

Exhibit N

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CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

8 UNITED STATES DISTRICT COURT
9 CENTRAL DISTRICT OF CALIFORNIA
10 WESTERN DIVISION

11 UMG RECORDINGS, INC., a
12 Delaware corporation; UNIVERSAL
MUSIC CORP., a New York
13 corporation; SONGS OF UNIVERSAL,
14 INC., a California corporation;
UNIVERSAL-POLYGRAM
15 INTERNATIONAL PUBLISHING,
INC., a Delaware corporation;
16 RONDOR MUSIC INTERNATIONAL,
17 INC., a California corporation,
18 Plaintiffs,
19 v.
20 MYSPACE, INC. d/b/a/
MYSPACE.COM, a Delaware
21 corporation; NEWS CORPORATION, a
22 Delaware corporation; and DOES 1-10,
inclusive,
23 Defendants.
24

Case No.
CV 06-07361 SVW AJWx
COMPLAINT FOR DIRECT,
CONTRIBUTORY, AND
VICARIOUS COPYRIGHT
INFRINGEMENT, FOR
INDUCEMENT OF COPYRIGHT
INFRINGEMENT, AND FOR
VIOLATIONS OF CALIFORNIA
BUSINESS AND PROFESSIONS
CODE § 17200
DEMAND FOR JURY TRIAL

1 Plaintiffs UMG Recordings, Inc., Universal Music Corp., Songs of Universal,
2 Inc., Universal-PolyGram International Publishing, Inc., and Rondor Music
3 International, Inc. (collectively "Plaintiffs") allege, on information and belief, as
4 follows:

5 1. Defendant MySpace.com ("MySpace") is one of the world's largest
6 and best known "social networking" sites. The foundation of MySpace is its so-
7 called "user-generated content." However, much of that content is not "user-
8 generated" at all. Rather, it is the "user-stolen" intellectual property of others, and
9 MySpace is a willing partner in that theft. No intellectual property is safe in the
10 MySpace world of infringement – not Plaintiffs' videos, not Plaintiffs' songs, not
11 even songs from the *unreleased* album "Kingdom Come" by the superstar artist Jay-
12 Z, which are currently widely available for streaming and downloading on MySpace
13 despite the fact that the album is not yet even available for purchase.

14 2. MySpace is well aware of its obligations under the U.S. copyright laws.
15 In fact, MySpace admits in the Terms of Use posted on its website that without the
16 permission of the copyright owner of its user-posted content, MySpace would not be
17 permitted to provide MySpace services such as exhibiting music videos and
18 streaming music. MySpace accordingly mandates that anyone posting "Content"
19 (which it defines broadly to include, among other things, musical works and video)
20 to MySpace, must first agree to grant to MySpace a "royalty-free" "worldwide"
21 license, which it may sublicense, to "use, modify, publicly perform, publicly
22 display, reproduce, and distribute such Content[.]" MySpace explains that this grant
23 of exclusive rights is essential for MySpace because:

24 *"Without this license, MySpace.com would be unable to*
25 *provide the MySpace Services. For example, without the*
26 *right to modify Member Content, MySpace.com would not*
27 *be able to digitally compress music files that Members*
28 *submit or otherwise format Content ..., and without the*

1 *right to publicly perform Member Content, MySpace.com*
2 *could not allow Users to listen to music posted by*
3 *Members."*

4 3. Notwithstanding MySpace's frank admission that it is "unable," i.e.,
5 *prohibited by law*, from offering its music and video services without first obtaining
6 the permission of the copyright owner, MySpace has knowingly and intentionally
7 operated its business on the fiction that it has obtained the licenses it needs to exist
8 from members that MySpace well knows are not the true copyright owners.
9 MySpace is well aware of Plaintiffs' copyright interests in thousands of sound
10 recordings, musical compositions, and music videos that have been posted to
11 MySpace without Plaintiffs' permission. MySpace harbors no illusion that the
12 countless MySpace members who have posted these bootleg videos and pirated
13 sound records to MySpace have done so lawfully. MySpace simply ignores its own
14 admonition in its Terms of Use about first obtaining the permission of the copyright
15 owner.

