

FOR PUBLICATION

**UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT**

UNICOLORS, INC., a Nos. 18-56253
California Corporation, 18-56548
Plaintiff-Appellee,

v.

D.C. No.
2:16-cv-02322-
AB-SK

H&M HENNES &
MAURITZ, L.P., a New
York limited partnership,
Defendant-Appellant.

OPINION

Appeal from the United States District Court
for the Central District of California
Andre Birotte, Jr., District Judge, Presiding

Submitted March 30, 2020*
Pasadena, California

Filed May 29, 2020

Before: Carlos T. Bea and Bridget S. Bade, Circuit
Judges, and Jon P. McCalla,** District Judge.

* The panel unanimously concludes this case is suitable for decision without oral argument. *See* Fed. R. App. P. 34(a)(2).

** The Honorable Jon P. McCalla, United States District Judge for the Western District of Tennessee, sitting by designation.

SUMMARY***

Copyright

The panel reversed the district court's judgment after a jury trial and award of attorneys' fees in favor of the plaintiff in a copyright infringement action, and remanded for further proceedings concerning copyright registration.

The district court denied defendant's motion for judgment as a matter of law on the ground that plaintiff's copyright registration was invalid because it secured the registration by including known inaccuracies in its application for registration.

The panel held that under 17 U.S.C. § 411(b)(1)-(2), once a defendant alleges that (1) a plaintiff's certificate of registration contains inaccurate information; (2) "the inaccurate information was included on the application for copyright registration;" and (3) the inaccurate information was included on the application "with knowledge that it was inaccurate," a district court is then required to submit a request to the Register of Copyrights "to advise the court whether the inaccurate information, if known, would have caused [it] to refuse registration." In other

*** This summary constitutes no part of the opinion of the court. It has been prepared by court staff for the convenience of the reader.

words, courts may not consider in the first instance whether the Register of Copyrights would have refused registration due to the inclusion of known inaccuracies in a registration application.

The panel held that the district court erred in imposing an intent-to-defraud requirement for registration invalidation. The district court further erred in concluding that plaintiff's application for copyright registration of a collection of works did not contain inaccuracies. The panel held that single-unit registration requires that the registrant first published a collection of works in a singular, bundled collection. The panel also concluded that the undisputed evidence adduced at trial showed that plaintiff included the inaccurate information with knowledge that it was inaccurate. Accordingly, the district court was required to request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register to refuse registration. The panel reversed and remanded for the district to complete this statutorily required request.

COUNSEL

Staci Jennifer Riordan, Aaron Brian, and Dale A. Hudson, Nixon Peabody LLP, Los Angeles, California, for Defendant-Appellant.

Stephen M. Doniger, Scott Alan Burroughs, and Trevor W. Barrett, Doniger / Burroughs, Venice, California, for Plaintiff-Appellee.

OPINION

BEA, Circuit Judge:

This is a copyright-infringement action brought by Unicolors, Inc. (“Unicolors”), a company that creates designs for use on textiles and garments, against H&M Hennes & Mauritz L.P. (“H&M”), which owns domestic retail clothing stores. Unicolors alleges that a design it created in 2011 is remarkably similar to a design printed on garments that H&M began selling in 2015. The heart of this case is the factual issue whether H&M’s garments bear infringing copies of Unicolors’s 2011 design. Presented with that question, a jury reached a verdict in favor of Unicolors, finding the two works at least substantially similar. On appeal, however, we must decide a threshold issue whether Unicolors has a valid copyright registration for its 2011 design, which is a precondition to bringing a copyright-infringement suit.

I

Unicolors’s business model is to create artwork, copyright it, print the artwork on fabric, and market the designed fabrics to garment manufacturers. Sometimes, though, Unicolors designs “confined” works, which are works created for a specific customer. This customer is granted the right of exclusive use of the confined work for at least a few months, during which time Unicolors does not offer to sell the work to other customers. At trial, Unicolors’s President, Nader Pazirandeh, explained that customers “ask for privacy” for confined designs, in respect of which Unicolors holds the confined designs for a “few

months” from other customers. Mr. Pazirandeh added that his staff follows instructions not to offer confined designs for sale to customers generally, and Unicolors does not even place confined designs in its showroom until the exclusivity period ends.

