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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

MINDEN PICTURES, INC.,

No. C-12-4601 EMC

Plaintiff,

v.

**ORDER GRANTING IN PART AND  
DENYING IN PART DEFENDANT’S  
MOTION TO DISMISS**

JOHN WILEY & SONS, INC.,

**(Docket No. 31)**

Defendant.

**United States District Court**  
For the Northern District of California

**I. INTRODUCTION**

In this action, Plaintiff, a stock photography agency, brings suit against Defendant, an educational publisher, alleging that Defendant has exceeded usage restrictions in photograph licensing agreements, and bringing claims for copyright infringement. Pending before the Court is Defendant’s motion to dismiss this action for lack of jurisdiction under Rule 12(b)(1). In another action filed by Plaintiff on similar grounds against a different educational publisher, Judge Alsup recently granted summary judgment, finding that Plaintiff lacked standing to sue under the Copyright Act because it did not have the necessary ownership interest in the photographs that were allegedly infringed. Defendant contends that given the overlap of photographers involved in the two actions and the similarity in the underlying contracts between Plaintiff and the photographers, Judge Alsup’s decision has collateral estoppel effect on the question of Plaintiff’s standing to bring suit in this case. Plaintiff opposes, arguing that since Judge Alsup declined to consider one set of relevant contracts – the original agency agreements between Plaintiff and the photographers – as a sanction for discovery abuses, the effect of those contracts was not fully litigated in that case. Plaintiff

1 additionally argues that it has standing based on a recently executed set of agreements with the  
2 photographers whose work was allegedly infringed.

3 At the May 9, 2013 hearing on this matter, the parties agreed that in order to properly address  
4 the effect of the agency agreements between Plaintiff and the various photographers, they wished to  
5 take additional discovery and file cross motions for summary judgment addressing whether these  
6 agreements confer standing to bring suit under the Copyright Act. The Court thus **DENIES**  
7 Defendant’s motion without prejudice as to the effect of the agency agreements, and rules as follows  
8 on the remaining issues raised by Defendant’s motion.

9 **II. LEGAL, FACTUAL & PROCEDURAL BACKGROUND**

10 Plaintiff is a stock photography agency that licences photographs to publishers, including  
11 Defendant. Compl. ¶ 2. Plaintiff acts as an agent for the photographers who created the images.  
12 Declaration of Richard L. Minden (“Minden Decl.”) ¶ 3 (Docket No. 39). Plaintiff licensed various  
13 photographs to Defendant, using licensing agreements that placed limits on the number of  
14 reproductions, distribution area, language, duration, and/or media in which Defendant was permitted  
15 to reproduce the images. Compl. ¶ 8. In the instant suit, Plaintiff brings claims of copyright  
16 infringement, alleging that Defendant has exceeded the limits of in the licensing agreements and  
17 used the photographs for unlicensed purposes. Compl. ¶¶ 13-15, 27-35. Plaintiff also alleges that  
18 Defendant transmitted the photographs to unlicensed third parties with the knowledge that those  
19 parties intended to use the photographs without authorization. Compl. ¶ 20-23.

20 Plaintiff attaches to the complaint copies of 228 images by 36 photographers that it alleges  
21 were the subject of Defendant’s infringement. Compl. ¶¶ 8, 13, Ex. 1; Declaration of Robert W.  
22 Crockett (“Crockett Decl.”) ¶ 2 (Docket No. 40.).

23 A. Standing Under the Copyright Act

24 Under the Copyright Act,

25 The legal or beneficial owner of an exclusive right under a copyright  
26 is entitled, subject to the requirements of section 411, to institute an  
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28

1 action for any infringement of that particular right committed while he  
2 or she is the owner of it.<sup>1</sup>

3 17 U.S.C. § 501. In order to “be entitled to sue for copyright infringement, the plaintiff must be the  
4 legal or beneficial owner of an exclusive right under a copyright.” *Silvers v. Sony Pictures Entm’t,*  
5 *Inc.*, 402 F.3d 881, 884 (9th Cir. 2005) (internal quotation marks omitted).