16 4. But MySpace does much more than just seek a license from members
17 its knows do not have the necessary rights, MySpace also knowingly and
18 intentionally:

- 19 (i) encourages, facilitates and participates in the unauthorized
20 reproduction, adaptation, distribution, and public performance of music
21 videos in which UMG owns a copyright interest, for example, by
22 giving its members tools to upload copies of pirated music videos to
23 MySpace servers, by reformatting the uploaded videos for viewing in
24 MySpace media players, by exhibiting pirated copies from MySpace
25 servers, and by providing means to viewers to disseminate additional
26 copies of pirated music videos to MySpace users and their friends; and
27 (ii) encourages and facilitates the illegal copying and distribution of
28 pirated MP3 copies of sound recordings in which UMG owns a

1 copyright interest through and as part of phony artist profiles in
2 MySpace Music and as part of the MySpace service generally.
3 5. MySpace and its parent company defendant News Corporation ("News
4 Corp.") have consciously built and maintained MySpace's position as one of the
5 most prominent and valuable websites on the Internet through rampant copyright
6 infringement – infringement they fostered, induced, and welcomed as part of a
7 publicly announced effort to overtake rival websites, such as YouTube.com.
8 MySpace and News Corp.'s conduct makes them liable for the direct infringement
9 of Plaintiffs' copyrights, and for aiding, facilitating, and inducing the infringement
10 of Plaintiffs' copyrights by countless MySpace users.

11 **JURISDICTION AND VENUE**

12 6. This is a civil action seeking damages and injunctive relief for
13 copyright infringement under the Copyright Act, 17 U.S.C. §§ 101 *et seq.* This
14 Court has subject matter jurisdiction over these federal questions pursuant to 17
15 U.S.C. § 501 and 28 U.S.C. §§ 1331 and 1338(a). The Court also has supplemental
16 jurisdiction over Plaintiffs' claims arising under California Business and Professions
17 Code §§ 17200 *et seq.* pursuant to 28 U.S.C. § 1367, as those claims form part of the
18 same case or controversy.

19 7. This Court has personal jurisdiction over defendant MySpace in that,
20 among other things, MySpace does business in this judicial District, and Plaintiffs
21 do business and are suffering harm in this judicial District.

22 8. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391(b) and
23 (c).

24 **THE PARTIES**

25 9. Plaintiff UMG Recordings, Inc. ("UMG") is a corporation duly
26 organized and existing under the laws of the State of Delaware, with its principal
27 place of business in Los Angeles County, California, and is duly qualified to
28 transact business in the State of California. UMG is engaged in the business of

1 producing sound recordings, and distributing, selling, and/or licensing the
2 distribution and sale of its sound recordings in phonorecords (as defined in 17
3 U.S.C. § 101) and in audiovisual works in the United States. UMG is the leading
4 producer of such phonorecords in the United States, including on its various record
5 labels such as (by way of example) Interscope, Geffen, A&M, Island, Def Jam,
6 Universal, Motown, and Verve. UMG invests substantial sums of money, as well as
7 time, effort, and creative talent, to discover and develop recording artists, and to
8 create, advertise, promote, sell, and license phonorecords embodying the
9 performances of its exclusive recording artists. UMG owns copyrights in thousands
10 of sound recordings, including many of the most popular and well-known sound
11 recordings in the world.

12 10. UMG is the copyright owner or the owner of exclusive rights under
13 copyright with respect to thousands of sound recordings (the "Copyrighted Sound
14 Recordings") – including by way of example those recordings listed on Exhibit A
15 hereto – for which UMG has obtained or has applied for Certificates of Copyright
16 Registration issued by the Register of Copyrights. UMG has the exclusive rights,
17 among other things, to reproduce the Copyrighted Sound Recordings in copies or
18 phonorecords; to prepare derivative audiovisual works based upon the Copyrighted
19 Sound Recordings; to distribute copies or phonorecords of the Copyrighted Sound
20 Recordings to the public; and to perform the Copyrighted Sound Recordings
21 publicly by means of a digital audio transmission. 17 U.S.C. §§ 106(1), 106(2),
22 106(3), 106(6).

23 11. Plaintiff Universal Music Corp. ("UMC") is a corporation duly
24 organized and existing under the laws of the State of New York with its principal
25 place of business in Los Angeles County, California, and is duly qualified to
26 transact business in the State of California. Plaintiff Songs of Universal, Inc.
27 ("SOU") is a corporation duly organized and existing under the laws of the State of
28 California with its principal place of business in Los Angeles County, California,

1 and is duly qualified to transact business in the State of California. Plaintiff
2 Universal-Polygram International Publishing, Inc. ("UPIP") is a corporation duly
3 organized and existing under the laws of the State of Delaware with its principal
4 place of business in Los Angeles County, California, and is duly qualified to
5 transact business in the State of California. Plaintiff Rondor Music International,
6 Inc. ("RMI") is a corporation duly organized and existing under the laws of the State
7 of California, and is duly qualified to transact business in the State of California.
8 RMI's principal place of business is Los Angeles County, California. UMC, SOU,
9 UPIP, and RMI are engaged in the business of acquiring, owning, publishing,
10 administering, licensing, and otherwise exploiting copyrights in musical
11 compositions. UMC, SOU, UPIP, and RMI invest substantial sums of money, as
12 well as time, effort, and creative talent, to acquire, administer, publish, license and
13 otherwise exploit such copyrights, on their own behalf and on behalf of songwriters
14 UMC, SOU, UPIP, and RMI own copyrights in thousands of musical compositions,
15 including many of the most popular and well-known compositions in the world.

