1	MORRISON & FOERSTER LLP		
2	JACQUELINE C. CHARLESWORTH (pro hac vice) JCharlesworth@mofo.com		
3	CRAIG B. WHITNEY (CA SBN 217673) CWhitney@mofo.com		
4	TANIA MAGOON (pro hac vice) TMagoon@mofo.com		
5	1290 Avenue of the Americas New York, New York 10104 Talankaras 212 468 8000		
6	Telephone: 212.468.8000 Facsimile: 212.468.7900		
7	PAUL GOLDSTEIN (CA SBN 79613 PGoldstein@mofo.com	3)	
8	559 Nathan Abbott Way		
9	Stanford, California 94305-8610 Telephone: 650.723.0313 Facsimile: 650.327.0811		
10	Attorneys for Plaintiffs		
11	DON HENLEY, MIKE CAMPBELL and DANNY KORTCHMAR		
12			
13	UNITED STATES DISTRICT COURT		
14	CENTRAL DISTRICT OF CALIFORNIA		
15			
16	DON HENLEY, MIKE CAMPBELL	Case No. SACV09-0481 JVS (RNBx)	
17	and DANNY KORTCHMAR,	PLAINTIFFS' MEMORANDUM IN	
18	Plaintiffs,	FURTHER OPPOSITION TO DEFENDANTS' MOTION FOR	
19 20	V.	CERTIFICATION OF COURT'S ORDER SEEKING INTERLOCUTORY	
20 21	CHARLES S. DEVORE and	REVIEW UNDER 28 U.S.C. § 1292(b)	
21	JUSTIN HART,	Date: July 19, 2010 Time: 11:00 a.m.	
22	Defendants.	Ctrm: Hon. James V. Selna	
23			
25			
26			
27			
28			
		PLAINTIFFS' FURTHER OPPOSITION TO DEFENDANTS' MOTION TO CERTIFY (SACV09-0481 JVS (RNBx))	
	ny-930461		

MEMORANDUM OF POINTS AND AUTHORITIES

Plaintiffs hereby submit this memorandum in further opposition to Defendants' motion requesting that the Court certify its 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") for interlocutory review under 28 U.S.C. § 1292(b).

This motion has already been considered and disposed of by the Court on an *ex parte* basis, and should be summarily denied here. On June 24, 2010, the Court denied Defendants' *ex parte* application to certify certain aspects of the Court's Order for interlocutory review – which is the precise relief Defendants seek in their present motion. The Court's Order denying Defendants' application is attached to this memorandum as Exhibit A. Defendants had fully briefed the merits of their *ex parte* application, which is virtually identical to the memorandum that Defendants rely upon in support of this pending motion. Plaintiffs filed a substantive response to Defendants' application, fully briefing their opposition to Defendants' request for certification.

In particular, Plaintiffs argued that the Order should not be certified for interlocutory review because the questions Defendants sought to certify (which are the same questions at issue in this motion) did not satisfy the requirements of Section 1292(b). As Plaintiffs noted, certification of an interlocutory appeal is appropriate only in exceptional circumstances, where the benefits of immediate appellate review are so compelling they outweigh the ordinary rule that appellate review should be postponed until the entry of a final judgment at the trial level. No such exceptional circumstance exists in this case. Plaintiffs attach hereto as Exhibit B, and incorporate by reference, their Opposition to Defendants' *Ex Parte* Application for Order Certifying the Court's Order Dated June 10, 2010 for Interlocutory Review.

The Court's June 24 order denying certification for interlocutory review in no way indicates that the Court did not fully consider the merits of Defendants'

1

1 application, or that it intended to reconsider the identical issue in a noticed motion. 2 Indeed, the order denies Defendants' proposed order seeking certification, and the accompanying docket entry states conclusively, "ORDER by Judge James V. Selna 3 4 DENYING Ex Parte Application to Certify." Thus, the issue of whether the summary 5 judgment Order should be certified for interlocutory review has, by all indications, 6 been decided. Defendants are therefore precluded from relitigating this issue, which 7 "has already been decided by the same court . . . in the identical case." United States v. 8 Alexander, 106 F.3d 874, 876 (9th Cir. 1997) (quoting Thomas v. Bible, 983 F.2d 152, 9 154 (9th Cir. 1993)); see also United States v. Real Property Located at Incline 10 Village, 976 F. Supp. 1327, 1353 (D. Nev. 1997) (law of the case doctrine was 11 "designed to protect both the court and the litigants before it from repeated reargument 12 of issues already decided").

