	ase 2:10-cv-00351-LDG-PAL Document 12 Filed 04/23/10 Page 1 of 20
1 2 3 4 5 6 7 8 9 110 1	Cassandra P. Joseph, Esq. Nevada State Bar No. 9845 WATSON ROUNDS 5371 Kietzke Lane Reno, NV 89511 Telephone: (775) 324-4100 Facsimile: (775) 333-8171 cjoseph@watsonrounds.com John L. Krieger, Esq. Nevada State Bar No. 6023 LEWIS AND ROCA LLP 3993 Howard Hughes Pkwy. Suite 600 Las Vegas, Nevada 89169 Telephone: (702) 949-8304 Facsimile: (702) 949-8365 JKrieger@LRLaw.com
10 11 12 13 14 15 16	Marc Randazza, Esq. (Pro Hac Vice Application to be submitted within 7 days) Randazza Legal Group 2 South Biscayne Boulevard, Suite 2600 Miami, Florida 33131 Telephone: (305) 479-2491 mjrp@me.com Attorneys for Defendant National Organization for the Reform of Marijuana Laws UNITED STATES DISTRICT COURT
18	DISTRICT OF NEVADA
19	DISTRICT OF MEYADA
20212223242526	RIGHTHAVEN LLC, a Nevada limited liability company, Plaintiff, V. NATIONAL ORGANIZATION FOR THE REFORM OF MARIJUANA LAWS, a District of Columbia domestic nonprofit Corporation; MEDIA ACCESS PROJECT, INC., a California corporation,
27	Defendants.
28	1
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that Righthaven is not even the current owner of the copyrights in "Dr. Reefer's business goes to pot" and "Marijuana activists take stand against bill." These defects deprive the court of jurisdiction over the subject matter of this case. Additionally, as explained below, NORML's contacts with Nevada are insufficient to confer personal jurisdiction on this Court, notwithstanding Righthaven's conclusory statements to the contrary. Accordingly, the Court is without discretion to adjudicate Righthaven's claims against NORML.

IV. ARGUMENT

A. The Court Lacks Subject Matter Jurisdiction in this Case.

1. Righthaven lacks standing to prosecute its claims of copyright infringement.

As a general rule, "[t]he legal or beneficial owner of an exclusive right under a copyright is entitled to bring actions for infringements of that right occurring *during the period* of its ownership." ABKCO Music, Inc. v. Harrisongs Music, Ltd., 944 F.2d 971, 980 (2d Cir. 1991) (quoting 17 U.S.C. § 501(b)) (emphasis added); Pye v. Mitchell, 574 F.2d 476, 479 (9th Cir. 1978) ("Only the proprietor of statutory copyright at the time of acts of infringement is entitled to damages under 17 U.S.C. § 101."). "Ownership of a copyright may be transferred in whole or in part by any means of conveyance," and "[t]he owner of any particular exclusive right is entitled, to the extent of that right, to all the protection and remedies accorded to the copyright owner." 17 U.S.C. § 201(d)(1)-(2).

A plaintiff who fails to show ownership of a valid copyright at the time of infringement lacks standing to sue for any infringement that occurred prior to assignment of the copyright. See Silvers v. Sony Pictures Entertainment, Inc., 402 F.3d 881, 885 (9th Cir. 2005) (outlining the requirements for standing to sue for copyright infringement). "Standing to assert a copyright claim is a jurisdictional requirement, and the Court must dismiss an action for lack of subject matter jurisdiction if it determines the plaintiff lacks standing." Giddings v. Vision House Production, Inc., 584 F.Supp.2d 1222, 1229 (D.Ariz. 2008) (citing Lewis v. Casey, 518 U.S. 343, 349 n.1 (1996)).

