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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

**GREG KIHN, ET AL.,**  
Plaintiffs,

vs.

**BILL GRAHAM ARCHIVES, LLC, ET AL.,**  
Defendants.

CASE NO. 17-cv-05343-YGR

**ORDER GRANTING MOTION FOR CLASS  
CERTIFICATION; GRANTING IN PART AND  
DENYING IN PART MOTIONS TO SEAL**

Dkt. No. 107, 109, 120, 126, 128, 145, 167

This case arises from defendants’ exploitation of audio and video recordings of live musical performances, and the musical compositions performed therein, from the 1950s to the 1990s. Plaintiffs Greg Kihn and Rye Boy Music, LLC (Kihn’s music publisher) allege that defendants Bill Graham Archives, LLC dba Wolfgang’s Vault; Norton, LLC; and William Sagan distributed and sold in thousands of recordings acquired from a dozen private collections— recordings that captured live performances spanning several decades, made by concert producers and sound engineers without the performers’ authorization. Plaintiffs allege that the conduct began in 2006 when defendants began offering digital downloads or on-demand streaming on two websites: (1) wolfgangs.com, which offers audio recordings; and (2) concertvault.com, which offers both audio and audiovisual recordings for on-demand streaming (hereinafter, “Websites”).<sup>1</sup>

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<sup>1</sup> Defendants also launched a “Music Vault” YouTube channel in early 2014, offering audiovisual recordings from the collections at issue for on-demand streaming. (Declaration of William Sagan, Dkt. No. 110-1, ¶¶ 30-32.)

1 Plaintiffs Kihn and Rye Boy bring this motion seeking to certify two classes: a Composer  
2 Class and a Performer Class.<sup>2</sup> With respect to the Composer Class, plaintiff Rye Boy seeks to  
3 represent a putative class of composers of musical works alleging infringement of copyrighted  
4 musical compositions based upon unauthorized sale and distribution of sound recordings and  
5 audiovisual recordings. With respect to the Performer Class, plaintiff Kihn seeks to represent a  
6 putative class of live music performers, alleging that defendants trafficked in recordings of their  
7 live musical performances without authorization in violation of 17 U.S.C. section 1101.

8 Defendants oppose class certification arguing that plaintiffs cannot meet any of the  
9 requirements to certify a class under either Rule 23(b)(2) or (b)(3). In summary, they contend that  
10 individualized issues arise from the creation and ownership of the live music recordings, as well as  
11 from licensing arrangements and their alleged defenses of consent, fair use, and untimeliness.  
12 While defendants raise arguments in their opposition as to all the elements of Rule 23, the focus of  
13 the fight here is whether common issues of fact and law would predominate, as required by Rule  
14 23(b)(3).

15 As set forth more fully herein, with respect to the Composer Class, the Court concludes  
16 plaintiffs' *prima facie* case for copyright infringement may be established readily on common  
17 evidence. In opposition to class certification, defendants have put forward a common set of  
18 contractual agreements, applicable to the entire class, which they contend preclude liability.  
19 Consequently, the Court concludes that common issues of fact and law would predominate on the  
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21 <sup>2</sup> In response to defendants' opposition on the grounds that the class definitions in the  
22 complaint constituted impermissible "fail-safe" classes, plaintiffs narrowed their proposed  
23 definitions as follows:

24 Composer Class: All owners of copyrights in the musical compositions that  
25 were recorded at a non-studio performance which have been reproduced,  
26 performed, distributed, or otherwise exploited by Defendants during the period  
27 from September 14, 2014 to the present.

28 Performer Class: All persons whose non-studio performances are fixed on the  
sound recordings and audiovisual works which have been reproduced,  
performed, distributed, or otherwise exploited by Defendants during the period  
from September 14, 2014 to the present.

(See Reply Brief at 3:1-9.)

1 copyright infringement claims and the Composer Class should be certified.

2 For much the same reasons, the Court concludes that common issues would predominate  
3 on the section 1101 claim of the Performer Class. As explained below, the Court has considered  
4 the novel legal question of the evidentiary burdens on a claim under section 1101. Having  
5 carefully examined the text and purposes of the statute, as well as principles of evidence and  
6 statutory interpretation bearing on the question, the Court finds the authorization requirement is an  
7 affirmative defense, and defendants bear the burden to establish authorization. As with their  
8 affirmative defenses to the Composer Class's claims, defendants' opposition to certification of the  
9 Performer Class relies on the same limited number of agreements, applicable to all class members,  
10 for their contention that the recordings and their exploitation were authorized. Thus, on the record  
11 put forward by the parties at class certification, common issues of fact and law predominate on the  
12 Performer Class's section 1101 claim, and certification of the Performer Class is appropriate.

13 Accordingly, having carefully considered the papers submitted, the pleadings in this  
14 action, the admissible evidence,<sup>3</sup> and the arguments of the parties, and for the reasons set forth  
15 below, the Court **GRANTS** the Motion for Class Certification of: (1) a Composer Class for  
16 copyright infringement, and (2) a Performer Class for violation of the Anti-Bootlegging Statute,  
17 17 U.S.C. section 1101 as defined herein.

18 **I. ADMINISTRATIVE MOTIONS TO SEAL**

19 As a preliminary matter, both sides have submitted administrative motions to seal  
20 documents or portions of documents offered in support of their class certification briefing and  
21 supplemental briefing. (Dkt. Nos. 98, 109, 120, 126, 128, 145, 167.) While the standard for  
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23 <sup>3</sup> Plaintiffs filed an administrative motion to supplement evidence in the class certification  
24 record with documents showing communications between the Copyright Office and defendants  
25 regarding sound recordings at issue. (Motion for Relief to File Supplemental Evidence, Dkt. No.  
126-4; Declaration of Matthew A. Pearson, Dkt. 126-5, Exh. A and B.) The motion to supplement  
is **GRANTED**.

26 Subsequent to the hearing, defendants produced a chart listing the recordings on their  
27 Websites and a cover letter from counsel. (Dkt. No 145-1, 145-2.) Plaintiffs objected to the  
28 documents as argumentative and requested to strike them. (Dkt. No. 147.) To the extent that the  
letter or chart offer arguments which were not made in defendants' papers regarding certain  
performers' concession of defendants' ownership, the objection is **SUSTAINED**. Otherwise, the  
documents do no more than repeat defendants' prior arguments and the objection is **OVERRULED**.

1 sealing documents in connection with class certification does not require “compelling reasons” as  
2 set forth in *Pintos v. Pacific Creditors Ass’n*, 605 F.3d 665, 678 (9th Cir. 2010), the Court  
3 nevertheless finds that the sealing requests here are overbroad and good cause has not been  
4 established to seal certain documents to the extent requested. The Court has considered the basis  
5 offered for sealing, as well as the significance to the Court’s decision of the portions sought to be  
6 sealed, in determining which portions to cite or quote in its order herein. The motions to seal are  
7 granted only insofar as they are not necessary to the Court’s analysis.

8 Therefore, to the extent the Court has *quoted or recited the contents of* any specific  
9 portion of a document in this decision, the motion to seal that information is **DENIED** for lack of  
10 good cause. The motions to seal (Dkt. Nos. 98, 109, 120, 126, 128, 145, 167) are otherwise  
11 **GRANTED** for good cause shown.<sup>4</sup>

12 **II. BACKGROUND**

13 Defendants acquired collections of audio and audiovisual recordings capturing the live  
14 musical performances of more than 900 musical artists, spanning the decades from the 1950’s  
15 through 1990’s. In 2002, defendants purchased the archives from the estate of deceased San  
16 Francisco Bay Area rock concert promoter Bill Graham. (Weiner Decl. Exh. 2.) Graham had  
17 amassed a large personal collection of thousands of recordings from the concerts he promoted in  
18 the San Francisco Bay Area. (*See* Weiner Decl. Exh. 3.) Defendants contend that they made this  
19 purchase with the understanding that they were acquiring ownership of the “master recordings”<sup>5</sup>

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21  
22 <sup>4</sup> The Court notes that any party seeking to seal documents in connection with any later  
23 motion or trial must make an appropriate showing at that time.

24 <sup>5</sup> The term “master recording” is one of many terms of art in the realm of music copyright.  
25 As stated by the Ninth Circuit:

26 Sound recordings are [copyrightable] works that result from the fixation of a  
27 series of sounds. Fixation, as defined by the Copyright Office, occurs when a  
28 complete series of sounds is first produced on a final *master recording* that is later  
reproduced in published copies.

*United States v. Taxe*, 540 F.2d 961, 965 (9th Cir. 1976) (internal citations omitted, emphasis  
supplied).

1 in the Bill Graham Archive. (*See* Weiner Decl. Exh. 1 [Sagan Depo.] at 147:10-17.)<sup>6</sup> Thereafter,  
2 defendants acquired the rest of the recordings from about twelve other third-party sources, mostly  
3 concert producers and sound engineers. (*See* Weiner Decl. Exhs. 4-16, “Acquisition  
4 Agreements”).<sup>7</sup> Nearly all of those agreements included substantially the same representations  
5 concerning knowledge and consent of the performers in the recordings:

6 *To the best of Seller’s knowledge and belief, any and all performers whose*  
7 *performance is captured in the Recordings were fully aware of, and expressly*  
8 *approved of and consented to, the making of the Recordings. The performers*  
9 *included in the Recordings did not impose, either orally or in writing, any*  
10 *restrictions or requirements on Seller on any use or exploitation of any the*  
11 *Recordings that resulted from such recording and have never, to Seller’s*  
12 *knowledge, asserted any ownership interest in or other rights to such*  
13 *Recordings.*

14 (Sagan Decl., Exh. E [Brower Agreement] at § 4(f) (emphasis supplied); *see also* Exh. C  
15 [Festival Network] at §4(e); Exh. F [Plainfield Music] at § 4(h); Exh. G. [Hewitt] at §4(f); Exh. I  
16 [Dawson] at § 4(f); Exh. J [Amazingrace] at § 7(f); Exh. K [Filmsonix] at § 4(g); Exh. L [Fuel  
17 2000] at §4(f); Exh. M [Ash Grove Theater] at 4(f)); *compare id.* Exh. H. [Tramps Club] at §4(f)  
18 substituting the words “*and did not object to*” instead of “*approved of and consented to*”).<sup>8</sup>

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19 <sup>6</sup> The agreement qualified the definition of “Assets” to include “all Intellectual Property  
20 rights . . . that relate exclusively to the Assets *to the extent that either Seller or any of its Affiliates*  
21 *possesses such rights. . . .*” (*Id.* § 3.10, emphasis supplied.) The agreement further stated:

22 *Notwithstanding anything to the contrary in this Agreement, Seller makes no*  
23 *representations regarding whether the Assets or their past or future use or*  
24 *exploitation infringed or infringes on the Intellectual Property rights of any*  
25 *person . . . provided, however, that Buyer hereby acknowledges that the*  
26 *foregoing representation shall not be deemed or construed as a basis for*  
27 *determining its actual or intended use or exploitation or the appropriateness*  
28 *or legality thereof.*

(Weiner Decl. Exh. 2, Purchase Agreement between Norton, LLC and Bill Graham Enterprises,  
Inc. for all the membership interests of Bill Graham Archives, LLC at § 3.11(a), emphasis  
supplied.)

<sup>7</sup> Fourteen Acquisition Agreements were offered in connection with the instant motion  
though it appears, on account of the revision of the class definition to exclude recordings made in  
a studio, at least one of those agreements (*i.e.*, King Biscuit Flower Hour) is no longer at issue.

<sup>8</sup> The agreement covering the Great American Music Hall (GAMH) recordings (Sagan  
Decl., Exh D. Bradshaw) diverged from the standard agreement by including additional language  
regarding GAMH’s ownership and limitations on commercial release during the performer’s  
lifetime:

1 In total, defendants acquired over 21,000 audio and audiovisual recordings, some of  
2 which included multiple songs (or musical works). (Sagan Depo. at 143:1-13.) Defendants  
3 copied the recordings onto hard drives and servers, sometimes mixing or mastering the files  
4 depending on their condition, and then created mp3 file copies of them. (Sagan Decl. ¶¶ 29, 30.)

