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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

RAUL CAIZ,)	CV No. 15-09044-RSWL-
)	AGRx
Plaintiff,)	
)	
v.)	ORDER Re: DEFENDANTS'
)	MOTION FOR ATTORNEYS'
WILLIAM LEONARD ROBERTS II,)	FEES [60]
aka MASTERMIND aka RICK)	
ROSS, UNIVERSAL MUSIC)	
GROUP, INC., DEF JAM)	
RECORDS, INC., MAYBACH)	
MUSIC GROUP, LLC,)	
)	
Defendants.)	

I. INTRODUCTION

Currently before the Court is Defendants William Leonard Roberts II aka Mastermind aka Rick Ross ("Roberts"), Universal Music Group, Inc. ("Universal"), Def Jam Records, Inc., ("Def Jam"), and Maybach Music Group, LLC's ("Maybach") (collectively, "Defendants") Motion for Attorneys' Fees ("Motion") [60]. The Court, having reviewed all papers and arguments submitted

1 pertaining to this Motion, **NOW FINDS AND RULES AS**
2 **FOLLOWS:** Defendants' Motion for Attorneys' Fees [60] is
3 **DENIED.**

4 **II. BACKGROUND**

5 **A. Factual Background**

6 Plaintiff Raul Caiz ("Plaintiff") is a hip-hop
7 music artist. Compl. ¶ 2, ECF No. 1. On December 24,
8 2005, Plaintiff applied for registration of the
9 trademark "Mastermind" for use in Classes 009 and 41.
10 Id. at ¶ 25. It was registered on July 16, 2013. Id.
11 Roberts is also a hip-hop artist. Id. at ¶ 3. On
12 January 7, 2013, Roberts announced the title of his
13 sixth album would be "Mastermind." Id. at ¶ 28.
14 Roberts went on to refer to himself as "Mastermind,"
15 claiming it as his own and creating confusion in the
16 marketplace. Id. at ¶ 29. Universal, Def Jam, and
17 Maybach reviewed, approved, and assisted in the
18 creation and distribution of infringing materials which
19 had the "Mastermind" mark. Id. at ¶ 31.

20 Plaintiff alleged Defendants wilfully infringed his
21 trademark rights by releasing an album entitled
22 "Mastermind," titling Roberts' tour "Mastermind," and
23 by Roberts taking on the persona of "Mastermind,"
24 causing confusion in the marketplace. Id. Plaintiff
25 claimed that the value of his trademark diminished
26 because people mistakenly believed Plaintiff released
27 the "Mastermind" album that Defendants had already
28 released. Id. at ¶ 7. Plaintiff alleged he used the

1 name "Mastermind" since 1999 in various ways,
2 including: purchasing recording equipment, recording
3 music, performing at venues, obtaining synchronization
4 deals for multiple songs, making a music video, and
5 receiving a licensing deal to use a song as a mall
6 jingle. Id. at ¶ 32.

7 Plaintiff's claims against Defendants included
8 Federal Trademark Infringement pursuant to 15 U.S.C. §
9 1114, a violation of the Lanham Act, 15 U.S.C. §
10 1125(a), Federal Trademark Dilution, Unfair Enrichment,
11 Unfair Competition, and Misappropriation. Id. at ¶¶
12 39-65. Defendants filed a Counterclaim of cancellation
13 of the federal trademark registration under 28 U.S.C. §
14 2201(a) and 15 U.S.C. §§ 1119, 1064. Countercl. ¶ 5.
15 Defendants alleged the "Mastermind" mark is invalid
16 because it is a generic and/or merely descriptive term
17 that lacks secondary meaning. Id. at ¶ 12. Defendants
18 requested the Court cancel Plaintiff's registration of
19 the "Mastermind" mark pursuant to 15 U.S.C. § 1119.
20 Id. at ¶ 18.

21 **B. Procedural Background**

22 On November 20, 2015, Plaintiff filed a Complaint
23 with this Court [1]. On February 16, 2016, Defendants
24 filed an Answer [18]. On February 18, 2016, Defendants
25 filed a Counterclaim against Plaintiff [22]. On March
26 8, 2016, Plaintiff filed an Answer to the Counterclaim
27 [23]. On October 7, 2016, Defendants filed a Motion
28 for Summary Judgment [44]. On December 15, 2016, this

1 Court granted Defendants' Motion for Summary Judgment
2 [58]. On December 16, 2016, Judgment was entered in
3 favor of Defendants [59]. On December 30, 2016,
4 Defendants filed the instant Motion [60]. On January
5 10, 2017, Plaintiff filed its Opposition [61]. On
6 January 17, 2017, Defendants filed their Reply [64].

