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10 UNITED STATES DISTRICT COURT
11 CENTRAL DISTRICT OF CALIFORNIA

12 PERFECT 10, INC., a California
13 corporation,

14 Plaintiff,

15 v.

16 GOOGLE INC., a corporation,

17 Defendants.

Case No.: CV 04-9484 AHM (SHx)

Before Judge A. Howard Matz

**PLAINTIFF PERFECT 10, INC.'S
REPLY MEMORANDUM OF POINTS
AND AUTHORITIES IN SUPPORT OF
ITS MOTION FOR PRELIMINARY
INJUNCTION AGAINST DEFENDANT
GOOGLE INC.**

PUBLIC REDACTED VERSION

[Filed Separately: Reply Declarations of
Dr. Norman Zada and Jeffrey N. Mausner,
Declaration of Mark McDevitt]

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1 **I. INTRODUCTION AND SUMMARY OF ARGUMENT.**

2 Google’s opposition to Perfect 10’s motion for preliminary injunction (the “PI
3 Motion”) fails to refute, let alone even address, most of Perfect 10’s key facts.
4 Google concedes that there is massive infringement of Perfect 10 copyrighted images
5 (“P10 Images”) on its system, and that it will not respond to most DMCA notices.
6 Google concedes that it has no procedure to prevent the same identified image from
7 endlessly reappearing in its Image Search results. In particular, Google’s admitted
8 policy of removing, on average, at most 1 link in 7,000 to an infringing website
9 precludes a DMCA safe harbor for Google. Google’s attempts to excuse its inaction
10 by misstating applicable law provide no basis for this Court to deny the PI Motion.

11 **A. Google Concedes That There Is Massive Infringement Of Perfect 10**
12 **Images On Google’s System.**

13 Google does not dispute any of Perfect 10’s facts regarding the extraordinary
14 level of infringement of P10 Images on Google’s system. In particular, Google does
15 not contest that it is: (1) displaying at least 22,000 Perfect 10 thumbnails (“P10
16 Thumbnails”) that enable the downloading of full-size P10 Images; (2) providing at
17 least 222 million links (that Google refuses to remove) to websites that infringe P10
18 Images; (3) storing at least 3,837 full-size P10 Images on its *blogger.com* servers;
19 (4) placing Google ads next to thousands of P10 Images; (5) refusing to take action
20 against any Google paysite advertising affiliates that are infringing, in total, at least
21 180,000 P10 Images; and (6) forwarding thousands of P10 Images to
22 *chillingeffects.org* for publication on the Internet. Google also does not dispute that
23 millions of full-size P10 Images have been downloaded from websites to which
24 Google in-line links. Declaration of Dr. Norman Zada In Support of the PI Motion
25 (Docket Nos. 795-797) (“Zada Decl.”) ¶¶6, 9, 13, 17, 45, 86, Exhs. 1, 5, 10, 30, 65, 9.

26 **B. Google Concedes That It Has No Policy To Remove Most Infringing**
27 **Activity From Its System.**

28 Google also concedes other key facts regarding its DMCA policy. In

1 particular, Google does not dispute that it: (1) will not take action in response to any
2 complaints alleging violations of rights of publicity; (2) will not take action against
3 any infringing AdWords affiliate; (3) will not remove, on average, more than 1 of
4 7,000 links to an infringing website; (4) has no procedure in place to stop the copying
5 of thousands of infringing images from known infringing websites for inclusion in
6 Google’s Image Search results; (5) has no procedure in place to avoid linking to
7 massive infringing websites in its search results; (6) refuses to honor requests not to
8 forward confidential DMCA notices to *chillingeffects.org*; (7) is not using Image
9 Recognition or any other method to prevent the same repeatedly identified infringing
10 images from reappearing in its Image Search results or being surrounded by Google
11 ads; (8) has not provided copyright holders with a “check-the-box” system to
12 identify infringing images, even though it provides such a system to identify
13 distasteful images; (9) has refused over 130 requests to provide Perfect 10 with an
14 example of a compliant DMCA notice; (10) has no repeat infringer policy for dealing
15 with repeat infringement in its search results; and (11) does not even keep track of the
16 identities of repeat infringers. Zada Decl. ¶¶13-15, 91-99, Exhs. 5-7, 68-71.

17 **C. Google Has Not Provided A Spreadsheet Which Summarizes What**
18 **Actions It Took In Response To Perfect 10’s DMCA Notices.**

19 Google’s Opposition does not provide a usable spreadsheet which shows what
20 action Google took in response to each of the 40,000 infringing URLs identified in
21 Perfect 10’s DMCA notices, or when Google took such action.¹ Moreover, although
22 Google eventually removed a few identified infringing links from its Web Search
23 results, Google has never indicated whether it has ever removed those same
24 infringing links from its Image Search results or disabled Google ads on those
25 identified infringing web pages. Furthermore, Google has never provided Perfect 10

26 _____
27 ¹ Google’s failure to provide such a document violates this Court’s May 13, 2008
28 Order, requiring Google to produce a “spreadsheet-type document summarizing
DMCA notices received, the identity of the notifying party and the accused infringer,
and the actions (if any) taken in response.” Order, Docket No. 294; Zada Decl. ¶97.

1 with a list identifying even 500 of the 40,000 infringing URLs identified by Perfect
2 10 that Google has completely processed expeditiously, by removing ads from the
3 infringing web page and links to the infringing web page from both its Image Search
4 results and its Web Search results. Zada Decl. ¶¶81, 97-98, Exhs. 70-71.

5 **D. Google Fails To Refute Perfect 10's Evidence That Perfect 10's**
6 **DMCA Notices Were Compliant.**

7 In a desperate attempt to excuse its inaction, Google rehashes its assertion that
8 Perfect 10's DMCA notices are all defective. Opposition at 5.² Nowhere in its
9 Opposition, however, does Google refute the following facts: (1) Interserver and
10 Yahoo! processed Perfect 10's DMCA notices in two and three days, respectively;
11 (2) [REDACTED]
12 [REDACTED] (3) Google has belatedly processed some of both Perfect 10's spreadsheet-
13 style notices and its Adobe-style notices; (4) Perfect 10's spreadsheet-style notices
14 closely followed Google's DMCA instructions; and (5) Google has failed to submit
15 evidence from any technical expert demonstrating that Perfect 10's notices are
16 deficient. [REDACTED]

17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED] In contrast, Perfect 10 has submitted declarations from several technical
21 experts stating that Perfect 10's DMCA notices were sufficient. *See* Declarations of

22 ² The Opposition does not include any argument in support of this assertion. Instead,
23 Google improperly seeks to incorporate six memoranda in support of its three DMCA
24 Motions, its *Ex Parte* Application to strike the PI Motion, and its opposition to
25 Perfect 10's Motion for Evidentiary and Other Sanctions, which total more than 100
26 pages, in violation of Local Rule 11-6 (no memorandum of points and authorities
27 shall exceed 25 pages). Perfect 10 requests that this Court not consider any of those
28 memoranda, as well as Google's statements of undisputed facts and other supporting
documents, when ruling on the PI Motion. If the Court does consider those
pleadings, Perfect 10 then asks the Court to consider Perfect 10's related pleadings,
found at Exhibit R (a disk) to the Reply Declaration of Jeffrey N. Mausner, submitted
herewith (the "Mausner Reply Decl.") ¶5. Perfect 10's pleadings demonstrate that
Google is not likely to prevail on its DMCA safe harbor affirmative defense.