5 In 2006, defendants began offering copies of the recordings to the public on their  
6 Websites for digital download or on-demand streaming, by individual sale or on a subscription  
7 basis. (*Id.* ¶¶ 30, 31.) In 2009, following litigation defendants brought by several record  
8 companies and musicians alleging unauthorized exploitation of the recordings via the Websites,  
9 defendants entered into settlement agreements with three major record labels: UMG Recordings  
10 Inc., Warner Music, Inc., and Sony Music Entertainment. (Sagan Decl. N, O, P [“Joint  
11 Exploitation Agreements”].)<sup>9</sup> The Joint Exploitation Agreements state that defendants own the  
12 copyright in the “master” recordings covered therein.<sup>10</sup>

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13  
14 Any and all performers whose performance is captured in the GAMH  
15 Recordings were fully aware of, and approved of and consented to, the making  
16 of the GAMH Recordings under the following terms: (i) Seller would have  
17 ownership of the GAMH Recordings (with Seller having the right to sell or  
18 transfer such recordings); (ii) *During the performer's lifetime*, the recorded  
19 performance could be released commercially by Seller or his assigns *upon the*  
*approval of the performer*; and (iii) *After the performer's lifetime*, the recorded  
20 performance could be released commercially by Seller or his assigns subject  
21 *only to the condition that an artist's royalty would be paid to the performer's*  
22 *estate*, assigns or heirs at a commercially reasonable rate relative to recording  
23 industry standards . . . .

24 (Sagan Decl., Exh. D at § 4(e), emphasis supplied.)

25 <sup>9</sup> Defendants also entered into individual settlement agreements with certain performers  
26 including Van Morrison, the Grateful Dead and Carlos Santana. (*See* Sagan Decl. ¶¶ 22-25.)  
27 Depending upon the releases in their settlement agreements, some individuals may be precluded  
28 from litigating the claims alleged in this action. The particular terms of those agreements are not  
otherwise necessary to the class certification determination here and therefore may remain under  
seal in their entirety.

<sup>10</sup> The Court notes the following terms of the Exploitation Agreements: (1) none of the  
agreements purports to transfer any rights or grant any license with respect to audiovisual  
recordings, only sound recordings (Warner Agreement at ¶ 3.6(f); Sony Agreement ¶¶ 8.1, 8.2,  
10.3; UMG Agreement at Recitals [rights to “sound recordings”]); (2) the Sony and Warner  
agreements expressly exclude rights with respect to exploitation of the *compositions* captured in  
the recordings (*see* Sony Agreement at ¶¶ 4.4(a); Warner Agreement ¶¶ 8.1, 8.2); and (3) the  
UMG agreement purports to transfer UMG’s compulsory license with respect to distribution rights  
for certain musical compositions, but otherwise does not claim to cover rights related to musical  
compositions (UMG at ¶ 3.1).

1 In the present litigation, Kihn declares that the recordings of his live performances  
2 available on the Websites were made and exploited without his permission, and that he was not  
3 aware the performances were recorded and archived for later exploitation. (Kihn Decl., Dkt. No.  
4 107-3, ¶ 3). Joel Turtle, co-owner of Rye Boy Music, LLC, likewise avers that Rye Boy did not  
5 consent to the exploitation of its compositions through the recordings trafficked on defendants’  
6 Websites. (Turtle Decl. Dkt. No. 107-4, ¶ 8.)<sup>11</sup>

7 **III. DISCUSSION**

8 A class action lawsuit is “an exception to the usual rule that litigation is conducted by and  
9 on behalf of the individual named parties only.” *Califano v. Yamasaki*, 442 U.S. 682, 700–01  
10 (1979). To depart from this general rule, “a class representative must be part of the class and  
11 possess the same interest and suffer the same injury as the class members.” *East Tex. Motor*  
12 *Freight Sys., Inc. v. Rodriguez*, 431 U.S. 395, 403 (1977) (internal quotations and citation  
13 omitted). The proponent of class treatment, usually the plaintiff, bears the burden of  
14 demonstrating that class certification is appropriate. *True Health*, 896 F.3d at 931 (citing *Ellis v.*  
15 *Costco Wholesale Corp.*, 657 F.3d 970, 979-80 (9th Cir. 2011). Federal Rule of Civil Procedure  
16 23, which governs class certification, has two distinct sets of requirements that plaintiffs must  
17 meet before the Court may certify a class. Plaintiffs must meet all requirements of Rule 23(a) and  
18 must satisfy at least one prong of Rule 23(b), depending upon the nature of the class they seek to  
19 certify. *See also Shady Grove Orthopedic Assocs., P.A. v. Allstate Ins. Co.*, 559 U.S. 393, 394  
20 (2010) (setting forth requirements of Rule 23). Within the framework of Rule 23, the Court  
21 ultimately has broad discretion over whether to certify a class. *Zinser v. Accufix Research Inst.,*  
22 *Inc.*, 253 F.3d 1180, 1186 (9th Cir.) *opinion amended on denial of reh’g*, 273 F.3d 1266 (9th Cir.  
23 2001).

24 Plaintiffs seek to certify two separate classes alleging separate, but related claims for relief.  
25 Rye Boy, as representative of the Composer Class, alleges two claims for copyright infringement

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26  
27 <sup>11</sup> Defendants represent that certain recordings of Kihn’s performances would be covered  
28 by the Sony Agreement. (Sagan Decl. ¶ 18 [“Sony Music Entertainment acquired EMI’s  
publishing catalog in approximately 2012, and therefore recordings by Greg Kihn are governed by  
this agreement.”].)

1 based upon unauthorized sale and distribution on defendants’ Websites of reproductions of their  
2 copyrighted compositions: (1) within audio recordings; and (2) within video concert footage.  
3 Kihn, for himself and on behalf of the proposed Performer Class, asserts a claim for violation of  
4 section 1101 of the Copyright Act, sometimes called the “Anti-Bootlegging Act.” 17 U.S.C. §  
5 1101. The Court first analyzes the Rule 23(a) factors for both putative classes given the  
6 substantial overlap in the factual issues relative to those preliminary issues. The Court then turns  
7 to an examination of the Rule 23(b) factors for each proposed class separately, taking into account  
8 the differences between the claims asserted.

9 **A. Rule 23(a) Factors**

10 Under Rule 23(a), the Court may certify a class only where:

- 11 (1) the class is so numerous that joinder of all members is impracticable;  
12 (2) there are questions of law or fact common to the class;  
13 (3) the claims or defenses of the representative parties are typical of the claims  
14 or defenses of the class; and  
15 (4) the representative parties will fairly and adequately protect the interests of  
16 the class.

17 Fed. R. Civ. P. 23(a). Courts refer to these four requirements as “numerosity, commonality,  
18 typicality[,] and adequacy of representation.” *Mazza v. Am. Honda Motor Co.*, 666 F.3d 581, 588  
19 (9th Cir. 2012). Although some inquiry into the substance of a case may be necessary to  
20 determine whether the requirements are satisfied, a court must not advance a decision on the  
21 merits to the class certification stage. The court’s class-certification analysis must be “rigorous”  
22 and may “entail some overlap with the merits” of the underlying claims.” *Amgen Inc. v.*  
23 *Connecticut Ret. Plans & Trust Funds*, 568 U.S. 455, 465–66 (2013) (citing *Wal-Mart Stores, Inc.*  
24 *v. Dukes*, 564 U.S. 338, 350-51 and n.6 (2011)). “Merits questions may be considered to the  
25 extent — but only to the extent — that they are relevant to determining whether the Rule 23  
26 prerequisites for class certification are satisfied.” *Amgen*, 568 U.S. 465-66.

27 **1. Numerosity**

28 Rule 23(a)(1) requires that a class be so numerous that joinder of all class members is  
“impracticable.” Fed. R. Civ. P. 23(a)(1). The number of performers and musical works in the  
recordings on defendants’ Websites undisputedly numbers in the hundreds, if not thousands.



1 Defendants argue that the actual number of class members is speculative and that plaintiffs have  
2 offered no way in which to identify the composers and performers. These arguments concern  
3 ascertainability of class members, not whether they are sufficiently numerous.<sup>12</sup>

4 Defendants also argue that numerosity cannot be shown because plaintiffs offer no  
5 evidence about the number of putative class members who consider defendants' exploitation of the  
6 recordings unauthorized or would be willing to participate in the lawsuit. Defendants offer no  
7 authority to suggest that putative class members' "willingness" to participate in the class action or  
8 belief in the merits of the claims are relevant criteria in the Court's analysis. Likewise, defendants  
9 do not offer evidence to suggest that a large proportion of putative class members would opt out of  
10 the litigation.<sup>13</sup> In the absence of any such authority or evidence, the argument is without merit.

11 The Court concludes that both of the proposed classes would be so numerous as to make  
12 joinder impracticable, satisfying Rule 23(a)(1).

## 13 2. Commonality

14 Rule 23(a)(2) requires the party seeking certification to show that "there are questions of  
15 law or fact common to the class." Fed. R. Civ. P. 23(a)(2). To satisfy this requirement, the  
16 common question "must be of such a nature that it is capable of class[-]wide resolution – which  
17 means that the determination of its truth or falsity will resolve an issue that is central to the  
18 validity of each of the claims in one stroke." *Dukes*, 564 U.S. at 350. "[F]or purposes of Rule  
19 23(a)(2), even a single common question will do." *Id.* at 359.

20 Rye Boy and the members of the Composer Class allege copyright infringement. Kihn and  
21 the members of the Performer Class allege that defendants trafficked in unauthorized recordings of  
22 their live musical performances. The claims all arise from the same actions: defendants' sale and  
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24 <sup>12</sup> Ascertainability is not a Rule 23 requirement but is subsumed under considerations of  
25 class manageability. See *Briseno v. ConAgra Foods, Inc.*, 844 F.3d 1121, 1123 (9th Cir. 2017).  
The Court is not persuaded that identification of class members from recordings on the Websites  
would prove particularly difficult or unmanageable.

26 <sup>13</sup> Evidence that putative class members may be unwilling to bring their own claims on  
27 account of "their financial resources, the size of the claims, and their fear of retaliation in light of  
28 an ongoing relationship with the defendant" weighs in favor of certification. See *Twegbe v.*  
*Pharmaca Integrative Pharmacy, Inc.*, No. CV 12-5080 CRB, 2013 WL 3802807, at \*2 (N.D. Cal.  
July 17, 2013); *Greko v. Diesel U.S.A., Inc.*, 277 F.R.D. 419, 425 (N.D. Cal. 2011).

1 distribution of audio and audiovisual recordings of live performances on their Websites. In  
2 defense of the claims, defendants rely on the same set of agreements with substantially the same  
3 key terms to assert that they had owned the copyrights in the master recordings and acquired all  
4 necessary licenses for any use of the works. As in the copyright infringement class action in  
5 *Napster*, this shared factual predicate gives rise to at least some common questions for each  
6 proposed class. *In re Napster, Inc. Copyright Litig.*, No. 04-cv-1671-MHP, 2005 WL 1287611, at  
7 \*7 (N.D. Cal. June 1, 2005) (“while it is true that proof of ownership, registration, and actual  
8 damages ultimately requires a work-by-work inquiry, viewing these determinations as purely  
9 “individual issues” ignores the fact that the claims of every member of the class are uniformly  
10 premised upon the uploading or downloading of a copyrighted work by Napster users”). Thus, the  
11 Court concludes that the relatively low bar of commonality under Rule 23(a)(2) is met for both  
12 proposed classes here.

