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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

ROBERT JACOBSEN, an individual,

Plaintiff,

v.

MATTHEW KATZER, an individual, and KAMIND ASSOCIATES, INC, an Oregon corporation dba KAM Industries,

Defendants.

No. C06-1905-JSW

OPPOSITION TO DEFENDANT'S MOTION FOR PARTIAL SUMMARY JUDGMENT

Date: December 4, 2009
Time: 9:00 a.m.
Courtroom: 11, 19th Floor
Judge: Hon. Jeffrey S. White

Filed concurrently:
1 – Declaration of Robert Jacobsen in Support of Opposition to Defendants' Motion for Partial Summary Judgment
2 – Declaration of Victoria K. Hall in Support of Opposition to Defendants' Motion for Partial Summary Judgment
3 – Declaration of Howard G. Penny in Support of Opposition to Defendants' Motion for Partial Summary Judgment
4 – Proposed Order Denying Defendants' Motion for Partial Summary Judgment

SUMMARY OF ARGUMENT

In their Motion for Partial Summary Judgment Defendants admit they "copied, modified and distributed Plaintiff's work . . . ." Defs.' Mot. for Partial Summ. J. [hereinafter Defs.' Mot.] at 7. Professor Jacobsen owns the rights to this work, which he has registered with the copyright office. Defendants' admissions therefore establish a *prima facie* case of infringement.

There are few ways to defend literal copying of registered code. The story Defendants offer in their Motion is their third attempt at a defense. They first told the Court that the code they copied was not licensed but only subject to a contract. That story was wrong. Defendants then told the Court that JMRI files contain data that manufacturers own and JMRI does not. Defendants asserted a copyright counterclaim based on this premise. Now Defendants present a third story: the relevant data are not copyrightable at all—presumably not even manufacturers own them.

Defendants have not moved to dismiss their counterclaim in light of their new story, which is reason enough to question it. But Defendants' new theory is flawed in two more fundamental respects. First, it implies that Defendants are free to copy the relevant JMRI code wholesale, repackage it, and sell it as their own, free from copyright liability. That is a striking claim, which the Federal Circuit soundly rebuffed when the claim was presented in different doctrinal clothing earlier in this case. The claim's new clothes fare no better. Defendants cite no factually analogous authority approving such wholesale misappropriation of others' work.

Second, Defendants' new argument asserts a factual defense on which they bear the burden but they offer no evidence whatever regarding the work they copied as a whole. Instead they deconstruct one file of the 102 files in the work and argue that particular bits and pieces of that file are not original to JMRI or are not creative. Such deconstruction is impermissible, particularly when assessing originality, and Defendants' failure to offer evidence on 101 of the 102 files they copied warrants the rejection of their defense.

Defendants argue in the alternative that Professor Jacobsen has shown no harm from Defendants' copying. To the contrary, deposition testimony establishes non-monetary harm from Defendants' copying and expert reports establish both non-monetary and monetary harm.

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I. Standard of Review

Summary judgment is appropriate where there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. *See Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242 (1986); Fed. R. Civ. P. 56(c). The court must draw all justifiable inferences in favor of the non-moving party, *Masson v. New Yorker Magazine, Inc.*, 501 U.S. 496, 520 (1991). Defendants' Motion asserts defenses to their unauthorized reproduction, modification, and distribution of copyrighted works. They therefore bear the burden of showing that no issue of fact exists regarding their defenses. *N. Coast Indus. v. Maxwell, Inc.*, 972 F.3d 1031, 1033 (9th Cir. 1992).

II. Defendants' License Argument Is Based On A Misreading of the Artistic License

Defendants first argue that their downloading and in-house modifications of JMRI files conformed to the Artistic License, which they claim provides a defense against their exercise of Professor Jacobsen's exclusive rights.[1] Defs.' Mot. at 6-7. Professor Jacobsen has not moved for summary judgment on this issue because he wishes to simplify and streamline this case; this issue is not at the heart of it. Nevertheless, the issue having been raised we note that Defendants' Motion is incorrect because Defendants misread the license they cite.

Professor Jacobsen agrees that Defendants' mere downloading of JMRI code was licensed. Defendants' Motion is incorrect, however, because they acknowledge they modified JMRI code but they do not show that they inserted a notice in the modified files stating how and when they changed them. Defs.' Mot. at 7 n.2. Such a notice is a condition of the right to make a change regardless whether the changed file is distributed. Decl. of Victoria K. Hall in Supp. of Opp'n to Defs.' Mot. for Partial Summ. J. [hereinafter Hall Opp. Decl.] Ex. A (Artistic License) at ¶3.[2]

[1] Defendants' admission, coupled with Jacobsen's certificate of registration, states a *prima facie* claim of infringement. *Dream Games of Ariz., Inc. v. PC Onsite*, 561 F.3d 983, 987 n.2 (9th Cir. 2009); 17 U.S.C. §410(c).

[2] The relevant text states: "You may otherwise modify your copy of this Package in any way, provided that you insert a prominent notice in each changed file stating how and when you changed

Defendants' contrary argument misreads the license.