16 12. UMC, SOU, UPIP, and RMI are the copyright owners (in whole or in
17 part) or the owners of exclusive rights under copyright (in whole or in part) with
18 respect to thousands of musical compositions (the "Copyrighted Musical
19 Compositions") – including by way of example those compositions listed on Exhibit
20 A hereto – for which UMC, SOU, UPIP, or RMI as the case may be, has obtained or
21 has applied for Certificates of Copyright Registration issued by the Register of
22 Copyrights. UMC, SOU, UPIP, and RMI have the exclusive rights, among other
23 things, to reproduce the Copyrighted Musical Compositions in phonorecords; to
24 prepare derivative audiovisual works based upon the Copyrighted Musical
25 Compositions; and to perform the Copyrighted Musical Compositions publicly. 17
26 U.S.C. §§ 106(1), 106(2), 106(3), 106(4).

27 13. Defendant MySpace is a corporation organized and existing under the
28 laws of the State of Delaware, with its principal place of business in Los Angeles

1 County, California. MySpace describes itself as a "social networking service that
2 allows Members to create unique personal profiles online." MySpace.com
3 reportedly receives over 50 million unique visitors per month and over 200,000 new
4 registrations each day. As an integral part of its service, MySpace permits,
5 encourages, facilitates and induces the uploading of thousands of copyrighted songs
6 and music videos by its members each day onto servers that it owns or controls,
7 thereby enabling its members and the public to access infringing content for free.
8 MySpace displays targeted advertisements, from which it derives significant
9 revenue, in association with infringing content.

10 14. MySpace is a wholly owned and controlled subsidiary of Defendant
11 News Corporation ("News Corp."), a corporation organized and existing under the
12 laws of the State of Delaware, with its principal place of business in New York.
13 MySpace was acquired by defendant News Corp. in September 2005 as part of a
14 \$580 million acquisition. News Corp. exercises substantial and continuing control
15 over MySpace with respect to the acts that form the subject matter of this lawsuit.
16 Indeed, News Corp. recently informed the investing public it hoped that MySpace
17 would take the market lead in online video from Youtube.com, an aspiration it has
18 acted on by vastly expanding the functionality its provides to its millions of
19 members to encourage them to upload and download pirated video content.

20 15. The true names and capacities, whether individual, corporate, associate,
21 or otherwise, of defendants sued herein as Does 1 through 10, are unknown to
22 Plaintiffs, which sue said defendants by such fictitious names (the "Doe
23 Defendants"). If necessary, Plaintiffs will seek leave of Court to amend this
24 complaint to state their true names and capacities when the same have been
25 ascertained. Plaintiffs are informed and believe and on that basis allege that the Doe
26 Defendants are liable to Plaintiffs as a result of their participation in all or some of
27 the acts hereinafter set forth. MySpace, News Corp., and the Doe Defendants are
28 referred to collectively herein as "Defendants."

1 16. Plaintiffs are informed and believe and on that basis allege that at all
2 times mentioned in this complaint, each of the Defendants was the agent of each of
3 the other Defendants and, in doing the things alleged in this complaint, were acting
4 within the course and scope of such agency.

5 **GENERAL AVERMENTS**

6 17. Defendants operate an internet website located at the Uniform Resource
7 Locator ("URL") www.myspace.com. Defendants allow anyone age 14 or over (or
8 who at least claims to be) with Internet access to obtain membership with MySpace
9 in a matter of seconds for no charge. MySpace members can upload audio and/or
10 audiovisual works to MySpace, which are then reproduced onto servers that
11 Defendants own or control. Many of these audiovisual works contain the
12 Copyrighted Sound Recordings and/or the Copyrighted Musical Compositions.
13 Using the copies they have made, Defendants then create an unauthorized derivative
14 work embodying these works, and distribute and publicly perform these audio
15 and/or audiovisual works and derivative works containing the Copyrighted Sound
16 Recordings and/or the Copyrighted Musical Compositions for anyone with Internet
17 access. As viewers access these works, MySpace displays paid advertisements
18 which are tailored to reflect the content of the songs, music videos, and artist pages
19 that the user is accessing. These advertisements are so lucrative that on August 7,
20 2006, News Corp. announced that it had entered into an agreement whereby Google
21 would become the exclusive keyword targeted advertising partner of, among other
22 News Corp. properties, MySpace. In exchange, News Corp. is being paid \$900
23 million by Google.

