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Motion

1 UNITED STATES DISTRICT COURT  
2 SOUTHERN DISTRICT OF NEW YORK

3 EDWARD WHITE,

4 Plaintiff,

5 v.

12 CV 1340 (JSR)

6 WEST PUBLISHING,

7 Defendants.

8  
9 May 16, 2012  
4:10 p.m.

10 Before:

11 HON. JED S. RAKOFF,

12 District Judge

13 APPEARANCES

14 GREGORY A. BLUE  
15 Attorney for Plaintiff

16 BRAGAR, WEXLER, EAGEL LLC  
Attorneys for Plaintiff  
17 BY: RAYMOND A. BRAGAR

18 WEIL, GOTSHAL & MANGES LLP  
Attorneys for Defendant West Publishing  
19 BY: BRUCE RICH  
BENJAMIN MARKS

20 MORRISON & FOERSTER LLP  
21 Attorneys for Defendant Lexis Nexis  
22 BY: JAMES E. HOUGH  
JAMES McCABE  
23 CRAIG B. WHITNEY

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1 (Case called)

2 MR. BLUE: Good afternoon, Greg Blue for the  
3 plaintiffs.

4 MR. BRAGAR: Good afternoon, your Honor, Raymond  
5 Bragar also for plaintiffs.

6 THE COURT: Good afternoon.

7 MR. RICH: Good afternoon, your Honor, Bruce Rich from  
8 Weil Gotshal for West Publishing.

9 THE COURT: Good afternoon.

10 MR. MARKS: Good afternoon, your Honor, Benjamin Marks  
11 also of Weil Gotshal also for West Publishing.

12 THE COURT: Good afternoon.

13 MR. HOUGH: Good afternoon, your Honor, James Hough  
14 from Morrison & Foerster for Lexis Nexis.

15 THE COURT: Good afternoon.

16 MR. McCABE: Good afternoon, your Honor, James McCabe  
17 also from Morrison & Foerster, also for Lexis Nexis

18 THE COURT: Good afternoon.

19 MR. WHITNEY: Good afternoon, your Honor, Craig  
20 Whitney, Morrison & Foerster for Lexis Nexis.

21 THE COURT: Good afternoon.

22 Clearly counsel in this case are not strong believers  
23 in gender diversity, but that's neither here nor there.

24 So we're here on the motion to dismiss the sub class  
25 of attorneys of plaintiffs and prospective plaintiffs who have

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1 not registered their copyrights, as opposed to other class of  
2 those who have.

3 After reviewing the papers, I am, frankly, leaning  
4 strongly towards granting the motion.

5 So let's start with plaintiff's counsel, because maybe  
6 you can convince me otherwise.

7 MR. BLUE: Thank you, your Honor. Since you've  
8 indicated your leaning in this, I'd be happy to take questions  
9 from you to start off, but --

10 THE COURT: Well, I mean the place obviously to start  
11 is with 17 U.S.C. Section 411(a); "No civil action for  
12 infringement of the copyright in any United States work shall  
13 be instituted until preregistration or registration of the  
14 copyright claim has been made in accordance with this title."  
15 By definition, the sub class that's at issue here today have  
16 not complied with that. So how can they bring a civil action?

17 MR. BLUE: Your Honor, obviously in our papers the  
18 position we've taken is that Mr. Elan, who is not registered,  
19 as well as the class that he represents, are entitled to two  
20 forms of relief even without registration. And that would be  
21 an injunction and the declaratory judgment.

22 THE COURT: Yes. Now these, of course, are remedies.  
23 They are not, themselves, a form of action. But even assuming  
24 they were, the statute is unequivocal; that compliance with  
25 registration or preregistration is a precondition of filing a

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1 claim.

2 MR. BLUE: Your Honor --

3 THE COURT: For example, in a case that you make  
4 reference to, Reed Elsevier versus Muchnick, 130 S.Ct., Supreme  
5 Court, 1237, a 2010 decision of the Supreme Court, the Supreme  
6 Court held that, "A failure to meet that registration  
7 requirement did not deprive a district court of subject matter  
8 jurisdiction."

9 But, of course, the motion here is not to dismiss for  
10 lack of jurisdiction. It's a motion to dismiss for failure to  
11 state a claim. And as to that, Muchnick expressly stated that  
12 compliance with Section 411 and 412 was a precondition of  
13 filing a claim.

14 MR. BLUE: Yes, your Honor.

15 Turning to section 502, the section that deals with  
16 the remedies that you talked about, the injunction, I think  
17 it's important that the section says that a court with  
18 jurisdiction -- and this Court clearly has jurisdiction -- may  
19 issue an injunction as it may deem reasonable to prevent or  
20 restrain infringement of a copyright.

21 We have here an ideal situation where an injunction  
22 would be necessary to prevent an infringement in the future.  
23 As the complaint has alleged, both the defendants are engaged  
24 in an ongoing course of business in which they copy these  
25 materials and make them available for sale soon after they're

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1 filed with the courts.