1 David O'Connor, Sean Chumura, Bennett McPhatter, Docket Nos. 780, 781, 782.³

2 **E. At The Very Least, Perfect 10 Is Entitled To An Injunction Under**
3 **Section 512(j).**

4 Google also raises numerous incorrect legal contentions in an attempt to avoid
5 injunctive relief. For example, Google mistakenly asserts that “[b]ecause Google is
6 entitled to DMCA safe harbor, [Perfect 10’s] liability arguments need not be
7 reached.” Opposition at 6. In fact, Section 512(j) of the DMCA specifically provides
8 that this Court may enjoin Google’s conduct even if Google is entitled to a safe
9 harbor defense, including ordering Google not to link to such infringing websites as
10 *rapidshare.com* and *thepiratebay.org*, which infringe thousands of P10 Images and
11 have been condemned by various courts. *See* 17 U.S.C. §512(j)(1)(a); Zada Decl.
12 ¶17, Exh. 10.⁴ Furthermore, the PI Motion seeks to enjoin recent unlawful conduct
13 by Google that is not protected by the DMCA or covered by Google’s DMCA
14 Motions. Such conduct includes: (i) Google’s forwarding of thousands of P10
15 Images (including full-size P10 Images), attached to Perfect 10’s confidential DMCA
16 notices, to *chillingeffects.org* for publication on the Internet, which began in
17 December 2009; and (ii) Google’s refusal to take any action against violations of

18 ³ Google seeks to rely solely upon the Declaration of Shantal Rands Poovala to
19 contend that Perfect 10’s notices are defective. *See, e.g.*, Opposition at 5 n.6. Ms.
20 Poovala’s testimony is inadmissible, however, because she has admitted that

21 *See* Perfect 10’s Evidentiary Objections to the Poovala
22 Declaration and Rebuttal Declaration, Docket No. 587, contained in Mausner Reply
23 Decl., ¶5, Exh. R. Furthermore, Ms. Poovala has been unavailable to be deposed
24 regarding her declarations for more than five months. *Id.* ¶6, Exh. S.

25 ⁴ Perfect 10 may obtain the following injunctive relief under §512(j): (i) An order
26 restraining the service provider from providing access to infringing material or
27 activity residing at a particular online site on the provider’s system or network; (ii)
28 An order restraining the service provider from providing access to a subscriber or
account holder of the service provider’s system or network who is engaging in
infringing activity and is identified in the order, by terminating the accounts of the
subscriber or account holder that are specified in the order; and (iii) Such other
injunctive relief as the court may consider necessary to prevent or restrain
infringement of copyrighted material specified in the order of the court at a particular
online location, if such relief is the least burdensome to the service provider among
the forms of relief comparably effective for that purpose. 17 U.S.C. §512(j)(1)(a).

1 Perfect 10's assigned rights of publicity, including violations by Google's advertising
2 affiliates on websites that Google hosts.

3 **F. Google's Defense Is Contrary To Principles Espoused By The Ninth**
4 **Circuit In Its Recent *Roommates* Decision.**

5 The Ninth Circuit has recently emphasized that internet service providers
6 should not receive preferential treatment over regular merchants:

7 The Internet is no longer a fragile new means of communication that
8 could easily be smothered in the cradle by overzealous enforcement of
9 laws and regulations applicable to brick-and-mortar businesses. Rather,
10 it has become a dominant – perhaps the preeminent – means though
11 which commerce is conducted. And its vast reach into the lives of
12 millions is exactly why *we must be careful not to exceed the scope of the*
13 *immunity provided by Congress and thus give online business an unfair*
14 *advantage over their real-world counterparts, which must comply with*
15 *the laws of general applicability.*

16 *Fair Housing Council of San Fernando Valley v. Roommates.Com, LLC*, 521 F.3d
17 1157, 1164 (9th Cir. 2008) (*en banc*) (“*Roommates*”) (emphasis added). Google's
18 assertions in opposition to the PI Motion effectively ask the Court for such
19 preferential treatment. Although real world businesses that accept payments from
20 thieves to help sell stolen materials would be criminally liable, Google asks this
21 Court to sanction Google's ongoing acceptance of similar payments from thieves of
22 intellectual property. Similarly, although entertainment companies would never think
23 of using a celebrity's name or image for advertising purposes without permission,
24 Google asks this Court to give it carte blanche to do just that, on a massive scale.

25 **II. PERFECT 10 IS ENTITLED TO INJUNCTIVE RELIEF BARRING**
26 **GOOGLE FROM FORWARDING P10 IMAGES TO CHILLING**
27 **EFFECTS.**

28 Google completely mischaracterizes the harm from its recent forwarding of 28

1 of Perfect 10's confidential DMCA notices to *chillingeffects.org*. Those notices
2 typically consist of one or two pages of text and an Adobe PDF attachment which
3 contains as many as 457 P10 Images with live links. The Adobe PDF attachments
4 can be immediately copied, and provide live links for downloading as many as
5 36,000 full-size P10 Images. Reply Declaration of Dr. Norman Zada in support of
6 the PI Motion, submitted herewith ("Zada Reply Decl.") ¶¶10-15, Exhs. 77-80.
7 Third-party websites have started to copy these Perfect 10 Adobe attachments, which
8 are now proliferating across the Internet. Google normally only in-line links to the
9 Adobe PDF attachment. Thus, users are not even aware that the full-size P10 Images
10 displayed by Google via an in-line link to *chillingeffects.org* were ever part of a
11 DMCA notice. Zada Reply Decl. ¶¶10-11, Exhs. 77-78.

12 Nowhere in its Opposition does Google dispute that: (1) since December 2009,
13 Google has forwarded full-size infringing P10 Images and live links in Perfect 10's
14 Adobe-style notices to *chillingeffects.org* for publication on the Internet; and (2) by
15 reinstating thumbnails in its Image Search results that in-line link to P10 Images in
16 Perfect 10's confidential DMCA notices, Google is allowing its users to view and
17 download a full-size version of every infringing image in these notices while at
18 *google.com* – the very images that Perfect 10 specifically asked Google to remove.
19 Nor does Google refute Perfect 10's argument that Google's copying and forwarding
20 of the full-size P10 Images in Perfect 10's DMCA notices constitutes direct
21 infringement. Instead, Google makes a number of absurd assertions, none of which
22 provides a basis to deny the PI Motion.

23 First, Google complains that Perfect 10 refers to *chillingeffects.org* as Google's
24 "partner." Opposition at 8. In fact, Google itself refers to *chillingeffects.org* as its
25 partner in emails to Perfect 10. Zada Reply Decl. ¶13, Exh. 79.

26 Second, Google incorrectly claims that "providing links to DMCA notices at
27 Chilling Effects, in place of the links Google suppresses from search results, is often
28 the only way to inform providers that their material has been removed pursuant to the

1 DMCA....” Opposition at 9 n.12. In fact, the most effective way to notify providers
2 is to email them, using the email address listed by “who is.” Moreover, Google does
3 not normally remove content from third-party websites – it typically just removes one
4 link out of thousands from *google.com* to such websites. Consequently, Google does
5 not even have an obligation in most cases to notify the webmaster.⁵

6 Third, Google contends that its forwarding of Perfect 10’s DMCA notices to
7 *chillingeffects.org* constitutes “fair use.” Opposition at 9-10. Google’s
8 misapplication of the four “fair use” factors set forth in 17 U.S.C. § 107 provides no
9 basis for Google to rely upon this affirmative defense. On the contrary, these factors
10 favor Perfect 10.