24 18. In connection with the MySpace service, Defendants:

- 25 a) reproduce (*i.e.*, make permanent copies of) audio and
26 audiovisual works ("songs" and "videos") containing
27 hundreds of Plaintiffs' copyrighted works onto servers that it
28 owns or controls;

- 1 b) reformat the audiovisual works uploaded by their users in
2 order to facilitate the further copying and distribution of such
3 works to and by as many users as possible;
- 4 c) distribute and publicly perform the songs and videos uploaded
5 onto their servers to their users on demand;
- 6 d) provide users viewing illegal copies of audio-visual works
7 with the ability to "Add to My Profile," "Save to My
8 Favorites," "Bulletin This," or "Blog This" at the click of a
9 button;
- 10 e) encourage users viewing illegal copies of audio-visual works
11 to "Send This URL to Your Friends," or "Add This [Video]
12 Code to Your Profile";
- 13 f) provide users who view illegal copies of Plaintiffs' audio-
14 visual works with attractive functions – such as the ability to
15 share works and post them to other sites – that users who view
16 authorized copies of Plaintiffs' works are unable to access;
- 17 g) purport to receive from their users a "royalty-free"
18 "worldwide" license to "use, modify, publicly perform,
19 publicly display, reproduce, and distribute" any of the audio
20 or audio-visual content uploaded onto their servers;
- 21 h) expressly acknowledge in their Terms of Use that "[w]ithout
22 this license, MySpace.com would be unable to provide the
23 MySpace Services. For example, without the right to modify
24 Member Content, MySpace.com would not be able to digitally
25 compress music files that Members submit or otherwise
26 format Content ..., and without the right to publicly perform
27 Member Content, MySpace.com could not allow Users to
28 listen to music posted by Members";

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- i) provide users with complete anonymity as they upload audio and audiovisual files to MySpace.com, and as they view, download, copy and/or further distribute audio and/or audiovisual works;
- j) display and/or permanently embed the "MySpace.com" mark, logo and tag line on Plaintiffs' audio-visual works, and display the same on Plaintiffs' works every time a user views them;
- k) admit that they may pre-screen songs and videos for content and expressly reserve the right "to reject, refuse to post or remove any posting" and "to monitor the MySpace Services";
- l) expressly reserve the right to delete any content from servers that they own or control;
- m) enable users to share the audio and/or audiovisual works they upload with anyone accessing the site;
- n) encourage their members to index each song or video by category and by user-generated "tags" or keywords, thus increasing a work's searchability and exposure;
- o) enable users to perform searches for audio and/or audiovisual content, and return search queries with both text and thumbnail pictures;
- p) select "Featured Videos" to spotlight and promote certain audiovisual works;
- q) allow users to rate videos and shares video ratings with other users;
- r) provide users with data about specific videos (such as how often a song or video is viewed) and allow users to post and read comments about particular songs and videos.

1 19. Defendants have made infringement free and easy, turning MySpace
2 Videos into a vast virtual warehouse for pirated copies of music videos and songs.
3 Due to MySpace's extensive efforts to encourage its members to upload pirated
4 videos to MySpace servers, a visitor to MySpace today will find pirated videos
5 featuring Plaintiffs' most prominent and successful artists and songwriters.

6 20. To take but one illustrative example, anybody wishing to view or copy
7 unauthorized reproductions of music videos of superstar artists U2 on MySpace can
8 simply go to MySpace.com, click on the "Videos" tab, and type "U2" into the
9 search box. In response to that search, MySpace delivers one thousand search
10 results for user-uploaded videos – including literally scores of different unauthorized
11 copies of U2 videos that MySpace makes available for immediate viewing and
12 downloading. Exhibit B shows a screenshot of just one of the pirated copies of U2's
13 "Beautiful Day" video that is on the MySpace.com site – a pirated copy that
14 according to MySpace has been viewed more than two thousand times. As can be
15 readily discerned from the screenshot, MySpace enables its millions of users to view
16 the pirated video by pressing the play button. MySpace furthermore encourages its
17 members to disseminate links to the MySpace-hosted copy, suggesting that its
18 members send a link to the pirated video to a friend or embed it on other popular
19 websites. MySpace encourages this rampant infringement so that it can drive more
20 traffic to MySpace.com, thereby increasing Defendants' advertising revenue and
21 profits at Plaintiffs' expense.