### 13 3. Typicality

14 Rule 23(a)(3) requires a showing that the “claims or defenses of the representative parties  
15 are typical of the claims or defenses of the class.” Fed. R. Civ. P. 23(a)(3). Typicality means that  
16 the named plaintiffs “suffer the same injury as the class members.” *Dukes*, 564 U.S. at 348. “The  
17 purpose of the typicality requirement is to assure that the interest of the named representative  
18 aligns with the interests of the class.” *Wolin v. Jaguar Land Rover N. Am., LLC*, 617 F.3d 1168,  
19 1175 (9th Cir. 2010) (quoting *Hanon v. Dataproducts Corp.*, 976 F.2d 497, 508 (9th Cir.1992)).  
20 “The test of typicality is whether other members have the same or similar injury, whether the  
21 action is based on conduct which is not unique to the named plaintiffs, and whether other class  
22 members have been injured by the same course of conduct.” *Id.* (internal quotation marks  
23 omitted). The requirement is “permissive” and the representative’s claims need only be  
24 “reasonably co-extensive with those of absent class members.” *Rodriguez v. Hayes*, 591 F.3d  
25 1105, 1124 (9th Cir. 2010) (quoting *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1020 (9th  
26 Cir.1998)).

27 Rye Boy and Kihn contend that their claims are “reasonably coextensive with” those of  
28 their respective classes because they suffer the same injuries as the proposed class members,

1 arising from exploitation of their recordings on defendants’ Websites. Arguing against typicality,  
 2 defendants do not dispute that Kihn’s and Rye Boy’s claims are co-extensive with those of the  
 3 classes they seek to represent, but rather that they each are subject to unique defenses. More  
 4 specifically, defendants contend that, in 2010 and 2011, Kihn recorded songs at defendants’  
 5 facilities, promoted defendants’ business, and licensed certain recordings from them, and therefore  
 6 must have been aware of defendants’ exploitation of the recordings well before bringing this  
 7 complaint. Because Rye Boy co-owner Joel Turtle is Kihn’s manager, defendants further contend  
 8 that Rye Boy personally benefitted from Kihn’s conduct. Based on these assertions, defendants  
 9 argue that the named plaintiffs’ claims are subject to defenses unique to them based upon the  
 10 statute of limitations, implied license, estoppel, and unclean hands.

11 “Defenses unique to a class representative counsel against class certification only where  
 12 they ‘threaten to become the focus of the litigation.’” *Rodriguez*, 591 F.3d at 1124 (citing *Hanon*,  
 13 976 F.2d at 508). Here, the Court does not reach the merits of the defenses,<sup>14</sup> but finds that  
 14 defendants have not demonstrated the affirmative defenses particular to the Kihn and Rye Boy  
 15 would threaten to become a focus of the litigation and defeat class treatment. *Cf. Torres*, 835 F.3d  
 16 at 1142 (affirming finding that typicality was shown despite evidence of some factual differences  
 17 between representatives and the class where defendant failed to indicate how those differences  
 18 would “preoccupy” named plaintiffs). Simply asserting an affirmative defense, without more,  
 19 does not undermine typicality. Both the facts and the legal viability of these affirmative defenses  
 20 would require more development before the Court could conclude that they “threaten to become  
 21 the focus of the litigation.” *Cf. Sirius XM*, 2015 WL 4776932, at \*12–14 (rejecting implied  
 22 license, waiver, and estoppel defenses where defendant never actually sought out or relied upon  
 23

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24  
 25 <sup>14</sup> For instance, whether Kihn and/or Rye Boy were aware of recordings available on  
 26 defendants’ Websites and delayed bringing suit has no bearing on the statute of limitations for  
 27 copyright infringement, which runs from *each act of infringement*, which infringement plaintiffs  
 28 allege continues to the present. Thus, copyright owners can defer suit until they “can estimate  
 whether litigation is worth the candle.” *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663,  
 682-83 (2014) (“It is hardly incumbent on copyright owners . . . to challenge each and every  
 actionable infringement. And there is nothing untoward about waiting to see whether an  
 infringer’s exploitation undercuts the value of the copyrighted work, has no effect on the original  
 work, or even complements it.”)

1 them as part of their decision-making process).<sup>15</sup>

2 Defendants rely on *Estate of Berlin v. Stash Records, Inc.*, No. 95 CIV. 6575 PKL, 1996  
3 WL 374176, at \*2 (S.D.N.Y. July 2, 1996) for the proposition that the facts needed to determine  
4 claims of copyright infringement are so individualized that typicality rarely could not be satisfied.  
5 *Estate of Berlin*, which alleged a scheme by a record company to exploit musical works without  
6 obtaining a license for their use, is distinguishable. The circumstances in *Estate of Berlin* occurred  
7 in a pre-Internet world in which the alleged infringing conduct by defendants was “special and  
8 unique to [the] named plaintiff,” and each putative class member would have to show “what  
9 activities defendants engaged in which violated its particular copyright.” *Id.* Here, by contrast,  
10 the facts in support of plaintiffs’ and the putative classes’ claims are essentially the same:  
11 defendants offer audio and audiovisual recordings on their Websites—*i.e.*, the same “conduct” on  
12 the same Internet shop—which include musical performances and musical works of the named  
13 plaintiffs and members of the putative classes. Further, defendants rely on the same set of  
14 agreements in claiming they are authorized to do so as to all members of both classes.

15 Thus, the Court finds that Kihn’s and Rye Boy’s claims are typical of the classes they seek  
16 to represent, and Rule 23(a)(3) is satisfied.

#### 17 4. Adequacy

18 Rule 23(a)(4)’s adequacy requirement considers whether a class representative will “fairly  
19 and adequately protect the interests of the class,” meaning that the representative does not have  
20 any conflicts of interest with other class members and will prosecute the action vigorously on their  
21 behalf. Fed. R. Civ. P. 23(a)(4); *see Ellis v. Costco Wholesale Corp.*, 657 F.3d 970, 985 (9th Cir.  
22 2011). Defendants argue that Kihn, Rye Boy, and class counsel cannot adequately and fairly  
23 protect the interests of the proposed class because: Kihn and Rye Boy do not have a sufficient  
24 understanding of their claims; and counsel have no experience prosecuting copyright claims as  
25 class actions.

26 As to Kihn’s and Rye Boy’s purported lack of knowledge, defendants’ arguments are

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28 <sup>15</sup> Defendants do not specify the basis for their unclean hands argument. Likewise, defendants offer no facts or authority to suggest a fair use defense (section 107) would apply here.

1 insubstantial. Both named plaintiffs here knew the essential allegations of the complaint.  
2 Adequacy does not require that class representatives have intricate understanding of the law  
3 applicable to their claims. *Ellis v. Costco Wholesale Corp.*, 657 F.3d 970, 985 (9th Cir. 2011).  
4 Adequate representatives need only have “sufficient understanding of the legal claims against  
5 defendant and need not be fluent with the technical legal issues in order to adequately represent  
6 the class.” *Akaosugi v. Benihana Nat. Corp.*, No. C 11-01272 WHA, 2012 WL 1657099, at \*4  
7 (N.D. Cal. May 10, 2012). Defendants have not shown that Kihn and Rye Boy are “startlingly  
8 unfamiliar” with the facts and theories at issue in this action. *See Californians for Disability*  
9 *Rights, Inc. v. California Dep’t of Transp.*, 249 F.R.D. 334, 349 (N.D. Cal. 2008) (“a party must  
10 be familiar with the basic elements of her claim, and will be deemed inadequate only if she is  
11 ‘startlingly unfamiliar’ with the case.”) (internal citation omitted).<sup>16</sup>

12 Defendants next argue that plaintiffs’ counsel have no experience prosecuting copyright  
13 claims as class actions. The Court finds this argument unpersuasive. Counsel’s declarations  
14 demonstrate significant experience litigating class actions, including in copyright-related matters.  
15 That copyright class actions have not been brought in large numbers previously, by this counsel or  
16 others, does not reflect inexperience or inadequacy in litigating this class action.

17 Plaintiffs have met Rule 23(a)(4)’s requirement to show that Kihn, Rye Boy, and class  
18 counsel will represent the proposed classes adequately.

19 **B. Rule 23(b) Factors**

20 The Court next turns to an examination of the Rule 23(b) factors. Here, Kihn and Rye Boy  
21 seek certification under both Rule 23(b)(3) and (b)(2). Because many of the issues in the Rule

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23 <sup>16</sup> The cases cited by defendants on the adequacy issue are inapposite, since they concerned  
24 more than mere unfamiliarity with the claims. *See Simon v. Ashworth, Inc.*, No.  
25 CV071324GHKAJWX, 2007 WL 4811932, \*2 (C.D. Cal. Sept. 28, 2007) (plaintiff not only  
26 unfamiliar with the nature of the claims, the relief sought, and his role as class representative, but  
27 also had a potential conflict of interest with the class and a familial relationship with counsel);  
28 *Sanchez v. Wal Mart Stores, Inc.*, No. CIV 206CV02573JAMKJM, 2009 WL 1514435, at \*3  
(E.D. Cal. May 28, 2009) (class representative inadequate where she was unknowledgeable and  
had a conflict of interest with the class due to limiting the remedies she sought on behalf of the  
class); *Tria v. Innovation Ventures, LLC*, No. CV 11-7135-GW(PJWX), 2013 WL 12324181, at  
\*7 (C.D. Cal. Feb. 25, 2013) (court express concerns about both plaintiff’s familiarity and her  
apparent conflict with the class “in terms of protecting her own individual interests in a way that  
may wind up penalizing the class”).

1 23(b)(2) inquiry are subsumed within the more searching Rule 23(b)(3) inquiry, the Court focuses  
2 first on the latter.

3 Rule 23(b)(3) requires a plaintiff to establish “that the questions of law or fact common to  
4 class members predominate over any questions affecting only individual members, and that a class  
5 action is superior to other available methods for fairly and efficiently adjudicating the  
6 controversy.” Fed. R. Civ. P. 23(b)(3). A finding of predominance requires that the proposed  
7 classes are “sufficiently cohesive to warrant adjudication by representation.” *Amchem Prod., Inc.*  
8 *v. Windsor*, 521 U.S. 591, 623 (1997). “When ‘one or more of the central issues in the action are  
9 common to the class and can be said to predominate, the action may be considered proper under  
10 Rule 23(b)(3) even though other important matters will have to be tried separately, such as  
11 damages or some affirmative defenses peculiar to some individual class members.’” *Tyson Foods,*  
12 *Inc. v. Bouaphakeo*, \_\_\_ U.S. \_\_\_, 136 S.Ct. 1036, 1045 (2016) (quoting 7AA C. Wright, A. Miller,  
13 & M. Kane, FEDERAL PRACTICE AND PROCEDURE § 1778, pp. 123–124 (3d ed. 2005)). The  
14 requirement is satisfied where a “common nucleus of facts and potential legal remedies  
15 dominates” the matters to be decided in the case. *Hanlon*, 150 F.3d at 1022. “[M]ore important  
16 questions apt to drive the resolution of the litigation are given more weight in the predominance  
17 analysis over individualized questions which are of considerably less significance to the claims of  
18 the class.” *Torres v. Mercer Canyons Inc.*, 835 F.3d 1125, 1134 (9th Cir. 2016).

19 Because the claims brought by the Composer Class and Performer Class differ in  
20 significant ways, the Court examines the predominance of common questions for purposes of Rule  
21 23(b)(3) separately for each class.

22 ***I. Composer Class***

23 ***a. Legal Framework for Copyright Infringement Claim***

24 Under the Copyright Act, the rights to a work vest initially in the author or authors of the  
25 work. 17 U.S.C. § 201(a). Copyright protection arises from the moment the work is “fixed in  
26 any tangible medium of expression.” 17 U.S.C. § 102(a). As relevant here, the Copyright Act  
27 protects: (1) “musical works,” *i.e.*, written musical compositions including any accompanying  
28 lyrics; (2) audiovisual works, and (3) “sound recordings.” 17 U.S.C. § 102(a)(2), (6), (7). The

1 Copyright Act provides owners of copyrighted works with the following exclusive rights:

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- (1) to reproduce the copyrighted work in copies or phonorecords;
- (2) to prepare derivative works based upon the copyrighted work;
- (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
- (4) [in the case of musical and audiovisual works] to perform the copyrighted work publicly;
- (5) [in the case of musical and audiovisual works] to display the copyrighted work publicly; and
- (6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.

