

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
Miami Division

CASE NO. 97-3924-CIV-SIMONTON

NIGHT BOX
FILED

JUL - 7 2003

CLARENCE MADDOX
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JERRY GREENBERG, individually,

Plaintiff,

vs.

NATIONAL GEOGRAPHIC
SOCIETY, a District of Columbia
corporation, NATIONAL GEOGRAPHIC
ENTERPRISES, INC., a corporation,
and MINDSCAPE, INC., a
California corporation,

Defendants.

**PLAINTIFF'S RESPONSE TO DEFENDANTS'
SUPPLEMENTAL MEMORANDUM OF LAW ON
THE ISSUE OF THE APPROPRIATE BURDEN OF PROOF**

Plaintiff JERRY GREENBERG ("Greenberg"), submits this memorandum in response and opposition to the arguments contained in the Supplemental Memorandum of Law on the Issue of the Appropriate Burden of Proof served by the Defendants, NATIONAL GEOGRAPHIC SOCIETY, NATIONAL GEOGRAPHIC ENTERPRISES, INC., and MINDSCAPE, INC. (together "the Society").

I. Introduction

Juries usually reach the right answer in most cases, such as this one, because they see through the lawyers' self-interested arguments in favor of common sense, right and wrong, and a

loyal obedience to and reliance upon the law and the values the law supports. The Society lost at trial, quite correctly, because its entire case was premised on a never-ending search for a litigation advantage rather than simple obedience to the law. Had it simply obeyed the law, albeit to its economic detriment, it would not have been found to be a copyright infringer, and at least would not have been found to be a willful infringer. Rather, the Society chose to rely on a blame-the-lawyers strategy as an excuse for willful infringement of Greenberg's copyrights *even after* a court of appeals found that the Society's legal position was wrong. The jury was unimpressed.

Now, after the trial, the Society is taking the ironic position that the Court's jury instructions during the trial were wrong on something as basic as the burden of proof in a copyright case. Now the Society's lawyers have concluded that they, the Plaintiff's lawyers (who are at the very least competent intellectual property lawyers), and the Court (who spent a great deal of time and effort to get things right throughout the trial) were all wrong on that fundamental issue. As a result, they say, the jury's verdict should be thrown out and we should start all over again.

Apart from the palpable irony in this approach, it is also remarkable for its desperation. The Society's lawyers are indeed competent and did not commit such an error during the trial. Neither did the Plaintiff's lawyers or the Court. It is both desperate and meritless for the Society to now take the position that the burden of proof in this case should have been "clear and convincing" as opposed to a preponderance of the evidence. They know it and their lawyers know it. The law in this aspect is absolutely *not* "unsettled." There is not a single opinion, treatise or model jury instruction that supports the position the Society now takes after the trial. The Society's newly-found position is simply the latest contrivance to evade responsibility for its

misguided decisions. The Court should reject this argument in all respects, deny the pending post-trial motions filed by the Society, and enter judgment in accordance with the jury's verdict for the reasons set forth in Greenberg's post-trial memorandum.

In short, there are many reasons why the Court should reject the Society's latest theory for undoing this jury's verdict. First, the correct instruction in this case on the burden of persuasion is "preponderance of the evidence" and not clear and convincing or anything else. Second, the Court correctly instructed the jury on the well-established standard for finding willfulness (actual knowledge or reckless disregard of the high probability that copyrights were being infringed). Third, simply because patent law may require a heightened burden on a litigant to prove various elements in a patent case does not require copyright to follow. It has always been the case that patent and copyright law diverge in many respects. Fourth, *even if the Society and its lawyers are now right* as to the appropriate burden of persuasion, the Society still cannot prevail. The error here, if there was one, was an *invited error*. The Society's lawyers did not simply stay silent on the issue of the burden of proof, but instead expressly and repeatedly agreed and requested the form of the Court's instruction. As a result, they forever waived the right to raise this issue now even if it was plain error. And Fifth, even under a clear and convincing standard, the Society would still lose because the Society's actions in this case *as a matter of law* amount to willful infringement. No matter how you look at it, the jury's verdict should not be set aside based on the Society's latest concoction.