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In this case, while Righthaven has adduced evidence that it is now the owner of a valid copyright in "Marijuana as Medicine," that evidence shows that Righthaven is not the original owner, but rather an assignee of that copyright. (Pl.'s Compl. Ex. 4. ("Transfer: By written agreement.").) Righthaven has failed, however, to show that it was the owner of the copyright in "Marijuana as Medicine" when the alleged infringement occurred, and it has not submitted any proof whatsoever that it has *ever* owned the copyrights in "Dr. Reefer's business goes to pot" and "Marijuana activists take stand against bill." The copyright notice on each of these articles, as shown in Righthaven's Exhibits 1, 2, 3, and 5, indicates that LVRJ was the copyright owner at the time the articles were made available in the MAP news feed. Under these circumstances—and absent more—the Court cannot satisfy itself that Righthaven has standing to prosecute its claims of copyright infringement against NORML; nor can it, therefore, satisfy itself of subject matter jurisdiction.

B. The Court Lacks Jurisdiction Over NORML Because NORML's Contacts with Nevada are Insufficient to Satisfy the Requirements of Federal Due Process.

The basis for personal jurisdiction in Nevada over a non-Nevada resident is set forth in the Nevada long-arm statute. That statute is coextensive with the Due Process Clause of the U.S. Constitution. *See* Nev. Rev. Stat. § 14.065. Thus, in determining whether the exercise of jurisdiction over a non-Nevada resident by a Nevada court is proper, the federal due process analysis applies.

In the case of a corporate defendant, the requirement of "presence" in the forum state "may be met by such contacts of the corporation with the state of the forum as make it reasonable, in the context of our federal system of government, to require the corporation to defend the particular suit which is brought." *International Shoe Co. v. Washington*, 326 U.S. 310, 316-17 (1945).

Where a defendant is not physically present in the forum state but maintains a website that is accessible to forum residents, the Ninth Circuit and the District of Nevada apply the "sliding scale" test articulated in *Zippo Manufacturing Co. v. Zippo Dot Com, Inc.*, 952 F. Supp. 1119, 1124 (W.D.Pa. 1997), to determine whether personal jurisdiction lies in the forum

Case 2:10-cv-00484-RCJ-LRL Document 8 Filed 06/01/10 Page 1 of 18 1 Michael J. McCue (NV Bar No. 6055) Jonathan W. Fountain (NV Bar No. 10351) 2 LEWIS AND ROCA LLP 3993 Howard Hughes Pkwy., Suite 600 3 Las Vegas, Nevada 89169 Telephone: (702) 949-8200 Facsimile: (702) 949-8298 4 5 Attorneys for Defendant MAJORWAGER.COM, INC. 6 7 8 UNITED STATES DISTRICT COURT 9 DISTRICT OF NEVADA Case No. 2:10-cv-00484-RCJ-LRL 10 RIGHTHAVEN, LLC, a Nevada limited liability company, 11 DEFENDANT'S MOTION Plaintiff, 12 TO DISMISS VS. 13 MAJORWAGER.COM, INC., a Canadian 14 corporation, 15 Defendant. Pursuant to Federal Rule of Civil Procedure 12(b)(1), 12(b)(2), and 12(b)(6), Defendant 16 MAJORWAGER.COM, INC., ("Defendant" and/or "MajorWager"), hereby moves the Court to 17 dismiss this action for lack of subject matter jurisdiction, lack of personal jurisdiction, and for 18 failure to state a claim upon which relief can be granted. This motion is supported by the 19 accompanying declarations of Russ Hawkins (the "Hawkins Decl.") and Jonathan W. Fountain 20 (the "Fountain Decl."), the exhibits attached thereto, and any oral argument the Court may allow. 21 22

PRELIMINARY STATEMENT

MajorWager operates an Internet website devoted to providing information of general interest to a worldwide audience of persons interested in sports, sports betting, and a variety of both related and unrelated topics. This case is based upon nothing more than the posting of a single1 article from the Las Vegas Review Journal within the "forums" section of MajorWager's

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¹ While Plaintiff has attached several articles to the Complaint that it claims were posted on Defendant's website, the Complaint only alleges that a single article (the "Work") has been infringed. The Work is entitled "March to book begins," and is attached to the Complaint as Exhibit 14.

