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Rupa Marya v. Warner Chappell Music Inc

I. <u>INTRODUCTION</u>

Plaintiffs make this *ex parte* application for an extension of the current fact discovery cut-off deadline of July 11, 2014. The extension is warranted in order to permit Plaintiffs' motion under Fed. R. Civ. P. 26(b)(5)(B) for an order: (i) overruling the claim of privilege by defendants Warner/Chappell Music, Inc. and Summy-Birchard, Inc. ("Defendants"), to certain documents produced by non-party American Society of Composers, Authors and Publishers ("ASCAP"), or, in the alternative, permitting a Rule 30(b)(6) deposition to determine the factual basis for the claimed privilege to be fully briefed and heard by Magistrate Judge Michael R. Wilner ("the Motion").

The Court initially set the fact discovery deadline for June 27, 2014. (Dkt 92). On June 9, 2014, the fact discovery deadline was extended by Magistrate Judge Wilner, in consultation with this Court, and at the request of both parties, to July 11, 2014 in order to successfully resolve an outstanding discovery dispute relating to Defendants' privilege log. Plaintiffs have made every effort to complete discovery prior to July 11, 2014 and to resolve this narrow, but important, privilege issue. However, despite Plaintiffs' diligence, Defendants have manufactured unnecessary obstacles in order for the discovery window to close without the necessary resolution of this remaining discovery dispute.

As to the Motion, the pre-filing conference of counsel has already occurred and Plaintiffs, prior to the filing of this *ex parte* application, provided Defendants' counsel with Plaintiffs' portion of Local Rule 37-2.2 Joint Stipulation and noticed the Motion for July 30, 2014, the first available date under the Local Rules. A redacted copy of Plaintiffs' section of the Local Rule 37-2.3 Joint Stipulation (without the supporting declarations) is attached as Exhibit 1 to the Declaration of Betsy C Manifold provided in support of this *ex parte* application. Plaintiffs do not seek to litigate the merits of their Motion here but simply to inform the Court of their

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significance, the diligence with which the discovery was sought, and the need for a decision on the merits. Absent this relief, under Local Rule 37-2, the Joint Stipulation and Supplemental Memorandum process cannot be fully completed and the motion heard prior to the discovery cut off. Plaintiffs are not at fault in the need for this *ex parte* relief and good cause exists for an extension of the discovery cut-off deadline for this limited purpose.

II. CONTACT INFORMATION FOR OPPOSING COUNSEL

Pursuant to Local Rule 7-19, Plaintiffs provide the following contact information for opposing counsel:

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counsel for Defendants (Adam Kaplan) that they intended to file this application on July 3, 2014. By email dated July 2, 2014, Defendants advised that they intend to file a written response, and then Plaintiffs' served a copy of this *ex parte* application and supporting papers electronically on Defendants' counsel prior to filing. *See* Declaration of Betsy C. Manifold ("Manifold Decl."), ¶ 3. No hearing date is requested, but, if the Court determines that a hearing would be helpful, Plaintiffs could appear at any time convenient for the Court.

Pursuant to Local Rule 7-19.1, on July 2, 2014, at 9:27 A.M., Plaintiffs informed

III. <u>LEGAL STANDARD</u>

An application for *ex parte* relief is granted when (1) the moving party would be "irreparably prejudiced if the underlying motion is heard according to regular noticed motion procedures" and (2) the moving party is without fault in creating the situation requiring ex parte relief. *Mission Power Engineering Co. v. Continental Casualty Co.*, 883 F. Supp. 488, 492 (C.D. Cal. 1995).

A pre-trial scheduling order may be modified "upon a showing of good cause." Fed. R. Civ. P. 16(b)(4); *Zivkovic v. Southern California Edison Co.*, 302 F.3d 1080, 1087 (9th Cir. 2002). Good cause is shown if the schedule "cannot reasonably be met despite the diligence of the party seeking the extension." *Photomedex, Inc. v. Irwin*, No. 04-CV-0024, 2007 U.S. Dist. LEXIS 56774, at *4.