II. The Court Correctly Instructed the Jury on the Burden of Persuasion for Willfulness in a Copyright Case

There is no question that the correct standard for determining willfulness under the copyright statute to award enhanced statutory damages is simply whether the defendant had

knowledge that its conduct represented infringement or recklessly disregarded the possibility or probability of infringement. *Hamil America, Inc. v. GFI*, 193 F.3d 92, 97 (2d Cir.1999), *cert. denied*, 528 U.S. 1160; *Twin Peaks Productions, Inc. v. Publications Int'l*, 996 F.2d 1366, 1382 (2d Cir. 1993) (citation omitted); *see also N.A.S. Import Corp. v. Chenson Entertainment, Inc.*, 968 F.2d 250, 252 (2d Cir. 1992) (reckless disregard of the copyright holder's rights suffices to warrant enhanced damages for willful infringement); *National Football League v. PrimeTime 24 Joint Venture*, 131 F.Supp. 2d 458, 475-76 (S.D.N.Y. 2001) (“‘willfulness’ in the context of statutory damages for copyright infringement means that the infringer either had actual knowledge that it was infringing the plaintiffs’ copyrights or else acted in reckless disregard of the high probability that it was infringing plaintiffs’ copyrights”) (quoting *UMG Recordings, Inc. v. MP3.Com. Inc.*, 00 Civ. 472, 2000 WL 1262568 at *4 (S.D.N.Y. Sept.6, 2000)); *Fitzgerald Publ'g Co. v. Baylor Publ'g Co.*, 807 F.2d 1110, 1115 (2d Cir.1986); 4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 14.04[B][3] (2001 ed.); 2 William F. Patry, *Copyright Law & Practice* at 1173-74 (1994).

Accordingly, the Court properly instructed the jury on the standard for willfulness that had to be satisfied before the jury could enhance any statutory damage award to a maximum of \$100,000 per work infringed. The jury indeed awarded Greenberg the maximum award for each of the four works infringed, thereby requiring that the Court enter judgment in his favor in the amount of \$400,000. The Society now claims, however, that this otherwise correct instruction on the law was plainly erroneous because the Court did not instruct the jury to reach their decision based upon “clear and convincing evidence.” Instead, the Court’s instruction – which was *agreed to* repeatedly during the trial by the Society’s lawyers – asked the jurors to weigh the

evidence under the traditional “preponderance of evidence” standard that is customary for any civil action.

The Society admits, as it must, that the law as it stands today does not support its newly found position. The Society admits that the copyright statute, 17 U.S.C. § 504, does not require any heightened burden of proof, such as “clear and convincing evidence,” in order for willful statutory damages to be awarded. To the contrary, the statute provides only that:

In a case where the copyright owner sustains the burden of proving, and the court finds, that infringement was committed willfully, the court in its discretion may increase the award of statutory damages

17 U.S.C. § 504(c)(2).

The caselaw interpreting the statute also defeats the Society’s position. There is not a single case where a court has required or sustained in any way the principle that willfulness for copyright purposes requires clear and convincing evidence. Indeed the most expansive discussion is found in the *UMG Recordings* case, acknowledged by the Society at page 5 of their Memorandum. But the Society wrongly suggests that there was no insight there why the clear and convincing standard was rejected. *UMG Recordings Inc. v. MP3.COM, Inc.*, 2000 WL 1262568, *1 (S.D.N.Y. Sept. 6, 2000). To the contrary, the reason the argument was rejected was because the court could find “*no persuasive support [for] defendant’s contention that plaintiffs should have to carry the higher burden of proof. . . .*” That statement is absolutely correct; there is no persuasive support, either in the statutory language, the comments to the copyright statute, any caselaw interpreting it, or even any commentators on the subject, where

any persuasive argument is made why a finding of willfulness in copyright actions should be treated differently than any other of the myriad of findings made in civil actions every day.¹

Moreover, as the Society also acknowledges, in none of the cases discussing or making willfulness determinations, many of which are cited above, did the courts impose any heightened evidentiary burden on the plaintiff as the Society now belatedly requests. To the contrary, those cases analyzed the willfulness issue under the traditional actual knowledge/reckless disregard standard and imposed willful statutory damages, without ever requiring "clear and convincing" evidence. *See, e.g., NFL Primetime*, 131 F. Supp. 2d at 475-76.