We do not intend to move this issue to the center of this case, but Defendants' Motion with regard to downloading and in-house modification is unsound and should be denied.

III. Defendants Provide No Factual Basis For Their Copyrightability Defenses, Which Are Legally Unsound

Defendants' challenge to Professor Jacobsen's copyright mixes together two different doctrines. The originality argument claims the choices expressed in the selection and arrangement of JMRI code did not originate with JMRI programmers and lack creativity. The short phrases argument deconstructs JMRI code—including original expression in that code--into small pieces and then claims the pieces are too small to be copyrightable.

Below we show each argument is legally and factually unsound. Before we begin a discussion of Defendants' arguments, however, we note that Defendants' conduct in their business is inconsistent with their arguments. Defendants have registered with the Copyright Office "Decoder Template Files." As relevant to this motion, these files are similar to the JMRI files Defendants copied. Hall Opp. Decl. Ex. B. Defendants' copyrightability arguments should be read in light of their own claims of right in similar material.

Similarly, Defendants' copyrightability arguments are inconsistent with their counterclaim. The counterclaim asserts Defendants' ownership of reference manuals that contain data two JMRI programmers used to write parts of some files for QSI decoder chips. Much if not all the expression asserted in the counterclaim consists of the types of short phrases and terms Defendants here claim are not copyrightable. *See* Decl. of Matthew Katzer in Supp. of Opp'n to Pl.'s Mot. for Prelim. Inj. [Docket #261] Ex. X and Ex. Y. It is logically impossible for these data to be copyrightable when made part of a file, as the counterclaim asserts, and for the file as a whole to be uncopyrightable, as the motion asserts.[3] This inconsistency, too, helps place Defendants'

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that file, *and* provided that you do at least ONE of the following . . . ." (emphasis added). The text goes on to allow modifications to be used purely in-house, ¶3(b), but that requirement is in addition to the labeling requirement not in lieu of it.

[3] Legally just the opposite is more likely to be true. Unprotected data are commonly protected as

arguments in context.

A. Defendants Copied JMRI's Selection of Decoders As A Whole And Offer No Defense To This Copying Other Than Impermissible Deconstruction of the Copied Work

Defendants' copyrightability challenge raises a defense to the validity of rights in a registered work. As shown in Professor Jacobsen's motion, Defendants therefore bear the burden of production and persuasion on their defense. *Swirsky v. Carey*, 376 F.3d 841, 851 (9th Cir. 2004) (defendant may overcome presumption "only by demonstrating that" the plaintiff's work "is not original"); *Bibbero Sys., Inc. v. Colwell Sys., Inc.*, 893 F.2d 1104, 1106 (9th Cir.1990).

Originality raises a question of fact. *N. Coast Indus*, 972 F.2d at 1033. Defendants therefore bear the burden of showing that the work they copied originated somewhere other than from JMRI developers or lacks even minimal creativity. *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349 (1991).

Defendants' Motion offers various theories for why the JMRI code they copied might not be eligible for copyright protection. We deal with their particular arguments below. But we note here that each argument fails at the outset because each argument challenges the creativity or originality of JMRI's code but Defendants do not analyze the code as a whole.

The law does not allow deconstruction of a work when analyzing originality and creativity.[4] As the court in *Key Publications, Inc. v. Chinatown Today Pub. Enterprises, Inc.*, 945 F.2d 509, 514 (2d Cir. 1991), held in affirming copyright in a yellow pages telephone directory aimed at businesses of interest to Chinese-Americans, "the individual categories chosen are irrelevant to our inquiry. Rather, we are concerned with whether the arrangement of the Key

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part of compilations that select and arrange them, as JMRI programmers did in creating the files relevant here. *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991); 17 U.S.C. §§ 103; 201(c). It follows that Defendants' ownership of data in the QSI files does not give them the right to reproduce JMRI files selecting and arranging those data. Defendants' QSI assignment in any event gives them no rights regarding the almost 100 other JMRI files they copied.

Directory, viewed in the aggregate, is original." *Id.*

The Ninth Circuit has long followed this rule as well. *Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1446 (9th Cir. 1994); *Roth Greeting Cards v. United Card Co.*, 429 F.2d 1106, 1109 (9th Cir. 1970). *See also* William F. Patry, PATRY ON COPYRIGHT §3.35 (2009) ("dissection is inappropriate at the originality stage"). *Apple Computer* exemplifies the point. That case dealt with the selection and arrangement of elements such as a trash can icon that were not individually subject to protection but which were subject to protection as selected and arranged by Apple. 35 F.3d at 1443-46. *See also Metcalf v. Bochco*, 294 F.3d 1069, 1074 (9th Cir. 2002) (stressing this point about *Apple*).