6 The Copyright Act provides an exhaustive list of six “exclusive rights” held by copyright  
7 owners:

8 Subject to sections 107 through 122, the owner of copyright under this  
9 title has the exclusive rights to do and to authorize any of the  
following:

- 10 (1) to reproduce the copyrighted work in copies or phonorecords;
- 11 (2) to prepare derivative works based upon the copyrighted work;
- 12 (3) to distribute copies or phonorecords of the copyrighted work to  
13 the public by sale or other transfer of ownership, or by rental,  
lease, or lending;
- 14 (4) in the case of literary, musical, dramatic, and choreographic  
15 works, pantomimes, and motion pictures and other audiovisual  
works, to perform the copyrighted work publicly;
- 16 (5) in the case of literary, musical, dramatic, and choreographic  
17 works, pantomimes, and pictorial, graphic, or sculptural works,  
including the individual images of a motion picture or other  
18 audiovisual work, to display the copyrighted work publicly;  
and
- 19 (6) in the case of sound recordings, to perform the copyrighted  
20 work publicly by means of a digital audio transmission.

21 17 U.S.C. § 106; *see also Silvers*, 402 F.3d at 886-87 (recognizing that this list is exhaustive). The  
22 various exclusive rights provided for under this section may be transferred and owned separately.  
23 *Id.* § 201(d).

24 Since the right to bring suit for an accrued claim is not one of the “exclusive rights”  
25 identified in § 106, the Ninth Circuit has held that a person may not bring suit for copyright  
26 infringement where they own only the “bare right to sue,” but do not own any of the exclusive rights

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28 <sup>1</sup> Section 411 sets out requirements concerning pre-registration of copyrights prior to the  
initiation of legal action. 17 U.S.C. § 411.

1 provided for in § 106. *Silvers*, 402 F.3d at 885-86. Whether an agreement conveys any of the  
2 exclusive rights under the Copyright Act or merely a bare right to sue is determined by looking at  
3 the substance of an agreement, and not just the label put on the agreement. *Nafal v. Carter*, 540 F.  
4 Supp. 2d 1128, 1142 (C.D. Cal. 2007) *aff'd*, 388 F. App'x 721 (9th Cir. 2010). While two or more  
5 parties can be co-owners of certain rights, where they do not have “an independent and equivalent  
6 power to exercise [their] rights” courts have concluded that there is not a true ownership interest. *Id.*  
7 If an assignment does not actually grant an ownership interest, but is instead a “disguised  
8 assignment of a cause of action,” the assignee will lack standing to bring suit under the Copyright  
9 Act. *Nafal v. Carter*, 388 F. App'x 721, 723 (9th Cir. 2010).

10 B. Agency Agreements

11 Prior to licensing photographs to publishers, Plaintiff enters into agency agreements with the  
12 photographers who created the images, or the photographers’ representatives. Minden Decl. ¶ 3.  
13 Plaintiff argues that under these agreements, photographers assign to Plaintiff three of the exclusive  
14 rights recognized under § 106. As the Court is deferring ruling on the effect of these agreements, no  
15 detailed summary of their contents is necessary here. In short, though the various agency  
16 agreements differ in some respects, they generally provide that Plaintiff is authorized to license the  
17 photographer’s photographs to third parties within certain parameters and subject to certain  
18 exceptions or limitations. Minden Decl. Ex. 1.

19 C. Copyright Assignments

20 Plaintiff also claims standing to sue based on copyright assignment agreements executed  
21 with the photographers prior to filing the instant suit. Pl.’s Opp. at 4-5. These agreements appear to  
22 have been largely executed with the various photographers between 2010 and 2012.<sup>2</sup> Minden Decl.  
23 Ex. 2. The majority of these contracts are identical, and read:

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27 <sup>2</sup> The only exception to this time frame is the copyright assignment pertaining to  
28 photographers Patricia and Michael Fogden. Docket No. 39-10 at 27. Michael Fogden signed the  
*Id.* agreement in February 2010, but Patricia Fogden did not sign the agreement until March 29, 2013.

