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VIA ECF AND EMAIL

Honorable Katherine Polk Failla
United States District Court
Southern District of New York
40 Foley Square, Room 2103
New York, NY 10007
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**Re: *Polaris Images Corporation v. Enttech Media Group, LLC*, Case No. 1:19-cv-08208
Request for Pre-Motion Conference**

Honorable Judge Failla:

I am managing partner in the office of Tauler Smith LLP, representing the Enttech Media Group, LLC, in connection with the above-captioned matter. I write to respectfully request a pre-motion conference seeking leave to file a motion to dismiss under Rule 12(b)(6) of all claims against Enttech. I have met and conferred with opposing counsel, who will be opposing the motion to dismiss.

Polaris brings one claim for copyright infringement for Defendant's publication of a social media post shared publicly by Rachel Dolezal, an individual who garnered national attention for identifying as African-American while being of European ancestry. Specifically, on June 15, 2019, Dolezal shared on her public Instagram account the news that she was bisexual along with a "selfie," (the "Subject Image") leading to numerous public news outlets publishing articles about Dolezal's revelation, including Defendant, who posted the Instagram post, in its entirety, along with commentary regarding the news. Plaintiff brings the present suit against Enttech for its republication of the Subject Image, asserting that it is the "exclusive licensing agent" of Dolezal and that Enttech's use of the image violates the Copyright Act. Polaris' claim fails as a matter of law for three separate reasons.

First, by posting the Subject Image on third party website Instagram on June 15, 2019, Dolezal has also granted a license to Instagram to use the Subject Image. As such, Polaris is a "nonexclusive licensee" of the Subject Image, and lacks standing to commence a copyright action. *Yong Ki Hong v. KBS Am., Inc.*, 951 F. Supp. 2d 402, 429 (E.D.N.Y. 2013) ("The Copyright Act authorizes only two types of claimants to sue for copyright infringement: (1) owners of copyrights, and (2) persons who have been granted exclusive licenses by owners of copyrights."). Thus, Polaris is (at best) a non-exclusive licensee of the Subject Image, since Instagram also owns a non-exclusive right to the image. *John Wiley & Sons, Inc. v. DRK Photo*, 882 F.3d 394, (2d Cir. 2018). The court concluded that this distinction was dispositive, and held that only an "exclusive licensee is a legal owner of an exclusive right for purposes

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of a copyright infringement action under section 501(b), whereas a non-exclusive licensee is not.” *Id.* at 410 (internal quotations and citations omitted). Several cases are in accord that non-exclusive licensees like Polaris may not pursue claims for copyright infringement. *Eden Toys, Inc. v. Florelee Undergarment Co., Inc.*, 697 F.2d 27, 32 (2d Cir.1982), superseded by rule and statute on other grounds; *Yong Ki Hong v. KBS Am., Inc.*, 951 F. Supp. 2d 402, 429 (E.D.N.Y. 2013)(“*Eden Toys* expressly rejected the argument that anyone other than a copyright owner or exclusive licensee may sue for copyright infringement, even if explicitly authorized to do so by the copyright owner.”).

Second, according to the record of the Subject Image available from the U.S. Copyright Office, the image was first registered on July 20, 2019, over a month after the infringement alleged in the Complaint (June 16, 2019), however, a copyright Plaintiff must hold a valid copyright registration *prior* to filing a civil claim. *Muench Photography, Inc. v. Houghton Mifflin Harcourt Pub. Co.*, 2012 WL 1021535, at *5 (S.D.N.Y. Mar. 26, 2012). “Although registration is not required to obtain copyright protection, see 17 U.S.C. § 408(a), it is a prerequisite to bringing an infringement action in federal court.” *BWP Media USA, Inc. v. Gossip Cop Media, LLC* (S.D.N.Y. 2015) 87 F. Supp. 3d 499, 503. Courts in this Circuit have required that a plaintiff either hold a valid copyright registration outright or have applied and been refused a registration *prior* to filing a civil claim. *Id.* at 504. Thus, Polaris lacks standing to bring the present action, since it was commenced prior to obtaining copyright registration.

