

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
Miami Division

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CASE NO. 97-3924-CIV-SIMONTON

CLARENCE MADDOX
CLERK U.S. DIST. CT.
S.D. OF FLA - MIA

JERRY GREENBERG, individually,
and IDAZ GREENBERG, individually,

Plaintiffs,

vs.

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

Defendants.

**PLAINTIFFS' REPLY MEMORANDUM IN SUPPORT
OF MOTION FOR PERMANENT INJUNCTIVE RELIEF**

Plaintiffs, JERRY GREENBERG and IDAZ GREENBERG (together "Greenberg"),
submit this reply memorandum in support of Plaintiffs' Motion for Permanent Injunctive Relief.

Defendants, NATIONAL GEOGRAPHIC SOCIETY, NATIONAL GEOGRAPHIC
ENTERPRISES, INC. and MINDSCAPE, INC. (together "the Society"), oppose the motion on a
number of grounds, each of which is addressed below.

The Contract Contention

Greenberg has not succeeded on the merits, the defendants say, because the Society has
the right to include his photographs in the Complete National Geographic on CD-ROM ("the

CNG product”) pursuant to various contracts that formed the basis for his original assignments to prepare the photographs at issue.¹ Mem. at 5.

As discussed in Greenberg’s initial memorandum, the Society attempted to litigate the contract question previously, and the Court would not permit it. The Society attempts here to obtain through a back door what was denied at the front door. Whether the agreements appended to the Society’s memorandum are valid, and if valid, how they should be construed, are not issues to be litigated in the context of the motion for injunctive relief. The Court has said that it will not entertain “a fresh determination of liability.”² Order dated May 29, 2002, at 7. (D.E. # 134).

In any event, Greenberg has noted repeatedly that the two documents that conveyed to him rights in the 64 photographs at issue contained the following language: “The National Geographic Society hereby assigns to you all right, title and interest, including copyright, in your photographs appearing in National Geographic Magazine” (the photographs were specifically identified). See, e.g., Plaintiffs’ Memorandum in Opposition to Defendants’ Motion for Interlocutory Appeal, Exhibit A. (D.E. # 107). The two conveyances were dated after the agreements cited in the defendants’ memorandum in opposition, and the instruments were prepared by the Society and executed by its corporate counsel. The language is inclusive and absolute -- “all right, title and interest . . . including copyright” -- and the notion that some kind of contract right was reserved cannot be sustained.

¹ At no place in the memorandum do the defendants suggest that Greenberg entered into any contract with National Geographic Enterprises, Inc., or with Mindscape, Inc., or that the National Geographic Society had a right to assign any of the contracts referenced, or that any such contract was assigned. Thus, even if the Society’s arguments were to be accepted as valid, none of them could apply to the other two defendants.

² At page 6, the defendants’ memorandum states that the Court should have decided their “contractual claims.” The defendants have filed no claim in this action. Elsewhere on page 6, reference is made to “contractual defenses.” There is no pending defense.

The conveyances to Greenberg did not affect the Society's rights in the four monthly issues of the Society's magazine in which the Greenberg photographs were originally published. Each monthly issue qualifies under the Copyright Act as a collective work, which is defined in the Act as a work "constituting separate and independent works in themselves [which are] assembled into a collective whole." 17 U.S.C. § 101. The Act defines a compilation as a work formed by the collection and assembling of preexisting materials or of data. *Id.* The term "compilation" includes collective works. *Id.* However, the copyright in a compilation or a collective work, such as the monthly magazine, extends only to the material contributed by the publisher of the monthly magazine, and "does not imply any exclusive right in the preexisting material," such as the Greenberg photographs. 17 U.S.C. § 103.

The defendants are liable for copyright infringement. That is a legal finding. That finding cannot be disturbed because of a baseless legal theory that has not been -- and cannot be -- established.

Irreparable Harm

The defendants further suggest (a) that the Society should not be required to pull existing product off the market in order to excise the Greenberg photographs, and (b) that the Society should be able to use the photographs in future products. The integrity of the CNG product need not be impaired, goes the argument. Moreover, Greenberg has suffered no irreparable harm, they say, because the jury can "award [] statutory damages -- including a mandatory licensing fee for future sales of the CNG." Mem. at 7. That is a sleek argument, but not a convincing one.

On the premise that Greenberg will recover statutory damages for products now in the marketplace, the plaintiffs seek to enjoin use of the Greenberg photographs in products not yet in the marketplace. That the Society contemplates use in future products is clear in its

memorandum. Greenberg does not have an adequate remedy at law as to future uses. Nothing in the Copyright Act authorizes a jury to award a “mandatory licensing fee,” as the defendants propose. For statutory damages, the Act provides only a range of money damages for each work infringed. 17 U.S.C. § 504(c).

In support of their “licensing fee” argument, the defendants say that “one of the factors to be taken into account in the calculation of statutory damages is the Plaintiffs’ lost revenue.” Mem. at 7. That misstates the law; the factor may be considered. “Even for uninjurious and unprofitable invasions of copyright the [jury] may, if it deems it just, impose a liability within the statutory limits to sanction and vindicate the statutory policy of discouraging infringement.” F. W. Woolworth Co. v. Contemporary Arts, Inc., 344 U.S. 228, 233, 74 S.Ct. 222, 225 (1952). A [jury] has “wide discretion” in determining the amount of statutory damages, constrained only by the specified maxima and minima. L. A. Westermann Co. v. Dispatch Printing Co., 249 U.S. 100, 39 S.Ct. 194 (1919), quoted in Harris v. Emus Records Corp., 734 F.2d 1329 (9th Cir. 1984). A plaintiff may recover statutory damages whether or not there is evidence of actual damages. Peer Int’l Corp., v. Pausa Records, Inc., 909 F.2d 1332, 1337 (9th Cir. 1990).