In February 2011, Unicolors applied for and received a copyright registration from the U.S. Copyright Office for a two-dimensional artwork called EH101, which is the subject of this suit. Unicolors’s registration—No. VA 1-770-400 (“the ‘400 Registration”)—included a January 15, 2011 date of first publication. The ‘400 Registration is a “single-unit registration” of thirty-one separate designs in a single registration, one of which designs is EH101. The name for twenty-two of the works in the ‘400 Registration, like EH101, have the prefix “EH”; the other nine works were named with the prefix “CEH.” Hannah Lim, a Unicolors textile designer, testified at trial that the “EH” designation stands for “January 2011,” meaning these works were created in that month. Ms. Lim added that a “CEH” designation means a work was designed in January 2011 but was a “confined” work.

When asked about the ‘400 Registration at trial, Mr. Pazirandeh testified that Unicolors submits collections of works in a single copyright registration “for saving money.” Mr. Pazirandeh added that the first publication date of January 15, 2011 represented “when [Unicolors] present[ed] [the designs] to [its] salespeople.” But these salespeople are Unicolors employees, not the public. And the presentation took place at a company member-only meeting. Following the presentation, according to Mr. Pazirandeh,

Unicolors would have placed non-confined designs in Unicolors's showroom, making them "available for public viewing" and purchase. Confined designs, on the other hand, would not be placed in Unicolors's showroom for the public at large to view.

H&M owns and operates hundreds of clothing retail stores in the United States. In fall 2015, H&M stores began selling a jacket and skirt made of fabric bearing an artwork design named "Xue Xu." Upon discovering H&M was selling garments bearing the Xue Xu artwork, Unicolors filed this action for copyright infringement, alleging that H&M's sales infringed Unicolors's copyrighted EH101 design. Unicolors alleges that the two works are "row by row, layer by layer" identical to each other.

The case proceeded to trial, at which a jury returned a verdict in Unicolors's favor, finding Unicolors owned a valid copyright in the EH101 artwork, H&M infringed on that copyright by selling the contested skirt and jacket, and H&M's infringement was willful. The jury awarded Unicolors \$817,920 in profit disgorgement damages and \$28,800 in lost profits.

H&M filed a renewed motion for judgment as a matter of law, or in the alternative, for a new trial. The district court denied H&M's renewed motion for judgment as a matter of law, but conditionally granted H&M's motion for a new trial subject to Unicolors accepting a remittitur of damages to \$266,209.33. Unicolors accepted the district court's remittitur and the district court entered judgment against H&M accordingly. Unicolors subsequently moved for attorneys' fees and costs, which the district

court awarded in the amounts of \$508,709.20 and \$5,856.27, respectively. This appeal of both the entry of judgment and award of attorneys' fees in favor of Unicolors followed.

II

“To establish infringement, two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.” *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991). As to ownership, a registration certificate issued by the U.S. Register of Copyrights constitutes prima facie evidence of the validity of a plaintiff's copyright. 17 U.S.C. § 410(c).

Although proper registration benefits copyright-infringement plaintiffs by imbuing their copyright with a presumption of validity, proper registration is also a burden of sorts, as it is “a precondition to filing an action for copyright infringement.” *Gold Value Int'l Textile, Inc. v. Sanctuary Clothing, LLC*, 925 F.3d 1140, 1144 (9th Cir. 2019); *see* 17 U.S.C. § 411(a). Proper registration, of course, is not a precondition to copyright protection. 17 U.S.C. § 408(a). But the Copyright Act expressly prohibits copyright owners from bringing infringement actions without first properly registering their work. *Id.* § 411(a). Whether a copyright is properly registered is rarely disputed, because the mere receipt of a registration certificate issued by the Register of Copyrights ordinarily satisfies the Copyright Act's registration requirement. *Id.* § 411(b)(1). But possession of a registration certificate does not satisfy the Copyright Act's registration requirement if the registrant secured the registration

by knowingly including inaccurate information in the application for copyright registration that, if known by the Register of Copyrights, would have caused it to deny registration. *Id.*

In practice, once a defendant alleges that (1) a plaintiff's certificate of registration contains inaccurate information; (2) "the inaccurate information was included on the application for copyright registration"; and (3) the inaccurate information was included on the application "with knowledge that it was inaccurate," a district court is then required to submit a request to the Register of Copyrights "to advise the court whether the inaccurate information, if known, would have caused [it] to refuse registration." *Id.* § 411(b)(1)-(2). In other words, courts may not consider in the first instance whether the Register of Copyrights would have refused registration due to the inclusion of known inaccuracies in a registration application.

