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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

ROBERT JACOBSEN, an individual,)	Case Number C06-1905-JSW
)	
Plaintiff,)	Hearing Date: December 19, 2008
)	Hearing Time: 9:00am
vs.)	Place: Ct. 2, Floor 17
)	
MATTHEW KATZER, an individual, and)	DEFENDANTS MATTHEW
KAMIND ASSOCIATES, INC., an Oregon)	KATZER AND KAMIND
corporation dba KAM Industries,)	ASSOCIATES, INC.'S
Defendants.)	OPPOSITION TO PLAINTIFF'S
)	MOTION FOR A PRELIMINARY
)	INJUNCTION

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SUMMARY OF THE ARGUMENT

Plaintiff must demonstrate by a “clear showing” that he is entitled to a preliminary injunction. *Mazurek v. Armstrong*, 520 U.S. 968, 972(1997). To prevail on his motion for a preliminary injunction, Plaintiff must prove (1) irreparable harm, (2) a likelihood of success on the merits, (3) that the balance of hardships tip in his favor, (4) that there is no adequate remedy at law, and that (5) the public interest favors an injunction. *Amoco Production Co. v. Village of Gambell, Alaska*, 480 U.S. 531, 542 (1987); *eBay, Inc. v. MercExchange, LLC.*, 547 U.S. 388, 391 (2006).

In this case, Plaintiff has failed to show (and cannot) show that he will suffer any harm at all without a preliminary injunction. In contrast, Defendants will suffer substantial harm from entry of an injunction. Additionally, Plaintiff can seek monetary damages for any alleged harm and the public interest does not favor an injunction. Since all factors tip in Defendants favor, Plaintiff’s motion for a preliminary injunction should be denied.

STATEMENT OF ISSUED TO BE DECIDED

1. Has Plaintiff demonstrated that he will likely suffer “irreparable” harm unless an injunction issues?
2. Will Defendants suffer irreparable harm through entry of an injunction?
3. Does Defendants harm outweigh Plaintiff’s alleged harm?
4. Has Plaintiff demonstrated that he will prevail on the merits of his copyright claim?

STATEMENT OF RELEVANT BACKGROUND FACTS

Plaintiff is seeking a preliminary injunction to enjoin defendants from copying and distributing Plaintiff’s copyrighted works entitled “JMRI Program and Decoder Definitions or JMRI Decoder Definitions.” Proposed Order at 2 [Dkt.# 239]. Additionally, Plaintiff seeks to enjoin Defendants from, *inter alia*, providing and distributing “copyright management information that is false.” *Id.* Plaintiff states that he has copyrighted 195 Decoder Definition Files. Declaration of Robert Jacobsen in Support of Motion for Preliminary Injunction [Dkt.# 237] (hereinafter “Jacobsen Decl.”) at ¶ 8. Plaintiff has only provided a complete copy of one of those Decoder Definition files, the QSI Decoder Definition File, with his moving papers. Jacobsen Decl., Ex. AD. Plaintiff then provides specific examples of textual information that was allegedly authored by JMRI in this QSI Decoder Definition File, and then allegedly stolen and copied by Defendants. Jacobsen Decl. at ¶¶ 71-73, 80, 109. Plaintiff, however, has no copyright rights to this textual information contained in this particular QSI Decoder Definition File which he accuses Defendants of infringing. Declaration of Matthew Katzer in Opposition to Plaintiff’s Motion for a Preliminary Injunction (hereinafter “Katzer Decl.”) at ¶ 48-52. Rather, this information was originally created by QSI Industries, Inc. and then published by QSI Industries, Inc. in a work entitled “NMRA DCC Reference Manual for QSI Quantum HO Equipped Locomotives – Version 3.0” (QSI Manual) before it was copied by the Plaintiff. Katzer Decl. at ¶ 48, 51. Defendants own all the copyright rights to the QSI manual work and therefore have every right to use this information in KAM software. Katzer Decl. at ¶ 48.

1 JMRI's Decoder Definition Files are data files that are part of JMRI's software product.
2 Decoder Pro. Katzer Decl. at ¶ 4. These files include manufacturer's specifications data relating
3 to the computer chips in model train engines (decoders) as well as program configuration
4 information. Katzer Decl. at ¶ 4. While not clear from Plaintiff's moving papers, Defendants
5 believe that Plaintiff is only alleging that Defendants' software product, Decoder Commander,
6 infringes on the manufacturer's specifications data contained in the Decoder Definition Files and
7 not on Plaintiff's executable code. This is because KAM's software code is and always has
8 been written in programming languages using Microsoft software tools which is different than
9 the Sun-based JAVA programming language used by the JMRI software. Katzer Decl. at ¶ 5.

