

**PUBLIC CITIZEN LITIGATION GROUP**

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**BY EMAIL TO** mhigbee@higbeeassociates.com

November 8, 2019

Matthew Higbee, Esquire  
Higbee & Associates  
Suite 112  
1505 Brookhollow Drive  
Santa Ana, California 92705

Dear Mr. Higbee:

I write in response to your demand letter to the Society for Emblem Studies and the repeated threats to file suit against it despite its having paid double the license fee for a cartoon that previously appeared on the Society's web site.

The Society is a very small non-profit corporation, holding tax-exempt status under section 501(c)(3), that fosters the study of emblem books and related materials in literature and the visual arts, and of their origins and influence on other cultural forms, in all periods, countries and languages. Emblem books are a phenomenon of renaissance civilization; the Society has a small membership around the world, including teachers and students of literature, art-historians, librarians, archivists, and collectors of antiquarian books. Members are supposed to pay annual dues but often do not. Its annual budget is usually a couple of hundred dollars, except when it holds its triennial conference; in those years, its budget reaches about two thousand dollars. Given its size, it files a postcard return rather than a full 990 form, a fact that you can verify using GuideStar.

Your demand letter, sent on behalf of an English company called CartoonStock Ltd., charged the Society with copyright infringement because a cartoon was placed in a November 2011 newsletter, a copy of which remained on the Society's web site until recently. The letter demanded payment of \$1320, justifying that amount as including not only the license fee but also "the costs incurred in detecting and pursuing the unauthorized use." As soon as the Society's treasurer, Elizabeth Black, a faculty member at Old Dominion University who is the only Society officer located in the United States, learned from your letter of the infringement claim, she promptly ensured that the web page containing the cartoon was removed.

Despite that prompt response, Black has received repeated threats from your staff member, Sarah Brant, to "escalate" the demand to your firm's litigation team unless the Society paid money as demanded. Brant ignored the fact that the cartoon had been removed. In fact, she said, her client did not care about the fact, reported to her by Black, that the page on which the cartoon appeared had not received a single visit by an Internet user in the previous five-year period from 2014 to the end



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of 2018. Rather, your law firm is only interested in collecting money because your client's property was supposedly "taken." And, Brant insisted, paying the license fee was not enough. Brant admitted that the copyright has never been registered and that you would have to register before you could sue.

Black investigated and ascertained that the applicable license fee is \$80. Because she was unsure whether a license fee was paid (given that the person who posted the cartoon is no longer with the Society), Black offered to pay \$160, double the license fee, for the Society's past use of the cartoon. Brant did not deny that \$80 is the license fee, but she said that the amount offered was not enough. Rather, she said, your client insists on a payment of \$1000.

Hoping to be done with the matter, Black sent your firm a check for \$160.

Brant has stated, however, that you will either destroy or return the check, and that she has "escalated" the dispute to your firm's litigation team. The theory is that the Society needs to pay for your client's "enforcement" costs which, I take it, means covering your firm's share of the payment. Brant has never explained the basis for her implicit claim that \$920 has been spent on enforcement costs.

Even so, the Society has paid \$160 and that amount is all that it is willing to pay to avoid litigating your claims. The cartoon was taken down promptly, so you have no claim for declaratory or injunctive relief. Because the copyright has never been registered, your client can sue only for actual damages: that means either the Society's profits from the alleged infringement, if any, or the lost license fee. Your client has no claim for any other monetary relief. The assertion in your initial demand letter that your lawsuit could claim attorneys fees was, therefore, an empty threat. The \$160 already sent to your firm, double the license fee, more than covers the amount of any likely actual damages that your client could recover in litigation.

Indeed, although you or your client must have visited the web page in question in 2019, in the course of locating the cartoon there, given the absence of any visits during the five year period beginning in 2014, and considering that the statute of limitations for copyright claims is three years, it is at least arguable that no infringing reproduction took place as a result of the photo sitting on the Society's web site. The only "infringement" would, then, have been the result of your client's own inspection of the page. You would look a bit silly litigating an infringement claim based on such facts, and you might well not even be able to collect actual damages.

Even assuming that there is a claim for actual damages, you and I have previously discussed, in connection with other potential cases, your contention that "actual damages" can include enforcement costs, in cases in which 17 U.S.C. § 412 bars copyright owners from recovering attorneys fees because the copyright was not timely registered. I have found no caselaw supporting a claim for enforcement costs as part of actual damages; when I asked you for such authority, you supplied none. Instead, you told me that when you seek enforcement costs in such cases, it would

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be in the hope of finding something in discovery that warrants statutory damages or attorney fees.

I ask you again for supporting authority for seeking \$920 in enforcement costs as part of the actual damages. Certainly, if you identify a legal and factual basis for this argument, we will consider that. If you have none, yet file suit seeking more than the doubled license fee that has already been sent to your firm, we reserve the right not only to present all applicable defenses, but, in addition, to argue that your decision to sue meets the standards for award of fees to a defendant under *Kirtsaeng v. John Wiley & Sons*, 136 S. Ct. 1979 (2016). Copyright bullies and trolls are facing increasing impatience from the judges before whom they bring needless litigation seeking excessive monetary relief. *Lee v. W Architecture and Landscape Architecture*, 2019 WL 2272757, at \*2 (E.D.N.Y. May 28, 2019); *Pereira v. 3072541 Canada*, 2018 WL 5999636, at \*2 (S.D.N.Y. Nov. 15, 2018).

Despite our qualms about whether your client has **any** viable claims for damages, the Society is not ready to stop payment on the check that it has sent you. But its patience with your bullying is not infinite. I strongly suggest that you take what the Society has generously given you and drop your other claims.

If not, the Society is located in Virginia; I am cc'ing our Virginia co-counsel. We hope that our client does not receive a lawsuit but we are ready to respond if you file.

Sincerely yours,

  
Paul Alan Levy

cc: Robert Schwartz, Esquire  
Seth Greenstein, Esquire