1 2 3 4 5 6 7 UNITED STATES DISTRICT COURT 8 9 EASTERN DISTRICT OF CALIFORNIA 10 11 JOE HAND PROMOTIONS, INC., No. 2:14-cv-00361-MCE-EFB 12 Plaintiff. 13 MEMORANDUM AND ORDER ٧. 14 ROSEVILLE LODGE NO. 1293, LOYAL ORDER OF MOOSE. 15 INCORPORATED, an unknown business entity d/b/a MOOSE LODGE 16 1293, 17 Defendant. 18 19 In initiating this action against Defendant Roseville Lodge No. 1293, Loyal Order 20 of Moose, Inc., an unknown business entity doing business as Moose Lodge 1293 21 ("Defendant"), Plaintiff Joe Hand Promotions, Inc. ("Plaintiff") alleges that Defendant 22 unlawfully intercepted and broadcasted a television program to which Plaintiff had 23 exclusive commercial distribution rights to pursuant to a Distributorship Agreement. Now 24 pending before the Court is Defendant's Motion for Judgment on the Pleadings arguing 25 that Plaintiff lacks standing to bring this lawsuit. For the following reasons, Defendant's 26 Motion is DENIED without prejudice.¹ 27 ¹ Because oral argument would not be of material assistance, the Court ordered this matter 28 submitted on the briefs. E.D. Cal. Local Rule 230(g).

BACKGROUND²

Plaintiff Joe Hand Promotions, Inc., is a commercial distributor and licensor of sporting events. Pursuant to a Distributorship Agreement, Plaintiff was granted the exclusive nationwide commercial distribution rights to *Ultimate Fighting Championship* 157: Ronda Rousey v. Liz Carmouche ("the Program"), which was telecast nationwide on February 22, 2013. Through sublicensing agreements with various commercial entities throughout the country, Plaintiff granted those entities the rights to publicly exhibit the Program within their respective commercial establishments. Plaintiff claims that it spent a substantial sum on marketing, advertising, promoting, administering, and transmitting the Program to its customers.

Plaintiff alleges that on February 22, 2013, Defendant unlawfully intercepted and broadcasted the Program at Moose Lodge 1293 with the knowledge that this was unlawful, and for the purpose of commercial and/or financial gain. Plaintiff filed this instant action on February 5, 2014, alleging causes of action for violations of 47 U.S.C §§ 605, 553 and Cal. Bus. & Prof. Code § 17200, *et seq.*, as well as a cause of action for conversion.

On July 11, 2014, Defendant moved for judgment on the pleadings pursuant to Federal Rule of Civil Procedure³ 12(c) on the grounds that Plaintiff lacks standing because Plaintiff does not have rights to the Program in non-commercial establishments such as Defendant's. ECF No. 8 at 3.

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² Unless otherwise noted, the following recitation of facts is taken, sometimes verbatim, from Plaintiff's Complaint. ECF No. 1.

³ All references to "Rule" or "rules" are to the Federal Rules of Civil Procedure unless otherwise noted.

STANDARD

Under Rule 12(c), "a party may move for judgment on the pleadings" after the pleadings are closed "but early enough not to delay trial." A motion for judgment on the pleadings pursuant to Rule 12(c) challenges the legal sufficiency of the opposing party's pleadings. See, e.g., Westlands Water Dist. v. Bureau of Reclamation, 805 F. Supp. 1503, 1506 (E.D. Cal. 1992). Any party may move for judgment on the pleadings under Rule 12(c) after the pleadings are closed but within such time as to not delay trial.

A motion for judgment on the pleadings should only be granted if "the moving party clearly establishes on the face of the pleadings that no material issue of fact remains to be resolved and that it is entitled to judgment as a matter of law." Hal Roach Studios, Inc. v. Richard Feiner & Co., Inc., 896 F.2d 1542, 1550 (9th Cir. 1989).

Judgment on the pleadings is also proper when there is either a "lack of cognizable legal theory" or the "absence of sufficient facts alleged under a cognizable legal theory."

Balistreri v. Pacifica Police Dept., 901 F.2d 696, 699 (9th Cir. 1988). In reviewing a Rule 12(c) motion, "all factual allegations in the complaint [must be accepted] as true and construe[d] . . . in the light most favorable to the non-moving party." Fleming v. Pickard, 581 F.3d 922, 925 (9th Cir. 2009). Judgment on the pleadings under Rule 12(c) is warranted "only if it is clear that no relief could be granted under any set of facts that could be proved consistent with the allegations." Deveraturda v. Globe Aviation Sec. Servs., 454 F.3d 1043, 1046 (9th Cir. 2006) (internal citations omitted).