10 In 2004, KAM began developing the software that would become Decoder Commander.
11 Katzer Decl. at ¶ 6. This software is similar in general functionality to JMRI's Decoder Pro in
12 that it also facilitates the programming of decoders by a user. Katzer Decl. at ¶ 6. KAM and
13 JMRI are the only two primary entities that provide such software in the U.S. market and they
14 are competitors with each other. Katzer Decl. at ¶ 6.

15 Originally Defendants' Decoder Commander did contain information copied and then
16 converted from JMRI's Decoder Definition Files. Katzer Decl. at ¶ 7. During the software
17 development phase of Decoder Commander, a KAM independent contractor downloaded the
18 JMRI open source decoder definition files in early 2005. Katzer Decl. ¶ 7. This independent
19 contractor, Robert Bouwens, then created a tool, called the template verifier, to extract the
20 manufacturer specifications data from the JMRI Decoder Definition Files. Katzer Decl. ¶ 8.

21 Defendants copied the JMRI Decoder Definition Files, at the time, in an effort promote
22 the idea of a national standard for manufacturer specifications data. Katzer Decl. ¶12; Jacobsen
23 Decl. at ¶ 50. Defendants, at the time, did not believe that Plaintiff would become upset by this
24 use. Katzer Decl. at 12. This is because the JMRI software was available for free to the public,
25 and because the JMRI Decoder Definition Files, themselves, are not foundational works, but
26 rather build on an effort by numerous manufacturers and users to create a master, uniform

1 template of manufacturer's specifications data. Katzer Decl. at ¶ 12 . For example, the JMRI
2 Decoder Definition Files contain manufacturer's specifications data initially created by multiple
3 different manufacturers, such as QSI Industries, Inc., as well as manufacturer's specifications
4 data originally created by the National Model Railroad Association. Katzer Decl. at ¶ 12.

5 The fact that JMRI was not "given credit" in the decoder template files results from the
6 fact that the JMRI credit information was contained in the comment fields of the decoder
7 definition file code. Katzer Decl. ¶ 13. The template verifier, which extracted the manufacturer
8 specifications data, was not designed to extract any information other than from data fields.
9 Katzer Decl. ¶ 13. This was not intentional. Katzer Decl. ¶ 13.

10 In early September 2006, Defendants first learned about Plaintiff's allegations that
11 Decoder Commander contained infringing works from the JMRI Decoder Definition Files.
12 Katzer Decl. at ¶ 14 In response, Defendants immediately recalled all allegedly infringing
13 product (at this time version 305 of Decoder Commander) from the market, removed version 305
14 from the KAM website, and sent KAM customers upgrades that did not contain any allegedly
15 infringing material. Katzer Decl. at ¶ 15. Defendants also made sure that the template verifier
16 tool was no longer available on the KAM website. Katzer Decl. at 15. All outstanding copies of
17 version 305 became non-functional on January 21, 2007 and accordingly any allegedly
18 infringing material is no longer functional. Katzer Decl. at ¶ 15.

19 To further address Plaintiff's concerns regarding the alleged infringement, KAM released
20 V306 of Decoder Commander on September 18, 2006. Katzer Decl. at ¶ 16. Plaintiff continued
21 his allegations of infringement and KAM therefore recalled V306 from the market and removed
22 V306 from the KAM website in late October 2006. Katzer Decl. at ¶ 16. All outstanding non-
23 registered copies of V306 became non-functional on March 21, 2007. Katzer Decl. at ¶ 16.
24 Version 304 (the version that Plaintiff uses as evidence of copyright infringement in his
25 declaration) became fully non-functional on October 10, 2006. Katzer Decl. at ¶ 17.

1 In November 2006, KAM released Decoder Commander, version 307. Decoder
2 Commander V307 contains only manufacturer's specifications data manually entered by KAM
3 and does not contain any manufacturer's specifications data copied from any JMRI Decoder
4 Definition Files. Katzer Decl. at ¶ 18 .KAM has ensured the inability to allegedly infringe JMRI
5 works because Decoder Commander V307 cannot read or write any decoder definition data files
6 from JMRI or anyone else. Katzer Decl. at ¶ 18. This is because Decoder Commander V307,
7 instead of using decoder definition data files, now uses a separate and new database containing
8 manufacturer's specifications data. Katzer Decl. at ¶ 18. This database is an SQL database
9 which means data is retrieved from and stored in the database using standard query language.
10 Katzer Decl. at ¶ 18. None of the JMRI Decoder Definition Files were used in any way to
11 construct this database. Katzer Decl. at ¶ 18. Using this type of Microsoft SQL database
12 technology was prohibitively expensive until 2006. Now, however, this type of SQL database is
13 cost effective and is a vastly superior technology when compared to the old versions of Decoder
14 Commander. Katzer Decl. at ¶ 18. Decoder Commander does not now include support for the
15 old decoder definition file based technology and will never revert to the old decoder definition
16 file based technology. Katzer Decl. at ¶ 20. This SQL database is not encrypted and is readily
17 viewable by anyone with appropriate software tools. Katzer Decl. at ¶ 20.