11 **(a) Purpose and Character of the Use.** Google’s forwarding of Perfect 10’s
12 Adobe attachment, which contains full-size P10 Images and live links, does not serve
13 a research purpose. If Google were truly concerned with “academic research,” it
14 would remove the attachment, redact the images, or at least remove the live links by
15 converting the attachment to TIFF format. Google has done none of these things.⁶

16 When Google in-line links only to the Adobe attachment to Perfect 10’s
17 notices, as it typically does, the notice is not being used for “research.” The user sees
18

19 ⁵ Google also makes the incredible assertion that it lacked notice of the infringement,
20 because Perfect 10 never sent Google a DMCA notice “identifying links to allegedly
21 infringing material” on *chillingeffects.org*. Opposition at 5:18-19. What Google
22 received from Perfect 10 was a *DMCA notice*. The notice specifically stated that the
23 Adobe PDF attachment contained infringing P10 Images. When Google provided the
24 infringing images to *chillingeffects.org* and then in-line linked to those images,
25 Google knew that it was providing access to known infringing images. When Google
26 reproduced those images and forwarded them to *chillingeffects.org*, Google knew that
27 it was making copies of, and distributing, infringing images.

28 ⁶ Google’s assertion that it is forwarding Perfect 10’s DMCA notices to
chillingeffects.org to notify the alleged infringer and to advance academic research
[Opposition at 10] is severely undermined by the fact that Google only forwards
selected DMCA notices. For example, [REDACTED]

[REDACTED] Zada Reply
Decl. ¶14, Exh. 80. Google’s forwarding of P10 notices, but not [REDACTED],
shows that Google did so to punish Perfect 10, not for some research purpose.

1 only the infringing images, not the textual part of the notice. Similarly, when Google
2 AdSense affiliates copy only the Adobe attachment and place Google ads around it,
3 they are using the P10 Images in the attachment only for commercial purposes. Zada
4 Reply Decl. ¶¶10-11, Exhs. 77-78. There is no research purpose whatsoever.
5 Accordingly, this use is not transformative and this factor favors Perfect 10.

6 **(b) Nature of the Work.** P10’s images are creative but previously published.
7 As the Ninth Circuit previously ruled, this factor weighs slightly in favor of Perfect
8 10. *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1167 (9th Cir. 2007).

9 **(c) Amount Used.** “The third factor asks whether the amount and
10 substantiality of the portion used in relation to the copyrighted work as a whole . . .
11 are reasonable in relation to the purpose of the copying.” *Id. quoting Campbell v.*
12 *Acuff-Rose Music, Inc.*, 510 U.S. 569, 586, 114 S.Ct. 1164 (1994).⁷ Here, it is
13 unreasonable and unnecessary to copy the full-size P10 Images found in Perfect 10’s
14 notices in order to further Google’s alleged purposes of academic research and
15 notifying providers when allegedly infringing material is removed. Google could
16 have accomplished these very same purposes by removing the P10 Images from the
17 notices it forwarded to *chillingeffects.org* or by placing an X or some other mark on
18 these images so they could not be freely used. This factor also weighs heavily in
19 Perfect 10’s favor.

20 **(d) Effect on the Market.** The fourth factor is “the effect of the use upon the
21 potential market for or value of the copyrighted work.” 17 U.S.C. §107(4). Google’s
22 forwarding to *chillingeffects.org* of the P10 Images in Perfect 10’s DMCA notices
23 completely destroys Perfect 10’s market for these images. By in-line linking to these
24 images, Google is facilitating the free downloading of thousands of full-size P10

26 ⁷ Google’s misleading assertion that it “uses no more of [Perfect 10’s notices] than
27 necessary to inform providers of their contents” [Opposition at 11] completely
28 ignores this language from *Campbell*. There is no reason that Google had to make
thousands of P10 Images, including full-size images and live links, available on the
Internet, without redacting the images or eliminating the live links.

1 Images that Perfect 10 is attempting to sell as its sole means of revenue. Moreover,
2 Google typically places its links to the Adobe attachments in Perfect 10's notices
3 *right near the beginning of its search results.* Zada Reply Decl. ¶¶10-11, Exhs. 77-
4 78. As a result, millions of Google users are likely to click on such links. Zada Decl.
5 ¶86, Exh. 65. Furthermore, Google's AdSense affiliates are now offering a
6 download link to the P10 Images in Perfect 10's Adobe attachments, next to Google
7 ads. Zada Reply Decl. ¶11, Exh. 78. These superseding and commercial uses greatly
8 outweigh any allegedly transformative, noncommercial uses of Perfect 10's images.

9 Google's assertion that Perfect 10 has no continuing harm because it has
10 "ceased sending Google DMCA notices" [Opposition at 22 n.25] is absurd. Perfect
11 10 is greatly harmed because it is unable to send Google further DMCA notices to
12 protect its business from continued massive infringement on Google's system.

13 Thus, the fourth "fair use" factor also weighs heavily in Perfect 10's favor.
14 Accordingly, there is no basis to grant Google's fair use affirmative defense.⁸

15 Without any evidence or support, Google suggests that Perfect 10 "contrived
16 an infringement claim" by sending its Adobe-style notices. Opposition at 10 n.13.
17 Google's accusation is completely contrary to the facts. Perfect 10 has been
18 complaining to Google about forwarding Perfect 10 notices to Chilling Effects since
19 2005. Perfect 10 first sent Adobe-style notices to Google on June 28, 2007, more
20 than two years before Google began forwarding such notices to Chilling Effects.
21 Perfect 10 demanded that Google not forward Perfect 10's smaller Adobe notices on

22
23 ⁸ Google also has no basis for asserting that its copyright infringement is protected by
24 the First Amendment. [Opposition at 11-12]. Perfect 10 included a copy of its entire
25 website in its June 28, 2007 notice to Google. Does that mean that Google should be
26 allowed to post all the P10 Images from that website on the Internet? Just as the First
27 Amendment does not allow a doctor to forward confidential records to third parties, it
28 likewise does not permit Google to engage in massive copyright infringement by
forwarding Perfect 10's confidential DMCA notices containing, in total, thousands of
P10 Images, to *chillingeffects.org*. *Sosa v. DirectTV, Inc.*, 437 F.3d 923 (9th Cir.
2006), the only case cited by Google [Opposition at 12] involved application of the
Noerr-Pennington doctrine to pre-litigation demand letters. *Sosa* does not state that
copyright infringement is protected by the First Amendment.

1 November 12, 2009, three weeks before Google began to do so, in spite of repeated
2 Perfect 10 objections. Zada Reply Decl. ¶12, Exh. 79; Mausner Reply Decl. ¶4.