Accordingly, as Defendants' request to certify aspects of the Court's summary judgment Order was previously briefed by the parties and decided by the Court, Defendants' motion should again be denied.¹

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

¹ If Plaintiffs are mistaken in their understanding of the Court's order denying Defendants' ex parte application to certify, Plaintiffs hereby oppose Defendants' pending motion to certify and respectfully refer the Court to their opposition to 26 Defendants' ex parte application, attached as Exhibit B, as the basis of Plaintiffs' opposition.

28

27

13

14

15

16

17

18

19

20

21

22

23

24

Exhibit A

	Case 8:09-cv-00481-JVS-RNB Documen	t 93 Filed 06/24/10 Page 1 of 1	
1 2 3 4 5 6 7 8	Christopher W. Arledge (Bar No. 200767) Email: carledge@onellp.com John Tehranian (Bar No. 211616) Email: jtehranian@onellp.com ONE LLP 4000 MacArthur Boulevard West Tower, Suite 1100 Newport Beach, California 92660 BY ORDER OF THE COURT Telephone: (949) 502-2870 Facsimile: (949) 258-5081 Attorneys for Defendants Charles S. DeVore and Justin Hart UNITED STATES DISTRICT COURT		
9		CT OF CALIFORNIA	
	CENTRAL DISTRIC	LI OF CALIFORNIA	
10 11	DON HENLEY, MIKE CAMPBELL, and DANNY KORTCHMAR	Case No. SACV09-0481 JVS (RNBx)	
12 13	Plaintiffs,	ORDER GRANTING EX PARTE APPLICATION AND CERTIFYING	
14 15	v. CHARLES S. DEVORE and JUSTIN HART,	ORDER FOR INTERLOCUTORY REVIEW UNDER 28 U.S.C. § 1292(b)	
16 17	Defendants.		
18	AND RELATED COUNTERCLAIMS		
19	IT IS SO ORDERED:		
20	Having considered Defendant's Ex Parte Application for an Order Certifying this		
21	Court's order dated June 10, 2010 (Docket No. 88), and pursuant to 28 U.S.C. § 1292(b),		
22	Defendant's motion is hereby granted and the Order dated June 10, 2010 is certified by this		
23 24	Court for interlocutory review. The matter is stayed pending the appeal.		
25 26 27	Juica. Juic 21, 2010	Y ORDER OF THE COURT Hon. James V. Selna United States District Judge	
28	17007.1	1 DI ORDER	
	[PROPOSED] ORDER		

Exhibit B

I	Case 8:09-cv-00481-JVS-RNB Docu	ment 92 Filed 06/22/10 Page 1 of 15	
1 2	MORRISON & FOERSTER LLP JACQUELINE C. CHARLESWORT ICharlesworth@mofo.com	H (pro hac vice)	
2	JCharlesworth@mofo.com CRAIG B. WHITNEY (CA SBN 217 CWhitney@mofo.com	673)	
4	CWhitney@mofo.com TANIA MAGOON (pro hac vice) TMagoon@mofo.com		
5	1290 Avenue of the Americas New York, New York 10104		
6	Telephone: 212.468.8000 Facsimile: 212.468.7900		
7	PAUL GOLDSTEIN (CA SBN 79613 PGoldstein@mofo.com	3)	
8	559 Nathan Abbott Way Stanford, California 94305-8610		
9	Telephone: 650.723.0313 Facsimile: 650.327.0811		
10	Attorneys for Plaintiffs		
11	DON HENLEY, MIKE CAMPBELL and DANNY KORTCHMAR		
12 13			
13 14	UNITED STATES DISTRICT COURT		
14 15	CENTRAL DIST	TRICT OF CALIFORNIA	
16			
17	DON HENLEY, MIKE CAMPBELL and DANNY KORTCHMAR,	Case No. SACV09-0481 JVS (RNBx)	
18	Plaintiffs,	PLAINTIFFS' OPPOSITION TO DEFENDANTS' EX PARTE	
19		APPLICATION FOR ORDER CERTIFYING THE COURT'S ORDER	
20	V.	DATED JUNE 10, 2010 FOR INTERLOCUTORY REVIEW	
21	CHARLES S. DEVORE and JUSTIN HART,		
22	Defendants.		
23			
24 25			
25 26			
26 27			
27 28			
20		PLAINTIFFS' OPPOSITION TO DEFENDANTS' EX PARTE APPLICATION	
	ny- 929488	(SACV09-0481 JVS (RNBx))	