Furthermore, the Ninth Circuit Court of Appeals has addressed the issue in part by reviewing the state of the law and adopting model jury instructions for that circuit that expressly required only a preponderance of evidence standard for a willfulness finding. The Ninth Circuit, as recently as 2001, adopted pattern instructions in copyright infringement actions. As this Court knows, the Ninth Circuit is a leading circuit in the area of copyright law. These pattern instructions are thus routinely relied upon by other courts as well. The Ninth Circuit adopted the following instruction for willfulness cases:

The plaintiff contends that the defendant willfully infringed the [] copyright[s]. *If the plaintiff proves by a preponderance of the evidence willful infringement, you may, but are not required to, increase the statutory damages for infringement of that work to a sum as high as \$150,000. An infringement was willful when the defendant engaged in acts that infringed the copyright, and knew that those actions may infringe the copyright.*

¹ The Society also incorrectly strains to argue that a clear and convincing burden of proof was actually applied in the case of *Dean v. Burrows*, 732 F. Supp. 816 (E.D. Tenn. 1989). That case did not actually hold that there was any such burden required for a willfulness finding. The court, on a bench trial on damages for a defaulted defendant, simply concluded as a matter of fact that the evidence for willfulness was clear to the court. That is a far cry from the Society's claim that *Dean* adopted the argument the Society raises here for the first time.

Ninth Circuit Model Jury Instr. § 20.25, at 353 (Rev. 2001) (emphasis added). This instruction has been followed by authoritative treatises for jury instructions. See Devitt & Blackmar, *Instructions for Federal Civil Cases* § 160.93 (2002).

The Ninth Circuit's adopted instruction is based upon the current and correct state of the law. It formed the basis of the instruction this Court provided to the jury. The Ninth Circuit's instruction also clearly debunks the argument in the Society's Memorandum that this is an "unsettled" area of law. There is nothing unsettled about it.

The Society is undaunted, however, because they believe that courts can simply assign the appropriate standard of proof depending on the type of case or issue that is involved. That is not actually the case. There is a well recognized presumption in federal law that any fact to be proven in civil litigation must be proven by a preponderance of the evidence. *E.g.*, *Price Waterhouse v. Hopkins*, 490 U.S. 228, 253, 109 S. Ct. 1775, 1792 (1989) ("parties to civil litigation need only prove their case by a preponderance of the evidence"); *Herman & MacLean v. Huddleston*, 459 U.S. 375, 390, 103 S. Ct. 683, 691 (1983). Under Rule 301, Fed. R. Evid., that and all other traditional presumptions apply in all civil actions unless otherwise provided by an Act of Congress or by the Rules, or unless the U.S. Supreme Court changes that presumption in a given case for specific and narrow public policy reasons. Thus, the Supreme Court has made clear that "exceptions to this standard are *uncommon*, and in fact are *ordinarily recognized only when the government seeks to take unusual coercive action* – action more dramatic than entering an award of money damages or other conventional relief – against an individual." *Price Waterhouse*, 490 U.S. at 253, 109 S. Ct. at 1792 (collecting examples in the caselaw such as termination of parental rights, involuntary commitment, deportation, denaturalization, and actual malice for defamation actions involving public figures) (emphasis added). Exceptions to the

traditional rule have thus been “reserved to protect particularly important interests in a limited number of civil cases.” *California ex rel. Cooper v. Mitchell Bros.*, 454 U.S. 90, 93, 102 S. Ct. 172 (1981). Accordingly, “only rarely have we required clear and convincing proof where the action defended seeks only conventional relief.” *Price Waterhouse*, 490 U.S. at 253, 109 S. Ct. at 1792.

If the heightened proof requirement applies only to “particularly important” cases like ones that involve unusual governmental coercive action, then even if this Court wanted to apply such a standard here it could not reasonably do so. This case is only about conventional relief under the copyright statute. There is no overwhelming governmental interest at stake if the Society has to pay \$100,000 versus \$20,000 in damages for the copyrighted works infringed.

