to the plaintiff, such as a promise to pay for the right to use its designs. *Id.*

The facts of the present case before this Court more closely resemble *United Fabrics* than *Chesler/Perlmutter*. Like the contractual term at issue in *United Fabrics*, the promise that Morlos alleges St. Francis breached was a promise not to infringe Morlos' copyrighted material by using it outside of the scope of its license. *See* DKT 1 ¶ 34, Exh. B p. 2. This is precisely the type of promise that the court in *United Fabrics* found preempted. *United Fabrics*, 2008 WL 11337642 , at *5-*8. Moreover, unlike the terms at issue in *Chesler/Perlmutter*, here, the contract does not include an obligation for Defendant to pay Plaintiff for using the copyrighted works. *See* Compl. ¶¶ 33-37, Exh. B. Morlos' state law breach of contract claim therefore does not contain an additional element not required for his copyright infringement cause of action; it is

based solely on rights that are protected by the Copyright Act.

* * *

In short, the facts of the instant case meet both prongs of the Ninth Circuit copyright preemption analysis. It is indisputable that the photographs at issue fall within the scope of copyright subject matter, and there is no independent promise alleged in Morlos' breach of contract claim that would add an extra element not required for his copyright infringement claim. Morlos' contract claim is therefore preempted.

V. CONCLUSION

St. Francis therefore respectfully asks this Court to dismiss Morlos' breach of contract claim because it is preempted by the Copyright Act.

DATED: June 20, 2024

BROWN WEGNER LLP

/s/ Jason P. Tkaczuk
Jason P. Tkaczuk
Attorneys for Defendant
ST. FRANCIS HIGH SCHOOL – SALESIAN COLLEGE PREPARATORY, INC.

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

MANDO MORLOS, an individual,

Plaintiff,

v.

ST. FRANCIS HIGH SCHOOL – SALESIAN COLLEGE PREPARATORY, a private high school,

Defendant.

Case No. 3:24-cv-01773-TLT

[PROPOSED] ORDER ON DEFENDANT'S MOTION TO DISMISS CLAIM II OF COMPLAINT

Date of Hearing: **July 30, 2024**
Time: **2:00 p.m.**
Courtroom: **9, 19th Floor**
Before the Hon. Trina L. Thompson

Before the Court is a motion pursuant to Rule 12(b)(6) (DKT ___), filed by Defendant St. Francis High School – Salesian College Preparatory, Inc., to dismiss Plaintiff's Claim II in the Complaint for Breach of Contract. This Motion seeks dismissal of said claim on the ground that the claim is preempted by the Copyright Act.

The Copyright Act of 1976 expressly preempts state claims, including state breach of contract claims, where the plaintiff's work "come[s] within the subject matter of copyright" and the state law grants "legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright." 17 U.S.C. § 310(a). To determine whether a claim falls within the Copyright Act's express preemption provision, the Ninth Circuit considers whether (1) the work at issue falls within the scope of copyright subject matter, and (2) the law at issue grants rights equivalent to any of the exclusive rights within the scope of copyright. *Montz v. Pilgrim Films & Television, Inc.*, 649 F.3d 975, 979 (9th Cir. 2011). "To survive preemption, a state cause of action must assert rights that are qualitatively different from the rights protected by copyright." *Id.* at 980.

In this instance, the moving party has shown that the copyright infringement claim and the breach of contract claim in the Plaintiff's Complaint both assert the same rights under the Copyright Act with respect to works within the scope of the copyright act. "The [exclusive] rights protected under the Copyright Act include the rights of reproduction, preparation of derivative works, distribution, and display." *Altera Corp. v. Clear Logic Inc.*, 424 F.3d 1079, 1089 (9th Cir. 2005) (citing 17 U.S.C. § 106). Both the copyright infringement claim and the breach of contract claim are based on the same core allegation that Defendant displayed copyrighted photographs on websites other than Defendant's own website without Plaintiff's permission. Dkt 1 at ¶¶ 23-25, 34, 36. For those reasons, the facts of the instant case meet both prongs of the Ninth Circuit copyright preemption analysis, and the state law breach of contract claim is preempted.

After considering all papers filed in support of and in opposition to the Motion, as well as any argument permitted thereon, the Court GRANTS Defendant's Motion.

WHEREFORE, IT IS HEREBY ORDERED that:

Plaintiff's Claim II for breach of contract is hereby DISMISSED.

IT IS SO ORDERED.

DATED:

HONORABLE TRINA L. THOMPSON
United States District Judge