	Case	8:09-cv-00481-JVS-RNB Document 92 Filed 06/22/10 Page 2 of 15	
1		TABLE OF CONTENTS	
2		Pa	ge
3	T		
4	I.		
5	II.	ARGUMENT.	.1
6		A. Defendants Are Not Seeking To Certify Controlling Questions Of Law	3
7		1. Defendants' "Questions Of Law" Are Dependent On Facts	.3
8		2. Defendants' Questions Are Not Controlling	.4
9		B. There Are No Substantial Grounds For A Difference Of Opinion	5
10		C. Interlocutory Appeal Will Not Materially Advance The Ultimate Termination Of The Litigation	0
11			
12	III.	CONCLUSION1	1
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
		i	
		1	

	Case 8:09-cv-00481-JVS-RNB Document 92 Filed 06/22/10 Page 3 of 15	
1		
1	TABLE OF AUTHORITIES	
2	Page(s)	
3	CASES	
4	<i>Ahrenholz v. Bd. of Trs. of the Univ. of Ill.</i> , 219 F.3d 674 (7th Cir. 2000)2, 3	
5	APCC Servs., Inc. v. ESH AT&T Corp.,	
6	297 F. Supp. 2d 101 (D.D.C. 2003)	
7	Ass'n of Irritated Residents v. Fred Schakel Dairy,	
8	634 F. Supp. 2d 1081 (E.D. Cal. 2008)	
9	Bourne Co. v. Twentieth Century Fox Film Corp., 662 F. Supp. 499 (S.D.N.Y. 2009)	
10	Campbell v. Acuff-Rose Music, Inc.,	
11	510 U.S. 569 (1994)	
12	Castle Rock Entm't, Inc. v. Carol Publ'g Group, Inc.,	
13	150 F.3d 132 (2d Cir. 1998)9	
14	Elvis Presley Enters. v. Passport Video, 349 F.3d 622 (9th Cir. 2003)	
15	Envtl. Prot. Info. Ctr. v. Pac. Lumber Co.,	
16	No. C 01-2821, 2004 U.S. Dist. LEXIS 6674 (N.D. Cal. April 19, 2004)	
17	Fukuda v. County of L.A.,	
18	630 F. Supp. 228 (C.D. Cal. 1986)2	
19	Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539 (1985)	
20		
21	<i>Hightower v. Schwarzenegger</i> , No. 1:04-cv-06028, 2009 U.S. Dist. LEXIS 109603 (E.D. Cal. Nov. 6, 2009)	
22	In re Air Crash Disaster at John F. Kennedy International Airport on June 24, 1975	
23	479 F. Supp. 1118 (E.D.N.Y. 1978)	
24	In re Cement Antitrust Litigation, 673 F.2d 1020 (9th Cir. 1982), aff'd, 459 U.S. 1190 (1983)2	
25		
26	In re First American Corp. ERISA Litig., No. SACV 07-01357, 2008 U.S. Dist. LEXIS 107676 (C.D. Cal. Sept. 12, 2008)2	
27	James v. Price Stern Sloan,	
28	283 F.3d 1064 (9th Cir. 2002)1	

Case 8:09-cv-00481-JVS-RNB Document 92 Filed 06/22/10 Page 4 of 15 Judicial Watch, Inc. v. Nat'l Energy Policy Dev. Group, Laverne v. Corning, Lenz v. Universal Music Corp., Marobie-FL, Inc. v. Nat'l Ass'n of Fire Equip. Distribs., Salinger v. Colting, Salinger v. Random House, Inc., Steering Committee v. United States, U. S. Rubber Co. v. Wright, 359 F.2d 784 (9th Cir. 1966)......2, 10

18	
19	STATUTES
20	28 U.S.C. § 1292(b)passim
21	Section 107 of the Copyright Act. 17 U.S.C. § 107

Weissman v. Freeman,

Worldwide Church of God v. Phila. Church of God, Inc.,

Plaintiffs oppose Defendants' ex parte request that the Court certify its 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") for interlocutory review under 28 U.S.C. § 1292(b).