Third, Defendant’s use of the Subject Image in providing direct commentary regarding news of national interest is considered “fair use” absolving it from liability under the Copyright Act. 17 U.S.C. § 107. “[T]he fair use of a copyrighted work ... for purposes such as criticism, comment, news reporting, ... is not an infringement of copyright.” 17 U.S.C. § 107. Courts in this Circuit have affirmed that copyright infringement claims may be dismissed pursuant to Rule 12(b)(6) where a comparison of the works at issue is sufficient to decide the question of fair use. See, *TCA Television Corp. v. McCollum*, 839 F.3d 168, 178 (2d Cir. 2016)(“this court has acknowledged the possibility of fair use being so clearly established by a complaint as to support dismissal of a copyright infringement claim”), petition for cert. filed, No. 16-1258 (U.S. Apr. 18, 2017).

To determine whether use of a work is fair, courts consider several factors: “(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work.” See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577 (1994).

Courts developed three guidelines for applying the first factor: (1) whether the material was used for any of the favored purposes specifically mentioned in the statute, and (2) whether the defendant used the material for a meaningfully different or “transformative” purpose than the original. If so, then (3) whether the defendant is a for-profit or non-profit entity deserves little consideration. *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578-79 (1994). Defendant’s use if for favored purposes specifically mentioned in the Copyright Act. “News reporting” and “comment” are favored uses under the Copyright Act, specifically identified as likely fair use. See 17 U.S.C. § 107; *TCA Television Corp.*, 839 F.3d at 179. Defendant’s use of the Subject Image by using the Instagram Post in its entirety and reporting on the announcement of Dolezal constitutes a favored purpose under the Copyright Act.

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Defendant's use of the photograph is transformative. [C]opying from an original for the purpose of criticism or commentary on the original or provision of information about it, tends most clearly to satisfy" the transformative use prong. *Authors Guild v. Google, Inc.*, 804 F.3d 202, 215–16 (2d Cir. 2015)(footnotes omitted). Thus, "[d]isplay of a copyrighted image or video may be transformative where the use serves to illustrate criticism, commentary, or a news story about that work." *Barcroft Media, Ltd. v. Coed Media Grp., LLC*, 297 F. Supp. 3d 339, 352 (S.D.N.Y. 2017). Defendant's use of the Subject Image was transformative since it was a direct copy of the news itself, the Instagram Post, which contained the Subject Image, and was used strictly for the purpose of conveying information to the public accurately. Moreover, Defendant's use of surrounding commentary similarly demonstrates transformative use. As such, Defendant's use of the Subject Image satisfies the second prong.

Defendant's a for-profit entity. Since both prongs are established, Defendant's existence as a for-profit business "deserves little consideration." *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578-79 (1994).

With respect to the second factor, "The law generally recognizes a greater need to disseminate factual works than works of fiction or fantasy." *Harper & Row*, 471 U.S. at 563, 105 S.Ct. 2218; *accord Authors Guild*, 755 F.3d at 96. The Subject Image was embedded in the Instagram Post, which itself was intended to be factual and informational. Defendant's republication likewise had the intent to disseminate the news Dolezal published willingly and publicly. Thus, this element weighs in favor of Defendant's claim for fair use.

In examining the third factor, courts consider "the proportion of the original work used, and not how much of the secondary work comprises the original." *Cariou*, 714 F.3d at 710; *accord Harper & Row*, 471 U.S. at 565, 105 S.Ct. 2218. Defendant used the entire Instagram Post, and necessarily the Subject Photo embedded therein in its reporting as copying less would have made Defendant's use of the Subject Image useless. This factor is therefore neutral.

With respect to the fourth factor, the court looks to not only the market harm caused by the particular infringement, but also to whether, if the challenged use becomes widespread, it will adversely affect the potential market for the copyrighted work. *Harper*, 471 U.S. at 568, 105 S.Ct. 2218. Here, Plaintiff does not earn any money from Instagram's license of the Subject Image. Moreover, the image is accessible to the public via Instagram's license at no cost, and the Complaint does not cite to any marketplace for the Subject Image. Thus, this factor militates towards a finding of fair use. Given that Defendant's use of the Subject Image was limited to news reporting and commentary of the Instagram Post Ms. Dolezal published on the Instagram platform and made publicly available, the Court should find that Defendant's use of the Subject Image was fair use.

For the foregoing reasons, Enttech respectfully seeks a conference to set a briefing schedule for Enttech's motion to dismiss.

Respectfully submitted,



Robert Tauler, Esq.