22 21. MySpace's willful infringement of Plaintiffs' copyrights is not
23 confined to its burgeoning MySpace Video service. MySpace also maintains an
24 area of its website called MySpace Music where MySpace makes pirated sound
25 recordings available for free downloading through a MySpace music player.
26 MySpace Music is purportedly a part of the MySpace.com website that is reserved
27 for authentic musicians and bands. In reality, however, and as MySpace well
28 knows, MySpace Music has enabled countless members to set up and maintain

1 phony artist profiles that hijack the names of famous artists so that MySpace can
2 provide its users with free pirated sound recordings. Just as MySpace engages in the
3 pretext that each member who uploads a video to MySpace is its lawful copyright
4 owner, MySpace pretends everyone who signs up for a MySpace music profile truly
5 represents an artist or band with that name. MySpace pretends, for example, that the
6 "artists" who set up the MySpace Music profiles "u2222222222222222" and
7 "youtwo" are authentic musicians who had the right to provide the public with free
8 downloadable copies of U2's hits "With or Without You" and "Beautiful Day." As
9 one can see from Exhibits C and D, a visitor to the profile for the phony artists
10 "u2222222222222222" and "youtwo" gets a MySpace music player to appear in
11 their browser that is playing U2's music "With or Without You" and "Beautiful
12 Day" respectively. The MySpace-supplied music player furthermore provides users
13 with a button labeled "download" that enables one-click downloads of these
14 unauthorized copies of U2's recordings onto the user's computer – all provided for
15 free by MySpace.

16 22. As with MySpace's Video Service, MySpace makes it easy to find
17 pirated sound recordings in MySpace Music. On any given day, a visitor to the
18 MySpace Music page need only type the name of a famous artist into the MySpace
19 search box to discover scores of phony profiles offering free pirated sound
20 recordings. As an illustrative example, at the beginning of November a visitor to
21 MySpace Music who searched for the name of superstar Fergie could find phony
22 profiles exploiting Fergie's name including "Fergiee," "FERGIEEEEEEE," AND
23 "Fergieeee." As shown by Exhibits E through G respectively, users of MySpace
24 who visited these phony Fergie profiles found a MySpace music player streaming
25 pirated copies of Fergie's hits "Fergalicious," and "Big Girls Don't Cry" – copies
26 which MySpace encouraged and enabled its members to download for free onto
27 their computers by a click on the MySpace music player's "download" button.

28

1 23. As Defendants know, should know, and/or with reasonable diligence
2 could ascertain, many of the audio and/or audiovisual works on MySpace's website
3 contain copyrighted material, including the Copyrighted Sound Recordings and the
4 Copyrighted Musical Compositions. These works often embody popular songs or
5 "hits" performed by prominent recording artists. Many are synchronized with
6 expensive, professionally-made videos, and may include titles, credits, or other
7 indicia that make apparent the source of the recordings. It is widely known and
8 understood that such sound recordings and compositions are protected by copyright.

9 24. Defendants and their users did not receive any license, authorization,
10 permission, or consent to use the Copyrighted Sound Recordings or the Copyrighted
11 Musical Compositions in the manner they are using them. Instead, in violation of
12 Plaintiffs' rights under copyright law, Defendants have willfully, intentionally, and
13 purposefully reproduced, adapted, distributed, and publicly performed the
14 Copyrighted Sound Recordings and the Copyrighted Musical Compositions, and/or
15 knowingly facilitated, enabled, induced, and materially contributed to infringing
16 uses thereof, and/or refused to exercise their ability to control or supervise
17 infringing uses thereof from which Defendants financially benefit, including by
18 earning revenue from selling advertising, and from the overall increase in user
19 traffic and commercial value of its business and property arising from the "draw" of
20 infringing Copyrighted Sound Recordings and Copyrighted Musical Compositions.
21 Further, Defendants have continued to willfully infringe Plaintiffs' rights even after
22 Plaintiffs have notified them that their use of Plaintiffs' copyrighted materials
23 violates Plaintiffs' rights under copyright. In these ways, among others, Defendants
24 have infringed Plaintiffs' copyrights and rights under copyright in the Copyrighted
25 Sound Recordings and the Copyrighted Musical Compositions.

26 25. Not only have Defendants engaged in violations of the Copyright Act
27 by directly, vicariously and contributorily infringing Plaintiffs' Copyrighted Sound
28 Recordings and Copyrighted Musical Compositions and by inducing others to

1 infringe the same, Defendants have also knowingly and intentionally engaged in and
2 continue to engage in unfair, deceptive, and misleading business practices.

