MORRISON & FOERSTER LLP
JACQUELINE C. CHARLESWORTH (*pro hac vice*)
JCharlesworth@mofo.com
CRAIG B. WHITNEY (CA SBN 217673)
CWhitney@mofo.com
TANIA MAGOON (*pro hac vice*)
TMagoon@mofo.com
1290 Avenue of the Americas
New York, New York 10104
Telephone: 212.468.8000
Facsimile: 212.468.7900

PAUL GOLDSTEIN (CA SBN 79613)
PGoldstein@mofo.com
559 Nathan Abbott Way
Stanford, California 94305-8610
Telephone: 650.723.0313
Facsimile: 650.327.0811

Attorneys for Plaintiffs
DON HENLEY, MIKE CAMPBELL and DANNY KORTCHMAR

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

DON HENLEY, MIKE CAMPBELL and DANNY KORTCHMAR,

Plaintiffs,

v.

CHARLES S. DEVORE and JUSTIN HART,

Defendants.

Case No. SACV09-0481 JVS (RNBx)

PLAINTIFFS' NOTICE OF MOTION AND MOTION *IN LIMINE* NO. 2 TO EXCLUDE EVIDENCE OR ARGUMENT IN SUPPORT OF AN "ADVICE OF COUNSEL" DEFENSE

Pretrial Conference Date: July 19, 2010
Time: 11:00 a.m.
Ctrm: Hon. James V. Selna

Trial Date: August 3, 2010

NOTICE OF MOTION AND MOTION

TO DEFENDANTS AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE THAT, on July 19, 2010 at 11:00 a.m., in accordance with the Court's August 11, 2009 Order Setting Dates for Jury Trial and May 25, 2010 Order Regarding Continuation of Settlement Conference, Pretrial Conference and Trial Dates, Plaintiffs Don Henley, Mike Campbell, and Danny Kortchmar will and hereby do submit this motion *in limine* for an order, pursuant to Federal Rule of Civil Procedure 37(a) and Federal Rule of Evidence 403, precluding Defendants Charles S. DeVore and Justin Hart from offering argument or evidence in support of an "advice of counsel" defense to Plaintiffs' claim that Defendants' infringement was willful under the Copyright Act. This motion is made following the conference of counsel pursuant to L.R. 7-3, which took place on June 28, 2010.

This motion is based on this Notice of Motion and Motion and the Memorandum of Points and Authorities contained herein, the pleadings and papers on file in this action, and the argument of counsel presented at the hearing on the motion.

Dated: June 28, 2010

MORRISON & FOERSTER LLP
Jacqueline C. Charlesworth
Craig B. Whitney
Tania Magoon
Paul Goldstein

By: /s/ Jacqueline C. Charlesworth
Jacqueline C. Charlesworth

Attorneys for Plaintiffs

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to Federal Rule of Civil Procedure 37(a) and Federal Rule of Evidence 403, Plaintiffs Don Henley, Mike Campbell and Danny Kortchmar hereby submit this motion *in limine* to preclude Defendants Charles S. DeVore and Justin Hart from offering argument or evidence in support of an "advice of counsel" defense to Plaintiffs' claim that Defendants' infringement was willful under the Copyright Act.

Defendants have evidenced an intent to argue at trial that Defendants sought advice from a lawyer concerning their infringing activities before being sued. Yet throughout this case, and in their summary judgment papers, Defendants have consistently acknowledged that they (i) did not seek advice of a copyright attorney concerning the legality of their videos, and (ii) obtained no legal opinion on the question of fair use. Any purported "advice of counsel" defense – or argument suggesting that Defendants obtained legal advice on subjects that they have admitted they did not – should therefore be precluded.

Furthermore, Defendants never notified Plaintiffs that they would be pursuing any sort of "advice of counsel" defense. Nor has any attorney been identified by Defendants as a person with discoverable information pursuant to Federal Rule of Civil Procedure 26(a)(1). For this reason as well, any attempt to pursue such a defense at trial should be rejected.