1                    Copyright Assignment, Accrued Causes of Action, and Litigation  
2                    Agreement

3                    The undersigned, the sole owner of the copyrights in the undersigned’s  
4                    images (‘the Images’) selected by Minden Pictures, Inc. (‘Agency’)  
5                    and included in its collection, hereby assigns to Agency co-ownership  
6                    of all copyrights in the Images. This assignment authorizes Agency,  
7                    in its sole discretion, to present, litigate and settle any accrued or later  
8                    accruing claims, causes of action, choses in action – which is the  
9                    personal right to bring a case – or lawsuits, brought by Agency to  
10                    address unauthorized uses of the Images by licensees of Agency, as if  
11                    Agency were the undersigned. Agency agrees to reassign its co-  
12                    ownership of the Images back to the undersigned immediately upon  
13                    the conclusion of any such litigation.

14                    Any proceeds obtained by settlement or judgment for said claims  
15                    shall, after deducting all costs, expenses and attorney’s fees, be  
16                    divided as provided in the Photographer’s Agency Agreement.

17                    Minden Decl. Ex. 2.

18                    Plaintiff has not submitted copyright assignments for one of the photographers whose images  
19                    are at issue in this suit, Pete Oxford. Additionally, three of the photographers involved with this suit  
20                    executed copyright assignments that were limited to actions brought against Houghton Mifflin  
21                    Publishing Company. Minden Decl. Ex. 2 at 5, 14, 31. It would thus appear that Plaintiff has not  
22                    provided copyright assignments that are applicable to this lawsuit for four of the photographers.

23                    D.            Minden Pictures v. Pearson

24                    In November 2011, Plaintiff filed suit against Pearson Education, Inc., alleging copyright  
25                    infringement on similar grounds to those asserted in this suit. *Minden Pictures, Inc. v. Pearson*  
26                    *Educ., Inc.*, C11-5385, Docket No. 1 (“*Pearson*”). This action involved photographs by 133  
27                    photographers, 32 of whom are involved in this case. Crockett Decl. ¶ 2. There are four  
28                    photographers involved in this case whose photographs were not included in the *Pearson* action. *Id.*  
29                    While Plaintiff points out the fact that not all photographers involved in this action were involved in  
30                    the *Pearson* case, it does not specifically identify the photographers, or argue that these  
31                    photographers had agency agreements or copyright assignments that varied from the other  
32                    photographers in any meaningful way. Pl.’s Opp. at 6 n.17.

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1 On March 5, 2013, Judge Alsup granted summary judgment for the defendant in *Pearson*,  
2 holding that Plaintiff did not have standing to sue under the Copyright Act.<sup>3</sup> *Minden Pictures, Inc.*  
3 *v. Pearson Educ., Inc.*, \_\_\_ F. Supp. 2d \_\_\_, C 11-05385 WHA, 2013 WL 812412 (N.D. Cal. Mar.  
4 5, 2013). Plaintiff had argued there, as it does here, that it had standing based on both the agency  
5 agreements and the copyright assignments. *Id.* at \*1.

6 Judge Alsup found that Plaintiff was precluded from relying on the agency agreements to  
7 establish standing because it had been delinquent in producing those agreements. *Id.* at \*3-4. The  
8 court found that there were several times in the litigation where Plaintiff was required to identify or  
9 produce the agency agreements—including in response to an order of the court to attach to the  
10 second amended complaint all agreements relevant to Plaintiff’s standing to sue—but that Plaintiff  
11 had failed to do so. *Id.* Judge Alsup specifically rejected Plaintiff’s argument that it had initially  
12 failed to appreciate the relevance of the agreements, finding that internal correspondence indicated  
13 that Plaintiff understood the significance of the agency agreements but had “made a strategic choice  
14 at the outset of this litigation not to disclose the agency agreements and instead to rely solely on the  
15 assignment agreements.” *Id.* at \*4. Given Plaintiff’s “multiple violations of the Court’s orders and  
16 the discovery rules,” Judge Alsup found that “a lesser remedy than preclusion would not be  
17 appropriate” and struck the agency agreements from the record. *Id.* at \*4-5.

