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4	(714) 597-6559 facsimile		
5	Email: mhigbee@higbeeassociates.com Email: rcarreon@higbeeassociates.com		
6	UNITED STATES	DISTRICT COURT	
7	NORTHERN DISTRI	CT OF CALIFORNIA	
8		Case No. 5:19-cv-00585-VKD	
9	CLAUDIA ECKELMANN,	NOTICE OF MOTION AND MOTION TO DISMISS FOR	
10	Plaintiff,	FAILURE TO STATE A CLAIM	
11	V.	Filed and Served Concurrently:	
12	HIGBEE & ASSOCIATES,	1. Declaration of Ryan E. Carreon	
13	Defendant.	2. [Proposed] Order	
14		Judge: Virginia K. DeMarchi Courtroom: 2, 5 <sup>th</sup> Floor Hearing Date: April 2, 2019 Time: 10:00 a.m.	
15		Hearing Date: April 2, 2019 Time: 10:00 a.m.	
16			
17	TO ALL DARTIES AND THE	ID ATTORNEVS OF RECORD.	
18	TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:  PLEASE TAKE NOTICE that on April 2 <sup>nd</sup> , 2019 at 10:00 a.m. or as soon thereafter		
19		ourtroom of the Honorable Virginia K.	
20		_	
21	DeMarchi of the above-titled court, located at Courtroom 2, 5th Floor of the San Jose Courthouse 280 South 1st Street San Jose CA 95113 Defendant Highes &		
22	Jose Courthouse, 280 South 1st Street, San Jose, CA 95113, Defendant Highee &		
23	Associates will move for an Order for dismissing the complaint filed by Plaintiff Claudia Eckelmann in its entirety with prejudice, pursuant to Federal Rules of Civil		
24	Procedure 12(b)(6) for failure to state a claim. If the Court in inclined to grant the		
25	motion without leave to amend, Higbee & Associates would also request leave to		
	inotion without leave to amend, ingue	2 1155001ates would also request leave to	

This Motion is brought on the grounds that the complaint filed Plaintiff

file a motion for attorneys fees pursuant to 17 U.S.C. § 505 as the prevailing party.

1	Eckelmann fails to state any cognizable claim because no case or controversy exists
2	between Eckelmann and Higbee & Associates.
3	Notice of this Motion was served on Defendants by mail. See Attached Proof
4	of Service.
5	This Motion is based on this Notice of Motion and Motion to dismiss, the
6	attached memorandum of points and authorities, the declaration of Ryan E. Carreon
7	in support, and the pleadings, files and other materials that are on file with the
8	Court or may be presented at the hearing.
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10	DATED: February 20, 2019 Respectfully submitted,
11	/s/ Ryan E. Carreon
12	Ryan E. Carreon, Esq. Cal. Bar No. 311668
13	HIGBEE & ASSOCIATES
14	1504 Brookhollow Dr., Ste 112 Santa Ana, CA 92705
15	(714) 617-8336 (714) 597-6729 facsimile
16	Counsel for Plaintiff
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### MEMORANDUM OF POINTS AND AUTHORITIES

#### I. INTRODUCTION

Non-party CartoonStock Ltd. ("CartoonStock") owns a searchable database of over 500,000 humorous and political cartoons, cartoon pictures and illustrations by more than 1000 of the world's top cartoonists, all available for licensing and download. Utilizing an intellectual property management company, PicRights Ltd. ("PicRights"), CartoonStock discovered that one of its protected works (the "Work") was being used by Plaintiff Claudia Eckelmann without permission or record of a license.

In November of 2018, CartoonStock and PicRights retained Defendant Higbee & Associates, an intellectual property law firm, to send a cease and desist letter to Eckelmann and to request payment of a retroactive license for unauthorized use of the Work. On November 14, 2018 Higbee & Associates sent a letter stating, in part, that if Eckelmann did not have a valid license, "we believe the use of the [W]ork is a violation of The Copyright Act, Title 17 of the United States Code."

After many attempts to resolve the matter, the parties could not come to a resolution and, on January 11, 2019, Higbee & Associates considered the matter closed. On January 18, 2019 Eckelmann filed a small claims action in the Superior Court for the County of Martinez, Case no. MSC19-0072 (the "Superior Court Action"). The Superior Court Action named Higbee & Associates as the sole defendant.