18 All software released prior to November 2006 (V306 and earlier) is incompatible with
19 any KAM software released after that date and all previous copies of Decoder Commander have
20 been recalled or destroyed. Katzer Decl. at ¶ 21. All registered customers and dealers have been
21 sent new updated replacement copies of Decoder Commander. Katzer Decl. at ¶ 21. Decoder
22 Commander is now a fully functional software program containing decoder definitions for those
23 decoders that it supports. Katzer Decl. at ¶ 22.

24 ARGUMENT

25 I. Legal Standard

26 Defendants disagree with Plaintiff's characterization of the legal standard for granting a

1 preliminary injunction in this Circuit contained in Plaintiff's Motion for a Preliminary
2 Injunction (hereinafter "Motion") at 6, 12. Rather, a plaintiff seeking a preliminary injunction on
3 a copyright claim must establish (1) a likelihood of success on the merits; (2) a substantial threat
4 that plaintiff will suffer irreparable injury if the injunction is denied; (3) the balance of hardships
5 favors the plaintiff (i.e. that the threatened injury outweighs any damage the injunction might
6 cause the defendant); and (4) that the public interest favors an injunction. *eBay, Inc. v.*
7 *MercExchange, LLC*, 547 U.S. 388, 391 (2006) (test for permanent injunction); *Amoco*
8 *Production Co. v. Village of Gambell, Alaska*, 480 U.S. 531, 542 (1987) (test for preliminary
9 injunction); *Hologic, Inc. v. Cytoc Corp.*, 2008 U.S. Dist. LEXIS 36693, 2008 WL 1860035
10 (N.D. Cal. April 25, 2008). An injunction should only issue where the intervention of a court in
11 equity is essential in order effectually to protect property rights against injuries otherwise
12 irremediable. *Weinberger v. Romero-Barcelo*, 456 U.S. 305, 311 (1982). A preliminary
13 injunction is a drastic and extraordinary remedy that is not to be routinely granted. *Intel Corp. v.*
14 *ULSI Systems Technology, Inc.*, 995 F.3d 1566, 1568 (Fed. Cir. 1993). A party seeking a
15 preliminary injunction must carry its burden of persuasion with a "clear showing." *Mazurek v.*
16 *Armstrong*, 520 U.S. 968, 972 (1997). Lastly, a plaintiff must also satisfy the general equitable
17 requirements that legal remedies are inadequate to compensate for the injury. *eBay, Inc.*, 547
18 U.S. at 391; *Arcamuzy v. Continental Airlines, Inc.* 819 F.2d 935, 937 (9th Cir. 1987).

19 A preliminary injunction must be narrowly tailored to eliminate only the specific harm
20 alleged. It should be no more burdensome to a defendant than needed to promote relief.
21 *Meinhold v. United States*, 34 F.3d 1469 (9th Cir. 1994). A preliminary injunction cannot be
22 impermissibly vague and needs to give fair notice of what conduct will risk contempt, a
23 defendant cannot be left to guess. *Louis Epstein v. Kmart*, 13 F.3d 762 (3rd Cir. 1994).

24 Prior to *eBay*, a plaintiff seeking a preliminary injunction under federal copyright law
25 who demonstrated a likelihood of success on the merits of a copyright claim was entitled to a
26 presumption of irreparable harm. *Sun Microsystems, Inc. v. Microsoft Corp.*, 188 F.3d 1115,