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plausible for the court to constitutionally exercise personal jurisdiction over the defendant. See id.; Myers v. Bennett Law Offices, 238 F.3d 1068, 1071 (9th Cir. 2001). In ruling on the motion, only uncontroverted allegations must be accepted as true. See AT&T v. Compagnie Bruxelles Lambert, 94 F.3d 586, 588 (9th Cir. 1996). Thus, the court need not assume the truth of allegations contradicted by affidavit. Data Disc, Inc. v. Systems Tech. Assocs., Inc., 557 F.2d 1280, 1284 (9th Cir. 1977). However, in the absence of an evidentiary hearing, conflicts in the parties' affidavits are resolved in the plaintiff's favor. AT&T, 94 F.3d at 588-89.

<u>ARGUMENT</u>

I. RIGHTHAVEN DOES NOT HAVE STANDING TO SUE (AND THE COURT LACKS SUBJECT MATTER JURISDICTION) BECAUSE RIGHTHAVEN HAS FAILED TO ALLEGE THAT IT OWNED THE COPYRIGHTS AT ISSUE AT THE TIME OF THE ALLEGED INFRINGEMENT.

While "[t]he legal or beneficial owner of an exclusive right under a copyright is entitled to bring actions for infringements of that right occurring during the period of its ownership," ABKCO Music, Inc. v. Harrisongs Music, Ltd., 944 F.2d 971, 980 (2d Cir. 1991), a plaintiff who fails to show ownership of a valid copyright at the time of infringement lacks standing to sue for any infringement that occurred prior to its ownership of those rights. See Silvers v. Sony Pictures Entm't, Inc., 402 F.3d 881, 885 (9th Cir. 2005) ("in order for a plaintiff to be 'entitled . . . to institute an action' for infringement, the infringement must be 'committed while he or she is the owner of' the particular exclusive right allegedly infringed."). "Standing to assert a copyright claim is a jurisdictional requirement, and the Court must dismiss an action for lack of subject matter jurisdiction if it determines the plaintiff lacks standing." Giddings v. Vision House Production, Inc., 584 F. Supp. 2d 1222, 1229 (D. Ariz. 2008) (citing Lewis v. Casey, 518 U.S. 343, 349 n.1 (1996)). Here, the Court lacks subject matter jurisdiction and should dismiss this case because Righthaven has failed to allege or otherwise demonstrate that it was the owner of the copyrights at issue at the time of the alleged infringement.

The Complaint alleges that Righthaven is the owner of the copyrights in "March to book begins" (the "Work"). (Compl. ¶ 54.) The Complaint further alleges that: "No later than March 18, 2010, MajorWager reproduced an unauthorized copy of the Work . . . on MajorWager's

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Website." (Compl. ¶ 60.) (Emphasis added.) The Complaint, however, does not allege that Righthaven was the owner of the copyrights at the time of the alleged infringement.

Even worse, it appears that Righhaven was not, in fact, the copyright owner at the time of the alleged infringement. Each of the articles attached to the Complaint (including the Work) bear a copyright notice. In every case, the notice states: "Copyright © Las Vegas Review-Journal." The Las Vegas Review-Journal is the most widely published newspaper in Clark County, Nevada. It is owned and operated by Stephens Media, LLC, who has registered the name "Las Vegas Review-Journal" as a fictitious firm name in Clark County, Nevada. (See Ex. A to Fountain Decl., LVRJ FFN Filing.) Copyrights vest in the author of a work when the work is first fixed into tangible form. See Community for Creative Non-Violence v. Reid, 490 U.S. 730, 737, 109 S. Ct. 2166, 2171, 104 L. Ed. 2d 811, 822 (1989); 17 U.S.C. § 201(a). If the author is an employee, the employer will own the work under the "work for hire" doctrine. Id. Here, the Work is dated March 18, 2010, and contains the statement "By Matt Youmans" underneath the title. Thus, it appears that the Work was written by Mr. Youmans as an employee of Stephens Media LLC. Under the "work for hire" doctrine Stephens Media LLC was the author of the work, and, therefore, was the initial owner of all copyrights in the Work. This analysis is consistent with Righthaven's Exhibit 15. It states that, at the time the copyright application was filed, Stephens Media LLC was the author of the Work. It also states that Righthaven succeeded to the copyrights in the Work as a result of "Transfer: By written agreement," but does not give a date when the alleged transfer occurred. While copyrights may be assigned, and while Stephens Media LLC may have, in fact, assigned its copyrights to Righthaven, there is no allegation that Stephens Media LLC did so on or prior to March 18, 2010, the date of the alleged infringement.