3 **III. GOOGLE HAS DIRECT LIABILITY FOR FAILING TO REMOVE**
4 **3,837 FULL-SIZE P10 IMAGES FROM ITS SERVERS.**

5 Perfect 10 demonstrated in its moving papers that Google’s storage of 3,837
6 full-size P10 Images on its own *blogger.com* servers, and Google’s failure to remove
7 such images in response to Perfect 10’s DMCA notices, constitutes direct and
8 contributory infringement. Perfect 10’s Memorandum of Points and Authorities in
9 support of the PI Motion (“ Memo”) at 10-11, 15-16. Google does not dispute that its
10 own servers are storing these infringing images. Therefore, under the “server test,”
11 “Perfect 10 has made a prima facie case that Google’s communication of its stored
12 [3,837 full-size P10 Images] directly infringes Perfect 10’s display right.”
13 *Amazon.com*, 508 F.3d at 1160.

14 Google’s mistaken assertions do not support a contrary conclusion. First,
15 Google “controls the storage and communication” of the full-size P10 Images on its
16 servers. *Id.* at 1160 n.6. Therefore, Google’s claim that it is only passively providing
17 a service allowing users to upload content provides no basis to deny Perfect 10’s
18 direct infringement claim. This is particularly true here, where Google allows the
19 users of its Blogger service to remain anonymous, so there is no one else that the
20 copyright holder can hold liable. Second, the cases on which Google relies, *Field v.*
21 *Google Inc.*, 412 F.Supp.2d 1106 (D. Nev. 2006), and *Parker v. Google Inc.*, 422
22 F.Supp.2d 492 (E.D. Pa. 2006), involved the automatic copying by Google’s crawler
23 of text from the copyright holder’s website or their postings, and are quite different
24 from the situation here, where Google is allowing infringing full-size P10 Images to
25 be stored and displayed on Google’s own servers. Third, the leading copyright
26 treatise states that *Field* and *Parker* were wrongly decided, and specifically rejects
27 Google’s assertion that a plaintiff must show volitional conduct by a defendant to
28 establish direct liability. 3 M. Nimmer & D. Nimmer, *Nimmer on Copyright*

1 (Matthew Bender 2009) § 12B.06[B][2][c][i], at 12B-82.5 (the “requirement for
2 ‘some element of volition’ should not be viewed as a free-standing feature of
3 copyright law”); *id.*, § 12B.06[B][2][c][ii], at 12B-82.5-12B-83 (focus on non-
4 volitional conduct is not a bar to plaintiff’s establishing a *prima facie* case). Finally,
5 Google’s fair use defense fails for all the reasons set forth in Section II, above.
6 Google’s storage of infringing P10 Images on its servers, particularly when they are
7 surrounded by Google ads, is wholly commercial and unreasonable. Moreover,
8 Google users’ ability to download these images for free completely destroys any
9 market Perfect 10 has for these images.⁹

10 In any event, Google’s refusal to remove these 3,837 full-size P10 Images,
11 despite knowledge that they are on its own *blogger.com* servers, establishes its
12 liability for contributory infringement.¹⁰ Indeed, nowhere in the Opposition does
13 Google dispute that users who upload infringing P10 Images onto *blogger.com*
14 servers are themselves liable for direct infringement. *See also* Section V, below.

15 **IV. GOOGLE’S COMMERCIAL EXPLOITATION OF MORE THAN**
16 **22,000 P10 THUMBNAILS, AND ITS LINKING OF THESE**
17 **THUMBNAILS TO FULL-SIZE P10 IMAGES, IS NOT FAIR USE.**

18 Google does not dispute that it currently is displaying more than 22,000 P10
19 Thumbnails in its Image Search results. It asserts that the Ninth Circuit’s ruling that
20 Google’s use of these thumbnails is fair use is “binding precedent.” Opposition at 7.
21 Perfect 10 nevertheless asks this Court and the Ninth Circuit to revisit this issue,
22 because of changed circumstances since the Ninth Circuit’s original ruling in 2007.

23
24 ⁹ Google incorrectly claims that the Ninth Circuit’s opinion in this case “holds that
25 Google’s automated copying and storage of material uploaded by third parties is a
26 fair use.” Opposition at 13-14, citing *Amazon.com*, 508 F.3d at 1168. In fact, the
27 Ninth Circuit’s opinion contains no such holding.

28 ¹⁰ *See. e.g., Religious Tech. Ctr. v. Netcom On-Line Comm. Serv., Inc.*, 907 F.Supp.
1361, 1374 (N.D.Cal.1995) (“if a computer system operator learns of specific
infringing material available on his system and fails to purge such material from the
system, the operator knows of and contributes to direct infringement.”); *A & M
Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1020 (9th Cir. 2001) (same).

1 First, the damage to Perfect 10's business is no longer "hypothetical," as the
2 Ninth Circuit previously suggested. *Amazon.com*, 508 F.3d at 1168. Rather, such
3 damage is now established. Perfect 10's cell-phone downloading business ended in
4 2006. Perfect 10 has also been forced to stop publication of its flagship magazine,
5 and its revenues have dropped from nearly \$2,000,000 a year to under \$150,000 a
6 year. Zada Decl. ¶5. Second, the number of P10 Thumbnails infringed by Google
7 has increased massively, from roughly 2,500 when Perfect 10 filed its initial
8 preliminary injunction motion in August 2005 to more than 22,000 today. Third,
9 each infringing P10 Thumbnail is now being linked to websites which infringe, on
10 average, 9,000 P10 Images, as opposed to fewer than 20 such images in 2005. Zada
11 Decl. ¶6, Exh. 9. As a result, the damage to Perfect 10, measured by the number of
12 images infringed by Google's actions, has increased by a factor of at least 1,000.
13 Fourth, Perfect 10 has now submitted evidence of thousands of clicks on P10
14 Thumbnails, and millions of resulting views/downloads of P10 Images. Zada Decl.
15 ¶86, Exh. 65, pp. 8, 9, 1. Finally, Google's provision of *links* from infringing P10
16 Thumbnails to full-size P10 Images has never been found to be a fair use.

17 There has never been a finding of fair use where thousands of images were
18 infringed and the copyright holder's business was destroyed. For each of these
19 reasons, this Court should freshly analyze whether Google's current display of
20 22,000 P10 Thumbnails, which has so damaged Perfect 10, constitutes fair use.

21 **V. PERFECT 10 HAS ESTABLISHED A LIKELIHOOD OF SUCCESS ON**
22 **ITS CONTRIBUTORY INFRINGEMENT CLAIMS.**

23 The Ninth Circuit has held that "Google could be held contributorily liable if it
24 had knowledge that infringing Perfect 10 images were available using its search
25 engine, could take simple measures to prevent further damage to Perfect 10's
26 copyrighted works, and failed to take such steps." *Amazon.com*, 508 F.3d at 1172.
27 Perfect 10 demonstrated in its moving papers that Google has engaged in numerous
28 activities for which it is contributorily liable under this holding. Memo at 9-17.