1 1119 (9th Cir. 1999). In 2006, however, the Supreme Court eviscerated the presumption of
2 irreparable harm to motions for permanent injunctions in the patent infringement context,
3 holding that a Plaintiff seeking a permanent injunction must demonstrate that the traditional
4 equitable factors for granting an injunction have been met. *eBay Inc.*, 547 U.S. at 391. Since
5 that time, and subsequent to this Court's August 17, 2007 Order denying Plaintiff's original
6 motion for a preliminary injunction, numerous courts, including this Court, the Northern District
7 of California, have held that, as a result of *eBay*, the presumption of irreparable harm no longer
8 exists in the preliminary injunction context either. *See e.g. Hologic, Inc. v. Senorx, Inc.*, 2008
9 U.S. Dist LEXIS 36693 at *44-46 (N.D. Cal. April 25, 2008), *Tiber Labs, LLC v. Hawthorn*
10 *Pharms., Inc.*, 527 F. Supp.2d 1373, 1380 (N.D. Ga 2007); *Voile Mfg. Corp. v. Dandurand*, 551,
11 F.Supp.2d 1301, 1306 (D. Utah 2008); *Sun Optics, Inc. v. FGX Int'l, Inc.*, 2007 U.S. Dist.
12 LEXIS 56351; 2007 WL 2228569, at *1 (D. Del. August 2, 2007); *Torspo Hockey Int'l Inc. v.*
13 *Kor Hockey Ltd.*, 491 F. Supp. 2d 871, 881 (D. Minn. 2007); *Allora, LLC v. Brownstone, Inc.*,
14 2007 U.S. Dist. LEXIS 31343, 2007 WL 1246448 at *5 (W.D.N.C. April 27, 2007) (copyright
15 infringement). The Federal Circuit (citing its opinion in this case), after canvassing the Circuit
16 law, just days ago, affirmed that *eBay* applies to preliminary injunctions in both the patent and
17 copyright context. *Abbott Labs v. Sandoz*, --F.3d--, 2008 U.S. App. LEXIS 21880, *64-*87,
18 2008 WL 4636167 (Fed. Cir. October 21, 2008) ("as it stands, neither district courts, nor litigants
19 nor panels of this court, are provided with clear guidance, or any reason to reject the stricture of
20 *eBay*, 547 U.S. at 393, that "[n]othing in the patent Act indicates that Congress intended such a
21 departure from 'the long tradition of equity practice.'" (at *86)).

22 Additionally, the Fourth Circuit Court of Appeals and two district courts in the Ninth
23 Circuit have recently held that no presumption of irreparable harm results from a finding of
24 liability in a copyright case following *eBay*. *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster,*
25 *Ltd.*, 518 F. Supp. 2d. 1197, 1210-1214. (C.D. Cal. 2007); *Designer Skin, LLC v. S&L Vitamins,*
26 *Inc.*, 2008 U.S. Dist. LEXIS 68467, 2008 WL 4174882 (D. Az. Sept. 5, 2008); *Chester Phelps*

1 *and Assoc., LLC v. Galloway*, 492 F.3d 532 (4th Cir. 2007). Indeed, in the *eBay* case itself, the
2 Supreme Court mentioned, in *dicta*, that principles of equity have always applied to the treatment
3 of injunctions under the Copyright Act. *eBay*, 547 U.S. at 392. Therefore, the presumption of
4 irreparable harm no longer applies to the preliminary injunction analysis for a copyright claim.

5 As a result, to prevail on his motion for a preliminary injunction based on alleged
6 copyright infringement, Plaintiff must now prove (1) irreparable harm, (2) a likelihood of
7 success on the merits, (3) that the balance of hardships tip in his favor, (4) that there is no
8 adequate remedy at law, and that (5) the public interest favors an injunction.

9 **II. Plaintiff will suffer no irreparable harm without injunctive relief**

10 Irreparable injury is the “single most important prerequisite for the issuance of a
11 preliminary injunction.” *Freedom Holdings, Inc. v. Spitzer*, 408 F.3d 112, 114 (2nd Cir. 2005).
12 Plaintiff must present evidence of actual injury to support claims of “irreparable injury,”
13 speculative losses are insufficient. *Goldie’s Bookstore, Inc. v. Sup. Ct.*, 739 F.2d 466, 472 (9th
14 Cir. 1984). Plaintiff has failed to allege any harm, much less irreparable harm, from Defendants’
15 alleged wrongdoing, and Plaintiff has failed to demonstrate that the threatened conduct continues
16 and that any future harm is “imminent.”