18 Judge Alsup then turned to the copyright assignments, and found that under *Silvers* and  
19 *Nafal*, these agreements “simply disguise an assignment of a bare right to sue.” *Id.* at \*5. The court  
20 noted that the assignments conveyed no right to royalties outside of the litigation, and that the  
21 purported ownership of the photographs reverted back to the photographer immediately upon the  
22 termination of the litigation. *Id.* at \*6. The court found that the copyright assignments were  
23 substantially similar to the sham assignments rejected by the court in *Nafal*, and that when “viewed

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25 <sup>3</sup> Plaintiff also notes that Judge Alsup had earlier denied a motion to dismiss that was based  
26 in part on the argument that Plaintiff lacked standing under the Copyright Act. Pl.’s Opp. at 6-7. In  
27 that order, Judge Alsup concluded that Plaintiff had alleged sufficient facts to find that it had  
28 standing to sue. Crockett Decl. Ex. 5 at 5. There is no discussion of the effect of any of the  
agreements relevant to the instant motion. *Id.* In any case, as this was not a final determination of  
that action, this order cannot be the basis for collateral estoppel, and is irrelevant to the instant  
motion.

1 as a whole, the clear and unambiguous intent of the parties was to assign to Minden the bare right to  
2 sue.” *Id.*

3 The court also considered parole evidence offered by both parties on the meaning of the  
4 copyright assignments. Plaintiff had submitted declarations from a subset of involved photographers  
5 stating that each “intended to make ‘whatever assignments are necessary to accomplish [the]  
6 purpose’ of ‘pursuing this action against Pearson for its infringements of images licensed by Minden  
7 Pictures’ . . . , and to assign ‘whatever rights are necessary to confer standing on Minden Pictures to  
8 assert and prosecute copyright infringement claims, including an assignment of co-ownership of the  
9 copyrights on the photographs in question.’” *Id.* at \*7 (quoting declarations). Considering the  
10 declarations, the court found that:

11 These statements are clearly doublespeak tainted by the influence of  
12 litigation. They do not evince any intent to transfer any specific legal  
13 (or beneficial) ownership to Minden. Rather, the objective was to  
14 create the mere appearance of standing in this lawsuit. They do not  
15 render the copyright assignments reasonably susceptible of the  
16 interpretation that they transferred legal title in the underlying  
17 copyrights to Minden.

18 *Id.*

19 The conclusion that the agreements were intended to merely convey the right to bring suit  
20 was further bolstered by evidence submitted by the defendant in the form of emails from Plaintiff’s  
21 president Larry Minden to individual photographers. In these emails, Mr. Minden asked the  
22 photographers to execute the copyright assignments because Plaintiff’s counsel was concerned that  
23 the agency agreements were insufficient to confer standing. *Id.* He explained the assignments:

24 What this amendment does is assign Minden Pictures coownership of  
25 copyrights of images we represent solely for actions or lawsuits  
26 brought by Minden Pictures to address unauthorized image use by our  
27 clients. *My understanding is this is the sole purpose this assignment  
28 of co-ownership may be used for.*

29 *Id.* (quoting email) (emphasis in *Pearson* order). The court found that these emails clearly indicated  
30 that the copyright assignments were intended only to convey the right to sue, and not to convey legal  
31 title. *Id.*

32 Finding that both the text of the agreement and the submitted extrinsic evidence indicated  
33 that the copyright assignments conveyed only the bare right to sue, the court thus found that Plaintiff

1 lacked standing to sue under the Copyright Act, and granted summary judgment in favor of the  
2 defendants. *Id.* at \*8. The court noted that this decision did not bar the photographers who owned  
3 the images from themselves bringing suit for copyright infringement. *Id.* at \*9.

4 Plaintiff has appealed the grant of summary decision in *Pearson*.

5 E. Subsequent Assignment of Rights

6 After Judge Alsup’s order granting summary judgment in *Pearson*, Plaintiff executed another  
7 round of agreements with the photographers whose images are at issue in this suit. Minden Decl.  
8 Ex. 3, 3-S. The text of these agreements, which all appear to have been executed after Defendant  
9 filed the instant motion, is generally identical:

10 Copyright and Accrued Causes of Action Assignment

11 This agreement memorializes the relationship between the  
12 undersigned parties and governs all photographic images authored by  
13 the undersigned photographer (“Photographer”) that have been  
14 included in the collection of Minden Pictures, Inc. (“Minden”) and  
15 licensed by Minden to John Wiley & Sons, Inc. (“Wiley”), including  
16 those to which Photographer holds the copyrights and those to which  
17 co-ownership of the copyrights was previously assigned to Minden  
18 (“the Images”).