Although Rule 12(c) does not mention leave to amend, courts have the discretion in appropriate cases to grant a Rule 12(c) motion with leave to amend, or to simply grant dismissal of the action instead of entry of judgment. See Lonberg v. City of Riverside, 300 F. Supp. 2d 942, 945 (C.D. Cal. 2004); Carmen v. S.F. Unified Sch. Dist., 982 F. Supp. 1396, 1401 (N.D. Cal. 1997).

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ANALYSIS

Defendant argues that Plaintiff lacks standing because the Distributorship Agreement at issue only granted Plaintiff exclusive distribution rights with respect to commercial establishments, and Plaintiff therefore may not bring this action against Defendant. In support of this argument, Defendant relies exclusively on the Declaration of Cary Warner ("Warner Declaration"), which it attached to its Motion. See ECF No. 8-4. Defendant cites the Warner Declaration for the proposition that "Defendant's establishment is part of a fraternal organization dedicated to serving needy children, designated as a fraternal beneficiary society for tax purposes" and therefore is not a commercial entity. ECF No. 8 at 5. Defendant further argues that it is proper for the Court to consider the Warner Declaration when ruling on its motion, because "the Court can consider and treat the motion as one for summary judgment" Id. at 8.

When ruling on a Rule 12(c) motion, the Court may consider certain documents outside of the pleadings, such as "documents attached to the complaint [and] documents incorporated by reference in the complaint," without converting the motion into a motion for summary judgment. <u>U.S. v. Ritchie</u>, 342 F.3d 903, 908 (9th Cir. 2003). A document is considered incorporated by reference if the plaintiff "refers extensively to the document or the document forms the basis of the plaintiff's claim." <u>Id</u>. However, if the Court decides to consider other documents outside of the pleadings, the Court "must normally convert the motion into a Rule 56 motion for summary judgment, and must give the nonmoving party an opportunity to respond." <u>Id</u>. at 907.

Here, it is clear that the Warner Declaration is neither a document attached to the Complaint nor a document incorporated by reference, since Plaintiff neither attached the document nor referenced it in its Complaint. See ECF No. 1. Thus, if the Court were to consider this document, as Defendant suggests, in ruling on the instant motion, it would have to convert this motion into a Rule 56 motion for summary judgment. The Court finds that it would be inappropriate to convert this motion into one for summary judgment

at this time, given the early stage of the case and the fact that discovery has not commenced.⁴ The Complaint alleges that Defendant is a commercial establishment. Because the Court must take all factual allegations in the complaint as true in reviewing the propriety of a Rule 12(c) motion, this motion must be denied.

However, even if the Court considered the Warner Declaration and were to find Defendant to be a non-commercial entity, Defendant could still not prevail at this time. As set forth in Plaintiff's briefing, the Distributorship Agreement is governed by Nevada law. Under that state's law, "it is well-established that a course of dealing may modify an agreement." Wal-Go Associates v. Leon, 624 P.2d 507, 510 (Nev. 1981). Therefore, Plaintiff argues that the course of conduct between the parties to the Distributorship Agreement confirms that the intent of the parties was for the agreement to cover all non-residential use. If correct, the Distributorship Agreement would cover the exhibition of the Program at Defendant's Lodge, whether or not Defendant is deemed to be a commercial entity. Thus, even if the Court considered the Warner Declaration, denial of Defendant's motion is warranted.

Because the Complaint alleges that Defendant is "a commercial establishment doing business as Moose Lodge 1293," and that Defendant unlawfully intercepted and broadcasted the Program without authorization from Plaintiff, the exclusive rights holder, Plaintiff has sufficiently alleged standing. See, e.g., J & J Sports Productions, Inc. v. Mendoza-Gowan, 2011 WL 1544886 (N.D. Cal. Apr. 25, 2011) ("The complaint alleges that plaintiff has exclusive distribution rights to the program, but defendant unlawfully intercepted its transmission and displayed it without authorization. Plaintiff has therefore adequately alleged standing."). Given Plaintiff has sufficiently alleged standing, Defendant's Rule 12(c) motion is denied.

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⁴ Moreover, whether Defendant is a commercial establishment is a material disputed question of fact at this stage in the litigation. Judgment on the pleadings is warranted "only if it is clear that no relief could be granted under any set of facts that could be proved consistent with the allegations." <u>Deveraturda</u>, 454 F.3d at 1046.

1	CONCLUSION
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3	As set forth above, Defendant's Motion for Judgment on the Pleadings (ECF
4	No. 8) is DENIED without prejudice.
5	IT IS SO ORDERED.
6	Dated: September 29, 2014
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9	MORRISON C. ENGLAND, JR, CHIEF JUDGE
10	UNITED STATES DISTRICT COURT
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