17 **A. Plaintiff has failed to allege any harm whatsoever**

18 Plaintiff has the burden of establish that he will be injured by the threatened conduct with
19 a “clear showing.” *Mazurek* 520 U.S. 968 at 972. However, Plaintiff’s 24-page declaration in
20 support of his motion for a preliminary injunction fails to allege *any* harm from the alleged
21 breach of Plaintiff’s copyright. There is not even merely one sentence addressing how Plaintiff
22 will be harmed in Plaintiff’s declaration. Plaintiff’s legal memorandum does contains a couple
23 oblique references to harm, *i.e.* that “delays result and inefficiency in development occurs” and
24 that “time lost in the open source development cycle due to license violations and Sec. 1202
25 violations cannot be regained...”. Plaintiff’s Motion at 13. While it is questionable whether
26 these oblique references amount to actual, imminent harm, and whether Plaintiff has standing to

1 sue for this harm of “delay” to the open source community when JMRI continues to release
2 product without delay (*See* Kazter Decl. at ¶ 42), this Court need not reach these questions. A
3 plaintiff must present evidence (*i.e.* a declaration or affidavit) demonstrating a likelihood that he
4 or she will be injured by the threatened conduct. *Doe v. National Board of Med. Examiners*, 199
5 F.3d 146, 152-153 (3rd Cir. 1999). An unsworn allegation in plaintiff’s legal memorandum is not
6 enough.

7 Since Plaintiff has failed to allege any harm, let alone irreparable harm, Plaintiff’s motion
8 for a preliminary injunction should be denied.

9 **B. Plaintiff has failed to demonstrate that a real and immediate threat still exists**

10 Plaintiff’s declaration uses version 304 of Decoder Commander as evidence of alleged
11 infringement. Jacobsen Decl. at ¶¶ 70-72. Version 304 became fully non-functional on October
12 10, 2006. Katzer Decl. at ¶ 17.

13 At this time, the most recent version of Defendants’ Decoder Commander available (and
14 mailed as a replacement to all registered customers and dealers) does not contain any of the
15 decoder definition file data (*i.e.* manufacturer specification data) to which Plaintiff owns
16 copyright rights. Katzer Decl. ¶¶ 18-20. This version does not read, write or run previous
17 versions of Decoder Commander, including KAM’s previous decoder template files containing
18 the manufacturer specifications data. Katzer Decl. ¶ 18. KAM’s template verifier tool, the tool
19 that plaintiff alleges allows others to make unauthorized copies of plaintiff’s copyrighted work
20 (Jacobsen Decl. at ¶ 74) is not contained in and does not function with the most recent versions
21 of Decoder Commander. Katzer Decl. ¶ 24. Additionally, this tool is not available on the KAM
22 website and has not been available since September 18, 2006. Katzer Decl. ¶ 16. Decoder
23 Commander now uses an entirely new database for its decoder template files. Katzer Decl. at ¶
24 18. There is absolutely no possibility that Defendants could or will use Plaintiff’s alleged
25 copyrighted materials in the future, especially since such JMRI Decoder Definition Files, and all
26

1 other decoder definition files, are completely non-compatible with all versions of Decoder
2 Commander since November 2006. Katzer Decl. at ¶¶ 18-21.

3 Plaintiff has failed to allege that there is a real and immediate threat that the alleged
4 copyright infringement will continue. Past exposure to illegal conduct does not in itself show a
5 present case or controversy regarding injunctive relief. *City of Los Angeles v. Lyons*, 461 U.S.
6 95, 102 (1983). Here, Plaintiff's declaration fails to allege that Defendants are still infringing.
7 Plaintiff states that he is unsure whether Defendants' new database is infringing because he could
8 not get the latest version of Decoder Commander to work (through no fault of Defendants, see
9 Katzer Decl. at ¶ 25). Jacobsen Decl. at ¶ 97. Defendants have demonstrated that the new
10 database does not contain any of the allegedly infringing materials. Katzer Decl. at ¶¶ 18-21.
11 This database is not encrypted and includes textual information which is readily viewable by
12 anyone with appropriate software tools. Katzer Decl. at ¶ 20. Plaintiff then opines that KAM's
13 new Decoder Commander uses "infringing files" because it is "essentially unusable without
14 additional decoder definitions." Jacobsen Decl. at ¶¶ 108, 110. As explained, KAM's Decoder
15 Commander contains no allegedly infringing data files as the software now uses a new database
16 technology (based upon an SQL database) and does not use template files from JMRI or anyone
17 else. Katzer Decl. at ¶¶ 18-21. It is true that Decoder Commander Version 312 (and the present
18 version V400) include a limited number of decoder definitions. Katzer Decl. at ¶ 28. The
19 supported decoder definitions are only those for which KAM has permission to use the decoder
20 definitions from the copyright owner. Katzer Decl. at ¶ 28. KAM's new Decoder Commander is
21 fully functional with the included decoder definitions for those decoders that it supports. Katzer
22 Decl. at ¶ 22.