1 Google’s misleading assertions fail to support a different conclusion.

2 Google first asserts, without evidence or support, that Perfect 10 has not shown
3 that Google links to, or places ads by, P10 Images. Opposition at 16:4-7. Google
4 simply is wrong. Perfect 10 has demonstrated, among other things, that Google:
5 (1) has placed unauthorized ads next to at least 18,000 infringing P10 Images through
6 its AdSense advertising program [Zada Decl. ¶¶2, 16, 74-76, Exhs. 8, 9, 54-56];
7 (2) has placed ads on *blogspot.com* websites that it hosts that have infringed at least
8 4,000 P10 Images [*id.* ¶9]; (3) has offered thousands of full-size P10 Images to its
9 users via its “see full-size image” links and its in-line links [*id.*, ¶¶6-7, 11, Exhs. 1-3];
10 (4) has in-line linked to websites from which users have downloaded millions of P10
11 Images [*id.*, ¶86, Exhs. 65, 9]; and (5) has provided thousands of links to massive
12 infringers of P10 Images via its Google Web Search results and its Sponsored Links
13 [*id.*, ¶¶17, 42-45, 73, Exhs. 10, 27-30, 53]. In addition, Perfect 10 has shown that
14 Google: (6) is storing at least 3,837 full-size P10 Images on its own *blogger.com*
15 servers [*id.* ¶¶8-9]; (7) has hosted more than 565 websites in its *blogspot.com*
16 program that have infringed, in total, more than 11,000 P10 Images [*id.*, ¶¶8-10, Exh.
17 9]; and (8) hosts websites that offer thousands of P10 Images from massive infringing
18 websites such as *rapidshare.com* [*id.*, ¶¶11, 17, 40, Exhs. 3, 10, 26]. Finally, Google
19 also in-line links to infringing full-size P10 Images on *chillingeffects.org*. *Id.* ¶13.

20 Google next asserts that it is not liable because it lacks knowledge of the
21 infringement about which Perfect 10 complains. Opposition at 16. This contention
22 fails for two separate reasons. First, it relies entirely upon Google’s mistaken claim
23 that Perfect 10’s DMCA notices are all defective. *Id.* Perfect 10 showed in its
24 moving papers, however, that Google’s claim is wrong and that its DMCA notices
25 were compliant, for at least these reasons: (1) Interserver and Yahoo! processed
26 similar DMCA notices sent to them by Perfect 10 in two and three days, respectively
27 [Zada Decl. ¶¶82-84, Exhs. 61-63]; (2) [REDACTED]

28 [REDACTED] [Declaration of Jeffrey N. Mausner

1 in support of the PI Motion (Docket No. 773)(“Mausner Decl.”), Exh. G); (3) Google
2 has belatedly processed some of both Perfect 10’s spreadsheet-style notices and its
3 Adobe-style notices [Zada Decl. ¶81]; (4) Perfect 10’s spreadsheet style notices
4 closely followed Google’s DMCA instructions [*id.* ¶¶25-27, Exh. 14-16]; and (5) the
5 declarations of three technical experts submitted by Perfect 10 demonstrate that
6 Perfect 10’s notices are compliant [*see* Declarations of David O’Connor, Sean
7 Chumura and Bennett McPhatter in support of the PI Motion]. Memo at 19-20.
8 Google has failed to refute this evidence.¹¹ In fact, the Declaration of Paul Haahr, the

9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED] Mausner Reply Decl. ¶6, Exh. S.¹²

13 Finally, Google advances the outlandish assertion that it is not liable for
14 contributory infringement because “there are no simple measures that Google could
15 take to prevent further damage to P10’s copyrighted works.” Opposition at 17. In
16 fact, there are many simple measures that Google could take; it simply does not wish
17 to take them. These include: (1) completely processing DMCA notices by removing
18 links to infringing web pages from both Google’s Web Search results and its Image

19 _____
20 ¹¹ Google incorrectly contends that Perfect 10’s submission of 95 DMCA notices in
21 October and November 2009 “has no bearing on DMCA safe harbor.” Opposition at
22 6. Google misconstrues the relevance of these notices. That Google processed a
large number of these recent notices effectively refutes Google’s prior claims that
similar DMCA notices previously submitted by Perfect 10 were deficient.

23 ¹² Additionally, a secondary infringer may be contributorily liable if it has actual *or*
24 constructive knowledge of direct infringement. *A & M Records v. Napster*, 239 F.3d
25 at 1020 (contributory liability requires that the secondary infringer “know or have
26 reason to know” of direct infringement); *Louis Vuitton Mattetier, S.A. v. Akanoc*
27 *Solutions, Inc.*, 591 F.Supp.2d 1098, 1107-08 (N.D. Cal. 2008) (“a reasonable jury
28 could find that Defendants should have known that infringing websites were using
their services”). At the very minimum, the Perfect 10 copyright notices on thousands
of images being displayed by Google in its Image Search results, and Perfect 10’s
provision to Google of thousands of such images infringed by websites with which
Google has business dealings or to which Google links, should have made Google
aware of the infringing activity occurring on its system.

1 Search results and removing ads from such web pages; (2) using image recognition,
2 including Google’s existing “Find similar images” feature, to remove identified
3 images from Google’s Image Search results; (3) assigning an employee to review
4 Google’s Image Search results for identified infringing images; (4) keeping track of
5 infringement complaints against various websites, to avoid copying P10 Images from
6 those websites to use in Google’s Image Search results; and (5) requiring infringers
7 to actually remove infringing content from their websites or face the removal of all
8 Google links. *See Zada Reply Decl.* ¶23 (identifying other simple measures that
9 Google has failed to take). Moreover, Google’s assertion that it can continue to
10 provide millions of links to massive infringing paysites is directly contrary to the
11 Ninth Circuit’s position that “[r]equiring website owners to refrain from taking
12 affirmative acts that are unlawful does not strike us as an undue burden.”
13 *Roommates*, 521 F.3d at 1169 n.24.

14 **VI. GOOGLE IS CONTRIBUTORILY AND VICARIOUSLY LIABLE FOR**
15 **THE INFRINGING ACTIVITIES OF THE *BLOGSPOT.COM***
16 **WEBSITES IT HOSTS.**

17 Google does not dispute that: (1) it has hosted at least 565 *blogspot.com*
18 websites that have infringed at least 11,000 P10 Images;¹³ (2) it has placed Google
19 ads around at least 4,000 of those P10 Images; (3) it receives a direct financial benefit
20 from clicks on these ads; and (4) it can terminate the accounts of the *blogspot.com*
21 websites it hosts. These undisputed facts are substantially different from those
22 previously before the Ninth Circuit, when it ruled that Google was not vicariously
23 liable because “Google cannot terminate those third-party websites.” *Amazon.com*,
24 508 F.3d at 1174. Here, Google can terminate the *blogspot.com* websites because it
25 hosts them, and Google earns a direct financial benefit from clicks on ads placed next
26

27 _____
28 ¹³ Google merely suggests that not all of the infringing images were hosted on
Google’s servers. Opposition at 8, fn. 10.

1 to infringing P10 Images. Zada Decl. ¶¶16, 74-76, Exhs. 8, 9, 54-56.¹⁴ Google thus
2 is vicariously liable under the Supreme Court’s *Grokster* test.

3 Google also does not dispute that image recognition technology is now
4 available. Nevertheless, Google asserts that it should not be required to remove P10
5 Images from its *blogger.com* servers or from its Image Search results, because
6 Google would not know if the images were infringing. Opposition at 17. This
7 contention fails because Perfect 10 has repeatedly told Google that Google does not
8 have the right to reproduce any P10 Images. Zada Reply Decl. ¶24. Google thus
9 should remove any P10 Image that appears in its Image Search results, but has not
10 done so. Google is thus both vicariously and contributorily liable for its conduct.