In *Price Waterhouse*, for instance, some lower courts had held that proof of a mixed motive defense for an employer in a Title VII case (proof that the employer tainted with discriminatory animus would have made the same decision in the absence of discrimination) should require clear and convincing evidence. The argument was based upon the societal goal of preventing discrimination in the workplace, which purportedly required a greater showing by an employer than the normal civil presumption would require. The Supreme Court, however, unanimously rejected that approach based upon the scarcity of cases where a heightened burden of proof is required. 490 U.S. at 252-254, 109 S. Ct. at 1792-93.² The Court compared that case with other cases involving “vitally important” policies where a heightened standard is not

² All nine Justices rejected the “clear and convincing” argument. The Justices in the majority conferred upon the defendant/employer the burden of proving by a preponderance of the evidence that an employment decision would still have been made, while the dissenting Justices would have left that burden on the plaintiff/employee to disprove – but still based upon a preponderance of the evidence.

required. "Each of these policies is vitally important, and each is adequately served by requiring proof of a preponderance of the evidence." *Id.* at 254, 109 S. Ct. at 1793.

The Society tries to claim that willfulness in copyright actions is akin to actual malice claims in defamation actions that require clear and convincing proof. But what is the basis for that? The Supreme Court expressly distinguished defamation actions involving public figures from all other conventional actions in civil litigation in the *Price Waterhouse* case. 490 U.S. at 253, 109 S. Ct. at 1792 (distinguishing *Gertz v. Robert Welch, Inc.*, 418 U.S. 323, 342, 94 S. Ct. 2997, 3008 (1974)). And, the Society forgets that malice is *not* an issue when it comes to willfulness in copyright actions. *E.g., Fitzgerald Publishing Co., Inc. v. Baylor Publishing Co., Inc.*, 807 F.2d 1110, 1115 (9th Cir. 1986) ("a court need not find that an infringer acted maliciously to find willful infringement"). There is no constitutional right to infringe on another's copyright. If the jury finds that infringement occurred with actual knowledge or reckless disregard under a preponderance standard, that should be and is enough.

The Society then devotes ten pages of its Memorandum to the argument that this Court should be the first to adopt a clear and convincing standard for willfulness based upon the analogy to willfulness in patent cases that requires clear and convincing evidence. The Society claims that the current state of copyright law has not caught up to the patent law, and that the willfulness finding is akin to a quasi-criminal finding that requires a heightened standard. Yet, the Society's Memorandum is remarkably silent on any support for these propositions, other than the conclusory and self-interested views of the Society and its lawyers. There is no support whatsoever presented by the Society, either from a judicial opinion, a dissenting opinion, a treatise, or anywhere else, for that proposition. Apparently, only the Society has taken up this cause. That is, of course, telling.

In its zeal to come up with some basis to overturn this jury's verdict, the Society forgets some fundamental distinctions between copyright and patent law. Patent law has traditionally required a heightened burden for various elements involved in a patent infringement case. To prove that a patent is invalid, for instance, both under the common law and by statute, a party must show clear and convincing evidence of invalidity to overcome the heavy presumption of validity. *See*, 35 U.S.C. § 273(4); *Gillette Co. v. S.C. Johnson & Son, Inc.*, 919 F.2d 720, 723 (Fed. Cir. 1990). Under copyright law, proof of an invalid copyright or copyright registration does not require a similarly heightened burden. There is only a prima facie inference of validity that the copyright holder must overcome under traditional evidentiary burdens. *See generally* M. Nimmer, *Nimmer on Copyright* § 12.11 (2002). That is so because a copyright is deemed to exist the second the pen comes off the paper. A patent, on the other hand, requires an exhaustive process involving the Patent and Trademark Office, whereby claims for a patent are analyzed and reanalyzed. Once a patent issues, there is a strong presumption of validity (therefore requiring clear and convincing evidence to overcome it) because of the deference courts must give to the exhaustive process that resulted in the issuance of the patent. In copyright cases, on the other hand, there is no similar exhaustive process, and that is why the copyright carries with it only a prima facie basis of validity.

If copyright law is supposed to mirror patent law, why then would the burden of proof for invalidity be different? For the same reason that proof of an infringement itself in copyright actions – substantial similarity – is not the standard used in patent cases. Patent cases require proof that the accused device embodies all the elements or claims of a pre-existing valid patent, either literally or under the doctrine of equivalents. *E.g.*, *Carroll Touch Inc. v. Electro Mechanical Sys., Inc.*, 15 F.3d 1573 (Fed. Cir. 1993). Thus patent law and copyright law do *not*

mirror each other and are not supposed to do so. They are distinct statutory rights that require distinct remedies and procedures.