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17 U.S.C. § 106.<sup>17</sup> For example, the owner of a copyright in a musical work (*i.e.*, a song’s words and musical composition) has the exclusive right to reproduce that musical work by making copies (*e.g.*, in the form of record albums or mp3s for digital download) and selling those copies to the public. 17 U.S.C. § 106 (1), (3).

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14

“Anyone who violates any of the exclusive rights of the copyright owner . . . is an infringer

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<sup>17</sup> Section 101 defines “audiovisual works,” “copies,” “fixed,” and “phonorecords” as follows:

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“Audiovisual works” are works that consist of a series of related images. . . together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

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“Copies” are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term “copies” includes the material object, other than a phonorecord, in which the work is first fixed.

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A work is “fixed” in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.

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“Phonorecords” are material objects in which sounds, other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term “phonorecords” includes the material object in which the sounds are first fixed.

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17 U.S.C. § 101.

1 of the copyright.” 17 U.S.C. § 501. A claim of copyright infringement requires that a plaintiff  
2 show: (1) ownership of a valid copyright; and (2) defendant’s violation of at least one of the  
3 exclusive rights conferred by the Copyright Act. *Adobe Sys. Inc. v. Christenson*, 809 F.3d 1071,  
4 1076 (9th Cir. 2015). Once the alleged infringing acts are established by the plaintiff, the burden  
5 shifts to the defendant to establish any mitigating defense such as license, fair use, or consent. *See*  
6 *id.* at 1078-79 (party asserting first sale defense to avoid copyright infringement claim has burden  
7 to establish that affirmative defense); *Campbell v. Acuff–Rose Music, Inc.*, 510 U.S. 569, 590–94  
8 & n. 20 (1994) (defendant bore the burden on fair use defense to copyright infringement);  
9 *Columbia Pictures Indus., Inc. v. Fung*, 710 F.3d 1020, 1039 (9th Cir. 2013) (Digital Millennium  
10 Copyright Act safe harbor is an affirmative defense on which defendant has the burden of  
11 establishing its requirements); *Rano v. Sipa Press, Inc.*, 987 F.2d 580, 585 (9th Cir. 1993)  
12 (defendant may assert license as an affirmative defense to a claim of copyright infringement).

13 Generally, if a third party wants to use the copyrighted work in some way that implicates  
14 the copyright owners’ exclusive rights, the third party must obtain permission to do so by  
15 obtaining a license. The parties may negotiate a license which allows the third party to use the  
16 copyrighted work in a particular way in exchange for royalty payments. *See, e.g., Mills Music,*  
17 *Inc. v. Snyder*, 469 U.S. 153, 158 (1985) (record companies who contracted for license to use  
18 copyrighted composition “Who’s Sorry Now” in making their own derivative works recorded by  
19 different artists were contractually obligated to pay royalties to copyright owner).

20 If copyrights are infringed, a copyright owner may seek damages and profits, or payment  
21 of statutory penalties “in a sum of not less than \$750 or more than \$30,000 as the court considers  
22 just” for each infringement of each work. 17 U.S.C. § 504(b). In addition, the infringer is subject  
23 to an injunction, as well as impoundment and destruction of any infringing items. 17 U.S.C. §§  
24 502, 503; *see also Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 433–34 (1984)  
25 (“the Copyright Act provides the owner of a copyright with a potent arsenal of remedies against an  
26 infringer of his work”).

27 *b. Common Questions as to Composer Class Prima Facie Elements*

28 With respect to the first element of the Composer Class’s *prima facie* showing for



1 copyright infringement claims, proof of the class members’ ownership of the copyrights to the  
2 compositions may be established readily from the records of the Copyright Office. “[T]he  
3 necessity of making individualized factual determinations does not defeat class certification if  
4 those determinations are susceptible to generalized proof like [business] records.” *See Minns v.*  
5 *Advanced Clinical Employment Staffing LLC*, No. 13-CV-03249-SI, 2015 WL 3491505, at \*8  
6 (N.D. Cal. June 2, 2015) (*citing* NEWBERG ON CLASS ACTIONS § 4:50 (5th ed.) [“common issues  
7 predominate when ‘individual factual determinations can be accomplished using computer  
8 records, clerical assistance, and objective criteria—thus rendering unnecessary an evidentiary  
9 hearing on each claim’”]). Copyright registration is a prerequisite to bringing suit for  
10 infringement, and identification of the owners of the registered compositions can be accomplished  
11 simply by comparing the catalog of recordings offered by defendants with the Copyright Office  
12 records. *See* 17 U.S.C. § 411(a) (registration or preregistration required prior to litigation); *see*  
13 *also Petrella, supra*, 572 U.S. at 684 (“Although registration is ‘permissive,’ both the certificate  
14 and the original work must be on file with the Copyright Office before a copyright owner can sue  
15 for infringement.”) (*citing* 17 U.S.C. §§ 408(b), 411(a)). As necessary, ownership can further be  
16 substantiated by the third-party licensing rights agencies who administer and manage licensing for  
17 music publishers (*i.e.*, Harry Fox Agency, Rightsflow, Inc., and MediaNet). (*See* Sagan Decl. ¶¶  
18 43-45.)<sup>18</sup> To the extent there might be some individual questions concerning ownership of the  
19 compositions, those questions appear to be marginal and to pertain mostly to ascertainability or  
20 manageability issues and do not undermine overall commonality. Consequently, the Court finds  
21 that the ownership element is susceptible to common proof.

22 Likewise, on the second element of the copyright infringement claims, the fact of  
23 defendants’ exploitation of the compositions can be determined from one source for the whole  
24 class: defendants’ own database of the recordings it has offered for sale or distribution. The  
25 universe of the audio and audiovisual recordings on defendants’ Website during the class period

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27 <sup>18</sup> Indeed, defendants themselves concede that they relied on paying these licensing rights  
28 agencies the requisite payments so that they could exploit the musical compositions at issue  
lawfully, undermining their argument that those centralized records cannot be used to determine  
ownership of the copyright in the musical works. (*See* Sagan Decl. ¶¶ 43-45.)

1 can be determined from defendants’ own records, and the method by which ownership can be  
2 proven does not vary by class member.<sup>19</sup>

3           Once these *prima facie* elements of copyright infringement are established, the burden of  
4 proof shifts to defendants to establish a defense to copyright infringement. *See Adobe*, 809 F.3d at  
5 1078-79.

6                           c.           *Common Questions as to Affirmative Defense of License*

7           While plaintiffs retain the burden of establishing that a proposed class satisfies Rule 23,  
8 when affirmative defenses are a significant part of the proof on a claim, the court assesses  
9 predominance by analyzing those defenses the defendant “has actually advanced and for which it  
10 has presented evidence.” *True Health*, 896 F.3d at 931–32. Such evidence may “allow [the  
11 plaintiff] to satisfy the predominance requirement of Rule 23(b)(3) with respect to those defenses.”  
12 *Id.* at 932; *accord McCurley v. Royal Seas Cruises Inc.*, 331 F.R.D. 142, 173 (S.D. Cal. 2019).  
13 The proposed evidence defendants offer to prove their affirmative defenses may “strongly affect”  
14 the certification analysis, particularly when the “supporting evidence may be sufficiently similar  
15 or overlapping to allow [plaintiff] to satisfy the predominance requirement of Rule 23(b)(3) with  
16 respect to those defenses.” *True Health*, 896 F.3d at 931, 932.

17           Here, defendants claim that they have all the necessary licenses to exploit the recordings  
18 and have complied with all licensing and royalty payment requirements, and therefore have no  
19 liability to the Composer Class. (*See* *Oppo.* at 6:22-7:3, 8:12-16 [defendants “have properly  
20 acquired and paid [p]laintiffs pursuant to mechanical licenses for any use of the works at issue in  
21 this case”; *see also* *Sagan Decl.* ¶¶ 37-40, 42-45.) Mr. Turtle, on behalf of plaintiff Rye Boy,  
22 disagrees stating that Rye Boy never gave permission to have its works exploited by defendants in  
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24           <sup>19</sup> Contrary to defendants’ arguments, class certification has been found appropriate in the  
25 copyright context. *See In re Napster, Inc. Copyright Litig.*, No. 00-MDL-1369, 2005 WL  
26 1287611, at \*7 (N.D. Cal. June 1, 2005) (fact that the claims of every member of the class were  
27 premised upon unlawful uploading and downloading of a copyrighted work was “sufficiently  
28 ‘significant’ to warrant adjudication of the parties’ dispute on a representative rather than  
individual basis” even in the face of potential individual, work-by-work questions of proof of  
ownership, registration, and actual damages); *Peer Int’l Corp. v. Pausa Records, Inc.*, 909 F.2d  
1332, 1333 (9th Cir. 1990) (copyright infringement class action brought by owners of copyrights  
in nondramatic musical compositions against defendant record company for failure to comply with  
compulsory licensing provisions under 17 U.S.C. § 115).

1 these recordings, and was not aware they were being recorded and archived at all much less for  
2 later sale. (Turtle Decl., Dkt. No. 107-4, ¶ 8.)

3 Generally, a license to use a copyrighted work, like a transfer of ownership in such a work,  
4 must be in writing. 17 U.S.C. § 204(a); *see also Effects Assocs., Inc. v. Cohen*, 908 F.2d 555, 557  
5 (9th Cir. 1990) (requirement that transfer of copyright ownership be in writing “ensures that the  
6 creator of a work will not give away his copyright inadvertently and forces a party who wants to  
7 use the copyrighted work to negotiate with the creator” to avoid ambiguity).<sup>20</sup> Under a special  
8 provision of the Copyright Act, a party may obtain a compulsory [or “mechanical”] license for use  
9 of “non-dramatic musical works” like those at issue here. 17 U.S.C. § 115. Section 115 creates an  
10 automatic license to use a composition, so long as statutory royalties are paid, in two situations:  
11 (1) making one’s own recording of the composition; and (2) making a duplicate of someone else’s  
12 recording of the composition. 17 U.S.C. § 115(a). With respect to the latter, section 115 states  
13 that:

14 A person may not obtain a compulsory license for the use of the [musical] work  
15 in the making of phonorecords duplicating a sound recording fixed by  
16 another . . . unless--

17 <sup>20</sup> Defendants also assert implied license as an affirmative defense. A “narrow exception”  
18 to the writing requirement allows a non-exclusive license to be established by implication when  
19 the “totality of the parties’ conduct indicates an intent to grant such permission.” *Michaels v.*  
20 *Internet Entm’t Grp., Inc.*, 5 F.Supp.2d 823, 831 (C.D. Cal. 1998) (quoting 3 *Nimmer on*  
21 *Copyright* § 10.03[A][7], at 10–43 (1997)); *see also Effects Associates*, 908 F.2d at 558 (non-  
22 exclusive license implied when copyright holder “created a work at defendant’s request and  
23 handed it over, intending that defendant copy and distribute it”). Thus, in *Effects Associates*, the  
copyright owner of certain special effects film footage was held to have granted a filmmaker an  
implied, non-exclusive license to use the footage, since the special effects company had created  
the footage at the filmmaker’s request and provided it to him for use in a film. *Id.* That the  
filmmaker had only paid half the promised amount for the footage was a matter of contract law,  
not copyright infringement. *Id.* at 559.