3 **COUNT I**

4 **DIRECT COPYRIGHT INFRINGEMENT**

5 **[Against All Defendants]**

6 26. Plaintiffs incorporate herein by this reference each and every averment
7 contained in paragraphs 1 through 25, inclusive.

8 27. Through their conduct averred herein, Defendants have infringed
9 Plaintiffs' copyrights in the Copyrighted Sound Recordings and the Copyrighted
10 Musical Compositions by reproducing, adapting, distributing, and/or publicly
11 performing audio and/or audiovisual works embodying the copyrighted material
12 without authorization in violation of Sections 106, 115, and 501 of the Copyright
13 Act. 17 U.S.C. §§ 106, 115, and 501.

14 28. Each infringement by Defendants in and to the Copyrighted Sound
15 Recordings or the Copyrighted Musical Compositions constitutes a separate and
16 distinct act of infringement.

17 29. Defendants' acts of infringement were willful, in disregard of and with
18 indifference to the rights of Plaintiffs.

19 30. As a direct and proximate result of the infringements by Defendants,
20 Plaintiffs are entitled to damages and Defendants' profits in amounts to be proven at
21 trial which are not currently ascertainable. If necessary, Plaintiffs will seek leave to
22 amend this complaint to state the full amount of such damages and profits when
23 such amounts have been ascertained.

24 31. Alternatively, Plaintiffs are entitled to the maximum statutory damages
25 in the amount of \$150,000 with respect to each work infringed, or for such other
26 amounts as may be proper under 17 U.S.C. § 504(c).

27 32. Plaintiffs further are entitled to their attorneys' fees and full costs
28 pursuant to 17 U.S.C. § 505.

1 33. As a direct and proximate result of the foregoing acts and conduct,
 2 Plaintiffs have sustained and will continue to sustain substantial, immediate, and
 3 irreparable injury, for which there is no adequate remedy at law. Plaintiffs are
 4 informed and believe and on that basis aver that unless enjoined and restrained by
 5 this Court, Defendants will continue to infringe Plaintiffs' rights in the Copyrighted
 6 Sound Recordings and the Copyrighted Musical Compositions. Plaintiffs are
 7 entitled to preliminary and permanent injunctive relief.

8 **COUNT II**
 9 **CONTRIBUTORY COPYRIGHT INFRINGEMENT**

10 **[Against All Defendants]**

11 34. Plaintiffs incorporate herein by this reference each and every averment
 12 contained in paragraphs 1 through 33, inclusive.

13 35. Defendants knowingly and systematically have and continue to
 14 materially contribute to, intentionally induce, and/or cause unauthorized
 15 reproductions, adaptations, distributions, and/or public performances of the
 16 Copyrighted Sound Recordings and the Copyrighted Musical Compositions and thus
 17 materially contribute to, intentionally induce, and/or cause the infringement of
 18 Plaintiffs' copyrights and exclusive rights under copyright in the Copyrighted Sound
 19 Recordings and the Copyrighted Musical Compositions.

20 36. Each infringement by Defendants in and to the Copyrighted Sound
 21 Recordings or the Copyrighted Musical Compositions constitutes a separate and
 22 distinct act of infringement.

23 37. Defendants' acts of infringement were willful, in disregard of and with
 24 indifference to the rights of Plaintiffs.

25 38. As a direct and proximate result of the infringements by Defendants,
 26 Plaintiffs are entitled to damages and Defendants' profits in amounts to be proven at
 27 trial which are not currently ascertainable. If necessary, Plaintiffs will seek leave to
 28

1 amend this complaint to state the full amount of such damages and profits when
2 such amounts have been ascertained.

3 39. Alternatively, Plaintiffs are entitled to the maximum statutory damages
4 in the amount of \$150,000 with respect to each work infringed, or for such other
5 amounts as may be proper under 17 U.S.C. § 504(c).

6 40. Plaintiffs further are entitled to their attorneys' fees and full costs
7 pursuant to 17 U.S.C. § 505.

8 41. As a direct and proximate result of the foregoing acts and conduct,
9 Plaintiffs have sustained and will continue to sustain substantial, immediate, and
10 irreparable injury, for which there is no adequate remedy at law. Plaintiffs are
11 informed and believe and on that basis aver that unless enjoined and restrained by
12 this Court, Defendants will continue to infringe Plaintiffs' rights in the Copyrighted
13 Sound Recordings and the Copyrighted Musical Compositions. Plaintiffs are
14 entitled to preliminary and permanent injunctive relief.

15 **COUNT III**

16 **VICARIOUS COPYRIGHT INFRINGEMENT**

17 **[Against All Defendants]**

18 42. Plaintiffs incorporate herein by this reference each and every averment
19 contained in paragraphs 1 through 41, inclusive.