23 Additionally, Plaintiff states that Defendants must be continuing to use "JMRI software
24 as a basis for their product" since they "have motive" to do so since Model Railroad News will
25 be reviewing both JMRI and KAM software in early 2009. Jacobsen Decl. at ¶ 110. Until
26 Katzer reviewed Jacobsen's declaration, Katzer was unaware that Model Railroad News would

1 be reviewing JMRI and KAM software in 2009. Katzer Decl. at ¶ 27. Additionally, this
2 speculation about whether Defendants are using JMRI copyrighted material fails to meet
3 Plaintiff's evidentiary burden of demonstrating that a real, imminent and significant harm exists
4 that could be remedied by injunctive relief. *Simula, Inc. v. Autoliv, Inc.* 175 F.3d 716, 725 (9th
5 Cir. 1999); *Midgett v. Tri-County Metro. Transp. Dist. of Oregon*, 254 F.3d 846, 850-851 (9th
6 Cir. 2001); *Goldie's Bookstore, Inc.*, 739 F.2d at 472 (holding that speculative harm is
7 insufficient to establish irreparable harm).

8 Finally, Plaintiff alleges that KAM is distributing infringing software products via the
9 Link-Vet webpage. Jacobsen Decl. at ¶ 111. This is untrue, all CDs distributed through the
10 Link-Vet webpage contain only the newer (post-November 2006) versions of Decoder
11 Commander which do not contain, nor are compatible with, any of the allegedly infringing JMRI
12 decoder definition files. Katzer Decl. at ¶¶18-21.

13 Defendants have demonstrated, through the attached Declaration of Matthew Katzer, that
14 all versions of Decoder Commander subsequent to November 2006 do not contain any JMRI
15 Decoder Definition Files. Plaintiff has only provided mere speculation that Defendants are still
16 infringing. This does not satisfy Plaintiff's evidentiary burden. Since Plaintiff has failed to
17 demonstrate that a real, imminent and significant harm exists that could be remedied by
18 injunctive relief, Plaintiff's motion for a preliminary injunction should be denied.

19 **III. Defendants will suffer irreparable harm if an injunction enters**

20 This court must balance the competing claims of injury and consider the effect on each
21 party of the entry of a preliminary injunction. *Amoco Production Co. v. Village of Gambell,*
22 *Alaska*, 480 US at 542. Here, while Plaintiff has failed to allege any harm, Defendants will
23 suffer substantial harm from the entry of an injunction. The digitally controlled model train
24 software industry in the United States currently has two primary software suppliers. Katzer
25 Decl. at ¶ 31. KAM is one and the Plaintiff is the other. Katzer Decl. at ¶ 31. Subsequent to
26 November 2006, Defendants have not used any of the Plaintiff's allegedly copyrighted materials

1 and has no plans to do so in the future. Katzer Decl. at ¶¶ 18-21. Since KAM has not used
2 Plaintiff's allegedly copyrighted software since November 2006, and because KAM has no plans
3 to do so in the future, the Plaintiff's injunction request serves no purpose other than to adversely
4 affect KAM's business through this litigation. Katzer Decl. at ¶ 35.

5 Specifically, entry of an injunction would destroy Defendants most important business
6 relationship. Defendants' future is dependent on software it has been developing for a
7 distribution company ("Company") for the last twelve months. Katzer Decl. at ¶ 36. If the deal
8 between Defendants and the Company falls through, Defendants believe they will go out of
9 business. Katzer Decl. at ¶ 36. The Company and Defendants have studied the market and have
10 budgeted for sales of 45,000 units with revenue from the subscription agreements with customers
11 of \$290,000 annually by the end of the first year. Katzer Decl. at ¶ 37. The Company and
12 Defendants expect these revenues to grow by 30% annually thereafter and to be further
13 supplemented by the development of related products financed by these cash flows. Katzer Decl.
14 at ¶ 37. The Company is litigation adverse. Katzer Decl. at ¶ 38. The current litigation has not
15 yet destroyed Defendants' business relationship with the Company, though it has negatively
16 impacted the relationship. Katzer Decl. at ¶ 38. Defendants believe that the entry of the
17 injunction will probably destroy my business relationship with the company. Katzer Decl. at ¶
18 39. The Company has already indefinitely postponed all of our heretofore scheduled joint
19 meetings and planning sessions. Katzer Decl. at ¶ 39. Defendants believe that the Company did
20 this pending the resolution of the injunction motion. Katzer Decl. at ¶39. Defendants also
21 believe that Plaintiff's requested injunction is so broad that it would scare the Company or any
22 prospective business counterpart away from doing business with KAM, for fear of defending a
23 similar lawsuit from the Plaintiff and for fear of facing a similar barrage of negative publicity
24 from the Plaintiff, under the guise of litigation reporting. Katzer Decl. at ¶ 40.