Plaintiffs meet the requirements both for *ex parte* relief and for the underlying request to permit its motion to be heard after the cutoff, and therefore respectfully request that the Court grant this application.

IV. PLAINTIFFS ACTED DILIGENTLY IN BRINGING ITS MOTION TO COMPEL, WHICH HAS BEEN PROVIDED TO DEFENDANTS UNDER LOCAL RULE 37-2.

This narrow discovery dispute (Defendants' belated claim of privilege over certain ASCAP documents) is important and the discovery at issue was sought and received by Plaintiffs from non-party ASCAP, without any claim of privilege by

2014. Defendants first asserted a claim of privilege in late May of 2014, some three weeks after the initial production of documents by ASCAP. Thereafter, Plaintiffs acted promptly and diligently to resolve the disputed claim of privilege with both Defendants and ASCAP but the delay in resolving this dispute resulted from both ASCAPs' and the Defendants' failure to cooperate in this process.

Defendants, on a timely basis, well before the original discovery cut-off of June 27,

A. The Discovery Sought to Be Compelled is Important and Was Properly and Promptly Served During the Discovery Period

Plaintiffs served a document subpoena on ASCAP on March 28, 2014. Before producing any responsive documents, Plaintiffs' counsel spoke with Richard H. Reimer, Esquire, ASCAP's Senior Vice President – Legal Services, and learned that ASCAP was sending approximately 500 pages of documents to Plaintiffs (the "ASCAP Documents"). Plaintiffs received the ASCAP Documents on May 9, 2014, all marked "Confidential," as did Defendants. Manifold Decl., ¶¶ 7 and 8. One week after receiving the ASCAP Documents, on May 16, 2014, Plaintiffs' counsel asked ASCAP's counsel, Mr. Reimer, to withdraw the "Confidential" designation for the ASCAP Documents and was advised that Mr. Reimer would need to speak with the Defendants before agreeing to the request, but that he did not oppose the request. *Id*.

Six days after that, Mr. Reimer advised Plaintiffs that Defendants claimed certain of the ASCAP Documents were privileged and that counsel for the Defendants would be contacting Plaintiffs directly to provide the details as to the basis for *their clients*' claim of privilege. Manifold Decl., ¶ 10. Two of the ASCAP Documents, letters from Richard Wincor, Esquire, of Coudert Brothers to David K. Sengstack, President of Summy-Birchard Company ("Summy-Birchard"), Warner/Chappell's predecessor-in-interest (collectively, the "Coudert Letters"),

All of the documents were marked "Confidential" pursuant to a stipulated protective order approved by this Court on May 5, 2014. *See* Dkts. 97 and 98.

discussed in detail the Defendants' predecessors' disputed ownership of the song. *Id.* As required under Fed. R. Civ. P. 26(b)(5)(B), copies of the Coudert Letters were sequestered by Plaintiffs' counsel and will be submitted to the Magistrate Judge under seal for a determination of Defendants' claim of privilege. Manifold Decl., ¶ 11; *see also* Fed. R. Civ. P. 26(b)(5)(B) ("After being notified, a party . . . may promptly present the information to the court under seal for a determination of the claim."). To date, none of the ASCAP Documents appeared on the privilege logs produced by Defendants. *Id.*

B. Plaintiffs Diligently Attempted to Meet and Confer with Defendants and To Create a Factual Record with Regard to the Defendants' Claim of Privilege

After receiving Mr. Reimer's May 22nd letter, Plaintiffs' counsel exchanged correspondence and participated in a series of telephone calls with Defendants' counsel regarding their belated claim of privilege. Manifold Decl., ¶ 12. The parties vigorously dispute whether any of the ASCAP Documents, the Coudert Letters in particular, are privileged, in light of the fact that the ASCAP Documents were in the hands of a third-party (ASCAP) with whom Defendants share no common legal interest, and under circumstances plainly indicating that Defendants' purported privilege in the ASCAP Documents, if any, has been waived. Whether the ASCAP Documents are privileged depends, among other things, upon the nature of the relationship between ASCAP and Summy-Birchard Co. (the Defendants' predecessor-in-interest), their respective interests (if any) in the Song's copyright, their understanding (if any) regarding the documents, the reason(s) why the documents were created, the reason(s) why Summy-Birchard Co. sent the documents to ASCAP, and the circumstances under which ASCAP produced the ASCAP Documents to Plaintiffs.