This general rule is particularly salient here, where Defendants admit to copying, modifying, and distributing versions 1.6.1, 1.7.1 and 1.7.3 of JMRI's decoder definition files. Decl. of Matthew Katzer in Supp. of Mot. for Partial Summ. J. at ¶¶18-19. As was the case in *CCC Information Services, Inc. v. Maclean Hunter Market Reports, Inc.*, 44 F.3d 61, 72 (2d Cir. 1994), this is a rare case of copying "of virtually the entire compendium. This is not an instance of copying of a few entries from a compilation. This copying is so extensive that [Defendants] effectively offer[ed] to sell its customers" JMRI's code. *Id.*

Notwithstanding their wholesale copying and distribution, Defendants' arguments are directed only at bits and pieces of the copyrighted work rather than the 102 JMRI decoder definition files as a whole. For most of their challenge, Defendants focus on two variables in one file, one term at a time. Defs.' Mot. at 10-11. Indeed, at points Defendants proceed one digit at a time. *Id.* at 11 ("It goes without saying that the number 1 is not copyrightable.") If the Ninth Circuit had proceeded as Defendants do here, Apple's software—indeed virtually every work that has constituent parts—would be excluded from copyright protection. That is not and never has

[4] Defendants' "short phrases" argument is only possible through such deconstruction.

been the law.

With respect to one aspect of Professor Jacobsen's copyright claim Defendants' deconstruction tactic effectively concedes liability. Professor Jacobsen showed in his Motion for Summary Judgment that the 102 files Defendants copied represent a selection of the files JMRI programmers found most interesting and useful and that this selection originated only with JMRI. Pl.'s Mot. for Summ. J. [Docket #343] at 6-12. Nothing in Defendants' Motion addresses their wholesale copying of this selection, which remains an independent basis of infringement.

Below we show that Defendants' copyrightability challenges are incorrect on the merits. But for the reasons just stated Defendants' challenge fails simply because they bear a burden of proving facts regarding JMRI's work as a whole, not just selected bits and pieces of it. Defendants offer no such facts. Combined with their admissions of copying and distribution, this failure of proof justifies entry of judgment in Professor Jacobsen's favor on his copyright claims.[5]

B. Even Defendants' Challenges To Deconstructed Portions Of The Work Are Unsound

In Professor Jacobsen's Motion for Summary Judgment he explained that he does not claim rights in previously existing material selected and arranged in the JMRI decoder definition files (the "raw data" argument Defendants previously emphasized) but he does claim rights in that selection and arrangement and in the substantial amount of original material written by JMRI

[5] It is worth noting that Defendants did not notice the deposition of any JMRI developer other than Professor Jacobsen, though all the developers were identified in Professor Jacobsen's Rule 26 disclosures. Professor Jacobsen deposed two developers, Mike Mosher and Howard Penny, to establish his counterclaim defenses. Each developer testified regarding the originality of his work. Decl. of Victoria K. Hall in Supp. of Pl.'s Mot. for Summ. J. [hereinafter Hall Decl.] Ex. E (Penny Dep. 132:20-133:4); Ex. D (Mosher Dep. 41:2-12, 19-23). Defendants did not question them on this topic. At Professor Jacobsen's deposition Defendants had him take a highlighter and compare individual bits of two files; they asked no qualitative questions regarding the choices he had made, nor any questions about the work as a whole though Professor Jacobsen made clear that he asserts rights in the work as a whole. Hall Decl. Ex. B (Jacobsen Dep. 35:7-10).

developers. Though they do not repeat their "raw data" argument from last December, Defendants assert that the work of JMRI developers is not original or creative enough to merit copyright protection. Defs.' Mot. at 8-11.

Defendants argue that selection and arrangement are not original where they are inevitable in light of external factors such as standards or where they are obvious or routine. *Id.* at 9. For this proposition they cite *Feist*, 499 U.S. 340, and *Matthew Bender & Co., Inc. v. West Publishing Co.*, 158 F.3d 674 (2d Cir. 1998). (A typographical error in Defendants' Motion suggests *Matthew Bender* issued from the Ninth Circuit; it didn't.) Particularly when considered in light of their facts, neither case supports Defendants' copyrightability arguments.

1. Anything Greater Than Zero Creativity Satisfies The Rule of *Feist*, And The Expression Of An Author's Judgment Meets This Standard

Feist governs the originality analysis here, and the rule of that case derives from its facts. The plaintiff in *Feist* was a monopoly rural telephone provider required by state law to issue and update telephone books for its service area. The white pages this provider produced listed people in alphabetical order, with their numbers and town names. This was the "arrangement" at issue.[6] Alphabetical listings certainly did not originate with the plaintiff in that case, whose "selection" of persons to list was mandated by state law. 499 U.S. at 363.

On these facts, the Court held that to be "original" under the Copyright Act there must be more than zero creativity: "the selection and arrangement of facts cannot be so mechanical or routine as to require no creativity whatsoever." *Id.* at 362. There was zero creativity in *Feist* and indeed zero originality, which explains its result.[7] *Feist* therefore poses a simple test for

[6] The Defendant copied both the white and yellow pages but conceded that the combined directory as a whole was copyrightable because it contained some foreword matter and some original text in the yellow pages. 499 U.S. at 361.