24 However, rights under a license, even one that is compulsory under Section 115 or implied,  
25 cannot be transferred to another party absent the express authorization of the copyright holder.  
26 *See Harris v. Emus Records Corp.*, 734 F.2d 1329, 1334 (9th Cir. 1984) (for purposes of  
27 bankruptcy law, “a copyright license cannot be transferred by the licensee without  
28 authorization . . . [a]lthough defendants obtained the master tapes, they did not thereby obtain a  
license to mechanically reproduce them”); *Michaels*, 5 F.Supp.2d at 831 (alleged holder of an oral  
non-exclusive license from copyright owner to exploit video footage could not transfer that license  
to another party absent explicit authorization from the copyright owner of the footage).

1 (i) such sound recording was fixed lawfully<sup>21</sup>; *and*  
2 (ii) the making of the phonorecords was authorized by the owner of the  
3 copyright in the sound recording . . . .

4 17 U.S.C. § 115(a)(1)(B) (emphasis supplied).<sup>22</sup>

5 With respect to the audiovisual recordings on the Websites, section 115’s automatic  
6 mechanical license does not apply at all. In order to use a musical composition as part of an  
7 audiovisual work (*i.e.*, the “synchronization” of musical compositions with the content of  
8 audiovisual works), a person must obtain a “synchronization license” from the copyright holders  
9 of the musical composition. *Leadsinger, Inc. v. BMG Music Pub.*, 512 F.3d 522, 527 (9th Cir.  
10 2008) (discussing synchronization license). Such licenses are voluntary and negotiated, not  
11 compulsory. *Id.*; *see also ABKCO Music, Inc. v. Stellar Records, Inc.*, 96 F.3d 60, 63 n. 4 (2d  
12 Cir.1996) (“A synchronization license is required if a copyrighted musical composition is to be  
13 used in ‘timed-relation’ or synchronization with an audiovisual work.”)<sup>23</sup>

14 Defendants bear the burden to establish the affirmative defense of license. *Adobe*, 809  
15 F.3d at 1076; *Rano*, 987 F.2d at 585. The evidence defendants offer in this regard includes: (1)  
16 the dozen or so Acquisition Agreements, substantially identical in their relevant terms; (2) the  
17 three Exploitation Agreements with the major record labels, also substantially similar in their key  
18 terms;<sup>24</sup> and (3) a statement that they have paid royalties to the music publishing rights

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19 <sup>21</sup> Section 1101 of the Copyright Act, discussed further *infra*, provides that: “[a] sound  
20 recording is not lawfully fixed if that fixation constitutes either copyright infringement under  
21 federal law, or common law copyright infringement, unfair competition, or other violation of state  
22 law.” 17 U.S.C. § 1101.

23 <sup>22</sup> Section 115(a) and (b) set forth additional requirements for proving a compulsory  
24 license, including previous distribution under authority of the copyright owner, and filing a timely  
25 Notice of Intention to Obtain Compulsory License. Failure to comply with the statutory  
26 requirements, in the absence of a voluntary, negotiated license, renders the making and  
27 distribution of phonorecords actionable as acts of infringement of the musical work. *See* 17  
28 U.S.C. § 115(b)(4).

<sup>23</sup> Defendants do not distinguish this authority, but rather contend that Mr. Turtle  
“admitted” in his deposition that synchronization licenses are not required for live performances.  
Even assuming that Mr. Turtle so testified, his opinions are not relevant to issues of law.

<sup>24</sup> As previously indicated, the Sony and Warner agreements exclude from their coverage  
any rights with respect to exploitation of the *compositions* captured in the recordings. (*See* Sony  
Agreement at ¶¶ 4.4(a); Warner Agreement ¶¶ 8.1, 8.2.), and the UMG agreement purports to  
transfer UMG’s compulsory license with respect to distribution rights for certain musical  
compositions, but otherwise does not claim to cover rights related to musical compositions. (UMG

1 organizations for exploitation of all compositions. Whether this evidence would establish  
2 defendants' affirmative defense is not a question before the Court at class certification. What is  
3 important here is that the Court can determine the meaning and legal effect of these agreements on  
4 a classwide basis from this evidence "in a one stroke." *Dukes*, 564 U.S. at 350. Said differently,  
5 defendants' license argument itself does not raise issues that would require individualized  
6 determinations for the members of the Composer Class, but apparently applies to all members  
7 thereof. Accordingly, the path to determination of defendants' license defense weighs in favor of  
8 finding a predominance of common issues.<sup>25</sup>

9 *d. Common Questions as to Other Affirmative Defenses*

10 Defendants raise additional affirmative defenses which they contend will require  
11 individualized determinations and defeat predominance, including statute of limitations, fair use,  
12 equitable estoppel, waiver, implied license. Again, defendants bear the burden to establish such  
13 defenses. No evidence offered in connection with defendants' opposition suggests that such  
14 defenses would break down into individual inquiries that would counsel against class treatment.<sup>26</sup>  
15 Indeed, the statute of limitations issues appear capable of ready determination based on  
16 information from defendants' business records showing the dates of defendants' exploitation of  
17 the recordings. *See Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 671, 77-79 (2014)  
18 (each violation of the Copyright Act gives rise to a separate accrual for purposes of the three-year  
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20 at ¶ 3.1.) Likewise, as noted above, the Exploitation Agreements do not purport to transfer any  
21 rights or grant any license with respect to *audiovisual* recordings. (Warner Agreement at ¶ 3.6(f);  
22 Sony Agreement ¶¶ 8.1, 8.2, 10.3, UMG Agreement at Recitals at BGA\_00000334 [rights to  
"sound recordings"].)

23 <sup>25</sup> Defendants contend they are the owners, or joint owners, of the copyrights in the sound  
24 recordings at issue, based on the "joint contributions" to the recordings made by the third parties  
25 from whom they acquired the collections of recordings (like sound engineers and concert  
promoters). Defendants have not offered sufficient evidence for the Court to analyze the merits of  
this argument fully. On this record, the argument does not warrant denial of class treatment.

26 <sup>26</sup> For example, defendants' fair use argument would require a showing that their use of  
27 the compositions was for such purposes as "criticism, comment, news reporting,  
28 teaching. . . scholarship, or research," in addition to other factors. 17 U.S.C. § 107. While the  
Court makes no determination as to the applicability or merits of this defense, the possibility of it  
being raised as to individual composers or compositions within the class does not warrant denial  
of class certification.

1 statute of limitations and laches cannot be invoked to bar a claim accruing within that period, even  
2 if plaintiff delayed significantly in bringing an infringement claim).

3 Further, the existence of a handful of potential class members who reached individual  
4 agreements with defendants prior to the litigation does not, by itself, defeat a determination that  
5 common issues predominate. *See Nitsch v. Dreamworks Animation SKG Inc.*, 315 F.R.D. 270,  
6 313 (N.D. Cal. 2016) (class can be certified even if defendants have individualized defenses as to  
7 particular class members); *Herrera v. LCS Fin. Servs. Corp.*, 274 F.R.D. 666, 681 (N.D. Cal.  
8 2011) (TEH) (“[t]he fact that some members of a putative class may have . . . released claims  
9 against a defendant does not bar class certification . . . potential individual questions do not negate  
10 the predominance of the common issue[s]”); *Barnes v. AT & T Pension Benefit Plan–*  
11 *Nonbargained Program*, 270 F.R.D. 488, 494 (N.D. Cal.2010), *modified by* 273 F.R.D. 562  
12 (N.D.Cal.2011) (“potential existence of [affirmative] defenses against absent class members does  
13 not, standing alone” warrant denial of class certification).

14 In sum, the evidence before the Court on defendants’ affirmative defenses supports a  
15 finding that common questions predominate as to the Composer Class.

16 *d. Proof of Damages*

17 Finally, defendants urge denial of class certification because damage determinations for  
18 Composer Class members would break down into individual valuations of each work and the  
19 calculation of royalty payments owed and plaintiffs have submitted no damages model or expert  
20 testimony on.

21 The Court does not find these arguments persuasive. Damage calculations can be managed  
22 as part of a class action. *See In re Napster*, 2005 WL 1287611, at \*7–12; *see also Leyva v.*  
23 *Medline Indus. Inc.*, 716 F.3d 510, 513 (9th Cir. 2013) (rejecting argument that individualized  
24 damages calculations preclude class certification). Moreover, calculation of a statutory damage  
25 rate for the violations is straightforward. *See* 17 U.S.C. § 504(c)(1).

26 With respect to damages for willful violations of the Copyright Act, plaintiffs offer  
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1 evidence that defendants knew they lacked the required consent to exploit the recordings.<sup>27</sup> The  
2 Court is inclined to find that willfulness may be capable of being established on a classwide basis.  
3 However, the Court reserves determination of this issue for a more fulsome factual and legal  
4 development. Resolution of the issue is not essential to whether common questions predominate.

5 *e. Conclusion*

6 Based upon the foregoing, the Court **GRANTS** certification of the proposed Composer Class  
7 under Rule 23(b)(3).

8 **2. Performer Class**

9 Kihn, for himself and on behalf of the proposed Performer Class, does not allege copyright  
10 infringement but instead asserts violations of Section 1101 of the Copyright Act, sometimes called  
11 the “Anti-Bootlegging Act.” 17 U.S.C. § 1101. In particular, Kihn claims he and proposed  
12 Performer class members presented live musical performances which were recorded and later  
13 acquired by defendants who reproduced, distributed, sold and trafficked in those recordings  
14 without their consent or authorization. (Complaint ¶¶ 53-57.)

15 In order for the Court to determine whether common issues predominate as to the  
16 Performer Class, the Court must consider the issues to be decided on a section 1101 claim, which  
17 party would bear the burden of proof on those issues, and the evidence presently before the Court  
18 as to whether the issues can be determined on a classwide basis. *See True Health, supra*, 896 F.3d  
19 at 931–32. As explained herein, a claim under section 1101 differs from a standard copyright  
20 infringement claim due to the nature of the conduct prohibited. The parties concede that section  
21 1101 does not state, on its face, which party bears the burden to prove consent and authorization of

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24 <sup>27</sup> *See* Weiner Decl., Exh. 22 at 17-18 [appraisal report done prior to Bill Graham Archive  
25 acquisition stating that “performer releases would still need to be secured in order to fully exploit  
26 this portion of the collection” and “no significant reuse can be contemplated without securing the  
27 customary clearances from the performers, publishers and possibly other parties.”]; Exh. 23 at ¶ 20  
28 [declaration of former Bill Graham employee stating the company did not exploit the archives  
“primarily due to concern regarding artists’ rights (*e.g.*, if a concert was recorded, a question arises  
whether the Companies can exploit that recording financially without the artist’s consent”]; Exh.  
20-21 [cease and desist letter regarding use of recording of Sonny Rollins as violation of  
performance contract].

1 the performers, nor is there authority deciding that question.<sup>28</sup> Thus, for the reasons set forth  
2 below, in deciding this novel question, the Court concludes that the burden should be allocated to  
3 defendants based upon the language of the statute, the interpretation of analogous sections in the  
4 Copyright Act, principles of evidence, and the policy underlying the federal copyright laws.

5 a. *Background and Context of Section 1101*

6 In 1971, Congress first extended copyright protection to “sound recordings” making them  
7 copyrightable “works of authorship.” *United States v. Moghadam*, 175 F.3d 1269, 1272 (11th Cir.  
8 1999). Section 101 was amended to define “sound recordings” as “works that *result from the*  
9 *fixation* of a series of musical, spoken, or other sounds, but not including the sounds  
10 accompanying a motion picture or other audiovisual work, regardless of the nature of the material  
11 objects, such as disks, tapes, or other phonorecords, in which they are embodied.” 17 U.S.C. §  
12 101. As previously noted, a work is “*fixed* in a tangible medium of expression when its  
13 embodiment in a copy or phonorecord, *by or under the authority of the author*, is sufficiently  
14 permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a  
15 period of more than transitory duration.” *Id.* (emphasis supplied).