2 What Mr. Elan brings to the table here is a claim for  
3 people whose works aren't even in existence yet. They may be  
4 getting drafted right now or around town and around the country  
5 and to be filed next week and next month. By definition, we  
6 can't possibly have obtained a registration for those works  
7 because they're not in existence yet.

8 THE COURT: Well, the only case that I know of that  
9 arguably would support that position is, which you cite, is  
10 Olan Mills, Inc. versus Linn Photo Company, 23 F.3d, 1345, 8th  
11 Circuit, 1994.

12 Now, putting aside the fact that that decision is  
13 obviously not binding on this Court, it really stands for a  
14 very different kind of proposition. Where you have a defendant  
15 who has consistently infringed a party's registered  
16 copyrights --

17 MR. BLUE: Yes, your Honor.

18 THE COURT: -- an injunction can issue because there's  
19 the risk of future, clearly demonstrated risk of future such  
20 violations against the same defendant. And I -- against the  
21 same plaintiff -- I'm sorry -- and, therefore, a narrow  
22 exception is carved out. Because otherwise you'd have the sort  
23 of absurd situation which they keep infringing the plaintiff's  
24 registered copyrights, but every time they have a new copyright  
25 at work, they have to bring a new cause of action rather than

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1 getting an injunction. That's not this situation, at all. By  
2 definition, your class has never registered their copyrights  
3 and, therefore, it presents a totally different equitable  
4 situation from that presented in a case like Olan.

5 MR. BLUE: Well, what we do have here is a situation  
6 where we have Mr. White, the first named plaintiff, who has  
7 registered his copyright.

8 THE COURT: Yes. We're not dealing with that claim  
9 today. I don't think you can just willy-nilly glom your whole  
10 huge class into a -- it would be a huge class of attorneys who  
11 never registered their briefs. I think that is likely to be  
12 the vast majority of attorneys from time in memorial to the  
13 present. Because you've got the much smaller class,  
14 represented by Mr. White, that have actually registered their  
15 copyrights. That's not -- that's, what is it, the camel's nose  
16 under the tent or one some such cliché. I don't think that  
17 does it.

18 What else?

19 MR. BLUE: Well, your Honor, if I could turn for a  
20 moment to declaratory judgment action here. And declaratory  
21 judgment, as we've described in the brief, and professor said,  
22 getting a declaratory judgment in this situation is not an  
23 action for infringement at all. What you're looking to do is  
24 declare the parties' rights. Now this isn't trying to make an  
25 end run around and get damages for past infringements. What

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1 we're looking for is a declaratory judgment saying that what  
2 the defendants are doing is unlawful. Of course as your Honor  
3 well knows, all of these works are protected by the copyright  
4 law from the moment of their creation, and getting a  
5 declaratory judgment isn't an action for infringement.

6 THE COURT: This, of course, the logic of what you're  
7 saying would mean that any time you had a requirement that  
8 before you can bring a lawsuit in a case where there was an  
9 actual potential controversy, you had to comply with some  
10 statutory requirement. Your logic would say, you could always  
11 get around that by asking for a declaratory judgment. That  
12 makes no sense at all. Declaratory judgment is a remedy that's  
13 available when you have a valid cause of action and you can  
14 bring, but there are reasons why it makes more sense to deal  
15 with the controversy before it becomes fully and totally ripe.

16 In addition, the declaratory judgment is a highly  
17 discretionary remedy that the court need not take cognizance  
18 of. So while I don't think you have a lawful basis for asking  
19 for a declaratory judgment without compliance with the  
20 requirements for filing a cause of action, I also think that  
21 assuming arguendo you did, I would exercise my discretion to  
22 deny it.

23 Anything else?

24 MR. BLUE: Your Honor, as we asked for at the end of  
25 your papers, it's our belief, and I understand your Honor's

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1 comments about whether or not White could bring in the rest of  
2 the class here, that White can go forward with his claims and  
3 White can go forward with his claims as a registered member.  
4 And then what we would want to do is address the scope of the  
5 relief Mr. White could get, including an injunction and scope  
6 of that relief, later on. For that reason we would ask for the  
7 Court's permission to amend the complaint to make White a  
8 representative of the class.

9 THE COURT: This would just undercut everything I've  
10 just said, so that request is denied.

11 Well, you are a brave soul --

12 MR. BLUE: Thank you, your Honor.

13 THE COURT: -- to have made such a valiant stab at  
14 what I think is a creative, but perhaps too creative attempt to  
15 glom the unregistered folks onto the much more colorable claims  
16 of the registered folks.

17 So, I will grant the motion and dismiss the claim so  
18 far as the unregistered attorneys are concerned.

19 Anything else we need to take up today?

20 MR. BLUE: I don't believe so, your Honor.

21 MR. RICH: No, your Honor 33.

22 THE COURT: Thanks very much.

23 (Adjourned)  
24  
25