Thus, it is not the least surprising that for two centuries patent and copyright actions have involved differing standards. In patent law it has been long-established that willfulness for patent cases requires clear and convincing evidence. During that entire period, neither the Congress nor any court has ever adopted a similar standard for willfulness in copyright actions. That is, of course, strong historical precedent for not interfering or upsetting the current legal framework in copyright cases for willfulness.

An even stronger distinction between this case and patent cases is the fact that the judicially created heightened burden in patent cases has been adopted and ratified by statute. For patent invalidity, the Congress expressly adopted the clear and convincing standard in 35 U.S.C. § 273(4). For willfulness, the Congress has amended the patent damage statute several times, knowing that courts have traditionally required clear and convincing evidence for willfulness, but without making any change to that burden despite passage of many other amendments. *See* 35 U.S.C. § 284.

This is significant because Congress is presumed to know the existing law pertinent to legislation it enacts. *Goodyear Atomic Corp. v. Miller*, 486 U.S. 174, 108 S. Ct. 1704 (1988). Thus in the last major revisions to the patent statute, in 1952 and 1999, Congress knew about but did not change the heightened burden standard through its amendments of the damages statute. This is itself “clear and convincing” evidence that the Congress has acknowledged and ratified that standard for use in patent cases.

The opposite conclusion must be reached in copyright cases. At the time of the passage of the 1976 Copyright Act, Congress knew two things; that the state of the law in patent cases for

willfulness required clear and convincing evidence, while the copyright statute did not. Yet, Congress in 1976 chose not to introduce a heightened burden into the copyright act. That is significant historical evidence that no clear and convincing evidence standard can be applied to willfulness actions in copyright claims, unless *the Congress* decides to amend the statute itself. Clearly, had the Congress in 1976 or during any other revision of the statute intended to require a heightened burden of proof, it could have easily said so.

It is also particularly important to remember that the statutory damages statute has been amended several times, as recently as 1999. Pub.L. 106-160 §4, 113 Stat. 1774 (Dec. 9, 1999). Throughout these amendments, the Congress was aware of the existence of heightened burdens of proof in other cases, including patent cases upon which the Society now relies, yet the Congress specifically did not include a heightened burden requirement in the copyright statutory damage provision. Clearly, when the Congress wants to introduce a heightened burden requirement, it does so in unambiguous terms. That same year, for instance, while Congress did not require clear and convincing evidence for copyright cases, it did require that standard to be met in cases involving punitive damages over “Y2K” claims. *See* 15 U.S.C. § 6604(a). Thus there is no dispute that when Congress wants to require this heightened burden it says so. When it does not, however, courts should not read such an unusual requirement into the statute.

Clearly, if any court were going to take such a step, notwithstanding the complete absence of statutory support, it would have been the U.S. Supreme Court in 1998 when it ruled that juries, not judges, would have to determine all issues pertinent to an award of statutory damages. *Feltner v. Columbia Pictures Television, Inc.*, 523 U.S. 340, 118 S. Ct. 1279 (1998). The Supreme Court’s opinion in *Feltner* conducts an exhaustive historical review of copyright infringement actions and concludes that statutory damage actions are actions at law that carry the

traditional legal relief in civil litigation, “compensation and punishment.” *Id.* at 352, 118 S. Ct. at 1287. Thus only juries can determine the amount of such damages as it is well understood that in civil litigation “the jury are judges of the damages.” *Id.* at 353, 118 S. Ct. at 1287 (citation omitted). The Court, therefore, held that juries would have to continue to perform that traditional function in statutory damage cases pursuant to the Seventh Amendment. *Id.* at 354-55, 118 S. Ct. 1287-88.

The Supreme Court clearly understood in *Feltner* the implications of its decision, including the fact that juries would be making “all” statutory damage findings including willfulness, yet the Court did not express any reservation whatsoever that juries may be incapable of doing so. To the contrary; the Court viewed statutory damage cases as being “peculiarly within the province of the jury” because of its discretionary nature. *Id.* at 353, 118 S. Ct. at 1287 (citation omitted). Nor did the Court believe that trial courts have to restrain the jury’s traditional role by imposing a heightened burden requirement. If the Court had been as concerned about the jury’s ability to strictly follow the law as the Society now claims to be, then it would have said so. It did not, choosing instead to categorize copyright statutory damage cases as any other civil action at law seeking conventional legal and monetary relief.