[7] As Judge Leval wrote for the Second Circuit in *CCC Information Services*, "the directory at issue" in *Feist* "failed because it was found to be completely devoid of originality." 44 F.3d at 65.

copyrightability: Is the level of creativity in the work as a whole greater than zero?

Cases following *Feist* make clear that sufficient creativity exists where expression reflects an author's judgment. The plaintiff in *CDN, Inc. v. Kapes*, 197 F.3d 1256 (9th Cir. 1999), for example, surveyed data it deemed relevant to the prices of rare coins. Using its judgment and experience, the plaintiff distilled those data into a concise expression—prices—most useful to the coin dealers and traders who bought plaintiff's newsletter. The Ninth Circuit held that plaintiff's individual prices were copyrightable and rejected the Defendants' various copyrightability challenges.[8]

Matthew Bender is consistent with this holding, though it reached the opposite result on the facts before it. In that case West claimed rights in the arrangement of (i) caption information (name of parties and court; date of decision); (ii) names and cities of counsel; (iii) subsequent history; and (iv) editing of parallel and permanent citations. 158 F.3d at 677. The court found none of West's choices reflected the "evaluative judgment" needed to confer copyright protection. *Id*. at 686.[9]

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[8] Indeed, Defendants' argument here is strikingly similar to Kapes's argument, which the Ninth Circuit rejected. Kapes insisted that

> One can express prices only in numbers, *e.g.*, the bid on a $20 Saint Gaudens gold piece, extra fine/almost uncirculated, is $450, and ask, $460. You can say $450 in only one way, with the number "450." There is no other way to say 450 of anything but with the digits 4, 5, and O. You cannot separate the idea of 450 of anything from these three digits in that particular order.

Appellant's Reply Brief [Kapes] *CDN v. Kapes*, 197 F.3d 1256 (9th Cir. 1999) (No. 98-55555), 1998 WL 34086444, at 10,. Because the basis for protection—the exercise of judgment reflected in expression—is present here as it was in *Kapes*, the Ninth Circuit's rejection of this argument compels the rejection of Defendants' copyrightability challenge.

[9] *Matthew Bender* and *Feist* share important characteristics absent in this case. The cost of producing the content at issue in each case was subsidized, by taxes in the case of judicial opinions and by telephone service in *Feist*. In each case originality and creativity in arrangement would actually reduce the usefulness of the expression. Creative telephone numbers would be a nuisance and creative editors of published opinions are the last thing judges need. And both courts were concerned that recognizing copyright in the relevant expression would impede competition. 499

2. The Code Defendants Copied Expresses Judgment That Is Both Qualitatively And Quantitatively Substantial

Setting aside for the moment Defendants' failure of proof regarding JMRI's work as a whole, analysis of even the one file Defendants deconstruct in their Motion shows that JMRI developers exercised judgment that easily qualifies for copyright protection. Defendants' main originality challenge rests on their analysis of one JMRI file—"QSI Electric." Defs.' Mot. at 10-11. Defendants point out that the names and values of the two configuration variables (CVs) they discuss in this file can be traced to sources other than Howard Penny, the JMRI author who wrote the file. Defendants point to National Model Railroad Association (NMRA) standards and a reference manual published by chipmaker QSI as the relevant alternative sources.

It is true that this file contains expression Mr. Penny took from these sources. It does not follow, however, that this file is not original or creative. The QSI Electric file has 42 CVs. Decl. of Robert Jacobsen in Supp. of Opp'n to Defs.' Mot. for Partial Summ. J. [hereinafter Jacobsen Opp. Decl.] ¶ 36. The JMRI definitions for the content of over 25 of these CVs include expression found in neither of the sources cited in Defendants' motion. *Id*. ¶ 38. The expression in those files comes from Mr. Penny. Furthermore, even within the description for CV 1 Mr. Penny made different choices than are reflected in the pre-existing material—he left out the minimum/maximum values. *Id.* ¶¶ 43-44. In each case Mr. Penny kept the ones that many model railroaders use.[10]

Even more tellingly, the same file also omits over 20 NMRA CVs. *Id.* ¶ 41. The choice to omit these CVs is among the clearest pieces of evidence of the judgment and creativity in this

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U.S. at 343 (noting district court finding that Rural telephone asserted rights in its phone books to extend its monopoly unlawfully); 158 F.3d at 687-88 (finding competition in distribution of opinions would be infeasible if West's claim of right were recognized). In contrast, the creativity of JMRI authors enriches the program and poses no competitive threat whatever.

[10] Mr. Penny provides a partial list of examples in his declaration, relating to CV 5, CV 23, CVs 33-46, CV 49 and CV 50. Penny Opp. Decl. ¶¶ 4,-6, 9.

particular file and in the work Defendants copied as a whole. Several of the omitted CVs deal with controlling the speed of a locomotive. *See id.* ¶ 41. JMRI either combined into one CV variables the NMRA treated separately, or combined several of them into a table that Professor Jacobsen made part of the main JMRI program. *Id.* ¶ 14.