7 III. DISCUSSION

8 A. Legal Standard

9 1. Exceptional Cases

10 "The court in exceptional [trademark] cases may
11 award reasonable attorney fees to the prevailing
12 party." 15 U.S.C. § 1117(a). The interpretation of
13 what constitutes an "exceptional case" is a question of
14 law. Earthquake Sound Corp. v. Bumper Indus., 352 F.3d
15 1210, 1216 (9th Cir. 2003).

16 Courts may consider several factors to determine
17 whether "exceptional circumstances" exist. E & J Gallo
18 v. Proximo Spirits, Inc., No. CV-F-10-411 LJO JLT, 2012
19 WL 3639110, at *5 (E.D. Cal. Aug. 23, 2012). An action
20 may be exceptional where plaintiff's case is
21 "groundless, unreasonable, vexatious, or pursued in bad
22 faith." Stephen W. Boney, Inc. v. Boney Servs., 127
23 F.3d 821, 827 (9th Cir. 1997)(quoting Scott Fetzer Co.
24 v. Williamson, 101 F.3d 549 (8th Cir. 1996)). The
25 Supreme Court has noted several "nonexclusive" factors
26 to consider including "frivousness, motivation,
27 objective unreasonableness (both in the factual and
28 legal components of the case) and the need in

1 particular circumstances to advance considerations of
2 compensation and deterrence." Octane Fitness, LLC v.
3 ICON Health & Fitness, Inc., 134 S. Ct. 1749, 1756 n.6
4 (2014)(quoting Fogerty v. Fantasy, Inc., 510 U.S. 517,
5 534 n.19 (1994)).

6 The Ninth Circuit has recently held that courts
7 should look to the "totality of the circumstances" in
8 determining if a case is exceptional and "exercis[e]
9 equitable discretion in light of nonexclusive factors
10 identified in Octane Fitness and Fogerty, and us[e] a
11 preponderance of the evidence standard." SunEarth,
12 Inc. v. Sun Earth Solar Power Co., Ltd., 839 F.3d 1179,
13 1181 (9th Cir. 2016). Additionally, "[t]he Court is
14 not compelled to award attorney's fees even if the case
15 is exceptional." Starbuzz Tobacco, Inc. v. Addison
16 Specialty Services, Inc., No. 13-CV-1539-MMA (KSC),
17 2015 WL 11251805, at *5 (S.D. Cal. July 29, 2015)
18 (citing Fifty-Six Hope Rd. Music, Ltd. v. A.V.E.L.A.,
19 Inc., 915 F. Supp. 2d 1179, 1186 (D. Nev. 2013) aff'd,
20 778 F.3d 1059 (9th Cir. 2015)).

21 2. Reasonable Attorneys' Fees

22 When attorneys' fees are awarded under § 1117(a) of
23 the Lanham Act, the amount of the fee award is subject
24 to the court's discretion. Sealy, Inc. v. Easy Living,
25 Inc., 743 F.2d 1378, 1384 (9th Cir. 1984). "When it
26 sets a fee, the district court must first determine the
27 presumptive lodestar figure by multiplying the number
28 of hours reasonably expended on the litigation by the

1 reasonable hourly rate." Intel Corp. v. Terabyte
2 Int'l, Inc., 6 F.3d 614, 622 (9th Cir. 1993)(internal
3 citation omitted). In appropriate cases, courts may
4 then adjust the "presumptively reasonable" lodestar
5 figure based upon factors set forth by the Ninth
6 Circuit in Kerr v. Screen Extras Guild, Inc., 526 F.2d
7 67, 69-70 (9th Cir. 1975) abrogated on other grounds by
8 City of Burlington v. Dague, 505 U.S. 557 (1992).¹

9 **C. Analysis**

10 1. Defendants' Failure To Comply With Local Rule
11 7-3

12 Local Rule 7-3 requires that "counsel contemplating
13 the filing of any motion shall first contact opposing
14 counsel to discuss thoroughly, preferably in person,
15 the substance of the contemplated motion and any
16 potential resolution." L.R. 7-3. The Local Rule
17 further requires that this conference shall take place
18 at least seven (7) days prior to the filing of the
19 motion. Id. The Court may, in its discretion, refuse
20 to consider Defendants' Motion for failure to comply
21 with Local Rule 7-3. See, e.g., Reed v. Sandstone

22
23 ¹ The Kerr factors are: (1) the time and labor required, (2)
24 the novelty and difficulty of the questions involved, (3) the
25 skill requisite to perform the legal service properly, (4) the
26 preclusion of other employment by the attorney due to acceptance
27 of the case, (5) the customary fee, (6) whether the fee is fixed
28 or contingent, (7) time limitations imposed by the client or the
circumstances, (8) the amount involved and the results obtained,
(9) the experience, reputation, and ability of the attorneys,
(10) the 'undesirability' of the case, (11) the nature and length
of the professional relationship with the client, and (12) awards
in similar cases. Kerr, 526 F.2d at 69-70.