19 Photographer hereby assigns to Minden co-ownership of the  
20 copyrights in the Images not previously assigned to Minden. Minden  
21 hereby assigns to Photographer co-ownership of the copyrights in the  
22 Images previously assigned to Minden. These assignments are  
23 intended to vest in both parties a co-ownership interest in the  
24 copyrights to the Images. These assignments include the right of both  
25 parties to authorize the reproduction of the Images in copies and the  
26 right to authorize the distribution and display of copies of the Images  
27 to the public, and affirms Photographer’s prior assignment of these  
28 rights to Minden effective the date the Images were included in  
Minden’s collection.

Photographer assigns to Minden all rights, title and interest in any  
accrued or later accruing claims, causes of action, choses in action –  
which is the personal right to bring a case – or lawsuits brought  
against Wiley to enforce copyrights in the Images. This assignment  
authorizes Minden, in its sole discretion, to present, litigate and settle  
any claims against Wiley relating to unauthorized uses of the Images.

Any proceeds obtained by settlement or judgment for said claims  
shall, after deducting costs, expenses of litigation and attorneys’ fees,  
be divided as provided in Photographer’s agency agreement with  
Minden.



1 Minden Decl. Ex. 3 at 2 of 34.<sup>4</sup> These assignment agreements, however, are missing for four of the  
2 photographers: Richard L. Minden, Anup Shah, Eddy Marissen, and Aad Schenck. Minden Decl.  
3 Ex. 3.

### 4 III. DISCUSSION

5 A motion to dismiss brought under Rule 12(b)(1) may be granted where the court lacks  
6 subject matter jurisdiction over the claim. Fed. R. Civ. P. 12(b)(1). Thus, Rule 12(b)(1) is the  
7 appropriate vehicle for dismissing a claim where the plaintiff lacks standing to sue under the  
8 Copyright Act. *Warren v. Fox Family Worldwide, Inc.*, 328 F.3d 1136, 1140 (9th Cir. 2003). Once  
9 the moving party has asserted lack of subject matter jurisdiction, the burden is on the party asserting  
10 jurisdiction; the court will presume that there is no jurisdiction until proved otherwise. *Kokkonen v.*  
11 *Guardian Life Ins. Co. of Am.*, 511 U.S. 375, 377 (1994). “A jurisdictional challenge under Rule  
12 12(b)(1) may be made either on the face of the pleadings or by presenting extrinsic evidence.” *Id.* at  
13 1139.

#### 14 A. Collateral Estoppel Effect of *Minden Pictures v. Pearson*

15 Defendant argues that Plaintiff is collaterally estopped from asserting standing under the  
16 Copyright Act because Judge Alsup’s order in *Pearson* determined that the agency agreements and  
17 copyright assignments were not sufficient to confer standing. Def.’s Mot. at 7-9.

18 Issue preclusion prevents a party from relitigating an issue decided in  
19 a previous action if four requirements are met:

- 20 (1) there was a full and fair opportunity to litigate the issue in the  
21 previous action;
- 22 (2) the issue was actually litigated in that action;
- 23 (3) the issue was lost as a result of a final judgment in that action;  
24 and
- 25 (4) the person against whom collateral estoppel is asserted in the  
26 present action was a party or in privity with a party in the  
27 previous action.

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28 <sup>4</sup> The agreement for photographer Carr Clifton varies from this standard template in ways  
that are ultimately irrelevant to this Court’s analysis on this motion. *See* Minden Decl. Ex. 3 at 3 of  
34.

1 *Kendall v. Visa U.S.A., Inc.*, 518 F.3d 1042, 1050 (9th Cir. 2008). Collateral estoppel “has the dual  
2 purpose of protecting litigants from the burden of relitigating an identical issue with the same party  
3 or his privy and of promoting judicial economy by preventing needless litigation.” *Parklane*  
4 *Hosiery Co., Inc. v. Shore*, 439 U.S. 322, 326 (1979). In discussing the effect of collateral estoppel,  
5 the Ninth Circuit has recognized that “once an issue is raised and determined, it is the entire *issue*  
6 that is precluded, not just the particular arguments raised in support of it in the first case.” *Kamilche*  
7 *Co. v. United States*, 53 F.3d 1059, 1063 (9th Cir. 1995) (emphasis in original) (quoting *Yamaha*  
8 *Corp. of America v. United States*, 961 F.2d 245, 254 (D.C. Cir.1992)), *opinion amended on other*  
9 *grounds, Kamilche v. United States*, 75 F.3d 1391 (9th Cir. 1996).