This choice exemplifies Professor Jacobsen's fundamental choice to organize JMRI code according to his judgment of how model railroaders think rather than simply describing each variable called out by, for example, the NMRA. *Id.* ¶¶ 7-14. In Professor Jacobsen's view, railroaders think in terms like "ramp up faster" rather than terms like "set CV 64 higher than it is, and CV 65 much higher, then adjust CV66 and CV 67 to make a smooth transition." *Id.* ¶ 14. So Mr. Penny did not include these variables in the CV Defendants discuss; he followed Professor Jacobsen's choice to deal with speed in a more holistic way that, in their judgment, best approximates how railroaders think about speed. *Id.*

Defendants' other example confirms this point. Defendants claim that one portion of CV 53 in this file includes "feature choices, as well as the order they are presented in" taken "straight from the QSI Manual." Defs.' Mot. at 12. Yet a comparison drawn by Mr. Katzer and submitted in opposition to Professor Jacobsen's motion for preliminary injunction shows that Mr. Penny did not copy the manual verbatim. He chose to omit 15 of the 36 features available. Decl. of Matthew Katzer in Supp. of Opp'n to Pl.'s Mot. for Prelim. Inj. [Docket #261] Ex. X. And Mr. Penny altered the 21 items he did include in order to reflect his own judgment of what railroaders understand and are most interested in.[11] Decl. of Howard Penny in Supp. of Opp'n to Defs.' Mot.

[11] In particular, of these 21 items Mr. Penny selected only 8 to have their number in the "Feature ID" column listed, and that number was listed in "value=". Penny Opp. Decl. ¶ 8. The "Signal Types" column is also missing from the file, and the "Allowed States" column data is missing from each individual line. *Id.* Penny left out the "Signal Types" information because he thought it unnecessary for a model railroader to know when programming a decoder chip. *Id.* Instead of listing the "Allowed States", he grouped the information as either "Forward/Reverse Only" or "Neutral Only". *Id.* He used different terminology than what was present in the "Allowed States"

for Partial Summ. J. [hereinafter Penny Opp. Decl.] ¶ 8.

Like the selections Professor Jacobsen and Mr. Penny made and which appear in the text of the files Defendants copied, their choices of what to leave out, what to combine, and what to deal with in the main DecoderPro program reflect selection and arrangement protected by copyright law. These judgments were at least as creative as the decision to omit a business from a directory because the author did not expect the business to last very long, which has been found an exercise of creative judgment sufficient to merit copyright protection. *Key Publications*, 945 F. 2d at 513. *Matthew Bender*, on which Defendants rely, affirms this doctrine. 158 F.3d at 689.

Indeed, even thinner, less evaluative choices than those made by JMRI programmers are entitled to copyright protection. For example, the plaintiff in *BUC International Corp. v. International Yacht Council Ltd.*, 489 F.3d 1129 (11th Cir. 1997), created a database listing used yachts for sale. Similar to Professor Jacobsen's JMRI template, the plaintiff developed a standard form allowing yacht brokers to enter their listings into the database. This form arranged categories of information, including such things as "accommodations and layout," "galley/laundry," "deck," "hull," "construction," and "engine." 489 F.3d at 1135 n.8. The plaintiff claimed rights in this selection and arrangement of variables. *Id*.

A competing database provider posted listings reproducing these categories and the plaintiff sued for infringement. The defendant argued the plaintiff's compilation simply employed "standard industry terms" and was not original. *Id*. at 1140, 1143. The court rejected the first argument, noting that, as here, the defendant "is not foreclosed from using industry terms like `galley' or `hull;' it simply cannot use them in the same manner in which BUC did." *Id.* at 1144.

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column because a model railroader would better understand "Forward/Reverse Only" and "Neutral Only" as being associated with the motion of the train than the phrases "All", "NFF/NFR", and "FWD/REV," which QSI used. *Id.* Finally, Penny listed a default at the top, as well as a CV. *Id.* Of all this information, Katzer copied all 21 items that were selected, the CV, the default, and the

It rejected the second argument on the facts. *Id*. at 1145. *BUC International* shows that even arrangements of "standard industry terms" are copyrightable if they meet the extremely low originality requirement.[12] Applying this standard, Professor Jacobsen's decoder definitions easily satisfy the deliberately meager originality and creativity requirements of copyright law.

3. The Undisputed Facts Show JMRI Programmers Did Not Simply Replicate "Industry Standard" Conventions

Defendants also argue that the CVs set by the NMRA are "industry standard, and in some cases are mandatory." Decl. of Matthew Katzer in Supp. of Mot. for Partial Summ. J. ¶ 35. Mr. Katzer provides an example: "the NMRA dictates that CV1 is always the 'primary address' of the Decoder." *Id.* Defendants infer from these statements that the NMRA conventions are similar to the "Blue Book" standards that dictated many of West Publishing's choices in *Matthew Bender*.