I.

INTRODUCTION

Ten days after entry of this Court's Order granting summary judgment to Plaintiffs on the question of Defendants' liability for copyright infringement, Defendants seek, on an expedited, ex parte basis, to have this Court certify three factbound issues they have isolated from the Court's fair use analysis for immediate, piecemeal review by the Ninth Circuit pursuant to 28 U.S.C. § 1292(b). Defendants' application should be rejected.

Section 1292(b) is not a shortcut to appeal a loss on summary judgment. Certification of an interlocutory appeal is appropriate only in exceptional circumstances, where the benefits of immediate appellate review are so compelling they outweigh the ordinary rule that appellate review should be postponed until the entry of a final judgment at the trial level. No such exceptional circumstance is present here. Indeed, to permit such an appeal would only pointlessly delay resolution of this litigation. None of the supposed "questions of law" identified by Defendants is truly a question of law, or dispositive of the question of fair use; and none can be reviewed by an appellate court independent of the factual record in this case.

It is perhaps understandable that Defendants might view an appellate hiatus as preferable to trial on the remaining issues of willfulness and damages in this case (which trial is currently scheduled to commence on August 3, 2010). But there is simply no basis for their application under Section 1292(b). Defendants should not be permitted to invoke the interlocutory appeal process to avoid trial in this action.

II. ARGUMENT

"Section 1292(b) is a departure from the normal rule that only final judgments are appealable, and therefore must be construed narrowly." James v. Price Stern

Sloan, 283 F.3d 1064, 1068 (9th Cir. 2002); accord In re First American Corp. ERISA Litig., No. SACV 07-01357, 2008 U.S. Dist. LEXIS 107676, at *2 (C.D. Cal. Sept. 12, 2008). Certification under Section 1292(b) is appropriate "only in extraordinary cases where decision of an interlocutory appeal might avoid protracted and expensive litigation." U. S. Rubber Co. v. Wright, 359 F.2d 784, 785 (9th Cir. 1966). It is not intended "merely to provide review of difficult rulings in hard cases." Id. The burden is on the party seeking certification to show "that exceptional circumstances justify a departure from the 'basic policy of postponing appellate review until after the entry of a final judgment." Fukuda v. County of L A., 630 F. Supp. 228, 229 (C.D. Cal. 1986) (citing Coopers & Lybrand v. Livesay, 437 U.S. 463, 475 (1978)). Defendants make no such showing here.

Three criteria must be met before a district court may certify an interlocutory appeal pursuant to Section 1292(b). These requirements are "(1) that there be a controlling question of law, (2) that there be substantial grounds for difference of opinion, and (3) that an immediate appeal may materially advance the ultimate termination of the litigation." *In re Cement Antitrust Litigation*, 673 F.2d 1020, 1026 (9th Cir. 1982), *aff*"*d*, 459 U.S. 1190 (1983). Certification is only appropriate where each of these conditions is satisfied. *Ahrenholz v. Bd. of Trs. of the Univ. of Ill.*, 219 F.3d 674, 676 (7th Cir. 2000) ("The criteria are conjunctive, not disjunctive.").

In their application, Defendants seek certification of the following three questions:

1. Does a defendant engage in parody under *Campbell* where he appropriates the themes and characters of a copyrighted work in order to make political or social statements at odds with the known views of the author of that original work – including even views not raised in the original work – or does parody exist only where the defendant's work directly addresses the specific issues or themes raised in the original work?

2. Is the use of a copyrighted work in a campaign advertisement a "commercial use" of the copyrighted work even where the campaign is not selling a product or service?