Because Righthaven was not the owner of the copyrights in the Work on the date of the alleged infringement, March 18, 2010, it does not have standing to sue, the Court lacks subject matter jurisdiction, and the Complaint must be dismissed.

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Case 2:10-cv-00601-RLH-PAL Document 9 Filed 05/26/10 Page 1 of 29
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7
                                         District of Nevada
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    RIGHTHAVEN, LLC, a Nevada
    limited liability company,
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                     Plaintiff,
                                               Case No.: 2:10-cv-601-RLH-PAL
    v.
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    INDUSTRIAL WIND ACTION
    CORP., a New Hampshire
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    corporation; and JONATHAN S.
    LINOWES, an individual resident
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    of New Hampshire,
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                   Defendants.
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                                      MOTION TO DISMISS
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            Come now Defendants, by and through the undersigned attorney and file this Motion to
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     Dismiss Plaintiff's Complaint based on: 1) failure to state a cause of action, pursuant to Fed.R.Civ.P.
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     12(b)(6); 2) lack of subject matter jurisdiction, pursuant to Fed.R.Civ.P. 12(b)(1); and 3) lack of
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     personal jurisdiction, pursuant to Fed.R.Civ.P. 12(b)(2). This motion is made based on all pleadings
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     and papers on file herein and the Memorandum of Points and Authorities attached hereto and any
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     further argument and evidence as may be presented at hearing.
27
            Dated this 26th day of May 2010
28
            Respectfully submitted by:
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Case 2:10-cv-00601-RLH-PAL Document 9 Filed 05/26/10 Page 12 of 29

 March 22, 2010." The Complaint does not allege any infringement beyond March 22, 2010. In fact, Paragraphs 69, 70, and 71 all state the opposite. Nor does the Complaint allege that Defendants are currently utilizing the material, which, in fact, they are not.

The Complaint specifically does not allege that Righthaven had obtained the copyright in the Work at the time of the alleged infringement, "[n]o later than March 22, 2010." Neither does the Complaint make any allegations that the transfer agreement referred to in Exhibit 15, contained any transfer of a right to sue for damages allegedly suffered by prior copyright owners.

In short, the Complaint fails to allege a set of facts that would indicate that Defendants' alleged infringement occurred at a time in which Plaintiff had any ownership interest in the Work at issue, at all. Without such allegations, there can be no legally cognizable claim for copyright infringement. While in considering a Rule12(b)(6) Motion to Dismiss all allegations of material fact in the Complaint must be taken as true and construed in the light most favorable to Plaintiff, *SmileCare Dental Group, supra*, the Court is neither required nor permitted to add factual allegations that are not contained within the Complaint itself. Here, because Plaintiff has failed to assert facts or make any allegation stating that Righthaven was the copyright owner at the time of the alleged infringement, Plaintiff has failed to state a cause of action upon which relief can be granted. Therefore dismissal pursuant to Fed.R.Civ.P. 12(b)(6) is appropriate.

B. The Complaint Should be Dismissed for Lack of Subject Matter Jurisdiction, Pursuant to Fed.R.Civ.P. 12(b)(1).

This same flaw in Plaintiffs' Complaint, – that it fails to allege copyright ownership in the article in question at the time of the alleged infringement – also requires dismissal pursuant to Fed.R.Civ.P. 12(b)(1), for lack of subject matter jurisdiction. As a general rule, "[t]he legal or

Case 2:10-cv-00601-RLH-PAL Document 9 Filed 05/26/10 Page 13 of 29

beneficial owner of an exclusive right under a copyright is entitled to bring actions for infringements of that right occurring during the period of its ownership." *ABKCO Music, Inc. v. Harrisongs Music, Ltd.*, 944 F.2d 971, 980 (2d Cir.1991) (quoting 17 U.S.C. § 501(b)); *Pye v. Mitchell*, 574 F.2d 476, 479 (9thCir. 1978) ("Only the proprietor of statutory copyright at the time of acts of infringement is entitled to damages under 17 U.S.C. § 101."). "Ownership of a copyright may be transferred in whole or in part by any means of conveyance," and "[t]he owner of any particular exclusive right is entitled, to the extent of that right, to all the protection and remedies accorded to the copyright owner." 17 U.S.C. § 201(d)(1)-(2).