To establish facts the Court may deem necessary to determine whether any of the ASCAP Documents are privileged, on May 22, 2014, Plaintiffs noticed the 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |

representative of ASCAP most knowledgeable about the scope or validity of any copyright to the Song, disputes regarding the scope and validity of any copyright to the Song, the distribution of fees or royalties from the Song, the nature of the relationship between ASCAP and Summy-Birchard Co., the services provided by ASCAP to Summy-Birchard Co., and the circumstances surrounding ASCAP's production of the Documents to **Plaintiffs** pursuant the document subpoena. Manifold Decl., ¶ 15. ASCAP first moved to quash the subpoena, but the parties resolved that dispute and ASCAP withdrew its motion to quash. Manifold Decl., ¶¶ 16 and 17. ASCAP's deposition will take place in New York on July 11, 2014. *Id.* at ¶ 17. Plaintiffs have moved to determine whether Defendants have any privilege in the documents in question, or whether Defendants (or their predecessors-in-interest) waived any privilege they may have had in the documents when they voluntarily produced the documents to a third-party, ASCAP, with whom they did not share any privilege. The Magistrate Judge may also determine that this privilege dispute can best be resolved upon a fully developed factual record (such as a deposition) and an

deposition of Defendants pursuant to Fed. R. Civ. P. 30(b)(6) for the corporation's

testimony about the extent of ASCAP's interest (if any) in the Song and the royalties

it collects for public performances of the Song and whether ASCAP produced the

documents knowingly and intentionally. Manifold Decl., ¶ 13. On May 27, 2014,

Defendants opposed the Fed. R. Civ. P. 30(b)(6) deposition notice on

various grounds and declined to produce a witness. Manifold Decl, ¶ 14. Plaintiffs

also subpoenaed ASCAP under Fed. R. Civ. P. 45 and 30(b)(6) for the deposition of a

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Manifold Decl., Ex. 1.

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C. The Motion Will Be Fully Briefed and Ready to Be Heard by Magistrate Judge Wilner on July 30, 2014

extension of the discovery cut-off for this limited purpose is also warranted. See

Since Plaintiff's Motion cannot be filed and argued prior to the discovery cut-off,

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the Magistrate Judge will likely consider the Motion to be untimely absent an appropriate extension of the discovery cut-off date to permit the motion to be heard and decided. Plaintiffs seek this *ex parte* relief so the motion may be heard on July 30, 2014 and the relief therein granted or denied by the Magistrate Judge.

D. Defendants Will Not Be Prejudiced By This Motion, and ExParte Relief Is Necessary

As set forth above, Plaintiffs acted diligently in serving its discovery requests and deposition notices, meeting and conferring with Defendants and ASCAP, and filing its motion to compel. *Ex parte* relief is required so that, if leave is granted, the motion may be heard by Judge Wilner on July 30, and so that any discovery ordered by Judge Wilner will be disclosed well in advance of the deadline for summary judgment motions.

There is no prejudice to Defendants in having this motion heard now. The information sought is very limited in scope, and has already been produced by ASCAP.

V. <u>CONCLUSION</u>

For the reasons stated above, Plaintiffs respectfully submit that this *Ex Parte* Application should be granted, and requests that Plaintiffs be permitted to have its motion to compel fully briefed and heard by Magistrate Judge Wilner.

Respectfully submitted,

Dated: July 3, 2014

WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP

By: <u>/s/Betsy C. Manifold</u>
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