On the Pleading form under the section labeled "[w]hy does the defendant owe the plaintiff money," Eckelmann stated:

"The defendant [Higbee & Associates] is claiming that [plaintiff Eckelmann] owes \$500. This action is deemed to adjudicate that claim."

On the Pleading form under the section labeled "[w]hen did this happen,"

Eckelmann listed November 14, 2018, which is the date that Highee & Associates sent the letter to Eckelmann alleging copyright infringement.

On January 29, 2019, the Clerk of the Court mailed notice of the Superior

Court Action to Higbee & Associates. The notice was received on January 31, 2019.

On February 1, 2019 Higbee & Associates timely removed the action to federal court on the basis that the claims in the Superior Court Action arose out of the allegations of copyright infringement set forth in the November 14, 2018 letter. *See* Dkt. #1.

### II. THIS MOTION IS TIMELY PURSUANT TO RULE 81(c)(A).

Rule 81 of the Federal Rules of Civil Procedure, which governs removed cases, states as follows:

- "(c) Removed Actions.
  - (2) Further Pleading. After removal, repleading is unnecessary unless the court orders it. A defendant who did not answer before removal must answer or present other defenses or objections under these rules within the longest of these periods:
    - (A) 21 days after receiving—through service or otherwise—a copy of the initial pleading stating the claim for relief."

In this case, Eckelman filed her original complaint in Superior Court on January 18, 2019. On January 29, 2019, the Clerk of the Court mailed notice of the Superior Court action to Higbee & Associates. The Clerk's notice included a summons and a copy of Eckelmann's initial pleading. Higbee & Associates received the Clerk's notice on January 31, 2019. Because February 20, 2019 is exactly 21 days after Higbee & Associates received the Clerk's notice of Eckelmann's initial pleading, the instant Motion is timely.

# III. ECKELMANN'S COMPLAINT FAILS TO STATE A CLAIM FOR RELIEF AGAINST HIGBEE & ASSOCIATES.

A court may issue a declaratory judgment "in a case of actual controversy within its jurisdiction." 28 U.S.C. § 2201(a). A potential defendant may sue preemptively for declaratory relief. *See Franchise Tax Board v. Laborers Vacation Trust*, 463 U.S. 1 (1983). The "actual controversy" requirement under 28 U.S.C. § 2201(a) is the same as the "case or controversy" requirement under Article III of the

Constitution. *Aetna Life Ins. Co. v. Haworth*, 300 U.S. 227, (1937). In general, there must be a "substantial controversy, between parties having adverse legal interests, of sufficient immediacy and reality," *Maryland Casualty Co. v. Pacific Coal & Oil Co.*, 312 U.S. 270, 273 (1941), which has "crystallized to the point that there is a specific need" for a declaratory judgment. *J.N.S., Inc. v. Indiana*, 712 F.2d 303, 305 (7th Cir 1983).

Rule 8 of the Federal Rules of Civil Procedure requires only "a short and plain statement of the claim showing that the pleader is entitled to relief." A motion to dismiss for failure to state a claim under Rule 12(b)(6) tests the legal sufficiency of a complaint. *Navarro v. Block*, 250 F.3d 729, 732 (9th Cir. 2001). In considering whether the complaint is sufficient to state a claim, the court must accept as true all of the factual allegations contained in the complaint. *Ashcroft v. Iqbal*, 556 U.S. 662 (2009). While a complaint need not allege detailed factual allegations, it "must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face." *Iqbal*, 129 S.Ct. at 1949 (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570). A claim is facially plausible when it "allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Iqbal*, 129 S.Ct. at 1949.

In this case, the allegations in the allegations in Eckelmann's complaint certainly stretch the bounds of "short and plain" and fail to adequately state a claim for relief against Higbee & Associates. Eckelmann's allegations arise directly out of the November 14, 2018 letter alleging copyright infringement of CartoonStock's Work. In the letter to Eckelmann, Higbee & Associates stated in part that "we believe the use of the [W]ork is a violation of The Copyright Act, Title 17 of the United States Code" and requested that Eckelmann pay a retroactive license fee. In the Superior Court Complaint, Eckelmann stated that event giving rise to her claim occurred on November 14, 2018, the date of the letter asserting copyright infringement. Eckelmann also stated that Higbee & Associates alleged that

Eckelmann owed \$500, and stated that the Superior Court Complaint "is deemed to adjudicate that claim." In other words, Eckelmann's suit seeks declaratory relief as to whether she engaged in copyright infringement as alleged in Higbee & Associates' November 14, 2018 letter and therefore whether she owes the retroactive licensing fee to CartoonStock.