3. Does the fourth fair use factor weigh in a plaintiff's favor where the plaintiff has no evidence of actual monetary losses, no evidence of actual monetary benefits to the defendant, and no evidence that the plaintiff even attempts to engage in market transactions concerning the copyrighted work – merely because the plaintiff asserts that he may at some future time engage in market transactions with the copyrighted work and he believes defendant's use of the copyrighted work could harm those future, hypothetical transactions?

A. Defendants Are Not Seeking to Certify Controlling Questions of Law 1. Defendants' "Questions of Law" Are Dependent on Facts

Under Section 1292(b), a "question of law" means a "pure question of law" – that is, "an abstract legal issue rather than an issue of whether summary judgment should be granted." *Ahrenholz*, 219 F.3d at 677. "The idea [of Congress] was that if a case turned on a pure question of law, something the court of appeals could decide quickly and cleanly without having to study the record, the court should be enabled to do so without having to wait until the end of the case But to decide whether summary judgment was properly granted requires hunting through the record compiled in the summary judgment proceeding" *Id*.

In other words, to satisfy the first prong of Section 1292(b), "'[t]he legal question must be stated at a high enough level of abstraction to lift the question out of the details of the evidence or facts of a particular case and give it general relevance to other cases in the same area of law.'" *Hightower v. Schwarzenegger*, No. 1:04-cv-06028, 2009 U.S. Dist. LEXIS 109603, at *7 (E.D. Cal. Nov. 6, 2009) (quoting *McFarlin v. Conesco Servs., LLC*, 381 F.3d 1251, 1259 (11th Cir. 2004)). Defendants' questions are the antithesis of the type of issues that are appropriately certified for interlocutory appeal, because they are inextricably tied to the factual record. Despite

Defendants' attempt to disguise them as freestanding issues of "law," as is apparent on their face, Defendants' questions are not "pure" or "abstract" legal concerns. They are incapable of being addressed apart from the factual record in this case. Indeed, they are incapable of being fully *understood* apart from the factual record in this case.

For example, with respect to the first question, how could the Court of Appeals possibly make sense of such concepts as "themes or characters," "political or social statements" or the "known views of the author," without an understanding of the record on summary judgment? The second and third questions suffer from the same deficiency. What kind of "campaign advertisement"? How was the copyrighted work used in the advertisement? Did the defendants profit from the advertisement? What is meant by "market transactions"? How do such "market transactions" relate to the "future, hypothetical transactions"? What is the potential harm at issue?

Defendants' questions are not questions that can be "lift[ed] . . . out of the details of the evidence or facts" to be decided "quickly and cleanly," as envisioned by Section 1292(b). Far from presenting "pure" issues of law, Defendants' questions are nothing more than artfully phrased objections to the fact-based determinations made by the Court in evaluating Defendants' claim of fair use on summary judgment. For this reason alone, certification of any of these questions would be inappropriate.

2. Defendants' Questions Are Not Controlling

Even assuming the questions put forth by Defendants did constitute answerable questions of law, they would nonetheless be inappropriate for certification, because they are not controlling of this case.

A controlling question of law is one that would "require reversal if decided incorrectly or that could materially affect the course of litigation with resulting savings of the court's or the parties' resources." *APCC Servs., Inc. v. ESH AT&T Corp.*, 297 F. Supp. 2d 101, 105 (D.D.C. 2003) (quoting *Judicial Watch, Inc. v. Nat'l Energy Policy Dev. Group*, 233 F. Supp. 2d 16, 19 (D.D.C. 2002)). Here, even if the Ninth Circuit resolved one or more of Defendants' questions in a manner favorable to

1

2

3

Defendants, this would not in itself be dispositive of the question of fair use, and thus might have no material impact on the course of the litigation.