20 43. Defendants have the right and ability to supervise and/or control the
21 infringing conduct of their users. Defendants have refused to exercise such
22 supervision and/or control to the extent required under law. As a direct and
23 proximate result of such refusal, Defendants' users have infringed Plaintiffs'
24 copyrights in the Copyrighted Sound Recordings and the Copyrighted Musical
25 Compositions, including by reproducing, adapting, distributing, and publicly
26 performing such Copyrighted Sound Recordings and Copyrighted Musical
27 Compositions.

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1 44. Defendants derive a direct financial benefit, including but not limited to
2 from advertising revenue and from the increased user traffic and increase in value of
3 Defendants' business arising from the "draw" of infringing Copyrighted Sound
4 Recordings and Copyrighted Musical Compositions.

5 45. Each infringement by Defendants in and to the Copyrighted Sound
6 Recordings or the Copyrighted Musical Compositions constitutes a separate and
7 distinct act of infringement.

8 46. Defendants' acts of infringement were willful, in disregard of and with
9 indifference to the rights of Plaintiffs.

10 47. As a direct and proximate result of the infringements by Defendants,
11 Plaintiffs are entitled to damages and Defendants' profits in amounts to be proven at
12 trial which are not currently ascertainable. If necessary, Plaintiffs will seek leave to
13 amend this complaint to state the full amount of such damages and profits when
14 such amounts have been ascertained.

15 48. Alternatively, Plaintiffs are entitled to the maximum statutory damages
16 in the amount of \$150,000 with respect to each work infringed, or for such other
17 amounts as may be proper under 17 U.S.C. § 504(c).

18 49. Plaintiffs further are entitled to their attorneys' fees and full costs
19 pursuant to 17 U.S.C. § 505.

20 50. As a direct and proximate result of the foregoing acts and conduct,
21 Plaintiffs have sustained and will continue to sustain substantial, immediate, and
22 irreparable injury, for which there is no adequate remedy at law. Plaintiffs are
23 informed and believe and on that basis aver that unless enjoined and restrained by
24 this Court, Defendants will continue to infringe Plaintiffs' rights in the Copyrighted
25 Sound Recordings and the Copyrighted Musical Compositions. Plaintiffs are
26 entitled to preliminary and permanent injunctive relief.

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COUNT IV
INDUCING COPYRIGHT INFRINGEMENT
[Against All Defendants]

51. Plaintiffs incorporate herein by this reference each and every averment contained in paragraphs 1 through 50, inclusive.

52. Through their conduct averred herein, Defendants have infringed Plaintiffs' copyrights in the Copyrighted Sound Recordings and the Copyrighted Musical Compositions by inducing others to reproduce, adapt, distribute, and/or publicly perform audio and/or audiovisual works embodying the Copyrighted Sound Recordings and the Copyrighted Musical Compositions without authorization in violation of Sections 106, 115, and 501 of the Copyright Act. 17 U.S.C. §§ 106, 115, and 501.

53. Each infringement by Defendants in and to the Copyrighted Sound Recordings or the Copyrighted Musical Compositions constitutes a separate and distinct act of infringement.

54. Defendants' acts of infringement were willful, in disregard of and with indifference to the rights of Plaintiffs.

55. As a direct and proximate result of the infringements by Defendants, Plaintiffs are entitled to damages and Defendants' profits in amounts to be proven at trial which are not currently ascertainable. If necessary, Plaintiffs will seek leave to amend this complaint to state the full amount of such damages and profits when such amounts have been ascertained.

56. Alternatively, Plaintiffs are entitled to the maximum statutory damages in the amount of \$150,000 with respect to each work infringed, or for such other amounts as may be proper under 17 U.S.C. § 504(c).

57. Plaintiffs further are entitled to their attorneys' fees and full costs pursuant to 17 U.S.C. § 505.

1 58. As a direct and proximate result of the foregoing acts and conduct,
2 Plaintiffs have sustained and will continue to sustain substantial, immediate, and
3 irreparable injury, for which there is no adequate remedy at law. Plaintiffs are
4 informed and believe and on that basis aver that unless enjoined and restrained by
5 this Court, Defendants will continue to infringe Plaintiffs' rights in the Copyrighted
6 Sound Recordings and the Copyrighted Musical Compositions. Plaintiffs are
7 entitled to preliminary and permanent injunctive relief.

8 **COUNT V**

9 **VIOLATIONS OF CALIFORNIA BUSINESS AND PROFESSIONS CODE,**

10 **SECTION 17200**

11 **[Against All Defendants]**

12 59. Plaintiffs incorporate herein by this reference each and every averment
13 contained in paragraphs 1 through 58, inclusive.