A plaintiff who fails to show ownership of a valid copyright at the time of infringement lacks standing to sue for any infringement that occurred prior to assignment of the copyright. *See Silvers v. Sony Pictures Entertainment, Inc.*, 402 F.3d 881, 885 (9th Cir. 2005) ("Additionally, in order for a plaintiff to be 'entitled ... to institute an action' for infringement, the infringement must be "committed while he or she is the owner of" the particular exclusive right allegedly infringed. 17 U.S.C. § 501(b)."). "Standing to assert a copyright claim is a jurisdictional requirement, and the Court must dismiss an action for lack of subject matter jurisdiction if it determines the plaintiff lacks standing." *Giddings v. Vision House Production, Inc.*, 584 F.Supp.2d 1222, 1229 (D.Ariz. 2008) (citing *Lewis v. Casey*, 518 U.S. 343, 349 n.1 (1996)).

Here, a plain reading of the Complaint fails to find any allegation of facts demonstrating that Righthaven was the owner of the copyright at the time that Plaintiff alleges the infringement occurred. If anything, the dates referred to in the Complaint suggest just the opposite. It is clear, however, that the Complaint does not provide allegations of material fact showing that Righthaven has standing to prosecute its claims of copyright infringement against Defendants. Nor can the

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STEVEN A. GIBSON, ESQ. Nevada Bar No. 6656 sgibson@righthaven.com J. CHARLES COONS, ESQ. 2 Nevada Bar No. 10553 ccoons@righthaven.com Righthaven LLC 9960 West Cheyenne Avenue, Suite 210 Las Vegas, Nevada 89129-7701 (702) 527-5900 5 Attorneys for Plaintiff

UNITED STATES DISTRICT COURT DISTRICT OF NEVADA

RIGHTHAVEN LLC, a Nevada limitedliability company,

Plaintiff,

NATIONAL ORGANIZATION FOR THE REFORM OF MARIJUANA LAWS, a District of Columbia domestic nonprofit corporation; MEDIA AWARENESS PROJECT (MAP), INC., a Delaware non-

Defendants.

Case No.: 2:10-cy-0351-LDG-PAL

JOINT STIPULATION AND ORDER TO EXTEND TIME FOR PLAINTIFF TO OPPOSE DEFENDANT'S MOTION TO DISMISS FOR LACK OF SUBJECT MATTER JURISDICTION AND LACK OF PERSONAL JURISDICTION AND TO WITHDRAW THE CONTEST OF LACK OF SUJECT MATTER JURISDICTION FROM DEFENDANT'S MOTION

Righthaven LLC ("Righthaven") and the National Organization for the Reform of Marijuana Laws ("NORML"), by and through their attorneys of record, hereby stipulate to extend the time for Righthaven to oppose NORML's Motion to Dismiss for Lack of Subject Matter Jurisdiction and Lack of Personal Jurisdiction ("NORML's Motion;" Docket No. 12) until Wednesday, June 2, 2010.

Righthaven and NORML also hereby stipulate that the provisions of NORML's Motion contesting the absence of subject matter jurisdiction and Righthaven's standing before this Court are hereby withdrawn, without prejudice, including the section of NORML's Motion

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profit corporation.

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Case 2:10-cv-00636-RLH-RJJ Document 13-1 Filed 08/18/10 Page 15 of 21

Case 2:10-cv-00351-LDG-PAL Document 21 Filed 05/21/10 Page 2 of 2 commencing on page six (6), line seven (7), through page seven (7), line twelve (12). The 1 provisions in NORML's Motion regarding lack of personal jurisdiction shall remain at issue 2 before this Court and the docketed dates, amended by this stipulation, will remain unchanged as 3 well. This stipulation has been made in good faith and not for the purpose of delay. 4 5 DATED this twentieth day of May, 2010. 6 7 IT IS SO ORDERED. 8 9 10 UNITED STATES DISTRICT JUDGE 11 12 Dated: 13 14 15 Submitted by: 16 RIGHTHAVEN LLC WATSON ROUNDS 17 18 /s/ Cassandra P. Joseph /s/ J. Charles Coons 19 Cassandra P. Joseph, Esq. J. Charles Coons, Esq. 20 9960 West Cheyenne Avenue, Suite 210 5371 Kietzke Lane Las Vegas, Nevada 89129-7701 Reno, NV 89511 21 Attorney for Defendant 22 Attorney for Plaintiff 23 24 25 26 28