11 **VII. GOOGLE HAS FAILED TO IMPLEMENT A VIABLE DMCA POLICY**
12 **FOR PROTECTING COPYRIGHTED WORKS.**

13 As Perfect 10 demonstrated in its moving papers, Google has failed to
14 implement a proper DMCA policy. Memo at 12-23. First, Google is willing to
15 remove, on average, only 1 link in 7,000 to an infringing website. Zada Decl. ¶17.

16 Second, Google concedes that it will not take action against its paysite
17 advertising affiliates, which currently infringe hundreds of thousands of P10 Images.
18 Google does not dispute that it: (i) continues to provide hundreds of thousands of
19 links to these sites; (ii) receives fees for promoting these sites through sponsored
20 links and ad placement; and (iii) refuses to sever its business relationship with these
21 sites or require them to remove identified infringing material. Zada Decl. ¶¶17, 42-
22 45, Exhs. 10, 27-30.

23 Third, Google does not dispute that it is not using image recognition
24 technology, or some other method, to prevent further infringement of the same
25 repeatedly identified P10 Image. Google thus has no mechanism to prevent the same
26

27 ¹⁴ Therefore, this case is distinguishable from *UMG Recordings, Inc. v. Veoh*
28 *Networks, Inc.*, 2009 WL 334022 (C.D. Cal., Feb. 2, 2009), where this Court held
that “the alleged financial benefit that the Investor Defendants might some day enjoy
will not come directly from Veoh’s users or from Veoh’s advertisers.” *Id.* at *6.

1 infringing P10 Image from repeatedly appearing in Google’s Image Search results.
2 Zada Decl. ¶¶2, 6, Exhs. 1, 9 (folder labeled “20,000 P10 Thumbnails”).

3 Fourth, Google concedes that it has not kept track of infringements by
4 particular websites that appear in its search results. As a result, Google has no
5 procedure in place to prevent it from continuing to make copies of thousands of
6 infringing images from those websites to use in its Image Search results.

7 Fifth, Google has no mechanism to prevent it from displaying confidential
8 information in its search results. Google points to no policy that would prevent it
9 from forever displaying credit card numbers, social security numbers, or other
10 confidential information, such as usernames and passwords which allow the
11 authorized infringement of copyrighted works. Indeed, Google concedes that: (1) it
12 continues to display passwords to *perfect10.com* on its own website; (2) it continues
13 to host websites on its *blogspot.com* servers that also display Perfect 10 passwords;
14 and (3) such passwords have been used to illegally download more than 4.5 million
15 images from *perfect10.com*. Zada Decl. ¶¶12, 85, Exhs. 4, 64.

16 Sixth, Google does not refute Perfect 10’s contention that Google has failed to
17 work with Perfect 10 to implement a “check the infringing image” notification
18 system, as was earlier ordered by the Court. Mausner Decl. ¶¶2-13, Exhs. A, AA.

19 The above discussion demonstrates that Google does not have a policy to
20 prevent ongoing infringement and thus is not entitled to a DMCA safe harbor.

21 **VIII. GOOGLE DOES NOT COMPLY WITH THE REQUIREMENTS FOR**
22 **DMCA SAFE HARBOR.**

23 Perfect 10 demonstrated in its moving papers that Google has failed to
24 expeditiously process Perfect 10’s DMCA notices and failed to suitably implement a
25 policy against repeat infringers. Memo at 12-23. Google provides no evidence in its
26 Opposition that it has satisfied either of these requirements. In fact, Google has
27 failed to provide a list of even 500 URLs that it has completely processed
28 expeditiously, meaning that it removed identified infringing links from both its Web

1 Search and Image Search results, and any ads on the identified infringing web page.
2 Zada Decl. ¶81. Furthermore, Google has not provided a spreadsheet of any kind
3 which describes what action Google has taken in response to the more than 40,000
4 URLs identified in the DMCA notices sent by Perfect 10 to Google, and when it took
5 such action. Zada Decl. ¶¶97-98, Exhs. 70-71. Without such a spreadsheet, Google
6 has no basis to claim that it processed Perfect 10’s notices at all, let alone
7 expeditiously. Moreover, Google concedes that it has taken no action whatsoever in
8 response to nine DMCA notices (dated July 12, 2007; July 31, 2007, October 16,
9 2007, December 14, 2007; January 24, 2008; March 17, 2008; July 9, 2008; April 24,
10 2009; and May 7, 2009) which identified at least 30,000 infringing URLs, even
11 though these notices identified infringements in the same fashion as other notices
12 which Google later did process. Zada Decl. ¶¶48, 67, 81, Exhs. 32, 47. For these
13 reasons as well, Google is not entitled to a DMCA safe harbor affirmative defense.

14 **IX. GOOGLE HAS NOT DEMONSTRATED THAT IT HAS SUITABLY**
15 **IMPLEMENTED A POLICY AGAINST REPEAT INFRINGERS.**

16 In its Opposition, Google does not provide [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]

24 Google’s attitude toward infringement is illustrated by its response to what are
25 now more than 90 DMCA notices it received regarding Rapidshare, a massive
26 infringer that a German court declared “was used mainly for illegal activities.”
27 Instead of terminating Rapidshare, Google created a rapidshare search engine and
28 programs to assist in the downloading of Rapidshare links. Zada Reply Decl. ¶¶7-9,

1 Exhs. 74-76. Google’s attitude toward infringement is also illustrated by its
2 willingness to pay \$1.65 billion to purchase YouTube, even though Google knew that
3 80% of the content on YouTube was infringing. Mausner Reply Decl. ¶2, Exh. Q.

4 **X. PERFECT 10 HAS DEMONSTRATED THAT IT IS LIKELY TO**
5 **SUCCEED ON ITS RIGHT OF PUBLICITY CLAIM.**

6 Google does not dispute that it has consistently refused to take any action
7 against violations of Perfect 10’s assigned rights of publicity, including violations by
8 Google’s advertising affiliates on websites that Google hosts. Zada Decl. ¶¶15, 101,
9 Exhs. 7, 73. Instead, Google raises various erroneous assertions, none of which
10 provides a basis for this Court to deny injunctive relief on Perfect 10’s right of
11 publicity (“ROP”) claim.

12 Google first asserts that Perfect 10 is a non-exclusive licensee which “may not
13 hold any publicity rights at all.” Opposition at 21. Google is wrong as a matter of
14 fact and law. Rights of publicity are assignable under California law. *See, e.g.,*
15 *Lugosi v. Universal Pictures*, 25 Cal.3d 813, 820 (1979); *KNB v. Matthews*, 78
16 Cal.App.4th 362, 365 (2000). Here, a number of Perfect 10 models entered into
17 written agreements assigning their publicity rights, and all causes of action relating to
18 those publicity rights, to Perfect 10, and authorizing Perfect 10 to bring an action in
19 its own name. Zada Decl. ¶101, Exhs. 73, 9; Mausner Reply Decl., ¶7, Exh. T.
20 Under California law, the language of these agreements controls this issue. *See*
21 Cal.Civ.Code §1639 (“[w]hen a contract is reduced to writing, the intention of the
22 parties is to be ascertained from the writing alone, if possible”); Cal.Civ.Code §1638
23 (“language of a contract is to govern its interpretation”).¹⁵ Accordingly, Google’s
24

25 ¹⁵ For this reason, Google’s attempt to rely upon snippets of deposition testimony by
26 three models, rather than the language of the assignments themselves [Opposition at
27 21], is improper. In any event, Google mischaracterizes the deposition testimony it
28 cites. In fact, each of these models acknowledged that she had assigned her rights of
publicity to Perfect 10. *See, e.g.,* Kassabian Decl., Exh. P. [REDACTED]

1 misguided claim that Perfect 10 has no right to assert its ROP claim fails.¹⁶

2 Google next contends that Perfect 10’s ROP claim is preempted by Section
3 230 of the Communications Decency Act (the “CDA”) because Google is not a
4 “content provider.” Opposition at 22. Google misinterprets both the CDA and
5 controlling Ninth Circuit authority.