Accordingly, based upon the traditional rule set forth in *Price Waterhouse* and the Supreme Court’s categorization of statutory damage cases in *Feltner*, the Society’s attempt to reshape the law must be rejected. The Society argues, finally, that many other similar types of actions require a heightened standard. Yet, its own Memorandum shows that virtually all of those other actions require a heightened burden *by statute*. Memorandum at 7 n.5. What is most significant about those actions is that they are *not* copyright actions under Title 17 of the United States Code that does *not* require a similar burden. The Society cannot overcome this undeniable

fact. Thus, this Court, the Plaintiff's lawyers, *and* the Society's lawyers reached the right conclusion during the trial. The jury was properly instructed on the burden of persuasion.

III. The Society Has Forever Waived the Right to Raise the Clear and Convincing Issue Based Upon the Invited Error Doctrine

Even assuming that the Society's argument is actually correct, which it is not, the Society has forever waived the issue because it repeatedly agreed to, accepted, and even requested the Court's willfulness instruction with regard to the burden of persuasion. The Society tries to relegate this dispositive fact to a small footnote at page 2 of the Memorandum. The Society there admits that it "accepted" the burden of proof proffered by Greenberg during the trial and "agreed that such instruction should be tendered to the jury." Indeed, the Society did much more than that. The end result of this is, contrary to the Society's contention, there is no "plain error" escape clause that allows the Society to absolve itself of its waiver. The Eleventh Circuit decisions on point resolve this issue and preclude the Society from trying to raise the meritless argument after the trial.

A. The Society Expressly and Repeatedly Invited the Alleged Error

The Society contends that it ultimately "accepted" the Court's instruction on the burden of persuasion for willfulness as if it were a passive participant. Based upon the law set forth in Section B below, even this mild concession is totally dispositive of the issue. But it is useful to review just how all-encompassing the Society's "acceptance" of the instruction really was.

The original jury instructions filed with the Court by the Society admittedly did not contain a reference to preponderance of the evidence in the willfulness instruction. That proposed instruction, however, clearly *did not* make any reference to a clear and convincing standard. [D.E. 220] Thus, at the outset, the Society waived the issue even before the trial began.

Moreover, the parties' Pretrial Stipulation contained no provision that there was any outstanding issue as the appropriate burden of persuasion to apply. [D.E. 230] That too constituted a waiver of the issue under this Court's Local Rules.

During the trial, however, the Court required the parties to combine their proposed instructions, review the issues again, and set forth their agreed and disputed instructions in a single document. That document, the parties' Joint Proposed Instructions, was filed on March 3, 2003. [D.E. 266]. The parties' proposed joint instruction on willful infringement, D.E. 266 at 13, clearly provided for a preponderance of evidence instruction for willfulness. That language was in the "agreed" section of the joint instruction. Thus, the Society squarely took a position on the issue and agreed with the Plaintiff that preponderance was the proper standard. Moreover, in the following section where the parties' proposed additions or substitutes were set forth, the Society *did not* ask for a clear and convincing instruction. Again, a clear waiver.

That is not all, however. The Society was repeatedly inviting this Court to examine the willfulness issue based upon a *preponderance of the evidence* standard during the arguments on the Rule 50(a) motions. Specifically:

[Ms. Altman] Furthermore, Your Honor, as an additional basis -- although I think on the first two alone we have clearly established that an order or instruction of willfulness should not go to the jury. But even if none of those things were true -- and they are -- there are were [sic] bases that Plaintiffs did not meet their burden by a *preponderance of the evidence*.

Tr. 4.112.

[Ms. Altman] I'll continue the rest of my argument after Plaintiffs. But I would submit to the Court as a matter of law the Plaintiffs did not meet their burden by a *preponderance of the evidence*. They are not entitled to have an instruction go to the jury on willfulness, and we ask for a directed verdict on that point.

Tr. 4.115.

Thus, the Society was again agreeing with Greenberg that preponderance of the evidence was the correct standard to apply and *inviting and requesting* that Court adopt that standard. Moreover, during the jury instruction arguments, the Society again reaffirmed its belief that preponderance was the correct standard and even suggested to the Court several times that preponderance instructions be inserted into the Court's draft, even to the point of citing the Ninth Circuit's pattern copyright instruction:

[Ms. Altman] That's correct, with one caveat which I raised with Mr. Torres before the hearing this morning. In our haste to get this prepared for the Court, I noted that there's not an instruction on *preponderance of the evidence* and what that means. We have agreed, I think -- but I'll let Mr. Torres speak for himself -- that we will use the pattern instruction on that. But I do believe there needs to be an instruction of that nature, and I think we also agreed that it would come after impeachment of the witnesses.