1 Properties, L.P., No. CV 12-05021 MMM (VBKx), 2013 WL
2 1344912, at *6 (C.D. Cal. Apr. 2, 2013). Defendants
3 assert when the parties met and conferred regarding
4 Defendants' intention to file a Motion for Summary
5 Judgment on September 9, 2016, Defendants' counsel
6 advised Plaintiff's counsel that Defendants would seek
7 attorneys' fees if the motion was granted. Decl. of
8 Craig Holden ("Holden Decl.") ¶ 2, ECF No. 60-1.
9 Plaintiff claims that the meet and confer was only
10 about the Motion for Summary Judgment and there was no
11 substantive discussion at that time regarding the
12 instant Motion; thus, Defendants' Motion should be
13 denied. Pl.'s Opposition ("Opp'n") 4:1-15.

14 While Plaintiff may have been put on notice that
15 Defendants would seek attorneys' fees if the Motion for
16 Summary Judgment was granted, the purpose of Local Rule
17 7-3 is to facilitate possible resolution without the
18 need for an unnecessary motion. Defendants failed to
19 properly meet and confer with Plaintiff regarding the
20 instant Motion. There was no substantive discussion
21 about attorneys' fees during the meet and confer on
22 September 9, 2016, because at that time only the Motion
23 for Summary Judgment was contemplated.

24 In his Opposition, Plaintiff neither demonstrates
25 that Defendants' Motion is "unnecessary," nor does
26 Plaintiff show that he has suffered prejudice as a
27 result of the absence of a conference. Rather,
28 Plaintiff conclusory states Defendants did not properly

1 meet and confer and the Motion should therefore be
2 denied. Opp'n 4:8-16. Because there appears to be no
3 prejudice to Plaintiff in considering Defendants'
4 Motion on the merits, the Court exercises its
5 discretion to do so. Reed, 2013 WL 1344912 at *6; see
6 Thomas v. U.S. Foods, Inc., No. 8:12-cv-1221-JST
7 (JEMx), 2012 WL 5634847, at *1 n.1 (C.D. Cal. Nov. 14,
8 2012)(considering the plaintiff's motion despite
9 failure to comply with Local Rule 7-3).

10 2. The Case is Not "Exceptional" in Light of the
11 "Nonexclusive" Factors and the Totality of the
12 Circumstances

13 Defendants ask the Court to award them \$150,100 in
14 attorneys' fees incurred in defending Plaintiff's
15 "objectively unreasonable claims" because this case is
16 "exceptional" within the meaning of 15 U.S.C. § 1117.
17 Defs.' Mot. for Atty's Fees ("Mot.") 1:3-7. Defendants
18 argue they are entitled to attorneys' fees because this
19 Court cancelled Plaintiff's "Mastermind" trademark by
20 finding the mark was descriptive, did not acquire
21 secondary meaning, and because Plaintiff failed to
22 support his federal dilution claim.

23 Plaintiff argues that because he believed his mark
24 was suggestive, the case is not exceptional. Opp'n
25 2:11-13. Determining whether a mark is descriptive or
26 suggestive is a high evidentiary bar and a close
27 question; therefore, Plaintiff was justified in his
28 reasonable belief that the mark was suggestive and did

1 not require showing the mark acquired secondary
2 meaning. Id. at 2:14-19; 2:23-28.

3 Exceptional cases "stand[] out from others with
4 respect to the substantive strength of a party's
5 litigating position (considering both the governing law
6 and the facts of the case) or the unreasonable manner
7 in which the case was litigated." SunEarth, 839 F.3d
8 at 1180 (quoting Octane Fitness, 134 S. Ct. at 1756).
9 In light of the "nonexclusive" factors of "frivolousness,
10 motivation, objective unreasonableness (both in the
11 factual and legal components of the case) and the need
12 in particular circumstances to advance considerations
13 of compensation and deterrence," this case is not
14 exceptional and does not support an award of attorneys'
15 fees because Plaintiff had a registered trademark, his
16 motivation in pursuing the lawsuit was to police and
17 enforce his trademark rights, and the case was not
18 objectively unreasonable both in the factual and legal
19 components of the case. Octane Fitness, 134 S. Ct. at
20 1756 n.6 (quoting Fogerty v. Fantasy, Inc., 510 U.S.
21 517, 534 n.19 (1994)).