16 Following the 1971 amendments to the Copyright Act, the sale of *unauthorized*  
17 *reproductions* of copyrighted sound recordings (*i.e.*, “piracy”) was subject to criminal prosecution  
18 or civil liability as copyright infringement. *Moghadam*, 175 F.3d at 1272. However, the federal  
19 statutes offered no protection for *live* musical performances or *unauthorized recordings* of those  
20 performances. *Id.* Recordings not made “by or under the authority of the author,” even if  
21 embodied in a disk, tape, or other medium, are not “fixed” for purposes of the copyright  
22 infringement statute, and not subject to a claim for copyright infringement. *Flo & Eddie, Inc. v.*  
23 *Bill Graham Archives LLC*, No. 09-CV-2842 SVW (PJWX), 2009 WL 10671057, at \*5 (C.D. Cal.  
24 Aug. 25, 2009). As the district court explained in *Flo & Eddie*, a prior copyright case against  
25 defendant Bill Graham Archives:

26 \_\_\_\_\_  
27 <sup>28</sup> By its order of November 20, 2019 (Dkt. No. 159), the Court specifically sought  
28 supplemental briefing on the question of the burden of proof as to consent and authorization of the  
performers in a section 1101 claim. The parties were unable to provide direct authority as to  
which party would bear the burden of proof on that question, nor has the Court found any.



1 Live performances . . . are not entitled to copyright protection unless they are  
2 transformed into copyrightable “sound recordings.” In order to qualify for  
3 copyright protection, these “sound recordings” must be “original works of  
4 authorship fixed in any tangible medium of expression.” 17 U.S.C. § 102(a).

\* \* \*

4 Bootleggers<sup>29</sup> transform an uncopyrightable transitory musical performance into  
5 permanent recorded form. However, these unauthorized permanent recordings  
6 are not “fixed” for Copyright Act purposes. The musicians themselves are the  
7 “authors” of the work within the meaning set out in *Community for Creative Non-*  
8 *Violence* because they are the persons translating musical “idea[s]” into audible  
9 “expression[s].” Since bootleg recordings are by definition unauthorized by the  
10 author/musicians, such recordings cannot be “fixed” under § 101, and therefore  
11 cannot be given copyright protection.

9 *Flo & Eddie*, 2009 WL 10671057, at \*5 (citing *Moghadam*, 175 F.3d at 1272, *United States v.*  
10 *Martignon*, 492 F.3d 140, 151 (2d Cir. 2005), and *Community for Creative Non-Violence v. Reid*,  
11 490 U.S. 730, 737 (1989)). Lack of coverage in the earlier federal copyright statutes allowed  
12 bootleggers to record a live musical performance surreptitiously and distribute unauthorized  
13 copies with impunity. *Moghadam*, 175 F.3d at 1271. “This gap in copyright protection,  
14 exacerbated by the growing market for such bootleg copies, motivated Congress to enact the anti-  
15 bootlegging provision.” *Id.* at 1272.

16 Thus, in 1994, as part of comprehensive international trade legislation, Congress enacted

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<sup>29</sup> The United States Supreme Court has described a “bootleg” recording as follows:

19 A “bootleg” phonorecord is one which contains an unauthorized copy of a  
20 commercially unreleased performance. As in this case, the bootleg material may  
21 come from various sources. For example, fans may record concert  
22 performances, motion picture soundtracks, or television appearances. Outsiders  
23 may obtain copies of “outtakes,” those portions of the tapes recorded in the  
24 studio but not included in the “master,” that is, the final edited version slated for  
25 release after transcription to phonorecords or commercial tapes. Or bootleggers  
26 may gain possession of an “acetate,” which is a phonorecord cut with a stylus  
27 rather than stamped, capable of being played only a few times before wearing  
28 out, and utilized to assess how a performance will likely sound on a  
29 phonorecord. [¶] Though the terms frequently are used interchangeably, a  
30 “bootleg” record is not the same as a “pirated” one, the latter being an  
31 unauthorized copy of a performance already commercially released.

32 *Dowling v. United States*, 473 U.S. 207, 211 n.2 (1985) (appeal from conviction for transportation  
33 of stolen property, conspiracy, copyright infringement, and mail fraud stemming from “extensive  
34 bootleg record operation involving the manufacture and distribution by mail of recordings of vocal  
35 performances by Elvis Presley”). The Court notes that *Dowling* well pre-dates the Internet and the  
36 advent of digital copying and duplication of recordings of the kind alleged here.

1 section 1101 and its criminal counterpart (18 U.S.C. § 2319A) to address the problem of  
2 bootlegging. *Id.* (citing 140 Cong. Rec. H11441, H11457 (daily ed. Nov. 29, 1994) (statement of  
3 Rep. Hughes)).<sup>30</sup> Section 1101 provides:

4       Anyone who, without the consent of the performer or performers involved—  
5           (1) fixes the sounds or sounds and images of a live musical performance in  
6           a copy or phonorecord, or reproduces copies or phonorecords of such a  
7           performance from an unauthorized fixation,  
8           (2) transmits or otherwise communicates to the public the sounds or  
9           sounds and images of a live musical performance, or  
10          (3) distributes or offers to distribute, sells or offers to sell, rents or offers  
11          to rent, or traffics in any copy or phonorecord fixed as described in  
12          paragraph (1), regardless of whether the fixations occurred in the United  
13          States,  
14          shall be subject to the remedies provided in sections 502 through 505, to the same  
15          extent as an infringer of copyright.

16 17 U.S.C. § 1101(a). These “anti-bootlegging” protections are similar to copyright protections,  
17 but not identical. *See Flo & Eddie*, 2009 WL 10671057, at \*5. While section 1101 provides  
18 copyright *remedies* to performers, it does not confer copyright *ownership* in the recordings either  
19 to the performers or to the persons who recorded the live performance. *Id.* at \*6; *see also*  
20 *Martignon*, 492 F.3d at 151 (criminal counterpart to section 1101 “does not create and bestow  
21 property rights upon” performers but “creates a power in the government to protect the interest of  
22 performers from commercial predations” similar to the law of trespass).

23                   2.       *Statutory Interpretation*

24           Few decisions have considered the requirements of an anti-bootlegging claim under section

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25           <sup>30</sup> As summarized by the Eleventh Circuit in *Moghadam*:

26           The anti-bootlegging statute grew out of the Agreement on Trade Related Aspects  
27           of Intellectual Property (“TRIPs”) . . . [which] became law by operation of the  
28           Uruguay Round Agreements Act (“URAA”), Pub.L. No. 103–465, 108 Stat. 4809  
          (1994), a comprehensive act dealing with matters of international trade . . . . The  
          URAA [enacted a criminal provision, 18 U.S.C. § 2319A, and] also enacted a  
          similar provision establishing civil liability for the same conduct . . . . There is  
          little legislative history dealing with either provision because the URAA was  
          rushed through Congress on fast-track procedures.

*Moghadam*, 175 F.3d at 1272.

1 1101.<sup>31</sup> Thus, the Court looks to principles of statutory interpretation to shed light on appropriate  
2 allocation of the burdens of proof. Generally, the plain language of a provision is conclusive  
3 unless (1) the statutory language is unclear, (2) the plain meaning of the words is at variance with  
4 the policy of the statute as a whole, or (3) a clearly expressed legislative intent exists contrary to  
5 the language of the statute. *Columbia Pictures Indus., Inc. v. Prof'l Real Estate Inv'rs, Inc.*, 866  
6 F.2d 278, 280 n.4 (9th Cir. 1989) (citing *Richards v. United States*, 369 U.S. 1, 11 (1962)). In  
7 interpreting a statute, the court should not read any section in isolation but instead must “look to  
8 the provisions of the whole law, and to its object and policy.” *Richards*, 369 U.S. at 11. Further,  
9 “provisions of a single act should be construed in as harmonious a fashion as possible.”  
10 *Massachusetts Museum of Contemporary Art Found., Inc. v. Buchel*, 593 F.3d 38, 51 (1st Cir.  
11 2010) (internal citation omitted) (interpreting Visual Artists Rights Act amendments to Copyright  
12 Act in accord with existing definitions in Section 101 to conclude that unfinished works of visual  
13 art are protected); accord *Richards v. United States*, 369 U.S. 1, 11 (1962) (“ . . . in interpreting  
14 legislation, we must not be guided by a single sentence or member of a sentence, but (should) look  
15 to the provisions of the whole law, and to its object and policy,” internal quotation omitted); *Boise*  
16 *Cascade Corp. v. U.S. E.P.A.*, 942 F.2d 1427, 1432 (9th Cir. 1991) (“Under accepted canons of  
17 statutory interpretation, we must interpret statutes as a whole, giving effect to each word and  
18 making every effort not to interpret a provision in a manner that renders other provisions of the  
19 same statute inconsistent, meaningless or superfluous.”).

20 “The normal rule of statutory construction assumes that identical words used in different  
21 parts of the same act are intended to have the same meaning.” *Sorenson v. Secretary of Treasury*,  
22 475 U.S. 851, 860 (1986) (internal quotation omitted). Drawing from this principle, defendants  
23 argue that section 1101 should be interpreted consistent with section 501, the copyright  
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25 <sup>31</sup> The Court notes that district court’s decision *ABKCO v. Sagan*, one of the only other  
26 decisions to discuss Section 1101 (in a case concerning the exact same defendants, Websites, and  
27 agreements at issue here) assumed that the burden to establish consent and authorization was on  
28 defendants. *ABKCO Music, Inc. v. Sagan* (“*ABKCO v. Sagan II*”), No. 15 CIV. 4025 (ER), 2019  
WL 1382074, at \*3–4 (S.D.N.Y. Mar. 26, 2019) (“ . . . Defendants would need to show that the  
recordings were made with ‘the consent of the performer or performers involved’”) (internal  
citations omitted). However, *ABKCO* did so in *dicta*, since no section 1101 was alleged.

1 infringement statute, particularly since the preamble language in each section is similar. The  
 2 Court agrees that the language of section 501, and the way in which that language has been  
 3 interpreted with respect to the allocation of burdens in a copyright infringement action, provide a  
 4 useful roadmap for understanding the burdens of proof for a section 1101 claim, though not  
 5 reaching the same conclusions argued by defendants.

6 Section 501 reads, in pertinent part, “[a]nyone who violates any of the exclusive rights of  
 7 the copyright owner *as provided by sections 106 through 122 . . .* is an infringer of the copyright.”  
 8 17 U.S.C. § 501(a) (emphasis supplied).<sup>32</sup> Section 106 enumerates the exclusive rights of a  
 9 copyright owner, while sections 107 through 122 list exceptions to or qualifications of those  
 10 exclusive rights, such as fair use (section 107), first sale (section 109), and compulsory license for  
 11 musical works (section 115). *See, e.g.*, 17 U.S.C. § 106 (“[s]ubject to sections 107 through  
 12 122. . .”). As the Ninth Circuit stated in *Adobe v. Christenson*, a violation of section 501 requires  
 13 that the plaintiff establish: (1) ownership of a valid copyright; and (2) violation of at least one of  
 14 the exclusive rights in section 106. *Adobe*, 809 F.3d 1071, 1076 (9th Cir. 2015); *see also UMG*  
 15 *Recordings, Inc. v. Augusto*, 628 F.3d 1175, 1178 (9th Cir. 2011) (same); *A&M Records v.*  
 16 *Napster, Inc.*, 239 F.3d 1004, 1013 (9th Cir. 2001) (same).<sup>33</sup> The burden then shifts to the party  
 17 seeking to avoid liability to establish some excuse from or defense to liability. *Id.* at 1078-79.  
 18 Thus, although section 501 does not so specify, courts consistently have determined that the  
 19 applicability of any of the exceptions in sections 107 to 122 must be proven by the *defendant*

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 21 <sup>32</sup> The full text of the first sentence in 17 U.S.C. § 501(a) reads:

22 (a) Anyone who violates any of the exclusive rights of the copyright owner as  
 23 provided by sections 106 through 122 or of the author as provided in section  
 24 106A(a), or who imports copies or phonorecords into the United States in  
 violation of section 602, is an infringer of the copyright or right of the author, as  
 the case may be.