Case 2:10-cv-00484-RCJ-LRL Document 11 Filed 06/28/10 Page 1 of 19 1 Michael J. McCue (NV Bar No. 6055) Jonathan W. Fountain (NV Bar No. 10351) 2 LEWIS AND ROCA LLP 3993 Howard Hughes Pkwy., Suite 600 3 Las Vegas, Nevada 89169 Telephone: (702) 949-8200 Facsimile: (702) 949-8298 4 5 Attorneys for Defendant MAJORWAGER.COM, INC. 6 7 UNITED STATES DISTRICT COURT 8 9 DISTRICT OF NEVADA Case No. 2:10-cv-00484-RCJ-LRL RIGHTHAVEN, LLC, a Nevada limited liability 10 company, 11 DEFENDANT'S REPLY IN SUPPORT Plaintiff, 12 OF ITS MOTION TO DISMISS vs. 13 MAJORWAGER.COM, INC., a Canadian 14 corporation, 15 Defendant. Defendant MAJORWAGER.COM, INC., ("MajorWager"), hereby submits its reply in 16 support of its motion to dismiss for failure to state a claim and lack of personal jurisdiction. This 17 reply is supported by the accompanying supplemental declarations of Russ Hawkins (the "Supp. 18 Hawkins Decl.") and Nikkya Williams (the "Williams Decl."), the exhibits attached thereto, and 19 any oral argument the Court may allow. 20 PRELIMINARY STATEMENT 21 It is not an exaggeration to say that this case borders on being frivolous. In fact, that has 22 been the consensus of the substantial media coverage given to the now 47 Righthaven lawsuits 23 currently pending before this Court. (See, e.g. Ex. 1 to Williams Decl.) (attaching articles). These 24 lawsuits are based upon the posting of Las Vegas Review-Journal ("RJ") articles on websites 25 often, as in this case, by third parties, to further their own personal interest in an online discussion 26 about a particular topic. Also in many cases, including this one, the allegedly infringing posts 27 either give credit to the RJ or link right back to it. In addition, most of these suits, again, including

Lewis and Roca LLP 28 3993 Howard Hughes Parkway Suite 600 Las Vogas, Nevada 89169 Case 2:10-cv-00484-RCJ-LRL Document 11 Filed 06/28/10 Page 3 of 19

In sum, the alleged infringement was technical and, because it only involved one copyrighted work, *de minimis*, at best. The alleged infringement was not committed by MajorWager, but rather, by a former employee who has not been associated with MajorWager for years, and who acted independently to further his own personal interest in an ongoing online dialog concerning sports and sports wagering. Because the RJ offered the article at issue for free, encouraged visitors to its website to download or email the article to others for free, and because the article continues to be available online from the RJ's own website for free, Plaintiff has suffered no damages whatsoever.

As set forth more fully below, Plaintiff has failed to sufficiently allege a *prima facie* case for the exercise of personal jurisdiction over MajorWager, a Canadian website operator that has had no contacts with the State of Nevada. And, while teeming with outrage over a technical and, at best, *de minimis* infringement that resulted in no damages, Plaintiff's opposition was not supported by any sworn testimony or authenticated evidence. It fails to provide the facts the Complaint is sorely missing. Rather, Plaintiff's opposition brief wastes pages upon pages presenting bald assumptions, unsupported conclusions, and specious chains of false logic in an attempt to convince the Court that personal jurisdiction exists over MajorWager. Plaintiff has also failed to identify a single act of infringement that occurred in the United States and, therefore, fails to state a claim upon which relief can be granted.¹

Under these circumstances the Court should not subject MajorWager to the substantial burden and expense of jurisdictional discovery, but should instead dismiss this meritless suit outright.