Here, following the unfavorable verdict, H&M filed a renewed motion for judgment as a matter of law that contended, in relevant part, that Unicolors's '400 Registration covering the EH101 work was invalid because Unicolors secured the registration by including known inaccuracies in its application for registration. In particular, H&M noted that Unicolors used a single copyright registration to register thirty-one separate works, one of which was EH101. But to register a collection of works as a "single unit" as Unicolors did, H&M maintained that the works must have been first sold or offered for sale in some integrated manner. And because the undisputed evidence adduced at trial showed that Unicolors included in

the ‘400 Registration at least nine confined works that were sold separately and exclusively to individual customers, H&M argued that the collection of works identified in the ‘400 Registration were not first sold together and at the same time. In turn, H&M contended the district court should find the ‘400 Registration invalid and enter judgment in favor of H&M.

The district court rejected H&M’s argument for invalidating the ‘400 Registration for two reasons. First, the district court held that invalidation required a showing at trial that Unicolors intended to defraud the Copyright Office, and found no evidence introduced at trial showed such an intent. Second, the district court held that although Unicolors may have marketed and sold various works included in the ‘400 Registration separately, that did not mean all of the works were not first made available to the public—i.e., published—on the same day.

Both the district court’s reasons for denying H&M judgment as a matter of law are flawed. To be sure, several opinions from this Court have implied that there is an intent-to-defraud requirement for registration invalidation. *See L.A. Printex Indus., Inc. v. Aeropostale, Inc.*, 676 F.3d 841, 853-54 (9th Cir. 2012); *see also Lamps Plus, Inc. v. Seattle Lighting Fixture Co.*, 345 F.3d 1140, 1145 (9th Cir. 2003) (stating that inaccuracies “do not invalidate a copyright ... [unless] the claimant intended to defraud the Copyright Office by making the misstatement”) (quoting *Urantia Found. v. Maaherra*, 114 F.3d 955, 963 (9th Cir. 1997)); *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 486–87 (9th Cir. 2000) (same), *overruled on other grounds by Skidmore v. Led Zeppelin*, 952 F.3d 1051

(9th Cir. 2020) (*en banc*); *Cooling Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 487 (9th Cir. 1985) (“Absent fraud, a misstatement or clerical error in the registration application ... will not invalidate the copyright ...”) (internal quotation marks omitted), *overruling on other grounds recognized by Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1448 (9th Cir. 1994); 2 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 7.20[B][1] (2019). But we recently clarified that there is no such intent-to-defraud requirement. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147 (9th Cir. 2019).

The district court further erred in concluding that Unicolors’s application for copyright registration did not contain inaccuracies despite the inclusion of confined designs because single-unit registration requires merely that all works identified in the application be published on the same date. Under the Copyright Act, an author may register a collection of published works “as a single work,” so that the registrant need pay only one filing fee. 37 C.F.R. § 202.3(b)(4) (effective January 24, 2011).¹ To register such a collection of published works, the works must have been “included in a single unit of publication.” *Id.* § 202.3(b)(4)(i)(A) “Publication” under the Copyright Act is defined as the initial “distribution” or “offering to distribute” the “work to the public by sale or other transfer of ownership, or by rental, lease, or lending.”

¹ The current version of § 202.3(b)(4) refers to registration “as one work” rather than “as a single work.” We use the language of the regulation’s version effective January 24, 2011, which is the operative version in this case.