25 17 U.S.C. § 501.

26 <sup>33</sup> Defendants incorrectly argue that a claim under section 501 requires plaintiff to prove  
 27 an additional element—that the alleged infringer’s “copying was unauthorized”—citing *Three*  
 28 *Boys Music Corp. v. Bolton*, 212 F.3d 477, 481 (9th Cir. 2000) abrogated on other grounds in  
*Skidmore as Tr. for Randy Craig Wolfe Tr. v. Zeppelin*, 952 F.3d 1051, 1066 (9th Cir. 2020).  
 Neither *Three Boys* nor any other Ninth Circuit authority impose this additional element to  
 establish a *prima facie* case of infringement under section 501.

1 raising such exception. *See id.* at 1078-79 (defendant bears the burden to establish first sale  
 2 exception under section 109(a)); *Lenz v. Universal Music Corp.*, 815 F.3d 1145, 1153 (9th Cir.  
 3 2016) (regardless of whether “fair use” is characterized as an affirmative defense or an excuse  
 4 from liability, burden of proving fair use under section 107 is always on the putative infringer);  
 5 *Campbell v. Acuff–Rose Music, Inc.*, 510 U.S. 569, 590–94 & n. 20 (1994) (same).

6 In considering the appropriate allocation of burdens of proof under section 109(a)’s first  
 7 sale defense, the Ninth Circuit in *Adobe* relied on long-standing legal principle and precedent  
 8 holding that “fairness dictates that a litigant ought not have the burden of proof with respect to  
 9 facts particularly within the knowledge of the opposing party.” *Adobe, supra*, 809 F.3d at 1079.  
 10 Thus, in *Adobe*, the court held that “the party asserting the first sale defense bears the initial  
 11 burden of satisfying the statutory requirements” of the defense, *i.e.*, lawful acquisition of a copy  
 12 through a sale. *Id.* at 1078-79. *Only if* the plaintiff then seeks to rebut defendant’s showing does  
 13 the burden shift back to the plaintiff to establish, for instance, that defendant’s copy was subject to  
 14 a license agreement. *Id.* Following from the general principle, the court held that the second  
 15 burden shift made sense because the “[t]he copyright holder is in a superior position to produce  
 16 documentation of any license and, without the burden shift, the first sale defense would require a  
 17 proponent to **prove a negative**, *i.e.*, that the [work] was **not** licensed.” *Id.* (emphasis supplied).

18 Similarly, in a claim under section 1202(b) of the Digital Millennium Copyright Act,<sup>34</sup> the  
 19 Ninth Circuit held that the burden of proof should be on defendant to show whether embedded

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21 <sup>34</sup> This provision of the DMCA states:

22 [n]o person shall, *without the authority of the copyright owner or the law—*  
 23 (1) intentionally remove or alter any copyright management information,  
 24 (2) distribute or import for distribution copyright management information  
 25 knowing that the copyright management information has been removed or  
 26 altered without authority of the copyright owner or the law, or  
 27 (3) distribute, import for distribution, or publicly perform works, copies of  
 28 works, or phonorecords, knowing that copyright management information  
 has been removed or altered without authority of the copyright owner or  
 the law  
 knowing, or . . . having reasonable grounds to know, that it will induce, enable,  
 facilitate, or conceal an infringement of any right under this title.  
 17 U.S.C. § 1202(b) (emphasis supplied).

1 copyright management information (CMI) was removed or altered without the copyright holder’s  
2 authority. *Friedman v. Live Nation Merch., Inc.*, 833 F.3d 1180, 1189 (9th Cir. 2016). The Ninth  
3 Circuit held that the burden to show the copyright owner’s authorization appropriately fell to the  
4 defendant since the question of how the defendant exploiting plaintiff’s photographs “came to  
5 possess [plaintiff’s] images—missing their CMI—in the first place” was a matter “particularly  
6 within” its knowledge. *Id.*

7 Other defenses or exceptions elsewhere in the Copyright Act or arising from common law  
8 all put the burden of proof on the party seeking to avoid punishment for infringement. *See*  
9 *Columbia Pictures Indus., Inc. v. Fung*, 710 F.3d 1020, 1039 (9th Cir. 2013) (Digital Millennium  
10 Copyright Act safe harbor in section 512 is an affirmative defense on which defendant has the  
11 burden); *Rano*, 987 F.2d at 585 (defendant may assert license as an affirmative defense to a claim  
12 of copyright infringement); *A&M Records, supra*, 239 F.3d at 1026 (waiver, implied license and  
13 copyright misuse are all affirmative defenses to a claim of copyright infringement on which the  
14 defendant bears the burden of proof). Moreover, the legislative history of the 1976 Copyright Act  
15 amendments indicates that “in an action [to] determine whether a defendant is entitled to the  
16 privilege established by section 109(a) and (b) [regarding re-sale or transfer of particular copies or  
17 phonorecords], the burden of proving whether a particular copy was lawfully made or acquired  
18 should rest on the defendant.”<sup>35</sup>

19  
20 <sup>35</sup> *See* 8 NIMMER ON COPYRIGHT Appx. 4, Section 109 (2019) (quoting House Report on  
the Copyright Act of 1976):

21 [T]he Committee’s attention was directed to a recent court decision holding that  
22 the plaintiff in an infringement action had the burden of establishing that the  
23 allegedly infringing copies in the defendant’s possession were not lawfully made  
24 or acquired under section 27 of the present law. *American International Pictures,*  
25 *Inc. v. Foreman*, 400 F. Supp. 928 (S.D. Alabama 1975). The Committee believes  
26 that the court’s decision, if followed, would place a virtually impossible burden  
27 on copyright owners. The decision is also inconsistent burden on copyright  
28 owners. The decision is also inconsistent with the established legal principle that  
the burden of proof should not be placed upon a litigant to establish facts  
particularly within the knowledge of his adversary. The defendant in such actions  
clearly has the particular knowledge of how possession of the particular copy was  
acquired, and should have the burden of providing this evidence to the court. It is  
the intent of the Committee, therefore, that in an action [to] determine whether a  
defendant is entitled to the privilege established by section 109(a) and (b), the  
burden of proving whether a particular copy was lawfully made or acquired  
should rest on the defendant.

1           Here, Kihn contends that the recordings on defendants’ Websites are, in the terms of  
2 section 1101, “unauthorized fixations” and that defendants have reproduced copies of those  
3 unauthorized fixations. *See* 17 U.S.C. § 1101(a)(1) (reproducing copies of live performance “from  
4 an unauthorized fixation”). The Court finds the burden to establish that the recordings at issue  
5 were authorized by the performers ought to be placed on the party asserting the recordings that  
6 were authorized, *i.e.*, the defendants. To hold otherwise would require plaintiffs to prove the  
7 *negative*—that the recording defendants are exploiting (made by someone else who is not a party  
8 here and perhaps unknown) was made and distributed *without* the consent and authorization of the  
9 performers.

10           Thus, in a section 1101 claim for reproduction and trafficking in a bootleg recording, the  
11 Court concludes that plaintiff bears the initial burden to show: (1) plaintiff is the performer who  
12 appears in a recording of a live musical performance; (2) defendants reproduced or distributed the  
13 recording of that live musical performance. At that point, the burden shifts to the defendant  
14 seeking to avoid liability to prove that the “fixation” of the recording was authorized by the  
15 performers.<sup>36</sup>

16           Following from the principle of reading all sections of a statute in harmony, the Court  
17 finds this to be the more harmonious reading, since it would allocate the burden of proving  
18 authorization and consent under a section 1101 similarly to the burden of proving license in a  
19 copyright infringement claim under section 501. Were the Court to find otherwise, performer  
20 plaintiffs would be required to prove the *absence* of their consent and authorization in a bootleg  
21 recording claim, while the burden to establish license—essentially authorization—to use the  
22 composition from the *same* defendant’s exploitation of the *same* bootleg recording clearly would  
23 be on the alleged infringer-defendant, thus resulting in an unfair disparity of burdens as between  
24

25  
26 \_\_\_\_\_  
27           <sup>36</sup> Defendants have argued that consent and authorization need not be express or written  
28 but could be oral or implied. (Oppo. at 15:11-13 and n.12.) While the Court need not reach that  
legal question to resolve this motion, the argument underscores the propriety of putting the  
evidentiary burden on the party asserting an oral or implied basis for finding authorization.

1 two contributors to the same exploited recording.<sup>37</sup>

2 Allocation of the burden to defendants is likewise consistent with the Copyright Act  
3 principle that copyright ownership “vests initially in the author” or creator of a work, 17 U.S.C. §  
4 201(a), and that authors and creators are presumed to retain the exclusive right to control certain  
5 uses of those works. *See Community for Creative Non-Violence v. Reid*, 490 U.S. 730, 737 (1989)  
6 (copyright ownership presumed to vest in the party who actually creates the work); *see also*, 17  
7 U.S.C. § 202 (in the absence of an agreement, transfer of a copy does not convey transfer of  
8 ownership copyright or any exclusive rights thereunder); *Am. Int’l Pictures, Inc. v. Foreman*, 576  
9 F.2d 661, 665 (5th Cir. 1978) (“the person claiming authority to copy or vend generally must show  
10 that his authority to do so flows from the copyright holder,” not from mere possession of a copy);  
11 *Harris, supra*, 734 F.2d at 1334 (purchase of master recordings does not transfer exclusive rights  
12 under Copyright Act absent evidence of authorization); *Forward v. Thorogood*, 985 F.2d 604,  
13 605–06 (1st Cir. 1993) (where band permitted individual “to keep tapes solely for his personal  
14 enjoyment” without an agreement to to transfer copyright interest in the recordings captured  
15 thereon, ownership of tapes did not establish ownership of copyright). Doubts as to whether the  
16 creator gave up rights enumerated under the Copyright Act should be resolved in favor of the  
17 creator and only “[t]he clearest language [will] to divest the [creator] of the fruits of his labor.”  
18 *Warner Bros. Pictures v. Columbia Broad. Sys.*, 216 F.2d 945, 949 (9th Cir. 1954); *see also Jim*  
19 *Henson Prods. v. John T. Brady & Assocs.*, 16 F.Supp.2d 259, 285 (S.D.N.Y. 1997) (“unless the  
20 author has given up his or her rights under copyright in a clear and unequivocal manner, he or she  
21 retains these rights”).<sup>38</sup> For works enumerated in the copyright statutes, an author may obtain a  
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23 <sup>37</sup> Defendants’ citation to *Willis v. Knight*, No. 1:08-CV-705-ODE, 2008 WL 11336133, at  
24 \*6 (N.D. Ga. Oct. 20, 2008) is inapposite, given that the plaintiff there alleged that the recording  
25 was made with her consent and in collaboration with the defendant, such that section 1101 did not  
apply.

26 <sup>38</sup> Defendants contend that the Performer Class members “effectively transferred”  
27 whatever rights they had in the recordings, although it is unclear whether defendants mean transfer  
28 to a record label or to one of the sources from whom defendants acquired the recordings.  
Regardless, the Copyright Act requires transfer of ownership rights be made in writing, signed by  
the owner or owner’s agent, and puts the burden of proof on the party asserting transfer. *See* 17  
U.S.C. § 204.