Mr. Katzer's declaration does not actually discuss the choices made in the JMRI code he copied. He refers only to the NMRA provisions in the abstract. His declaration therefore does not establish a link between Defendants' premise and the JMRI code at issue. Nevertheless, we agree that the NMRA conventions provide a useful baseline for measuring the originality and creativity of the work Defendants' copied. Those conventions contradict rather than support Defendants' claims.

First, the NMRA provisions Mr. Katzer references are not "standards" even as the NMRA defines the term. The NMRA distinguishes between standards and "recommended practices," and the provisions Mr. Katzer discusses fall in the latter category. *See* Jacobsen Opp. Decl. ¶¶ 18-20. Even within these recommended practices, "mandatory" does not mean what Defendants imply.

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grouping under the "Outout 10 – Forward/Reverse Only". Mr. Katzer also left out the "Feature ID", "Signal Type" and "Allowed States", and the 15 missing items, just as Mr. Penny did.

[12] *BUC* involved a factual dispute in which a jury found for the plaintiff and the court affirmed. No such dispute is present here.

The NMRA's recommended practices do require that a few CVs be implemented but the NMRA does not dictate the descriptions of these CVs. *Id.* ¶ 20. Programmers are free to exercise their judgment in describing their implementation in the way that best expresses what they have done. *See id.*

JMRI programmers have exercised this freedom and their judgment liberally. Without regard to what the NMRA "dictates," for example, CV1 is described five different ways in the JMRI files Defendants copied. *Id.* ¶ 22. More generally, the NMRA provides one description for each option in the approximately 67 CVs it defines. JMRI decoder definitions provide up to eight different descriptions for a particular option, in addition to the NMRA recommendation. *Id.* ¶ 33. Most CVs have multiple additional names. *Id.* In total, JMRI developers have added more than 250 descriptions to the basic NMRA descriptions. *Id.* All of these were copied into Defendant's distributed templates. *Id.* Whatever Mr. Katzer may mean by "industry standard" expression, the undisputed facts show the code he copied varied substantially from these supposed standards.

4. Defendants' "Short Phrases" Argument Is Similarly Flawed

The over 250 additional descriptions just discussed represent the independent, original expression of JMRI developers. Defendants do not and cannot claim that they derive from other sources. Defendants therefore claim that such descriptions are too short to count. For this point Defendants cite *Cook v. Robbins*, 232 F.3d 736 (9th Cir. 2001), an opinion the Ninth Circuit has withdrawn, and the Nimmer treatise. Defs.' Mot. at 12. Even apart from their reliance on withdrawn authority, Defendants' argument misconceives the short phrases doctrine and provides an unreliable guide to the law.

Defendants' argument misconceives the short phrases doctrine in part because Defendants did not copy one or two short phrases. Defendants copied 102 files with over 250 original descriptions interspersed among them. Defendants cite no authority that justifies using the "short phrases" doctrine to deny copyright protection to such an extensive aggregation of expression.

They note that the Copyright Office employs the doctrine to deny registration in some cases but the office did not do so in this case. The registration of JMRI's work as a whole indicates that Defendants' tactic of deconstructing JMRI's work into short phrases misapplies the doctrine. *Cf. Applied Innovation, Inc. v. Regents of the Univ. of Minn.*, 876 F.2d 626, 635 (8th Cir. 1989) (protection for test questions in the form of "short, simple, declarative sentences" was not barred by short phrases doctrine, at least where defendant copied 38 such questions).

More specifically, it is certainly possible to find cases stating that short phrases are not copyrightable. But copyright is not a game of counting letters or numbers. The question is not how long something needs to be to warrant protection but whether expression reflects evaluation and judgment. *CDN v. Kapes*, *supra*, which dealt with rights in individual price listings, settles the point. If there were a flat minimum on the length of copyright protection, "bid" and "ask" information would fail it. *Cf. Am. Dental Ass'n v. Delta Dental Plans Ass'n*, 126 F.3d 977, 979 (7th Cir. 1997) (finding "even the short description and the number" of particular medical procedures included in larger taxonomy of procedures are themselves "original works of authorship").

Defendants' short phrases argument falters because Defendants treat JMRI's descriptions as the product of an abstract word game rather than as guides designed to help railroaders make their locomotives do what they want. For example, Defendants assert that JMRI names for acceleration and deceleration are "garden variety and obvious" choices. Defs.' Mot. at 13. This assertion might seem right to someone who is not a model railroader. But different types of trains and different types of locomotives behave differently. Heavy modern trains with diesel locomotives have a huge amount of momentum when moving, and model railroaders think in those terms about them. Older steam engines have very different properties that must be described differently if railroaders are to be able to make the engines do what they want. "Acceleration" and "acceleration rate" might seem obvious and uninteresting as a matter of the English language, but to model railroaders they express different things and JMRI decoder definition authors have used different terms to capture those different rates.[13] Jacobsen Opp. Decl. ¶¶ 30-32.