II. RELEVANT BACKGROUND

Plaintiffs have already litigated, and established through the extensive discovery in this case, that Defendants did not seek copyright advice, or an opinion on fair use, prior to retaining their current counsel in response to the filing of this lawsuit. These facts were subsequently acknowledged by the Defendants as undisputed in their response to Plaintiffs' Statement of Uncontroverted Facts. (*See* Pls.' Statement of Uncontroverted Facts and Conclusions of Law in Support of Motion for Partial Summary Judgment, dated April 9, 2010 ("Pls. SS") ¶¶ 90-91, 136; Defs.' Response to

Plaintiffs' Statement of Uncontroverted Facts and Conclusions of Law, dated May 3, 2010 ¶¶ 90-91, 136.) They are also memorialized as undisputed facts in the Court's decision on summary judgment. (*See* June 10, 2010 Order Granting in Part and Denying in Part Plaintiffs' Motion for Partial Summary Judgment and Defendants' Motion for Summary Judgment or, in the Alternative, Partial Summary Judgment ("Order") at 26-27 ("DeVore decided to counter notify YouTube under the DMCA to get the video reposted and did so without consulting with a copyright attorney." (citing Pls.' SS ¶¶ 90-91, 96-97); "Neither of [the Defendants] consulted an attorney before posting the 'Tax' video to the internet. It was only after the Plaintiffs filed this action that the Defendants retained an attorney." (citing Pls.' SS ¶¶ 109, 136)).)

Moreover, as set forth in the Court's Order, it is also undisputed that while "Hart did discuss the video with a friend who was a tax attorney," the tax attorney friend "did not advise him about fair use." (Order at 27 n.12 (citing Pls.' SS ¶¶ 90-91).) The undisputed facts further demonstrate that Hart's friend had not reviewed the videos at the time of this discussion, which took place at a family dinner. (Pls.' SS ¶ 90.) As further noted in the Court's Order – again based upon the undisputed facts – far from rendering advice on the legality of Defendants' conduct, Hart's friend in fact advised Hart to "hire an attorney." (Order at 27 n.12 (Pls.' SS ¶ 91).) In sum, Hart's conversation with his friend provides no basis whatsoever to assert any sort of "advice of counsel" defense, but merely highlights the fact that the Defendants declined to seek legal counsel even when advised to do so.

Although it is undisputed that Defendants did not consult a copyright attorney or obtain advice on the question of fair use prior to the commencement of this lawsuit, counsel for Defendants nevertheless argued at the June 1, 2010 hearing on the parties' summary judgment motions that Hart "did actually talk to a lawyer. He just didn't pay

somebody like me or like my colleagues here at the table."[1] (*See* Declaration of Jacqueline Charlesworth ("Charlesworth Decl."), Ex. 1 (Transcript of June 1, 2010 Hearing ("Hearing Tr.") at 20:13-17).) Thus, at the summary judgment hearing, Defendants – for the first time since this case was filed – appeared to be suggesting that Hart's conversation with his tax attorney friend amounted to some type of "advice of counsel" regarding the legality Defendants' activities.

As noted above, Defendants never previously suggested any intention to pursue an "advice of counsel" defense to willfulness, and did not name Hart's friend as a person with discoverable information in their Rule 26(a) disclosures. Nor did Defendants reference any such possibility in their Answer, in their responses to Plaintiffs' interrogatories or in response to Plaintiffs' requests for admissions, or otherwise notify Plaintiffs of any such defense. Plaintiffs therefore had no opportunity to take discovery of Hart's friend on the substance of his "legal advice," if Defendants choose to characterize it as such.

III. DEFENDANTS SHOULD BE PRECLUDED FROM ASSERTING THAT THEY SOUGHT ADVICE OF COUNSEL AS A DEFENSE TO WILLFULNESS

Federal Rule of Civil Procedure 37(c)(1) states that if a party fails to provide information or identify a witness as required by Rule 26(a) or (e), then the party is forbidden to use that information or witness to supply evidence on a motion, at a hearing, or at a trial. "A party must disclose documents and the identity of witnesses likely to have discoverable information that the party may use to support its claims. Fed. R. Civ. P. 26 (a)(1)(A)(i)-(ii). This is a continuing duty, and the disclosure must be supplemented if the party later learns of additional witnesses or responsive

[1] This statement was also surprising because it contradicted an earlier acknowledgment by Defendants' counsel during the same argument that Defendants *did not* seek legal advice. (Charlesworth Decl., Ex. 1 (Hearing Tr. at 20:8-9) ("[T]he court points to the fact that my clients didn't seek legal counsel. *They didn't . . .*") (emphasis added).)