22 If a plaintiff has raised "debatable issues" and
23 can be found to have had a legitimate reason for
24 bringing the lawsuit, it supports a finding that a case
25 is not exceptional. Nutrivita Laboratories, Inc. v.
26 VBS Distribution Inc., 160 F. Supp. 3d 1184, 1192 (C.D.
27 Cal. 2016). However, where a party has not complied
28 with a court's order, that conduct may render a case

1 exceptional. ROAR, LLC v. ROAR Global Limited, No.
2 2:15-cv-05865-ODW (AFM), 2016 WL 7115902, at *7 (C.D.
3 Cal. Dec. 5, 2016). Additionally, a plaintiff's
4 actions, including unreasonable conduct such as
5 misrepresentations and misleading statements to the
6 court, may be sufficient to find that a case is
7 exceptional. Elem Indian Colony of Pomo Indians of the
8 Sulphur Bank Rancheria v. Ceiba Legal, LLP, No. C 16-
9 03081 WHA, 2017 WL 467839, at *2 (C.D. Cal. Feb. 2,
10 2017). Here, there is no evidence Plaintiff misled
11 the Court or misrepresented any facts.

12 Contrary to Defendants' assertions, the fact that
13 Plaintiff did have a registered trademark supports a
14 finding that Plaintiff's claims were not frivolous and
15 Plaintiff had a legitimate reason for bringing the
16 lawsuit. A presumption of validity exists when there
17 is a registered trademark. Solid 21, Inc. v. Hubolt of
18 America, 109 F. Supp. 3d 1313, 1322 (C.D. Cal. 2015)
19 (citing Yellow Cab Co. Of Sacramento v. Yellow Cab of
20 Elk Grove, Inc., 419 F.3d 925, 927 (9th Cir. 2005)).
21 Having a validly registered trademark entitles
22 Plaintiff to police his mark if he reasonably believes
23 the mark has been infringed. The fact that Plaintiff
24 sent cease and desist letters to other entities—and at
25 least one responded by taking down content from their
26 website—counters Defendants' assertion that Plaintiff's
27 claims were completely baseless and Plaintiff's
28 motivation in filing the lawsuit against Defendants may

1 have been to "receive a quick pay day" from Defendants.
2 Pl.'s Opp'n to Defs.' Mot. for Summ. J. 7:4-11, Ex. F,
3 ECF No. 52; Reply 5:15-19.

4 Additionally, the Court disagrees with Defendants'
5 attempt to analogize the present case with the holding
6 from Dzinesquare, Inc. v. Armano Luxury Alloys, Inc.,
7 CV 14-01918 JVS (JCGx), 2015 U.S. Dist. LEXIS 178443,
8 at *7 (C.D. Cal. Apr. 1, 2015).² Here, while Plaintiff
9 did not address his federal dilution claim in his
10 Opposition to Defendants' Motion for Summary Judgment,
11 that alone is not sufficient to find the case is
12 exceptional. That was only one claim in Plaintiff's
13 Complaint. That does not make Plaintiff's claim "stand
14 out" from the others and show that the entire case was
15 objectively unreasonable. SunEarth, 839 F.3d at 1180
16 (quoting Octane Fitness, 134 S. Ct. at 1756).

17 Defendants have also failed to show that Plaintiff
18

19 ² In Dzinesquare, the court held that the case was
20 exceptional for plaintiff's patent claim because plaintiff failed
21 to provide a Statement of Genuine Disputes, admitted the patent
22 was invalid, and admitted his patent infringement claims were
23 objectively baseless. The court also found that the case was
24 exceptional, warranting attorneys' fees against plaintiff for his
25 claims under the Lanham Act because plaintiff did not provide
26 proof that his mark acquired secondary meaning. Id. at *10.
27 Plaintiff argued this was because defendant filed the motion for
28 summary judgment prior to the discovery cut-off date and
plaintiff did not have time to refute this assertion. Id. The
court held plaintiff should have had this evidence irrespective
of when defendant filed the motion for summary judgment. Id.
Plaintiff's evidence of his sales was insufficient to support his
trade dress dilution claim. Id. at *11. Due to the combined
weakness of both claims, the court found the case stood out from
others and was exceptional under Octane Fitness. Id.