10 Federal courts permit non-mutual collateral estoppel, also known as defensive collateral  
11 estoppel, which “occurs when a defendant seeks to prevent a plaintiff from asserting a claim the  
12 plaintiff has previously litigated and lost against another defendant.” *Id.* at 326 n.4. Thus,  
13 “[f]indings made in one proceeding in which a party has had a full and fair opportunity to litigate  
14 may be used against that party in subsequent litigation.” *Masson v. New Yorker Magazine, Inc.*, 85  
15 F.3d 1394, 1400 (9th Cir. 1996).

16 1. Collateral Estoppel Effect as to Copyright Assignments

17 Plaintiff does not appear to contest the collateral estoppel effect of the *Pearson* decision as to  
18 the interpretation of the copyright assignments. Pl.’s Opp. at 12. In any case, all of the requirements  
19 of collateral estoppel appear to be met. Plaintiff was a party in *Pearson*, it had a full and fair  
20 opportunity to litigate the effect of the copyright assignments, it did in fact present its arguments on  
21 this issue, and the order granting summary judgment was a final judgment on the merits. The only  
22 possible argument against the full application of collateral estoppel here (which Plaintiff does not  
23 explicitly raise), is that according to the parties there are four (unidentified) photographers whose  
24 work is the subject of the alleged infringement here whose work was not implicated in *Pearson*.  
25 Since these four photographers have copyright assignments that are verbatim identical to the  
26 assignments signed by the photographers in *Pearson*, however, the issue here is identical, and this  
27 Court finds that collateral estoppel applies.

28

1 In the alternative, even if collateral estoppel does not apply as to these four photographers,  
2 this Court finds Judge Alsup’s reasoning on the effect of these agreements persuasive, and follows  
3 *Pearson* in finding that these agreements convey nothing more than a bare right to sue, and thus  
4 cannot be the basis for standing under the Copyright Act.

5 This Court thus finds that Plaintiff may not assert standing to sue based on the copyright  
6 assignments it executed with the photographers between 2010 and 2012<sup>5</sup> which are subjects of the  
7 instant case.<sup>6</sup>

8 2. Collateral Estoppel Effect as to Agency Agreements

9 Plaintiff’s main argument against the application of collateral estoppel is that *Pearson* does  
10 not preclude consideration of the agency agreements, since their effect was not actually litigated.  
11 Pl.’s Opp. at 12. Plaintiff contends that because Judge Alsup struck the agency agreements as a  
12 sanction for Plaintiff’s discovery misconduct, “the Court did not address Minden’s contention that it  
13 has standing to sue for copyright infringement for the independent reason that it owned ‘exclusive  
14 rights’ under 17 U.S.C. § 106 at the time of the alleged infringements.” Pl.’s Opp. at 12-13.

15 This Court recognizes that there are cases indicating that collateral estoppel may apply even  
16 where the issue was decided against a party in the previous case as a sanction for litigation  
17 misconduct. *See In re Daily*, 47 F.3d 365, 368 (9th Cir. 1995); *United States v. Gottheiner (In re*  
18 *Gottheiner)*, 703 F.2d 1136 (9th Cir.1983). Even where the formal requirements of collateral  
19 estoppel are met, however, the Court has discretion to deny application of the doctrine where it  
20 deems appropriate in light of the facts of the case. *In re Daily*, 47 F.3d at 368 n.6. In this case,  
21 Plaintiff’s misconduct in *Pearson* was not sufficiently severe to justify extending the sanction  
22 applied in that case here. Particularly given that Defendant asks us to apply non-mutual collateral  
23 estoppel here, this Court is concerned about the draconian consequences of forever precluding  
24 Plaintiff from bringing suit against any defendant where the suit is based on the same or

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26 <sup>5</sup> As noted above, this group of assignments includes the assignment signed by Michael  
27 Fogden on February 24, 2010, and by Patricia Fogden on March 29, 2013. Docket No. 39-10 at 27.