Fair use is a mixed question of fact and law that is determined pursuant to the four-factor test prescribed by Section 107 of the Copyright Act. 17 U.S.C. § 107; see also Order at 6 (citing Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539, 560 (1985)). As this Court has explained, the fair use factors are not to be analyzed "in isolation from one another." Order at 6 (citing Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 578 (1994)). "The factors are not winner-take-all categories to be tallied at the end to determine the prevailing party; they are intended to be carefully weighed case by case with an eye towards the policies underlying copyright protection." Id. at 6 (citing Campbell, 510 U.S. at 578). Thus, even if the Court of Appeals rendered an opinion on one or more of Defendants' questions, this Court, on remand, would still need to consider that issue in the context of the complete factual record and in relation to the other fair use factors, and could still reach the conclusion that Defendants had failed to meet their burden of demonstrating fair use – which could then be appealed again to the Ninth Circuit. Indeed, because the fair use factors are factually dependent and intertwined, the question of fair use is particularly illsuited to piecemeal review of isolated issues, especially when those issues are divorced from their factual context.

20

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

21

22

23

24

25

26

27

28

B. There Are No Substantial Grounds for a Difference of Opinion

"Substantial grounds for a difference of opinion" means more than mere disagreement with a Court's determination of a legal issue. *See Ass'n of Irritated Residents v. Fred Schakel Dairy*, 634 F. Supp. 2d 1081, 1091 (E.D. Cal. 2008) ("A party's strong disagreement with the court's ruling is not sufficient for there to be a 'substantial ground for difference'; the proponent of an appeal must make some greater showing.") (citing Hansen v. Shubert, 459 F. Supp. 2d 973, 1000 (E.D. Cal. 2006)); *Judicial Watch, Inc.*, 233 F. Supp. 2d at 31 ("[D]efendants' conviction of the correctness of their position is insufficient to carry them over the high threshold posed by the standard governing certification for interlocutory appeal.")); *see also Envtl. Prot. Info. Ctr. v. Pac. Lumber Co.*, No. C 01-2821, 2004 U.S. Dist. LEXIS 6674, at *14-16 (N.D. Cal. Apr. 19, 2004) ("A substantial ground for dispute [] exists where a court's challenged decision conflicts with decisions of several other courts.") (citing *APCC Servs.*, 297 F. Supp. 2d at 107). ""[T]he mere presence of a disputed issue that is a question of first impression, standing alone, is insufficient to demonstrate a substantial ground for difference of opinion' under § 1292(b)." *Lenz v. Universal Music Corp.*, No. C 07-3783, 2008 U.S. Dist. LEXIS 91890, at *5 (N.D. Cal. Oct. 28, 2008) (quoting *In re Conseco Life Ins. Cost of Ins. Litig.*, No. Civ. 04-1610, 2005 U.S. Dist. LEXIS 45538, at *7 (C.D. Cal. May 31, 2005)).

Defendants assert that there is a substantial ground for difference of opinion with respect to each of the three questions they present. But the only issue in the Court's summary judgment order that even arguably qualifies as a question giving rise to a substantial difference of opinion is the question of whether use of an author's work to criticize the author, rather than the work itself, qualifies as parody under *Campbell* – and the Court resolved this question *in Defendants' favor*. While characterizing the issue as one that is undecided in the law, the Court nonetheless assumed "parody-of-the-author" as a legitimate form of parody for purposes of its fair use analysis. *See* Order at 12.

In so doing, the Court relied on a New York district court case, *Bourne Co. v. Twentieth Century Fox Film Corp.*, 662 F. Supp. 499, 507 (S.D.N.Y. 2009), in which a copyright owner challenged the use of its song "When You Wish Upon a Star" in an episode of the *Family Guy* television show. In holding that the defendants' taking from the original song was parodic in nature, the *Bourne* court credited the defendants' claim that they were seeking to parody the alleged anti-Semitism of Walt Disney. *Id.* at 507. Significantly, however, the core holding of *Bourne* was that the defendants' work commented on the original song, by "juxtaposing the 'saccharin sweet' song 'When You Wish Upon a Star' with [the defendants' song] 'I Need a Jew'".... 'I

1

Need a Jew' comments both on the original work's fantasy of stardust and magic, as well as [the *Family Guy* character] Peter's fantasy of the 'superiority' of Jews." *Id.* at 506. In so holding, the court expressly observed that "*Defendants do more than just comment on racism and bigotry generally.*" *Id.* (emphasis added).