6 First, the grant of immunity provided by Section 230 “applies only if the
7 interactive computer service provider is not also an ‘information content provider,’
8 which is defined as someone who is ‘responsible, in whole or in part, for the creation
9 or development of’ the offending content.” *Roommates*, 521 F.3d at 1162, quoting
10 47 U.S.C. § 230(f)(3). Moreover, in passing Section 230, “Congress sought to
11 immunize the *removal* of user-generated content, not the *creation* of content.” *Id.* at
12 1163 (emphasis in original). As the Ninth Circuit noted, Section 230 is titled
13 “Protection for ‘good samaritan’ blocking and screening of offensive material.”
14 Accordingly, “the substance of section 230(c) can and should be interpreted
15 consistent with its caption.” *Id.* at 1163-64. The Ninth Circuit has held that an entity
16 “helps to develop unlawful content, and thus falls within the exception to section 230,
17 if it contributes materially to the alleged illegality of the conduct.” *Id.* at 1168.

18 Here, Google is not entitled to immunity under Section 230 because it
19 contributes materially to illegal conduct in at least two different ways. First, it is
20 undisputed that Google has placed its AdSense advertising on free websites, including
21 *blogspot.com* websites that Google hosts on its own servers, next to the images for
22 which Perfect 10 owns the rights of publicity. Google shares with these websites the
23 revenue it obtains from clicks by users on these ads. Zada Decl. ¶¶9, 11, Exhs. 3, 9.

25 ¹⁶ *Upper Deck Authenticated, Ltd. v. CPG Direct*, 971 F. Supp. 1337 (S. D. Cal.
26 1997), the one case upon which Google relies [Opposition at 21-22], is not to the
27 contrary. *Upper Deck* involved two trading card companies that each had licensing
28 agreements with the same famous athletes. The District Court found that plaintiff did
not have standing to assert claims for rights of publicity violations by defendant
because it was a non-exclusive licensee. Here, by contrast, Perfect 10 is suing as the
assignee of all of the rights of publicity of nine Perfect 10 models.

1 Section 3344 of the California Civil Code provides that a person violates
2 another’s right of publicity by knowingly using another’s photograph or likeness “on
3 or in products, merchandise, or goods, or for purposes of advertising or selling, or
4 soliciting purchases of, products, merchandise, goods or services, without such
5 person's prior consent . . .” A claim for common law right of publicity also requires a
6 commercial purpose. *See. e.g., KNB*, 78 Cal.App.4th at 366. Here, Google is
7 materially contributing to violations of Perfect 10’s assigned rights of publicity by
8 providing the advertising which satisfies the commercial purpose necessary to
9 establish a violation of Section 3344(a) and common law. Google provides the
10 commercial element needed to establish a right of publicity violation by placing
11 AdSense ads around the images of Perfect 10 models. *Polydoros v. Twentieth*
12 *Century Fox Film Corp.*, 67 Cal.App.4th 318, 322 (1997) (in order to succeed on a
13 claim under Section 3344, plaintiff “must establish a direct connection between the
14 use of his name or likeness and a *commercial* purpose”) (emphasis in original). For
15 this reason alone, Perfect 10 is entitled to injunctive relief on its ROP claim. Such a
16 result is fair and logical where, as here, Google is providing the advertising that
17 allows it to profit from the misappropriation of images for which it does not own the
18 rights of publicity.

19 Second, the evidence submitted by Perfect 10 establishes that Google is not
20 entitled to immunity under the CDA because it acts as the information content
21 provider when it intermixes bestiality and other sexually explicit images of third
22 parties with images of Perfect 10 models in its Image Search results. Zada Reply
23 Decl. ¶21, Exh. 85. (Please note that pages 2 and 6 of Exhibit 85, pages created by
24 Google that show bestiality images in response to a Perfect 10 model search, are
25 extremely graphic). Because Google is unnecessarily adding explicit sexual images
26 to normal search results, Google is “sufficiently involved with the design and
27 operation of” its search function so as to “forfeit any immunity” under Section 230.
28

1 *Roommates*, 521 F.3d at 1170.¹⁷

2 Finally, Google contends that Perfect 10's ROP claim is preempted by the
3 Copyright Act because it seeks to exercise rights equivalent to the scope of copyright
4 law. Opposition at 22. Once again, Google is wrong. State law right of publicity
5 claims are not preempted by the Copyright Act because the subject of these claims is
6 a person's name or likeness, which is not copyrightable. *Downing v. Abercrombie &*
7 *Fitch*, 265 F.3d 994, 1003-1005 (9th Cir. 2001); *KNB*, 78 Cal.App.4th at 374-75.

8 **XI. PERFECT 10 HAS ESTABLISHED THAT IT WILL SUFFER**
9 **IRREPARABLE HARM WITHOUT INJUNCTIVE RELIEF.**

10 Google does not dispute that Perfect 10 has lost an additional \$20 million since
11 2005, is near bankruptcy, and must have immediate relief to survive. Zada Decl. ¶5;
12 Zada Reply Decl. ¶2. Nevertheless, Google asserts that Perfect 10 has not
13 demonstrated that it has suffered the irreparable harm necessary to obtain injunctive
14 relief. Opposition at 22-24. Google is wrong, for at least three separate reasons.

15 First, under controlling Ninth Circuit authority, "a plaintiff that demonstrates a
16 likelihood of success on the merits of a copyright infringement claim is entitled to a
17 presumption of irreparable harm." *Sun Microsystems, Inc. v. Microsoft Corp.*, 188
18 F.3d 1115, 1119 (9th Cir.1999) "A copyright holder seeking a preliminary injunction
19 is therefore not required to make an independent demonstration of irreparable harm."
20 *LGS Architects, Inc. v. Concordia Homes of Nevada*, 434 F.3d 1150, 1156-57 (9th
21 Cir. 2006).

22 The Supreme Court's decision in *eBay Inc. v. MercExchange, LLC.*, 547 U.S.
23 388 (2006), upon which Google seeks to rely [Opposition at 23 n.26], does not

25 ¹⁷ Moreover, state law intellectual property claims such as the one brought by Perfect
26 10 may be excepted from immunity under the CDA, even if Google were not a
27 content provider. See 47 U.S.C. § 230(e)(2); *Doe v. Friendfinder Network, Inc.*, 540
28 F.Supp.2d 288, 298-302 (D.N.H. 2008); *Atlantic Recording Corp. v. Project Playlist,*
Inc., 603 F.Supp.2d 690, 703-704 (S.D.N.Y. 2009); *Stayart v. Yahoo! Inc.*, 651
F.Supp.2d 873, 887-88 (E.D. Wisc. 2009). There is now a clear split of authority on
this issue..