[13] Even from a scientific and technical point, there is no consensus on the best name. The QSI Manual Defendants cite in their Motion proposes an alternate terminology:

Proper copyrightability analysis must take into account the context in which these 250+ descriptions are used. Unlike Defendants' comparatively abstract analysis, the choices of JMRI developers are not theoretical exercises. Those choices were made with the understanding that they would guide a particular group of people doing very particular things. Model railroaders establish surprisingly elaborate layouts to create what in a different context would be called a "virtual world" (albeit one with fewer explosions and less carnage than video games). Within that world railroaders imagine they are doing very specific things—they are running a steam engine or a diesel engine, carrying freight or passengers or coal, up a grade or down a grade or through a long or short tunnel. Small choices make big differences to the world such railroaders try to create through their layout and bring to life through software. Jacobsen Opp. Decl. ¶ 1. Those choices reflect judgment and, under *Kapes*, are protectable.

C. Defendants' DMCA Challenge Falls With Their Copyright Challenge

Defendants also argue that Professor Jacobsen's claim for violation of the Digital Millennium Copyright Act rises or falls with the copyrightability of his code. Defs.' Mot. at 13-14. We agree with this premise. For the reasons just stated, however, Defendants' copyrightability challenge does not undermine Professor Jacobsen's DMCA claim, and thus their motion for summary judgment on that claim should be denied.

> This NMRA CV is more aptly entitled "Inertia under Acceleration" since higher values for this CV result in higher inertia values but lower acceleration rates. Using the term "Momentum" to describe CV 3 is not correct since a non-moving train has no momentum even if CV 3 is set to the maximum value. Inertia is the property of an object that resists any change to its state of rest or motion.

Hall Opp. Decl. Ex. C. Where no consensus exists, JMRI authors make an educated choice, perhaps rejecting some suggestions (like the QSI footnote), selecting another, or making up a new term. *See, e.g.*, Jacobsen Opp. Decl. ¶ 22.

IV. Defendants' Claim That Professor Jacobsen Is Entitled To No Relief Is Unsupported By The Facts and Is Contradicted By The Relevant Law

In the alternative, Defendants seek summary judgment on Professor Jacobsen's copyright claim on the ground that he has no evidence that would entitle him to injunctive relief or damages. Defs.' Mot. at 14-21. This argument is factually incorrect and legally unsound.

A. Defendants' Admitted Unlicensed Distribution Has Caused Irreparable Harm, Which Would Be Presumed From Their Infringement Even If The Evidence Did Not Establish It

Defendants ask the Court to enter judgment in their favor because, they say, "this Court has already found that Plaintiff has put forth no evidence of harm irreparable or otherwise." Defs.' Mot. at 14. For this claim Defendants cite the Court's order on Professor Jacobsen's motion for a preliminary injunction. That motion was heard and the Court's order issued before discovery even opened. Nothing in the Court's order supports the use Defendants make of it here.

In addition, Defendants' casual assertion is factually unfounded in three respects. First, testimony from Howard Penny, the JMRI developer whose QSI Electric file Defendants discuss in their copyright argument, establishes that Defendants' infringement already has harmed the development of JMRI software. Hall Opp. Decl. Ex. D (Penny Dep. 144:8-146:16). As Mr. Penny testified,

> granted, the JMRI project being open source, anybody can look at it and use it and modify it, but they're supposed to give credit to those people who—who did it. And if I'm not going to get credit for what I did, then I would have to cease my contributions, because there really was a lot of effort in this.

Id. at 144: 16-21. Mr. Penny confirmed that Defendants' infringement has in fact deterred his work on JMRI:

> A. I have not contributed anything in quite some time.
> Q. And why is that?
> A. Well, because it's very discouraging to find it being used by others that are not giving credit for it.

Id. at 146: 3-7. The loss of such collaborative efforts due to Defendants' failure to give credit where it was due counts as irreparable harm. *Cf. Concrete Mach. Co., Inc. v. Classic Lawn*

Ornaments, Inc., 843 F.2d 600, 611 (1st Cir. 1988) (noting importance of reputation and thus attribution to authors); *Register.com, Inc. v. Verio, Inc.*, 356 F.3d 393, 404 (2d Cir. 2004) (enjoining violation of website terms of use where violation threatened loss to "reputation, good will, and business opportunities"); *Warner Bros. Entm't, Inc. v. RDR Books*, 575 F. Supp. 2d 513, 552 (S.D.N.Y. 2008) (harm to author's willingness to produce future work is irreparable injury, justifying order to enjoin infringing activity).

Second, in his declaration filed with this opposition Professor Jacobsen confirms the harms to which Mr. Penny testified. Jacobsen Opp. Decl. ¶¶ 46-48. Third, Professor Jacobsen has provided Defendants an expert report from Bruce Perens documenting the widespread harm that likely would result from a failure to enjoin Defendants' infringement. Hall Opp. Decl. Ex. E.