Thus, *Bourne* does *not* stand for the proposition that the targeting of an author or an author's views alone – without any commentary on the author's work – qualifies as parody under *Campbell*. Indeed, as noted by this Court, the *Bourne* court emphasized this very point in a subsequent decision, *Salinger v. Colting*, No. 09 Civ. 5095, 2009 U.S. Dist. LEXIS 56012, at *24 n.4 (S.D.N.Y. July 1, 2009), *rev'd and remanded on other grounds*, No. 09-2878, 2010 U.S. App. LEXIS 8956 (2d Cir. Apr. 30, 2010), in which the court rejected the assertion that merely taking aim at an author qualifies as a valid parody of the author's work. *See* Order at 9 n.7.

In light of the Court's treatment of *Bourne* as lending support to the Defendants' "parody-of-the-author" defense, it is difficult to understand what Defendants seek to challenge in question one. They appear to suggest that *Bourne* should be construed to support an even *broader* definition of parody, pursuant to which one need not comment on the original song or the author at all, but may address "an entirely separate subject" that does not appear in the original work. (*See* Defendants' *Ex Parte* Application ("Defs. *Ex Parte* App.") at 4.) Of course, the Supreme Court in *Campbell* was clear that this is satire, not parody. 510 U.S. at 581. But in any event, as explained above, *Bourne* does not go so far, because in *Bourne*, the court concluded that the defendants' work commented on the original song. And, as noted above, the *Bourne* court was careful to point out that the defendants' parody did more than "just comment" on the racist and bigoted views attributed to Disney.

Thus, contrary to Defendants' assertions, *Bourne* – the lone case (aside from *Campbell*) cited by Defendants in support of question one – provides no basis for certification. Indeed, Plaintiffs are not aware of *any* case that suggests that a would-be parodist may simply target the views of an author, rather than the author or work itself,

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

and come within the definition of *Campbell*. In sum, there is no basis for the Defendants to claim "substantial grounds for difference of opinion" with respect to question one.

Likewise, there are no grounds for a "difference of opinion" with respect to the Court's determination concerning "commercial use," as suggested by Defendants in question two. The Court applied the clear rule of the Ninth Circuit, as articulated in Worldwide Church of God v. Philadelphia Church of God, Inc., 227 F.3d 1110, 1117 (9th Cir. 2000), in turn based on the Supreme Court case Harper & Row, to the facts of this case. See also Elvis Presley Enters. v. Passport Video, 349 F.3d 622, 626 (9th Cir. 2003) (historical documentary considered commercial under *Harper & Row*); Weissman v. Freeman, 868 F.2d 1313, 1324 (2d Cir. 1989) (applying Harper & Row to find for-profit use in academic context); Marobie-FL, Inc. v. Nat'l Ass'n of Fire Equip. Distribs., 983 F. Supp. 1167, 1175 (N.D. Ill. 1997) (nonprofit group's use of clip art commercial based on *Harper & Row*). Pursuant to such authority, the Court correctly determined that the Defendants' use was for-profit, rather than non-profit. See Order at 19. In support of its holding that Defendants' uses were for-profit for purposes of the Copyright Act, the Court relied upon the fact that Defendants made and distributed the videos to attract publicity and donations, and that Hart's salary was tied to such exploitations, among other factors. Id. Defendants may not like Court's determination of this issue, but the determination is based on an application of controlling precedent to undisputed facts in the record. There is no basis to certify this question for interlocutory review.

Finally, in question three, Defendants appear to be complaining about the rule set forth in *Campbell* and other cases, both within and outside the Ninth Circuit, that requires a court to look to potential harm to the copyright owner in considering the question of market harm. *See Campbell*, 510 U.S. at 590 (courts must consider "whether unrestricted and widespread conduct of the sort engaged in by the defendant . . . would result in a substantially adverse impact"); *Worldwide Church*, 227 F.3d at

1

1119 (the "relevant consideration" is harm to the "'potential market'"). Courts have expressly and repeatedly rejected the assertion that Defendants make here, that a showing of actual harm is required. *See, e.g., Harper & Row*, 471 U.S. at 559 (absence of exploitation of particular market by copyright holder does not preclude finding of market harm because the copyright holder has the "right to change his mind"); *Castle Rock Entm't, Inc. v. Carol Publ'g Group, Inc.*, 150 F.3d 132, 145-46 (2d Cir. 1998) (same); *Worldwide Church*, 227 F.3d at 1119 (same); *Salinger v. Random House, Inc*, 811 F.2d 90, 99 (2d Cir. 1987) (same). Again, the Defendants may not like the outcome of the Court's analysis, but that does not give rise to a substantial difference of opinion justifying certification.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