1 change the above conclusion. *eBay* involved a permanent injunction in a patent
2 infringement case, not a preliminary injunction in a copyright infringement case.
3 This Court itself has ruled, in the analogous area of preliminary injunctions involving
4 trademark infringement, that “although the Supreme Court's decision in *eBay* has cast
5 some doubt on to the continued viability of the presumption of irreparable harm in
6 trademark cases, this Court will apply current Ninth Circuit law,” which provides that
7 “irreparable harm may be presumed upon a finding of a likelihood of success.”
8 *Garcoa, Inc. v. PH Beauty Labs, Inc.*, 2009 WL 2489223 *2 n.3 (C.D. Cal., Aug. 10,
9 2009) (Matz, J.). This Court likewise should apply current Ninth Circuit law
10 regarding the presumption of irreparable harm in copyright infringement cases.

11 Even if the presumption of irreparable harm does not apply here, however,
12 Perfect 10 has submitted sufficient evidence to establish that it will suffer irreparable
13 harm without injunctive relief. The Supreme Court has held that plaintiffs’
14 undisputed allegation that “absent preliminary relief they would suffer a substantial
15 loss of business and perhaps even bankruptcy” establishes irreparable injury. *Doran*
16 *v. Salem Inn, Inc.*, 422 US 922, 932, 95 S.Ct. 2561, 2568 (1975). “Certainly the latter
17 type of injury sufficiently meets the standards for granting interim relief, for
18 otherwise a favorable final judgment might well be useless.” *Id.* See also 13 *Rutter*
19 *Group Practice Guide: Federal Civil Procedure Before Trial* (TRG 2010) §13:58.

20 Here, as well, Perfect 10 has submitted undisputed evidence that it will suffer a
21 substantial loss of business and likely go into bankruptcy without injunctive relief.
22 Zada Decl. ¶¶5-6, 9, 16, 45, Exhs. 1, 8, 9, 30, 9; Zada Reply Decl. ¶2. Under these
23 circumstances, any favorable judgment against Google years from now would be
24 useless. Accordingly, such evidence supports a finding of “irreparable harm” under
25 the Supreme Court’s holding in *Doran*.¹⁸

26
27 ¹⁸ *Rent-A-Center, Inc. v. Canyon Television & Appliance Rental, Inc.*, 944 F.2d 597
28 (9th Cir. 1991), upon which Google seeks to rely for the proposition that “monetary
damages cannot constitute the irreparable harm required for a preliminary injunction”
[Opposition at 23], is not to the contrary. First, unlike this case or *Doran*, *Rent-A-*

1 Finally, Google’s assertion that Perfect 10 improperly delayed in bringing the
2 PI Motion, and therefore cannot establish irreparable harm [Opposition at 22], is
3 contrary to fact. As Perfect 10 explained in its moving papers, seven new
4 developments following this Court’s ruling on Perfect 10’s first preliminary
5 injunction motion caused Perfect 10 to bring this PI Motion. In particular, Google
6 did not start forwarding the full-size P10 Images and live links found in Perfect 10’s
7 Adobe-style notices to *chillingeffects.org* for display on the Internet until *December*
8 *2009*. Memo at 9. Google does not dispute this point. Under these circumstances,
9 Perfect 10 did not improperly delay in bringing the PI Motion. Accordingly, the
10 timing of the motion provides no basis for this Court to find that Perfect 10 has not
11 satisfied the “irreparable harm” requirement.

12 **XII. RECENT EVIDENCE OF GOOGLE’S OBSTRUCTION IN THE**
13 **VIACOM CASE IMPACTS THIS ACTION.**

14 Evidence just released on March 18, 2010, in the lawsuit brought by Viacom
15 against Google and YouTube in the Southern District of New York suggests that
16 Google may be guilty of major discovery obstructions in that case and in this case.
17 For example, Google CEO Eric Schmidt testified that “[i]t was my practice to delete
18 or otherwise cause the emails that I had read to go away as quickly as possible.”
19 Mausner Reply Decl. ¶2, Exh. Q (emphasis added). Schmidt’s testimony is directly
20 relevant to this case because Google produced no meaningful documents in response
21 to this Court’s May 13, 2008 Order compelling Google to produce reports ordered,
22 requested or circulated by Schmidt. *Id.* In addition, Viacom states that Larry Page,
23 one of Google’s co-founders “**essentially disclaimed memory on any topic relevant**
24 **to this litigation**, even including, for example, whether he was in favor of Google’s

25
26 *Center* did not involve possible bankruptcy. Moreover, the *Rent-A-Center* court
27 acknowledged that “intangible injuries, such as damage to ongoing recruitment
28 efforts and goodwill, qualify as irreparable harm.” *Id.* at 603. Here, as well, Perfect
10 will suffer irreparable damage to its entire business, including its goodwill, and
will have to lay off additional employees without injunctive relief. Zada Reply Decl.
¶2. For this reason as well, Perfect 10 has established “irreparable harm.”

1 acquisition of YouTube.” Mausner Reply Decl. ¶2, Exh. Q. Similar obstruction by
2 Google in this case has prevented Perfect 10 from fully and fairly litigating its case,
3 and is directly relevant to Perfect 10’s contention that it would be improper for this
4 Court to rule on Google’s pending DMCA Motions until Google is required to
5 produce a vast array of documents previously ordered by the Court but not produced
6 by Google. Zada Decl. ¶97; Mausner Reply Decl. ¶2, Exh. Q.

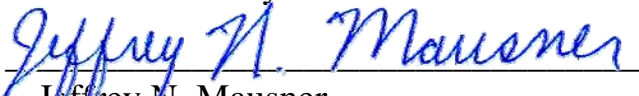
7 **XIII. CONCLUSION.**

8 Google has failed to address, let alone refute, virtually all of Perfect 10’s
9 evidence. Despite receiving 167 DMCA notices from Perfect 10, Google is, among
10 other things: (1) providing at least 222 million links (which Google will not remove)
11 to websites that infringe P10 Images; (2) displaying 22,000 P10 thumbnails in its
12 Image Search results (that Google will not prevent from reappearing), which allow
13 the downloading of tens of thousands of full-size P10 Images; (3) storing 3,837 full-
14 size P10 Images on its own servers (which Google will not remove); (4) promoting
15 massive infringing paysites (which Google will take no action against) that are selling
16 more than 180,000 P10 Images; and (5) refusing to stop forwarding Perfect 10’s
17 DMCA notices to *chillingeffects.org*, thus re-establishing access to thousands of P10
18 Images that Google was supposed to remove and preventing Perfect 10 from sending
19 further DMCA notices to protect its copyrighted works.

20 Perfect 10 has demonstrated that it is likely to succeed on its copyright
21 infringement and right of publicity claims. Without injunctive relief, what is left of
22 Perfect 10’s business and goodwill will end. Accordingly, for all of the reasons
23 discussed above and in Perfect 10’s moving papers, this Court should grant Perfect
24 10’s PI Motion and enter a preliminary injunction against Google.

25 Dated: March 22, 2010

Respectfully submitted,
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26 By: 
27 Jeffrey N. Mausner,
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