Defendants' assertion is also legally flawed. Defendants cite *eBay v. MercExchange*, 547 U.S. 388 (2006), for the proposition that a showing of irreparable harm is necessary to secure permanent injunctive relief. Defs.' Mot. at 14. *eBay* was a patent case involving concerns (such as patent "trolls") not present here. Justice Kennedy's concurrence in that case emphasized that application the traditional equitable factors for injunctive relief evolved into a presumption because historically infringement occurred in contexts that satisfied those factors. 547 U.S. at 396. This case, which involves wholesale copying by a competitor to facilitate entry into a market, is a classic example of the facts from which the presumption of irreparable harm emerged. *See Cadence Design Sys., Inc. v. Avant! Corp.*, 125 F.3d 824, 828 n.8 (9th Cir. 1997).

The Ninth Circuit has not extended *eBay's* holding to copyright law, and the Ninth Circuit's preliminary injunction jurisprudence holds that irreparable harm is presumed from a showing of infringement. Although this presumption was called into question for a time, a recent Ninth Circuit

decision reaffirms its validity.[14] Logically this presumption should carry over to permanent injunctions as well. Defendants' Motion should be denied on that ground, and because the evidence recounted above shows at the very least an issue of fact regarding irreparable harm.

B. Defendants Are Liable For Damages In The Amount of the Value of the Code They Misappropriated

Defendants argue that on the facts as they emerged in discovery Professor Jacobsen is not entitled to statutory damages and fees based on Defendants' infringing distribution. Defs.' Mot. at 16-18. We agree with this point.

Defendants further argue that Professor Jacobsen is not entitled to recover damages because Defendants lost money on their infringing work. Defs.' Mot. at 20-21. This claim is not correct. Professor Jacobsen is entitled to recover the value of the misappropriated work, and this measure is distinct from the amount a plaintiff made or lost. *Sid & Marty Krofft Television Productions, Inc. v. McDonald's Corp.*, 562 F.2d 1157, 1174 (9th Cir. 1977) (value of use is a different measure than the determination of defendants' actual profits from the infringement"); *McRoberts Software, Inc. v. Media 100, Inc.*, 329 F.3d 557, 566-67 (7th Cir. 2003); *Deltak, Inc. v. Advanced Sys., Inc.*, 767 F.2d 357, 360-61 (7th Cir. 1985). *See also Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 707-08 (9th Cir. 2004) (endorsing "value of use" theory).

Plaintiff's contention that "no value has been conferred on Defendants as they have never profited" from infringement is therefore legally wrong.[15] Professor Jacobsen has submitted an

[14] At the preliminary injunction hearing Professor Jacobsen accepted for purposes of argument that *Winter v. Natural Res. Def. Council, Inc.*, __ U.S. __, 129 S. Ct. 365, 374 (2008), altered this rule, but the Ninth Circuit has since made clear that it does not read *Winter* that way. In *Marlyn Nutraceuticals, Inc. v. Mucos Pharma GmbH & Co.*, 571 F.3d 873, 877 (9th Cir. 2009), the court held that a district court properly presumed irreparable harm once it concluded the plaintiff was likely to prevail on its trademark claim.

[15] It is also economically implausible. By Defendants' reasoning they could misappropriate an entire program and be liable for nothing so long as their allocable expenses exceeded their revenue,

expert report documenting the value of the work Defendants copied. Hall Opp. Decl. Ex. F. At a minimum, there is a factual dispute regarding damages. Defendants' Motion therefore should be denied.

V. Conclusion

Howard Penny is a model railroad enthusiast and programmer whose work both parties have discussed at length in their respective motions. Defendants acknowledge that Mr. Penny, and other JMRI programmers like him, worked hard and created code valuable enough for Defendants to have copied, repackaged, and sold. They claim, however, that this work is obvious, uncreative, and unworthy of copyright protection.

Defendants never explored the choices made by Mr. Penny and his fellow programmers, however, and Defendants present no evidence regarding the number or character of those choices. Defendants instead submit comparatively abstract statements about how the NMRA says code should be written, or abstract deconstruction of particular bits and pieces of JMRI's code. These general propositions and particular deconstructions do not establish a defense to Defendants' copying, modification, and distribution of an entire work—102 files of JMRI code. Defendants also point out that the files they copied contain some data compiled from elsewhere, an observation irrelevant to the substantial original expression in the JMRI files and to the rights in the selection and arrangement of pre-existing data as a compilation.

Because none of these tactics establishes a defense running to the full set of JMRI files, the work Defendants copied, Defendants' motion should be denied. Their deconstruction of the work is contrary to the law concerning originality and creativity, which are judged in relation to a work as a whole. In addition, the facts show the choices Mr. Penny and his colleagues made are many,

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generating net losses from an accounting point of view. It is hard to imagine a rule creating more perverse incentives.

varied, and important. These choices help railroaders bring to life a world in miniature that is at once intuitive to control and realistic. Their work is original and creative.

Finally, discovery produced evidence of irreparable harm more than sufficient to justify permanent injunctive relief should Professor Jacobsen prevail on his copyright claims. Defendants' legal contentions regarding damages are unsound as well.

For all these reasons, Defendants' Motion for Summary Judgment should be denied.

Respectfully submitted,

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