Higbee & Associates is not the party asserting copyright infringement, nor is it the party and requesting the retroactive license fee. Rather, Higbee & Associates is simply hired counsel seeking payment of a retroactive licensing fee on behalf of its client, CartoonStock. While Eckelmann certainly may have "adverse legal interests" against CartoonStock, the copyright holder to the Work, no justiciable "case or controversy" exists between Eckelmann and Higbee & Associates, the sole defendant to Eckelmann's complaint.

Even if the allegations in Eckelmann's complaint are broadly construed to state a claim for relief arising out of something other than copyright infringement, it still must fail. California courts are clear that claims against attorneys arising out of demand letters are protected by the litigation privilege. *See e.g. Malin v. Singer* (2013) 217 Cal.App.4th 1283, 1298-1299 (where extortion claim based on an attorney demand letter did not constitute criminal conduct as a matter of law, it was protected by the litigation privilege and subject to dismissal under the anti-SLAPP statute.) Because attorney demand letters are absolutely protected by the litigation privilege, any amendment to the claims against Higbee & Associates would be futile.

Because no justiciable case or controversy exists between Eckelmann and Higbee & Associates, Eckelmann's complaint fails to state a claim for relief and must be dismissed. Eckelmann cannot cure her deficient pleading by way of amendment, and thus her complaint must be dismissed with prejudice.

## IV. HIGBEE & ASSOCIATES WOULD REQUEST LEAVE TO FILE A MOTION FOR ATTORNEYS' FEE

Under the Copyright Act, the court, in its discretion, may "award a

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reasonable attorney's fee to the prevailing party as part of the costs." 17 U.S.C. § 505. This rule also applies to claims for declaratory relief based on the Copyright Act. See Shloss v. Sweeney, 515 F.Supp.2d 1083, 1085 (N.D. Cal. 2007)(awarding fees to author who brought action for declaratory judgment pursuant to Copyright Act). As stated above, Eckelmann's complaint essentially seeks a declaration of non-infringement because it arises out of a demand letter sent to Eckelmann requesting payment of a retroactive license based on an alleged copyright infringement. Therefore, if Higbee & Associates, the sole defendant in this action, prevails on the instant Motion and is dismissed from the case, it would rightly be considered the "prevailing party" and could properly seek an award of attorneys' fees.

Thus, if the Court were inclined to grant Higbee & Associates' Motion, it would request leave to file a Motion for Attorneys fees against Eckelmann as the prevailing party.

#### V. CONCLUSION

Defendant Higbee & Associates respectfully requests that Plaintiff Claudia Eckelmann's complaint be dismissed with prejudice and that it be granted leave to file a motion for attorneys' fees.

Dated: February 20, 2019

Respectfully submitted,

/s/ Ryan E. Carreon

Ryan E. Carreon, Esq., Cal. Bar. No. 311668

**HIGBEE & ASSOCIATES** 

1504 Brookhollow Dr., Ste 112 Santa Ana, CA 92705-5418 (714) 617-8336

(714) 597-6729 facsimile

Counsel for Plaintiff

1	PROOF OF SERVICE
2	I, the undersigned, say:
3	
4	I am a citizen of the United States and I am a member of the Bar of this Court. I am
5	over the age of 18 and not a party to the within action My business address is 1504
6	Brookhollow Dr., Ste 112, Santa Ana, California, 92705.
7 8	On February 20, 2019, I caused to be served the foregoing documents:
9	Notice of Motion and Motion to Dismiss; Declaration of Ryan E. Carreon;
10	[Proposed] Order
11	V On the data of execution of this declaration. I covered to be conved the
12	X On the date of execution of this declaration, I caused to be served the
13	documents described above on all parties in this action by placing a true copy
14	thereof enclosed in a sealed envelope and mailing it to the following address:
15 16	Claudia Eckelmann 82 Diablo View Drive Orinda, California 94563
17	I certify under penalty of perjury under the laws of the United States that the
18	foregoing is true and correct. Executed on February 20, 2019, at Santa Ana,
19	California.
20	/s/ Leeah J. Banks
21	/s/ Leeah J. Banks Leeah J. Banks
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