Tr. 5.6.

[Ms. Altman] I'd like to hand the Court -- we were able to agree on the pattern for *preponderance of the evidence* [as to willfulness]. So I think we feel like we actually accomplished something.

Tr. 5.215-16.

The Court, in reliance upon the Society's arguments, inserted that very same preponderance instruction into the Court's draft. Tr. 5.11, 25; 6.256-57. Moreover, during those same arguments, the Society's lawyers suggested various amendments to those very same instructions, which the Court adopted:

[Court] I will explain these terms in a few moments. However, I want to tell you at the outset, and I will just say that the Plaintiff has the burden of proving willful infringement by a *preponderance of the evidence*. And the Defendant has the burden of proving innocent infringement by a *preponderance of the evidence*. And then I go on and take up from the pattern. Is there any objection to that, Mr. Zack?

[Mr. Zack] *No, Your Honor. As amended, no.*

[Court] Okay. So I will amend the burden of proof instruction as to that.

Tr. 6.257.

Finally, not only did the Society agree to this instruction and propose revisions to the language to make it acceptable to the Society, the Society's lawyers asked for additional clarifying instructions related to the preponderance of evidence standard that would make things crystal clear for the jury:

[Court] Okay. Moving right along, Defendants' state of mind instruction is I believe -- and, again, I'm just going by memory. That is the Defendants' state of mind instruction that I intend to give. Since you went through my -- or you asked for my instructions, that's what I'm using, although I could use -- and I will ask you is there an objection that you want to preserve for the record with respect to the Defendants' state of mind instruction as I handed it out to you?

[Mr. Zack] The only thing I would add, Judge, is that if Mr. Greenberg proves by a *preponderance of the evidence* that the infringement was willful -- if the Society proves by a *preponderance of the evidence*, in both places. I'm not trying to be arbitrary with the language. It's just consistent with the previous instruction on *preponderance of the evidence* and with the jury verdict form.

[Court] Is there any objection to that, Mr. Davis or Mr. Torres?

[Mr. Davis] No, Your Honor.

Tr.6.277.

Therefore, the Society during the trial did not simply cursorily or silently accept Greenberg's proposed instruction on the burden of persuasion; rather, the Society fully adopted it from the outset and repeatedly invoked that standard throughout the trial and even asked the Court to add language to the instruction to make it clear to the jury that preponderance of the evidence was the correct standard for them to apply.

B. The Society Therefore Invited Any Error and Can No Longer Raise the Issue

The Society's Memorandum argues that in the Eleventh Circuit a trial court may undo an erroneous standard of proof instruction even after the trial and even if the prejudiced party did

not object during the trial. Memorandum at 3-5. Surprisingly, the Society failed to cite the Court to the glaring exception in the “plain error” caselaw cited in its Memorandum that blows a gaping hole through the Society’s argument.

The general rule for this issue is set forth in Rule 51, Fed. R. Civ. P., which provides that “[n]o party may assign as error the giving or the failure to give an instruction unless the party objects thereto before the jury retires to consider its verdict, stating distinctly the matter objected to and the grounds of the objection.” This rule exists to “prevent unnecessary new trials because of errors the judge might have corrected if they had been brought to [her] attention at the proper time.” *Pate v. Seaboard R.R.*, 819 F.2d 1074, 1082 (11th Cir. 1987). The only exception to this is if the error committed is so “fundamental as to result in a miscarriage of justice” if relief is not granted. *E.g., United States v. Humphrey*, 164 F.3d 585, 588 (11th Cir. 1999).

The Society boldly relies upon this “plain error” doctrine to argue that their failure to object to the preponderance instruction should be ignored because the supposed error on the burden of persuasion was so fundamental to the outcome of the trial. That is untrue and, more importantly, immaterial. The plain error theory the Society relies upon is irrelevant in this case because this is a case involving the “invited error” doctrine, as the Eleventh Circuit recently reaffirmed in *Ford v. Garcia*, 289 F.3d 1283 (11th Cir. 2002). “This court has held that where a party, rather than just remaining silent and not objecting to a proposed jury instruction, responds to the court’s proposal with the words ‘*the instruction is acceptable to us*,’ this constitutes invited error.” *Id.* at 1294 (citing *United States v. Fulford*, 267 F.3d 1241, 1247 (11th Cir. 2001)).