17 U.S.C. § 101. As we have explained, publication includes when copies of a work are “made available to the general public ... even if a sale or other such disposition does not in fact occur.” *Am. Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1027 (9th Cir. 1981) (quoting 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 4.04 at 4-18 to 4-19 (1978)). The confined designs, however, were not placed in the showroom for sale at the same time. And this court has never previously addressed what it means to publish multiple works as a “single unit.”²

We conclude that the plain meaning of “single unit” in § 202.3(b)(4)(i)(A) requires that the registrant first published the collection of works in a singular, bundled collection. The relevant language of the regulation provides, in full:

For the purpose of registration on a single application and upon payment of a single registration fee, the following shall be considered a single work:

(A) In the case of published works: all copyrightable elements that are *otherwise recognizable as self-contained works*, that are

² The Third Circuit discussed the single-unit requirement in a published opinion, but that case provides no help to the matter at hand. See *Kay Berry, Inc. v. Taylor Gifts, Inc.*, 421 F.3d 199, 204-06 (3d Cir. 2005) (mentioning the single-unit registration option and concluding the individual works need not be “related,” but not explaining what it means for works to be part of a “single unit”).

included in a single unit of publication, and in which the copyright claimant is the same[.]

37 C.F.R. § 202.3(b)(4)(i)(A) (emphasis added). The plain meaning of the word “single” unsurprisingly commands a sense of singularity. *See Single*, Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/single> (defining “single” as “unaccompanied by others”). The plain meaning of “unit” is no different. *See Unit*, Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/unit> (defining “unit” as “a single thing, person, or group that is a constituent of a whole”). Together, the two words suggest that a “single unit of publication” refers to some singular, bundled item that contains all works identified in the registration.

The proverbial toolkit of statutory interpretation reinforces that a collection of published works that make up “a single unit of publication” must have been first published as part of some singular, bundled collection. The principle of *noscitur a sociis*—“it is known by its associates” or “birds of a feather flock together”—instructs that words in statutes are given more precise content by neighboring words. *See Life Techs. Corp. v. Promega Corp.*, 137 S. Ct. 734, 740 (2017); *see also* Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts*, 195-98 (2012) (describing *noscitur a sociis* and explaining its meaning as “birds of a feather flock together”). Here, § 202.3(b)(4)(i)(A) refers to “copyrightable *elements* that are *otherwise* recognizable as *self-contained works*, which are included in a single unit of publication.” (emphasis added). By referring to “elements” that are “otherwise ... self-contained works,”

the regulation unambiguously contemplates that a “single-unit of publication” does not cover separate self-contained works, but instead covers the unification of such works that otherwise could be self-contained.³

For these reasons, we hold that a collection of works does not qualify as a “single unit of publication” unless all individual works of the collection were first published as a singular, bundled unit. Therefore, it is an inaccuracy for a registrant like Unicolors to register a collection of works (such as the works identified in the ‘400 Registration) as a single-unit publication when the works were not initially published as a singular, bundled collection. At a minimum, the confined works included in the ‘400 Registration were initially made available only to individual, exclusive customers.

³ Even if the term “single unit” were ambiguous, we would hold the term has the same meaning. If it were ambiguous, we would look to how the U.S. Copyright Office has defined the term in its internal manual, *Compendium of Copyright Office Practices* (“*Compendium*”), which is entitled to *Skidmore* deference. *Inhale, Inc. v. Starbuzz Tobacco, Inc.*, 755 F.3d 1038, 1041-42 & n.2 (9th Cir. 2014). The *Compendium* details that the “single unit of publication” option applies to a collection of published works “first distributed to the public in the packaged unit.” *Compendium* § 1103. In other words, a single unit of publication refers to separately copyrightable works “that are physically bundled together and distributed to the public as a unit, such as a board game containing instructions, a game board, and sculpted playing pieces.” *Id.* The *Compendium*’s definition for “single unit” thus aligns with what we ascribe as its unambiguous and plain meaning.

The undisputed evidence adduced at trial further shows that H&M included the inaccurate information “with knowledge that it was inaccurate.” 17 U.S.C. § 411(b)(1)(A). And the knowledge inquiry is not whether Unicolors knew that including a mixture of confined and non-confined designs would run afoul of the single-unit registration requirements; the inquiry is merely whether Unicolors knew that certain designs included in the registration were confined and, therefore, were each published separately to exclusive customers. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147. At trial, Unicolors admitted to having such knowledge.

Although Unicolors’s application for the ‘400 Registration contained known inaccuracies, that does not mean H&M was entitled to judgment as a matter of law. Rather, the district court was required to “request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register ... to refuse registration.” 17 U.S.C. § 411(b)(2). Because the district court did not make the statutorily required request, we remand the case so that the district court can complete this requirement before deciding whether Unicolors’s registration is invalid, which would require dismissing Unicolors’s claims and entering judgment in favor of H&M.