information. *See* Fed. R. Civ. P. 26(e)." *Fourth Investment LP v. United States of America*, No. 08cv110, 2010 U.S. Dist. LEXIS 53534, at *2 (S.D. Cal. June 1, 2010) (citing *Hoffman v. Constr. Protective Servs., Inc.*, 541 F.3d 1175, 1179 (9th Cir. 2008)). Rule 37 "gives teeth" to Rule 26 "by forbidding the use at trial of any information required to be disclosed by Rule 26(a) that is not properly disclosed." *Yeti by Molly, Ltd. v. Deckers Outdoor Corp.*, 259 F.3d 1101, 1106 (9th Cir. 2001).

Here, Defendants have never identified Hart's friend as a witness in this case. (Charlesworth Decl., Ex. 2 (Defendants' Initial Disclosures, dated July 27, 2009); Ex. 3 (Defendants' Amended Initial Disclosures, dated August 7, 2009).) If they were seeking to rely on him as an attorney who provided legal advice to Defendants concerning their fair use defense, then Defendants certainly were required to disclose him as a "witness[] likely to have discoverable information" pursuant to Rule 26(a). Their failure to do so precludes them from relying on him – or any purported "legal advice" that he rendered to Defendants – to defend against Plaintiffs' claims.

Further, a party may not disavow a defense throughout the discovery period, and then assert that defense at trial. *See Royalty Petroleum Co. v. Arkla, Inc.*, 129 F.R.D. 674, 677-78 (D. Okla. 1990) (trial by ambush not permitted in modern federal practice); *Brown v. Walter*, 62 F.2d 798, 799 (2d Cir. 1933) (Hand, J.) (holding that federal court is "affirmatively charged with securing a fair trial," and has the authority to enter orders necessary to prevent unfair prejudice). Defendants should not be permitted to do an about-face here.

At every stage of this case, Defendants have unambiguously admitted that they did not seek legal advice on the question of fair use prior to the filing of this lawsuit. It was only at the hearing on summary judgment, after weeks of briefing on the question of infringement – including the issue of willfulness – that Defendants for the first time hinted that they might pursue a different course at trial. Having disavowed any "advice of counsel" defense, and conceded facts that flatly contradict such a defense,

Defendants should not be permitted to argue or elicit evidence at trial that Hart's discussion with his family friend amounted to legal advice on the issue of fair use.

Finally, any such argument or evidence would be confusing and misleading to the jury, and manifestly prejudicial, in light of Defendants' earlier admissions and failure to name Hart's friend as a witness. *See* Fed. R. Evid. 403. As confirmed by a recent decision of the Supreme Court, Plaintiffs are entitled to rely upon – and should not have to relitigate at trial – facts that Defendants conceded on summary judgment.[2] *See Christian Legal Soc'y Chapter of the Univ. of Cal., Hastings Coll. of the Law v. Martinez*, 561 U.S. __, 2010 U.S. LEXIS 5367, at *27-28 (June 28, 2010) (facts conceded on summary judgment are considered established for purposes of trial); *see also In re Katz Interactive Call Processing Patent Litig.*, No. 2:07-ML-01816, 2010 U.S. Dist. LEXIS 57102, at *69 (C.D. Cal. May 5, 2010) (in deciding motion for partial summary judgment, court determines material facts not genuinely at issue). Having repeatedly admitted, in the course of discovery and in stipulating to the relevant undisputed facts, that they did not seek legal advice, Defendants may not now suggest otherwise to the jury.

[2] Plaintiffs respectfully refer this Court to their Motion *in Limine* No. 3 to Preclude Defendants from Relitigating Undisputed Facts or the Court's Determination of Infringement, filed concurrently with this motion, for further discussion of this point.

IV. CONCLUSION

For the foregoing reasons, Defendants should be precluded at trial from arguing or eliciting evidence that they sought or relied upon the advice of an attorney as a defense to willfulness.

Dated: June 28, 2010

MORRISON & FOERSTER LLP
Jacqueline C. Charlesworth
Craig B. Whitney
Tania Magoon
Paul Goldstein

By: /s/ Jacqueline C. Charlesworth
Jacqueline C. Charlesworth

Attorneys for Plaintiffs