As a result, the Eleventh Circuit holds, the objected-to instruction can *never* be challenged after the trial even if plain error would otherwise be shown. That is based upon the

cardinal rule that “a party may not challenge as error a ruling or other trial proceeding invited by that party.” *United States v. Ross*, 131 F.3d 970, 988 (11th Cir. 1997), *quoted in Ford*, 289 F.3d at 1294. As the court held in *Ford*, “where invited error exists, it precludes a court from ‘invoking the plain error rule and reversing.’” *Ford*, 289 F.3d at 1294 (quoting *United States v. Davis*, 443 F.2d 560, 564-65 (5th Cir. 1971)).

In *Ford*, the Eleventh Circuit found that a belated objection to a proximate cause instruction could not be raised under the plain error doctrine because the plaintiff had accepted the form of the instruction by agreeing that it was “exactly right” and by even proposing changes to that same instruction. 289 F.3d at 1294 n.12. Accordingly, the court had “no trouble concluding that the challenged instruction constituted invited error” that was forever foreclosed from review even if it had been the product of plain error. *Id.*

Here, the Society invited the Court’s alleged error no less than *seven* times, both in “agreeing” to the language in the parties’ proposed joint instruction and during the arguments on the Rule 50 motions or jury instructions. As set forth above, the Society did not merely blindly accept the preponderance instruction; rather, it wholeheartedly adopted it, proffered it, and even sought amendments to it to make it even clearer to the jury that preponderance was the standard to apply to both the innocent *and* the willful infringement instructions. In other words, as the Society admits, the Society repeatedly “accepted” and “agreed to” the challenged instruction.

As applied here, therefore, *Ford* is on all fours. Not only did the Society accept the form of the instruction once or twice as in *Ford*, they did so at least seven times in a variety of ways. They unequivocally agreed to the language, accepted it as correct, and even proposed and requested changes to the instruction to make it clear that preponderance of the evidence was the correct standard. That is *per se* invited error, which cannot now be challenged after the trial even

if there was plain error. The Society's arguments to the contrary must, therefore, be entirely rejected.

IV. Even if The Society Was Right, The Court Should Still Enter Judgment for Willfulness in Greenberg's Favor

Even if the Society was right that clear and convincing evidence was now the standard to apply to a willfulness finding, and even if they could raise the issue now belatedly after they agreed to the instruction during the trial, the Society would still not prevail.

As previously argued by Greenberg, there can be no doubt that the Society's decision to continue infringing the Greenberg copyrights after the Eleventh Circuit's decision became final constitutes willful infringement. That is because, by that point, the Society clearly had actual knowledge, even under a clear and convincing standard, that its activities were infringing on Greenberg's copyrights. Any lingering doubt about that in the Society's mind should then have been totally resolved when this Court refused to reopen the case for liability and permit the Society to raise new defenses that were both meritless and untimely. The Society, however, persisted; it continued to market and sell an infringing in violation of Greenberg's copyrights. Under *NFL Primetime*, that is a textbook case of willful infringement. Once two court decisions informed the Society that its legal defense was unavailable and its conduct amounted to infringement, the Society had to cease and desist. It did not do so, *even as the trial itself was being conducted*.

Accordingly, no matter how one looks at this issue, the jury's verdict must be upheld and judgment entered against the Society for willful copyright infringement as previously argued in Greenberg's response to the pending post-trial motions.

Dated: July 7, 2003

Respectfully Submitted,

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Certificate of Service

I hereby certify that a copy of the foregoing memorandum was served by mail on Edward Soto, Esq., Weil, Gotshal & Manges LLP, 701 Brickell Avenue, Suite 2100, Miami, FL 33131; by electronic means and mail on Stephen N. Zack, Boies, Schiller & Flexner LLP, 2800 Bank of America Tower, 100 Southeast Second Street, Miami, FL 33131; and by mail on Robert G. Sugarman, Esq., Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York NY 10153 this 7th day of July 2003.