C. Interlocutory Appeal Will Not Materially Advance the Ultimate Termination of the Litigation

Defendants' *ex parte* application, rather than seeking to avoid protracted litigation, seeks to ensure that this case is prolonged indefinitely. Under Section 1292(b), Defendants must demonstrate that an interlocutory appeal will "materially advance the ultimate termination of the litigation." Here, interlocutory review would have the opposite effect.

Defendants do not explain how granting their underlying application seeking piecemeal, interlocutory review of certain aspects of the Court's Order – when liability has been decided and all that remains of this case is a trial on the limited questions of willfulness and damages – will spare the parties or the courts time or expense. Defendants, through their application, would have this Court stay a case that has been litigated for over a year and is expected to be completed within the next two to three months. If the Court were to grant Defendants' request – and the Ninth Circuit agreed to hear the interlocutory appeal – the case would stayed pending resolution of the appeal, only to be continued in this Court a year or more in the future. Not only that, as discussed above, the question of fair use might have to be re-evaluated at the district court level based on the partial appellate review, and would potentially be subject to a second appeal. One can hardly imagine a less efficient course for this litigation.

Notably, Defendants cite only one case in support of their contention that "[t]he [interlocutory appeal] procedure is particularly appropriate where a reversal on liability could spare time and expense on the question of damages." (Defs. *Ex Parte* App. at 3.) Rather than support Defendants' argument, that case, Steering Committee v. United States, 6 F.3d 572 (9th Cir. 1993), exposes the weakness of their application. In Steering Committee, the district court certified – and the Ninth Circuit permitted – issues of liability to be determined on interlocutory appeal explicitly because it was a "multidistrict," "multiparty case" involving an airplane crash that killed 82 people. Id. at 574-75. In certifying and permitting the interlocutory appeal of this complex case, the district and circuit courts relied on the logic of In re Air Crash Disaster at John F. Kennedy International Airport on June 24, 1975 ("Air Crash Disaster"), 479 F. Supp. 1118 (E.D.N.Y. 1978), recognizing that that the determination of liability in such "unusual cases" is analogous to "the intermission which marks the conclusion of Act I of a two-act play." Steering Committee, 6 F.3d at 575 (quoting Air Crash Disaster, 479 F. Supp. at 1126). The "unusual case" of multidistrict, multiparty litigation is a far cry from the two-defendant statutory damages trial at issue here.

Defendants' *ex parte* application does not come close to satisfying any of the three requirements for interlocutory appeal and appears to be nothing more than a transparent attempt to avoid facing damages for their infringing conduct. Defendants' application should be denied. This is not an "extraordinary case[] where decision of interlocutory appeal might avoid protracted and expensive litigation." *U.S. Rubber Co.*, 359 F.2d at 785. "[S]ince the only issue remaining is the determination of the quantum of damages to be awarded plaintiffs, which apparently will not involve expensive and protracted litigation, there is little reason to believe that permitting an appeal from this Court's decision will *'materially* advance the ultimate termination of the litigation.'" *Laverne v. Corning*, 316 F. Supp. 629, 639 (S.D.N.Y. 1970) (emphasis

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

in original). It is simply a case where the Defendants are unhappy with the Court's decision on summary judgment.

CONCLUSION III.

For the foregoing reasons, Defendants' ex parte application seeking certification of questions for interlocutory appeal, and related motion seeking same, should be denied.

8	Dated:	June 22, 2010	MORRISON & FOERSTER LLP Jacqueline C. Charlesworth Craig B. Whitney Tania Magoon Paul Goldstein
9			Tania Magoon Paul Goldstein
10			
11			By: /s/ Jacqueline C. Charlesworth
12			By: /s/ Jacqueline C. Charlesworth Jacqueline C. Charlesworth
13			Attorneys for Plaintiffs
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
			11 PLAINTIFFS' OPPOSITION TO DEFENDANTS' EX PARTE API