25 Since Defendants' real harm clearly outweighs any harm (or lack thereof) to Plaintiff, an
26 injunction should not issue.

1 **IV. Plaintiff has not shown that he will succeed on the merits of his copyright**
2 **infringement claim**

3 **A. Plaintiff has failed to identify his copyrighted work**

4 Plaintiff has failed to identify the copyrighted work which he seeks to enjoin Defendants
5 from using. A *sin qua non* to a preliminary injunction is the identification of the work that is the
6 subject of the injunction. See *Louis Epstein*, 13 F.3d 762. Here, Plaintiff has submitted
7 numerous copyright registrations for “JMRI Program and Decoder Definitions” and “JMRI
8 Decoder Definitions.” See Ex. C-I of Plaintiff’s Second Amended Complaint. According to
9 Plaintiff there are 195 files subject to his copyright registration. Jacobsen Decl. at ¶ 8.
10 Plaintiff’s proposed injunction seeks to enjoin Defendants from using “Plaintiff Robert
11 Jacobsen’s copyrighted works entitled JMRI Program and Decoder Definitions.” Proposed
12 Order at 2 [Dkt.# 239]. Plaintiff has failed to submit the actual works described by the phrase
13 “JMRI Program and Decoder Definitions.” Plaintiff has only submitted one decoder definition
14 file with his declaration-the QSI file. Jacobsen Decl., Exhibit AD. This is akin to Plaintiff
15 registering a copyright for a series of different books, then seeking to enjoin others from copying
16 any of the books, but without telling anyone which books are being allegedly infringed, or the
17 contents of the allegedly infringed books.

18 The proposed injunction also seeks to enjoin Defendants from, among other things,
19 “providing copyright management information that is false.” Proposed Order at 2 [Dkt.# 239].
20 This phrase is so hopelessly broad and vague that it would be impossible for Defendants or KAM
21 customers to be on notice of the enjoined conduct or for this Court to enforce the injunction. A
22 preliminary injunction must be narrowly tailored to eliminate only the specific harm alleged. It
23 should be no more burdensome to a defendant than needed to promote relief. *Meinhold*, 34 F.3d
24 1469. A preliminary injunction cannot be impermissibly vague and needs to give fair notice of
25 what conduct will risk contempt, a defendant cannot be left to guess. *Louis Epstein*, 13 F.3d 762.

1 Since Plaintiff has failed to identify his copyrighted work, and since Plaintiff's requested
2 injunction is impermissibly vague, the motion for a preliminary injunction should be denied.

3 **B. Plaintiff is not the copyright holder of some of the underlying material**

4 This problem of narrowly tailoring an injunction is further highlighted by the fact that
5 Plaintiff is not the copyright owner of some of the works to which he is claiming copyright
6 ownership. The JMRI Decoder Definition Files are not foundational works and they incorporate
7 many manufacturer's specifications data initially created by multiple manufacturers as well as
8 specifications data created by the National Model Railroad Association. Katzer Decl. at ¶ 12.
9 For example, Plaintiff uses the "JMRI Decoder Definition File, QSI_Electric.tpl.xml" to
10 highlight instances of Defendants alleged copyright infringement of "variable structure,
11 selection, naming and default variable values." Jacobsen Decl. ¶ 72. Exhibit AD contains the
12 Decoder Definition File and Exhibit AE contains KAM's comparable work from the Version 304
13 of Decoder Commander (which became non-functional on October 10, 2006, Katzer Decl. at ¶
14 17). Paragraphs 71-73, 80, 109 of Jacobsen's Declaration discuss various instances of
15 Defendants' alleged infringement of this JMRI Decoder Definition File by comparing similar
16 lines of text in Exhibits AD and AE and conclude that KAM had copied numerous fields of text
17 from the "author of the JMRI file."

18 However, Plaintiff does not have any rights to the QSI terms and associated values
19 described in his declaration. The variable structures, selection, naming and default variable
20 values contained in the JMRI Decoder Definition File are copied directly from the NMRA DCC
21 Reference Manual for QSI Quantum HO Equipped Locomotives-Version 3.0 (QSI Manual).
22 Katzer Decl. at ¶ 51, Exhibit E. This QSI Manual was originally created by QSI Industries, Inc.
23 and then published in February 2005 by QSI Industries, Inc. Katzer Decl. at ¶ 51. The JMRI
24 Decoder Definition File containing this information was subsequently published in June 2005.
25 Katzer Decl. at ¶ 51. Exhibits F through AO to the Katzer Declaration demonstrate that the
26 textual information used by Plaintiff as examples of alleged infringement of JMRI intellectual

1 property was copied by JMRI directly from the QSI Manual into the JMRI Decoder Definition
2 File.