28 <sup>6</sup> Though the *Pearson* decision is currently on appeal, a final judgment retains preclusive  
effect while appeal is pending. *Collins v. D.R. Horton, Inc.*, 505 F.3d 874, 882 (9th Cir. 2007).

1 substantially similar agreements to those at issue in *Pearson*. Accordingly, this Court declines to  
2 give the *Pearson* decision collateral estoppel effect as to the impact of the agency agreements on  
3 Plaintiff's standing to sue under the Copyright Act. As discussed above, the parties have agreed to  
4 conduct further discovery related to the agency agreements, and to then file cross motions for  
5 summary judgment on the question of whether they confer standing on Plaintiff.

6 B. Effect of Subsequent Assignments

7 Plaintiff argues that even if it is collaterally estopped from asserting standing based on the  
8 copyright assignments and agency agreements, it has standing because of the new assignments it  
9 obtained in March and April of 2013. Pl.'s Opp. at 18-23; Minden Decl. Ex. 3. Though these  
10 assignments were executed after the initiation of this action (and after the filing of the instant  
11 motion), Plaintiff argues that it should nonetheless be permitted to cure any deficiency in the  
12 assignment of rights and that such assignment should relate back to the date the complaint was filed.  
13 Pl.'s Opp. at 20-21.

14 Whether a plaintiff has standing to file suit is evaluated by looking to "the facts *as they exist*  
15 *when the complaint is filed.*" *Lujan v. Defenders of Wildlife*, 504 U.S. 555, 571 n.4 (1992)  
16 (emphasis in original). See *Clark v. City of Lakewood*, 259 F.3d 996, 1006 (9th Cir. 2001)  
17 ("Standing is determined by the facts that exist at the time the complaint is filed."). See also  
18 *Newman-Green, Inc. v. Alfonzo-Larrain*, 490 U.S. 826, 832 (1989) (statute permitting amendment of  
19 defective allegations of jurisdiction "allows appellate courts to remedy inadequate jurisdictional  
20 allegations, but not defective jurisdictional facts"); *Righthaven LLC v. Hoehn*, \_\_\_ F.3d \_\_\_,  
21 11-16751, 2013 WL 1908876 (9th Cir. May 9, 2013) (noting that while there are some limited  
22 exceptions to the rule that standing is determined as of the time the complaint is filed, "permitting  
23 standing based on a property interest acquired after filing is not one of them").

24 In a series of cases analogous to the case at bar, a Nevada district court has rejected  
25 arguments that a subsequent assignment of copyright can confer standing where the assignment of  
26 rights in place at the time the suit was filed had conferred only a bare right to sue. *Righthaven LLC*  
27 *v. Allec*, 2:11-CV-00532-KJD, 2012 WL 909832 (D. Nev. Mar. 16, 2012); *Righthaven, LLC v.*  
28 *Hyatt*, 2:10-CV-01736-KJD, 2011 WL 3652532 (D. Nev. Aug. 19, 2011); *Righthaven LLC v.*

1 *Mostofi*, 2:10-CV-1066-KJD-GWF, 2011 WL 2746315 (D. Nev. July 13, 2011). In those cases, the  
2 court had already determined that the assignment of rights that was in effect at the time the  
3 complaint was filed did not confer standing to sue because it assigned to the plaintiff only the bare  
4 right to sue. The plaintiff and the original copyright holder then executed an amendment to the  
5 original assignment that he claimed addressed the problem. The court in *Righthaven LLC v. Mostofi*  
6 explained why this argument was unavailing:

7           Notwithstanding the actual transaction that occurred, Plaintiff argues  
8 that the amendment it executed with Stephens Media on May 9, 2011  
9 fixes any possible errors in the original SAA that would prevent  
10 Plaintiff from having standing in this matter. Specifically, Plaintiff  
11 alleges that this amendment further clarifies and effectuates, “to the  
12 extent not already accomplished, what has at all times been the intent  
13 of the parties – to transfer full ownership in copyright,” to Plaintiff.  
14 This amendment, however, cannot create standing because “[t]he  
15 existence of federal jurisdiction ordinarily depends on the facts as they  
16 exist when the complaint was filed.” *Lujan v. Defenders of Wildlife*,  
17 504 U.S. 555, 571 n. 4 (1992) (quoting *Newman–Green, Inc. v.*  
18 *AlfonzoLarrain*, 490 U.S. 826, 830 (1989)) (emphasis in *Lujan*).  
19 Although a court may allow parties to amend defective allegations of  
20 jurisdiction, it may not allow the parties to amend the facts  
21 themselves. *Newman–Green*, 490 U.S. at 830. As an example, a party  
22 who misstates his domicile may amend to correctly state it. This is an  
23 amendment of the allegation. However, that party is not permitted to  
24 subsequently move in order to change his domicile and amend  
25 accordingly. This would be an amendment of the jurisdictional facts,  
26 which is not allowed. *See id.* Here, Plaintiff and Stephens Media  
27 attempt to impermissibly amend the facts to manufacture standing.  
28 Therefore, the Court shall not consider the amended language of the  
SAA, but the actual assignment and language of the SAA as it existed  
at the time the complaint was filed.

20 *Righthaven LLC v. Mostofi*, 2011 WL 2746315, at \*3. Plaintiff offers no convincing argument  
21 distinguishing the *Righthaven* cases, or establishing why it is entitled to an exception to the general  
22 rule that standing is determined by the facts as they exist at the time the complaint is filed.

23           Plaintiff relies on *Co-opportunities, Inc. v. Nat’l Broad. Co., Inc.*, 510 F. Supp. 43 (N.D. Cal.  
24 1981). In that case, the plaintiff had acquired transfer of copyright before filing suit, but the court  
25 found that this conveyance did not include an assignment of existing causes of action for  
26 infringement. *Id.* at 46. The defendant filed a motion for summary judgement arguing that the  
27 infringement had occurred before the assignment of copyright, and that without the assignment of  
28 existing causes of action, the plaintiff thus lacked standing to bring suit. *Id.* After the motion was

1 filed, the plaintiff and its predecessor in interest effected an assignment of the right to pursue  
2 existing causes of action. *Id.* at 46-47. The court held that the assignment of the accrued cause of  
3 action related back to the date of the original complaint, and that the plaintiff thus had standing to  
4 bring suit. *Id.* at 48. Plaintiff also cites to a treatise indicating that where a general assignment of  
5 copyright does not include accrued causes of action, such defects may be cured by a later grant  
6 executed prior to trial. Pl.’s Mot. at 21 (quoting 3-12 Nimmer on Copyright § 12.02(c)).

7         The problem for Plaintiff is that the case at bar does not involve a previous transfer of  
8 copyright that simply failed to assign the right to pursue previously accrued causes of action. While  
9 the effect of the agency agreements on Plaintiff’s standing to bring suit has yet to be determined,  
10 there is no argument that these agreements transferred copyright but simply failed to assign accrued  
11 causes of action. Indeed, there is nothing in the record to date indicating that the alleged  
12 infringement in this case occurred prior to the execution of the agency agreements, so there would  
13 be no accrued causes of action to transfer.

14         If this Court finds that the agency agreements transferred rights under the Copyright Act  
15 sufficient to confer standing to sue, these recent assignments are moot. If this Court reaches the  
16 contrary conclusion, however, the reasoning in *Righthaven* cases will apply here. If Plaintiff lacked  
17 standing to sue at the time the case was filed, it cannot now “cure” this fundamental lack with a later  
18 assignment of rights. *See Clark*, 259 F.3d at 1006. *Co-Opportunities* and the passage from Nimmer  
19 are thus inapplicable.

20         This Court thus finds that Plaintiff may not assert standing to sue in this case based on an  
21 assignment of rights in the agreements executed in March and April of 2013.

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**IV. CONCLUSION**

For the foregoing reasons, the Court **GRANTS** Defendant’s motion to dismiss to the extent that Plaintiff relies on the copyright assignments or the subsequent assignment of rights to establish standing to sue under the Copyright Act. The Court **DENIES** Defendant’s motion without prejudice as to the effect of the agency agreements.

This order disposes of Docket No. 31.

IT IS SO ORDERED.

Dated: May 13, 2013

  
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EDWARD M. CHEN  
United States District Judge