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¹ MajorWager does not contest, at this time, that Righthaven has standing to sue but must point out that its motion to dismiss for lack of subject matter jurisdiction was entirely proper based on the absence of facts pled in the Complaint. Defendant was well within its rights to bring this deficiency to the Court's attention.

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dase 2:10-cv-00601-RLH-PAL Document 14 Filed 07/12/10 Page 1 of 23
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                                   United States District Court
 7
                                       District of Nevada
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   RIGHTHAVEN, LLC, a Nevada
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   limited liability company,
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                   Plaintiff,
                                            Case No.: 2:10-cv-601-RLH-PAL
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   INDUSTRIAL WIND ACTION
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   CORP., a New Hampshire
   corporation; and JONATHAN S.
   LINOWES, an individual resident
14 of New Hampshire,
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                 Defendants.
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                  DEFENDANTS' REPLY TO PLAINTIFF'S RESPONSE TO
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                            DEFENDANTS' MOTION TO DISMISS
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          Come now Defendants, by and through the undersigned attorney and file this Reply to
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    Plaintiff's Response to Defendants' Motion to Dismiss Plaintiff's Complaint based on: 1) failure to
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    state a cause of action, pursuant to Fed.R.Civ.P. 12(b)(6); 2) lack of subject matter jurisdiction,
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    pursuant to Fed.R.Civ.P. 12(b)(1); and 3) lack of personal jurisdiction, pursuant to Fed.R.Civ.P.
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    12(b)(2), based on all pleadings and papers on file herein and the Memorandum of Points and
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    Authorities attached hereto and any further argument and evidence as may be presented at hearing.
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          Dated this 12th day of July 2010
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          Respectfully submitted by:
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Case 2:10-cv-00601-RLH-PAL Document 14 Filed 07/12/10 Page 11 of 23

Roebuck & Co., 1982 Copyright Law Decisions (C.H.) ¶ 25,397 at p. 17,298, 1982 WL 1264 (S.D.N.Y.1982); 3 M. Nimmer, Nimmer on Copyright, § 12-02, at 12-30 (1990) (Nimmer). Rather, the assignee is only entitled to bring actions for infringements that were committed while it was the copyright owner and the assignor retains the right to bring actions accruing during its ownership of the right, even if the actions are brought subsequent to the assignment. Nimmer, § 12.02 at 12-29-12-30. Finally, the Copyright Act does not permit copyright holders to choose third parties to bring suits on their behalf. See Eden Toys, Inc. v. Foresee Undergarment Co., 697 F.2d 27, 32 n. 3 (2d Cir.1982).

944 F.2d at 980.

In *Silvers*, the Ninth Circuit endorsed the Second Circuit's finding in *ABKCO*, that while a copyright holder could not merely contractually assign the right to bring actions for infringement without also assigning the copyright, the reverse is not true. A copyright holder can assign the copyright without also assigning any rights to accrued causes of action. 404 F.3d at 890, citing *ABKCO*, 944 F.2d at 981.

The failure of the Complaint to aver that Righthaven had any interest in the work in question at the time the alleged infringement occurred, rendered said Complaint inadequate under both Fed.R.Civ. Proc. 12(b)(1) and 12(b)(6). This deficiency prompted the Motion to Dismiss pursuant to those two provisions. Subsequently, in Plaintiff's Opposition Motion Righthaven did assert that it had an Assignment giving it an interest in the alleged accrued cause of action that is the subject of this case. It also produced a copy of the Assignment, although that, in itself, was not required. What is required, and was missing from the Complaint, but present in the Opposition brief, is the assertion that Righthaven possesses an interest in any copyright infringement action concerning the material at issue which may have occurred at the time of the alleged infringement.

Clearly, then, it would be contrary to the cause of judicial economy for Defendants, in light of the statements contained within the Opposition brief, to continue to pursue the Motion to Dismiss pursuant to Sections 12(b)(1) and 12(b)(6). Moreover, Defendants are willing to stipulate to an amendment to Plaintiff's Complaint stating that Plaintiff's Assignment provided it with sufficient