1 copyright registration certificate to establish presumptive ownership over the rights to that work.  
2 However, by the nature of the recordings covered under section 1101, the “author” (*i.e.*, live music  
3 performer) of a bootlegged recording has no way to register the work and ensure a presumption of  
4 ownership over the recording.<sup>39</sup>

5 Moreover, putting the burden on the party exploiting the recording—a recording the  
6 performer may never have known was made or exploited until long after the performance—makes  
7 sense from the standpoint both of the general purposes of the Copyright Act and the purposes of  
8 section 1101 itself. *See* 3 NIMMER ON COPYRIGHT § 8E.02 (citing legislative history of URAA  
9 stating: “[t]he United States has led efforts to combat the rise in piracy of sound recordings in  
10 countries around the world. The new federal remedies will ensure that performers enjoy a high  
11 and uniform level of protection in the United States as well, and will aid efforts by the Customs  
12 Service to combat bootleg sound recordings.”).<sup>40</sup>

13 In sum, based on the foregoing analysis, the Court concludes that section 1101 claimants  
14 need only establish that they are performers in the recording and that defendants exploited the  
15 recording by reproducing copies and trafficking in them. The burden then shifts to defendants to  
16 plead and establish that the recording was made, and copies reproduced, with effective consent  
17 and authorization of the performers.<sup>41</sup>

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18  
19 <sup>39</sup> Defendants argue that if Congress intended claims regarding unauthorized trafficking of  
20 bootleg recordings to be treated identically to infringement of other copyrighted works, it would  
21 have added such recordings to the list of copyrighted works in section 106. Defendants’ argument  
22 defies logic, since section 106 protects only works that are “fixed,” *i.e.*, made “under the authority  
of the author.” *See* 17 U.S.C. §§ 101, 102, 106. Bootlegged recordings are, by definition and  
nature, *not* “fixed” because they are not made under the authority of the performers, *i.e.*, the  
“author” of the work.

23 <sup>40</sup> The Court further notes that California’s criminal bootlegging statute expressly states  
24 this same approach to the evidentiary burdens by providing a presumption that the performer owns  
25 the sounds of a live performance absent a writing to the contrary. Cal. Penal Code § 653u(b) (“In  
the absence of a written agreement or operation of law to the contrary, the performer or performers  
of the sounds of a live performance shall be presumed to own the right to record or master those  
sounds.”)

26 <sup>41</sup> In their supplemental briefing, plaintiffs offer further analogy to the defendant’s burden  
27 to prove express consent in a claim under the Telephone Consumer Protection Act (TCPA). *Van*  
28 *Patten v. Vertical Fitness Grp., LLC*, 847 F.3d 1037, 1044 (9th Cir. 2017) (“Express consent is not  
an element of a plaintiff’s *prima facie* case but is an affirmative defense for which the defendant  
bears the burden of proof.”); *see also True Health*, 896 F.3d at 931, 933 (defendant’s evidence of

1                                    3.        *Effect on Class Certification*

2                                    Following from this conclusion, and based upon the record presently before it, the Court  
3 finds that the bootlegging claim can be determined on common evidence, such that common issues  
4 will predominate for the Performer Class’s section 1101 claim. Determination of the prima facie  
5 elements—the performers in the recordings at issue, and defendants’ exploitation of the  
6 recordings—can be made readily from defendants’ business records regarding the Websites. The  
7 burden then shifts to defendants to establish that the recordings were made with consent and that  
8 defendants had valid authorization to exploit them. Further, the evidence presently before the  
9 Court indicates that the proof defendants would offer to meet their burden on the issue of  
10 authorization would apply classwide. Proof of authorization, as well as other affirmative defenses,  
11 would not create individualized questions that could undermine predominance. On these issues,  
12 defendants have indicated they will rely primarily on the Acquisition Agreements and Exploitation  
13 Agreements to assert that the performers agreed to (or never objected to) their performances being  
14 recorded and that the record labels had the authority to consent to exploitation of the recordings on  
15 behalf of certain performers, respectively. They do not put forward other evidence to establish  
16 that their exploitation of the recordings is authorized.<sup>42</sup> This limited universe of documents, with  
17 substantially identical material terms, is common to the Performer Class.<sup>43</sup> Moreover, the

18 \_\_\_\_\_  
19 consent by the same process in the same manner could establish predominance requirement);  
20 *McCurley, supra*, 331 F.R.D. at 173-74 (same); *Caldera v. Am. Med. Collection Agency*, 320  
21 F.R.D. 513, 519 (C.D. Cal. 2017) (“Where a party has not submitted any evidence of express  
22 consent [for TCPA claim], courts will not presume that resolving such issues requires  
23 individualized inquiries.”) In *Van Patten*, the Ninth Circuit relied on the text, purpose, and history  
24 of the TCPA, as well as an order of the Federal Communication Commission regarding the  
25 definition of consent. *Id.* at 1044-5. The decision, while not fully applicable here, is likewise  
26 persuasive.

27                                    <sup>42</sup> Defendant William Sagan stated that every document allegedly evidencing “artist[]  
28 consent, the deals with the labels, and the reps and warranties for the acquisitions” was produced  
in this case. (Weiner Reply Decl., Exh. 1 [Reply Sagan Depo.] at 177:21-178:5.) And, indeed,  
defendants relied entirely on these agreements to claim they had the right to register recordings in  
the collection with the Copyright Office before the institution of this litigation. (*See* Pearson  
Decl., Dkt. No. 126-6, Exhs. A-D.)

<sup>43</sup> In addition, each of the agreements indicated that certain recordings of the performing  
artists represented to be under contract with the record label might require *additional consent or*  
*confirmation directly from the performing artists.* (*See* Sony Agreement ¶ 1.2; UMG Agreement  
¶ 4.4; Warner Agreement ¶ 1.2.) Defendants have offered no such evidence of additional consent

1 Exploitation Agreements offered by defendants do not purport to cover the audiovisual recordings  
2 that make up a substantial portion of the collection. (*See* fn. 24, *supra*.)<sup>44</sup>

3 Thus, on the record before the Court, common issues would predominate as to proof of the  
4 performers' authorization. The Court finds, as with the Composer Class, the presence of  
5 *individual* settlement agreements as to a relatively small number of putative class members would  
6 not overcome the number of common issues of fact and law with respect to the Performer Class.<sup>45</sup>

7 **F. Rule 23(b)(2) Class**

8 Plaintiffs also seek to certify the Composer and Performer Classes under Rule 23(b)(2).  
9 Class certification is appropriate under Rule 23(b)(2) when “the party opposing the class has  
10 acted or refused to act on grounds that apply generally to the class, so that final injunctive relief  
11 or corresponding declaratory relief is appropriate respecting the class as a whole.” Fed. R. Civ. P.  
12 23(b)(2).

13 In their complaint, plaintiffs seek injunctive relief to halt exploitation of the recordings at  
14 issue on defendants' Websites, in addition to damages provided by the Copyright Act.  
15 Defendants contend that an injunctive relief class under Rule 23(b)(2) is prohibited when  
16 plaintiffs seek monetary damages on behalf of the class. The Supreme Court in *Dukes*,

17  
18 \_\_\_\_\_  
19 or confirmation, save the small number of individual settlement agreements here.

20 <sup>44</sup> Defendants' ability to rely on the Warner Agreement as a defense to the Performer  
21 Class's claims is uncertain. It provided that “[i]n the event that a Warner Artist initiates an action  
22 against Wolfgang. . . regarding Wolfgang's exploitation of any Warner Artist Concert Recording  
(other than a Covered Warner Artist Concert Recording) *Wolfgang will not rely upon or use in any  
23 way the agreement between the parties as to joint copyright ownership in any such action or to  
24 justify Wolfgang's exploitation activities.*” (Sagan Exh. O, Warner Agreement ¶ 3.1, emphasis  
25 supplied.)

26 <sup>45</sup> Plaintiffs argue that defendants have no evidence of contemporaneous consent by the  
27 performers and cannot cure lack of consent by way of agreements with record labels tens of years  
28 after the recordings. Defendants argue that nothing in language of section 1101 requires “consent  
of the performer(s) involved” to be *in writing*, rather than oral or implied. The Court does not  
reach the theoretical question of whether such evidence would be admissible, or whether  
retroactive consent is adequate. First, defendants have not made such an evidentiary proffer.  
Second, the Court notes that, in *ABKCO v. Sagan*, the court rejected these same documents on the  
issue of consent as inadmissible hearsay. *ABKCO v. Sagan I*, 2018 WL 1746564 at \*13 n.25  
 (“The agreements purport to contain out of court statements by the artists (*i.e.*, that they consented  
to the fixation and exploitation of their recordings), within a document that is itself an out of court  
statement.”).

1 examining the question of whether a class seeking injunctive relief and damages could be  
2 certified under Rule 23(b)(2), held that individualized injunctive relief, like the backpay relief  
3 sought there, would not be subject to that rule:

4 In other words, Rule 23(b)(2) applies only when a single injunction or declaratory  
5 judgment would provide relief to each member of the class. It does not authorize  
6 class certification when each individual class member would be entitled to a  
7 *different* injunction or declaratory judgment against the defendant. Similarly, it  
8 does not authorize class certification when each class member would be entitled  
9 to an individualized award of monetary damages.

10 *Dukes*, 564 U.S. at 360–61 (emphasis in original). The Court in *Dukes* considered a case where  
11 *only* a Rule 23(b)(2) class was certified, yet damages were also sought on a classwide basis.  
12 *Dukes* expressed concerns that certifying a 23(b)(2) class to obtain individualized damages would  
13 be contrary to the procedural protections, such as notice and a right to opt out, attendant to a Rule  
14 23(b)(3) class. *Id.* at 362-63.

15 Here, the Court finds the concerns expressed in *Dukes* inapplicable. The damages the  
16 Composer and Performer Classes seek would not result in individualized *injunctive* relief. *Cf.*  
17 *Barrett v. Wesley Fin. Grp., LLC*, No. 13CV554-LAB (KSC), 2015 WL 12910740, at \*7 (S.D.  
18 Cal. Mar. 30, 2015) (where plaintiff seeks both declaratory and monetary relief, the court may  
19 certify both Rule 23(b)(3) class and Rule 23(b)(2) injunction-seeking class “if a single injunction  
20 would provide relief to each member of the class”) (citing *Wang v. Chinese Daily News, Inc.*, 737  
21 F.3d 538, 544 (9th Cir. 2013)). Due process concerns are diminished where a Rule 23(b)(3) class  
22 is also certified. Thus, the Court finds certification of the classes under Rule 23(b)(2) to be  
23 appropriate as well.

## 24 **VII. CONCLUSION**

25 Based upon the foregoing, the Court **ORDERS** as follows:

- 26 1. the motion for class certification under Rules 23(b)(2) and (b)(3) is **GRANTED** as to the

27 Composer Class defined as:

28 All owners of the musical compositions encompassed in sound recordings and  
audiovisual works of non-studio performances reproduced, performed, distributed, or  
otherwise exploited by Defendants during the period from September 14, 2014, to the  
present.

and the Performer Class defined as:

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All persons whose non-studio live musical performances are captured in the recordings of sounds or sounds and images which have been reproduced, performed, distributed, or otherwise exploited by Defendants during the period from September 14, 2014, to the present.<sup>46</sup>

The Court will entertain any arguments for sub-classing, whether by the Exploitation Agreement covering the recording(s) or performer(s), or by other criteria. Likewise, the Court will consider the parties' proposals for the best notice practicable to the members of the classes.


Defendants shall provide class lists identifying the members of the Composer and Performer Classes to plaintiffs no later than **May 15, 2020**.

The parties are directed to meet and confer on these issues and submit a single joint brief on the issues of subclassing and notice, preferably with side-by-side comparisons of their proposals on issues as to which they cannot reach agreement. The joint brief shall be no more than 15 pages and shall be filed by **June 12, 2020**.

This terminates Dkt. Nos. 107, 109, 120, 126, 128, 145, and 167.

**IT IS SO ORDERED.**

Dated: April 10, 2020

  
YVONNE GONZALEZ ROGERS  
UNITED STATES DISTRICT COURT JUDGE

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<sup>46</sup> The Court has modified the definition of the Performer Class from that offered by plaintiffs in order to hew more closely to the language of section 1101.