1 litigated the case in an unreasonable manner.
2 Plaintiff attempted to show that Defendants infringed
3 on his mark "Mastermind." Although the Court did not
4 find Plaintiff's arguments persuasive, Plaintiff
5 nevertheless set forth good faith arguments and what he
6 believed was evidence that the mark was suggestive and
7 not descriptive, therefore not necessitating the need
8 for a showing of secondary meaning. The Court noted in
9 its Order on Defendants' Motion for Summary Judgment
10 that a determination of whether a mark is suggestive or
11 descriptive is not as clear or objective as one would
12 think. Order Re Defs.' Mot. for Summ. J. 10:2-5, ECF
13 No. 58. Plaintiff attempted to show—through flyers for
14 performances where Plaintiff beared the name
15 "Mastermind" and screenshots of some of Plaintiff's
16 songs released using the name "Mastermind"—that the
17 mark was distinctive of Plaintiff's goods and acquired
18 secondary meaning. Id. at 15:24-16:4. While the Court
19 found this to be insufficient, it is difficult for the
20 Court to conclude, as Defendants suggest, that it was
21 frivolous or objectively unreasonable for Plaintiff to
22 pursue this litigation. "[W]here a party has set forth
23 some good faith argument in favor of its position, it
24 will generally not be found to have advanced
25 exceptionally meritless claims." Deckers Outdoor Corp.
26 v. Romeo & Juliette, Inc., No. 2:15-cv-02812-ODW (Cwx),
27 2016 WL 5842187, at *3 (C.D. Cal. Oct. 5, 2016)
28 (internal quotation marks and citation omitted).

1 In Applied Information Sciences Corp. v. eBay,
2 Inc., 511 F.3d 966, 973 (9th Cir. 2007), the Ninth
3 Circuit affirmed the district court's finding that the
4 case was not exceptional. In that case, plaintiff
5 registered a trademark, "Smartsearch," and was issued a
6 registration by the Patent and Trademark Office. Id.
7 at 969-70. In 2000, defendant began using "Smart
8 Search" as a link on its homepage. Id. at 970. The
9 Ninth Circuit affirmed the district court's grant of
10 summary judgment because plaintiff failed to produce
11 "any admissible evidence tending to show a likelihood
12 of confusion, or address any of the Sleekcraft factors
13 required for a likelihood of confusion analysis." Id.
14 at 973. Despite this failure of proof, however, the
15 Ninth Circuit affirmed the district court's finding
16 that the case was not exceptional, agreeing that
17 "[plaintiff's] case was not frivolous and that
18 [plaintiff] raised debatable issues." Id. The court
19 "[found] no compelling proof that [plaintiff] acted
20 capriciously or pursued litigation to harass
21 [defendant], or that [plaintiff] intended to bring a
22 meritless or unreasonable case against [defendant]."
23 Id. Here too, Defendants' main contention in
24 attempting to show the case is exceptional is
25 Plaintiff's failure of proof in his Opposition to
26 Defendants' Motion for Summary Judgment. Defendants
27 have failed to set forth any evidence that Plaintiff
28 pursued this litigation to harass Defendants or any

1 other basis to find the case is exceptional.

2 Defendants have also failed to set forth how there
3 is a particular need in this case to advance
4 considerations of compensation and deterrence. While
5 Defendants argue awarding attorneys' fees would deter
6 future plaintiffs from suing "in the hopes of getting
7 rich quick," this argument is unpersuasive because
8 Defendants have failed to show that was the reasoning
9 behind the instant litigation. Reply 6:7-9.

10 While the standard for awarding attorneys' fees
11 under 15 U.S.C. § 1117 has been relaxed, Defendants
12 must still prove by a preponderance of the evidence and
13 in light of the totality of the circumstances that the
14 case is exceptional. Defendants' only basis for such a
15 finding is Plaintiff's failure to show the trademark
16 acquired secondary meaning and Plaintiff's failure to
17 defend his federal dilution claim. However, mere
18 failure of proof on a claim or lack of success in a
19 lawsuit is not sufficient to warrant a finding that a
20 case is exceptional. Defendants have failed to meet
21 the required burden of proof. In exercising equitable
22 discretion considering the "nonexclusive" factors and
23 in light of the totality of the circumstances, this
24 case is not exceptional and Defendants are not entitled
25 to attorneys' fees.

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1 **IV. CONCLUSION**

2 Accordingly, the Court **DENIES** Defendants' Motion
3 for Attorneys' Fees [60].

4 **IT IS SO ORDERED.**

5 DATED: March 1, 2017

s/ RONALD S.W. LEW

6 **HONORABLE RONALD S.W. LEW**
7 Senior U.S. District Judge
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