3 KAM is the owner, via assignment, of all copyright rights in the QSI Manual. Katzer
4 Decl. at ¶ 48, Exhibit C. KAM registered its copyright rights with the United States Copyright
5 Office and obtained Copyright Registration Number TX 6-445-094, effective November 13,
6 2006. Katzer Decl. at 48. A copy of this registration is attached as Exhibit D to the Declaration
7 of Katzer. This QSI Manual copyright protects expressions of code, structure, sequence, and
8 organization for programming QSI decoders. Katzer Decl. at ¶ 49. Based on this copyright,
9 KAM has the right to use all of the QSI material in its Decoder Commander software. Katzer
10 Decl. at ¶ 52.

11 Plaintiff by failing to identify with any specificity the copyrighted work, and has not
12 demonstrated that he will succeed on the merits of his copyright infringement claim. Defendants
13 have demonstrated that Plaintiff is not the copyright owner of the QSI works, and the works that
14 Plaintiff chose as his best example of Defendants alleged misconduct. Defendants have
15 demonstrated that they have the right to use the works contained in the QSI Manual and Plaintiff
16 has no copyright rights in this material. Since Plaintiff has failed to prove that he is the
17 copyright owner of the allegedly infringing works, Plaintiff's motion for a preliminary injunction
18 should be denied.

19 **V. Adequate monetary damages are available to Plaintiff should he prevail**

20 The availability of a legal remedy indicates that a party's injury is not irreparable. *FDIC*
21 *v. Faulkner*, 991 F.2d 262, 265 (5th Cir. 1993). The fact that plaintiff can seek adequate
22 compensatory damages through the Copyright Act in the ordinary course of this litigation weighs
23 heavily against entry of a preliminary injunction. *Sampson v. Murray*, 415 U.S. 61, 90 (1974)
24 ("the possibility that adequate compensatory or other corrective relief will be available at a later
25 date, in the ordinary course of litigation, weighs heavily against a claim of irreparable harm.")
26

1 Plaintiff's alleged harm in his legal memorandum is "time lost in the open source
2 development cycle due to license violations and Sec. 1202 violated." Plaintiff's Motion for
3 Preliminary Injunction at 13. Plaintiff asserts that this time cannot be regained through a
4 monetary award. *Id.* Plaintiff does not explain, at all, how Defendants alleged infringement
5 allegedly slowed down the open source development cycle. The Supreme Court has stated that
6 "[m]ere injuries, however substantial, in terms of money, *time* and energy necessarily expended
7 ...are not enough" for a finding of irreparable harm." (emphasis added) *Sampson*, 415 U.S. at
8 90 (1974) (quoting *Virginia Petroleum Jobbers Association v. Federal Power Commission*, 259
9 F.2d 921, 925 (D.C. Cir. 1958).

10 Here, Plaintiff has the possibility of recovering adequate compensatory damages and has
11 pled actual and statutory damages under the Copyright Act in his Second Amended Complaint.
12 Plaintiff will be entitled to recover the actual damage that the plaintiff incurred and defendants'
13 alleged profits "to the extent that such profits have not already been taken into account in
14 computing the [plaintiff's] actual damages." 4-14 Nimmer on Copyright § 14.01.

15 To date, KAM has sold approximately 65 copies of the allegedly infringing Decoder
16 Commander amounting to total gross sales of approximately \$1,200.00. Katzer Decl. at ¶ 23.
17 Based on this, and discovery conducted in this case, Plaintiff will be entitled to present evidence
18 at the trial on the merits of his actual damages and of the Defendant's profits from the alleged
19 infringing activity. The availability of a damage award is an adequate remedy. Accordingly,
20 the Court should deny Plaintiff's request for a preliminary injunction.

21 VI. Conclusion

22 For the foregoing reasons, Defendants respectfully request that Plaintiff's motion for a
23 preliminary injunction be denied.

24 Dated November 7, 2008.

Respectfully submitted,

25 /s/ Scott Jerger

26 R. Scott Jerger (*pro hac vice*)
Field Jerger LLP

CERTIFICATE OF SERVICE

I certify that on November 7, 2008, I served Matthew Katzer's and KAM's Memorandum in Opposition to Plaintiff's Motion for a Preliminary Injunction on the following parties through their attorneys via the Court's ECF filing system:

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