The Society then highlights language in the Eleventh Circuit’s mandate: “In assessing the appropriateness of any injunctive relief, we urge the court to consider alternatives” Greenberg v. National Geographic Society, 244 F.3d 1267, 1276 (11th Cir. 2001). The defendants treat the Eleventh Circuit’s “urging” as an order, which it is not. They cite to cases referring to “devastating” consequences and “gaping holes” in the electronic record of history, and propose that outcome if the Greenberg photographs must be removed. Mem. at 10. They conveniently ignore, however, that at least 56 photographs created by other individuals already have been excised from the CNG product. In a separate memorandum, the Society explains how

it became necessary to remove those 56 photographs (that memorandum refers to 60 photographs) when negotiations with stock photo agencies regarding the inclusion of the photographs in the CNG failed. See Memorandum of Law in Support of Defendants' Motion in Limine for an Order Precluding Plaintiffs From Presenting Evidence Concerning Stock Photographic Agencies, served on December 20, 2002, at 2.³ It is plain that the Society blacked out those photographs in the CNG product because it could not agree on a price to be paid for their inclusion. The defendants' memorandum is silent on "devastating" consequences and "gaping holes" in the public record as a result of the removal of those photographs from the CNG by the Society. Here, Greenberg was never offered a republication price of any kind before his works were expropriated. There is a double standard at play here.

Unclean Hands

The Society contends that Greenberg has unclean hands because he is "seeking injunctive relief with the knowledge that Defendants have a contractual right to include Greenberg's photographs in the CNG." Mem. at 11 n. 6. The proposition is absurd; the discussion above suffices to explain why.

Laches

The plaintiffs are guilty of laches, say the defendants, because they "filed their motion for permanent injunctive relief on November 4, 2002, more than five years after filing the complaint and one and one half years after the 11th Circuit issued its opinion on March 22, 2001." Mem. at 12. This case, of course, did not proceed in the usual manner. The defendants sought summary judgment before answering the Amended Complaint, and a motion for preliminary

³ The memorandum, at 2, says "these images were blacked out and replaced by a black background and the words 'image not available.'"

injunctive relief at that stage was never feasible. It is not likely that a preliminary injunction to halt the use of the Greenberg photographs would have been feasible at any stage.⁴

An informal summary of recent and major milestones in the litigation is helpful:

- 3-22-01 The Eleventh Circuit entered corrected opinion.
- 4-12-01 Defendants asked the Eleventh Circuit for a rehearing by the panel and a rehearing en banc. The petitions were not successful.
- 6-14-01 Defendants moved for a stay of the mandate pending filing of a petition to the Supreme Court.
- 6-20-01 Order by the Eleventh Circuit staying the mandate.
- 7-30-01 Petition by the defendants to the Supreme Court for a writ of certiorari.
- 10-09-01 Order by the Supreme Court denying the petition.
- 10-16-01 Letter from Eleventh Circuit to Clerk of U. S. District Court enclosing copy of Court's opinion.
- 11-5-01 Defendants answers to Counts III and V of Amended Complaint.
- 11-13-01 Plaintiffs' motion to strike answers, or alternatively to strike affirmative defenses.
- 12-14-01 Plaintiffs' requests to defendants for production of documents.
- 1-4-02 Defendants' responses to requests for production of documents.
- 2-19-02 Order granting plaintiffs' motion to strike answers.
- 3-5-02 Plaintiffs move to compel production of documents by defendants.
- 3-12-02 Defendants move for permission to file interlocutory appeal.
- 3-21-02 Defendants file amended responses to document requests.
- 5-29-02 Order denying defendants' motion for interlocutory appeal.

⁴ Among other things, Greenberg's very limited financial resources would have precluded payment for a sizable bond that surely would have been sought pending a decision on the merits.

8-22-02 Order granting plaintiffs' motion to compel, with August 31 deadline.

11-27-02 Plaintiffs' motion for injunctive relief.

Greenberg obviously was not in control of that course of events. Greenberg was not reasonably in a position to seek injunctive relief until voluminous documents were produced by the defendants, and until those documents could be fairly analyzed. The outline above shows that Greenberg's task in obtaining documents was not easy: requests for documents served in December 2001 were not fully resolved until August 2002 (after a two-hour hearing on Greenberg's motion). It was only in an analysis of the documents that Greenberg discovered, for example, the many CD-ROM and DVD products in which his photographs had been placed and marketed, and would be marketed in the future.

The motion for injunctive relief was hardly a surprise for the defendants, who had notice in the Amended Complaint that such relief was sought. Nor will the defendants be prejudiced, in that Greenberg seeks damages for current unauthorized uses and an injunction to restrain future uses of his photographs. The Court can take judicial notice that most injunctions in copyright matters involve a single infringing episode; here, the infringements roll onward like a snowball.

The defendants' arguments in opposition to the motion are without merit.

STEEL HECTOR & DAVIS LLP
Attorneys for Plaintiffs



Norman Davis FBN 475335
Edwin G. Torres FBN 911569
200 S. Biscayne Boulevard
Suite 4000
Miami, FL 33131-2398
305-577-2988
305-577-7001 (fax)

Certificate of Service

I hereby certify that a copy of the foregoing reply memorandum was served by mail on Edward Soto, Esq., Weil, Gotshal & Manges LLP, 701 Brickell Avenue, Suite 2100, Miami, FL 33131; and on Robert G. Sugarman, Esq., Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York NY 10153 this 31st day of December, 2002.



Norman Davis