14 60. By allowing, facilitating, marketing, and otherwise permitting the
15 phony artist pages, and by using targeted advertising to exploit the phony artist
16 pages along with the Copyrighted Sound Recordings and the Copyrighted Musical
17 Compositions embedded therein, Defendants have engaged in and continue to
18 engage in unlawful, unfair, and/or fraudulent conduct in violation of California
19 Business and Professions Code, Section 17200. Defendants have also engaged in
20 and continue to engage in conduct that is deceptive, untrue and misleading in
21 violation of California Business and Professions Code, Section 17500, which also
22 constitutes a violation of Section 17200.

23 61. Defendants' unlawful, unfair, and/or deceptive acts were willful, in
24 disregard of and with indifference to the rights of Plaintiffs.

25 62. As a direct and proximate result of Defendants' unlawful, unfair, and/or
26 deceptive acts and practices, Plaintiffs have been deprived of money to which they
27 would have otherwise been entitled. Plaintiffs are entitled to restitution of such
28 sums, in an amount which is to be proven at trial and which is not currently

1 ascertainable. If necessary, Plaintiffs will seek leave to amend this complaint to
2 state the full amount of such sums when such amounts have been ascertained.

3 63. As a direct and proximate result of the foregoing acts and conduct,
4 Plaintiffs have sustained and will continue to sustain substantial, immediate, and
5 irreparable injury, for which there is no adequate remedy at law. Plaintiffs are
6 informed and believe and on that basis aver that unless enjoined and restrained by
7 this Court, Defendants will continue to engage in conduct violative of California
8 Business and Professions Code, Section 17200. Plaintiffs are entitled to preliminary
9 and permanent injunctive relief.

10 **PRAYER FOR RELIEF**

11 WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of
12 them, jointly and severally, as follows:

13 1. For Plaintiffs' damages and Defendants' profits in such amount as may
14 be found; alternatively, for maximum statutory damages in the amount of \$150,000
15 with respect to each copyrighted work infringed either directly or indirectly, and
16 with respect to each act of inducing another to infringe one of the copyrighted
17 works, or for such other amounts as may be proper pursuant to 17 U.S.C. § 504(c).

18 2. For a preliminary and a permanent injunction enjoining Defendants,
19 each of them, and their respective agents, servants, employees, officers, successors,
20 licensees and assigns, and all persons acting in concert or participation with each or
21 any of them, from: (i) directly or indirectly reproducing, adapting, distributing,
22 publicly performing (in the case of Plaintiffs' sound recordings, by means of a
23 digital audio transmission), or otherwise infringing in any manner any of Plaintiffs'
24 copyrights (whether now in existence or hereafter created), including, without
25 limitation, the copyrights listed on Schedule A; (ii) causing, contributing to,
26 inducing, enabling, facilitating, or participating in the infringement of any of
27 Plaintiffs' copyrights, including, without limitation, the copyrights listed on
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1 Schedule A; (iii) from displaying its mark and or logo in connection with the display
2 of unauthorized copies of Plaintiffs works.

- 3 3. For restitution.
- 4 4. For prejudgment interest according to law.
- 5 5. For Plaintiffs' attorneys' fees and full costs incurred in this action.
- 6 6. For such other and further relief as the Court may deem just and proper.

7 Dated: November 17, 2006

Respectfully submitted,

8 IRELL & MANELLA LLP
9 Steven A. Marenberg
10 Elliot Brown
11 Gregory A. Fayer

12 By: 

13 Steven A. Marenberg

14 Attorneys for Plaintiffs
15 UMG RECORDINGS, INC.;
16 UNIVERSAL MUSIC CORP.; SONGS
17 OF UNIVERSAL, INC.; UNIVERSAL-
18 POLYGRAM INTERNATIONAL
19 PUBLISHING, INC.; RONDOR MUSIC
20 INTERNATIONAL, INC.

DEMAND FOR JURY TRIAL

Plaintiffs hereby request a trial by jury on all issues triable by jury.

Dated: November 17, 2006

Respectfully submitted,

IRELL & MANELLA LLP
Steven A. Marenberg
Elliot Brown
Gregory A. Fayer

By: 
Steven A. Marenberg

Attorneys for Plaintiffs
UMG RECORDINGS, INC.;
UNIVERSAL MUSIC CORP.; SONGS
OF UNIVERSAL, INC.; UNIVERSAL-
POLYGRAM INTERNATIONAL
PUBLISHING, INC.; RONDOR MUSIC
INTERNATIONAL, INC.

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