III

For the foregoing reasons, we reverse the district court’s entry of judgment and award of attorneys’ fees in favor of Unicolors and remand to the district court with instructions to submit an inquiry to the Register

of Copyrights asking whether the known inaccuracies contained in the ‘400 Registration application detailed above, if known to the Register of Copyrights, would have caused it to refuse registration. Because the validity of Unicolors’s copyright registration is a threshold issue, we do not consider here the many other questions presented on appeal.⁴ In the event the district court determines on remand—and after submitting the necessary inquiry to the Register of Copyrights—that Unicolors has a valid copyright registration in EH101, this panel retains jurisdiction over any subsequent appeal to review that determination and, if necessary, to decide remaining questions presented in this appeal.

REVERSED AND REMANDED.

⁴ As the Supreme Court has explained, the Copyright Act’s registration requirement is not a jurisdictional requirement; rather, it is a claim-processing rule. *Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154, 163-66 (2010). That does not change that Unicolors’s compliance with the Copyright Act’s registration requirement is a threshold matter. As the Supreme Court recently clarified, a claim-processing rule can still be “mandatory,” which means “that a court must enforce the rule if a party ‘properly raise[s]’ it.” *Fort Bend Cty. v. Davis*, 139 S. Ct. 1843, 1849 (2019) (alteration in original) (quoting *Eberhart v. United States*, 546 U.S. 12, 19 (2005) (*per curiam*)). The *Fort Bend County* Court even noted that “the Copyright Act’s requirement that parties register their copyrights” is one such mandatory claim-processing rule. *Id.* Here, the parties do not dispute that H&M properly raised its challenge to Unicolors’s compliance with the Copyright Act’s registration requirement.

16a

Case No. 2:16-cv-02322-AB-SK

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNICOLORS, INC.

Plaintiff,

vs.

H & M HENNES & MAURITZ, L.P.,

Defendant.

SPECIAL VERDICT FORM

SPECIAL VERDICT FORM

We, the Jury, answer the questions submitted to us in regard to Unicolors, Inc.'s claims in this action as follows:

1. Do you find that Unicolors, Inc. owns a valid copyright of the artwork at issue?

YES X NO _____

If your answer to Question 1 is "Yes" please proceed to Question 2.

If your answer to Question 1 is "No" please sign and date this form.

2. Do you find that H&M Hennes & Mauritz L.P. infringed on the copyright of Unicolors, Inc. in the artwork by selling garments bearing, a modified copy of Unicolors, Inc.'s artwork?

YES X NO _____

If your answer to Question 2 is "Yes" please proceed to Question 3.

If your answer to Question 2 is "No" please answer Question 2a, and then sign and date this form.

- 2a. Do you find that H&M Hennes & Mauritz L.P. obtained the design on its garments from an entity that independently created the design?

YES _____ NO _____

3. Do you find that the infringement by H&M Hermes & Mauritz L.P. was willful or reckless?

YES X NO _____

4. For what amount of profit disgorgement damages, if any, do you find H&M Hennes & Mauritz L.P. liable to Unicolors, Inc.?

\$ 817,920

5. For what amount of Unicolors' actual damages, including lost profits, if any, do you find H&M Hennes & Mauritz L.P. liable?

\$ 28,800

Please sign and date this form.

DATED: 12/7/17

SIGNED REDACTED

U.S.D.C. PRE-
SIDING JUROR

Please deliver this verdict form to the bailiff after it is completed and signed.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC., Case No. 2:16-cv-02322-AB
(SKx)

Plaintiff, **ORDER GRANTING**
v. **PLAINTIFF'S**
MOTION FOR
ATTORNEYS'
FEES AND COSTS

H & M HENNES &
MAURITZ, L.P,

Defendant.

On August 24, 2018, Plaintiff Unicolors, Inc. (“Unicolors”) filed a motion for attorneys’ fees and costs. Dkt. No. 270. Defendant H & M Hennes & Mauritz, L.P. (“H&M LP”) opposed the motion, and Unicolors filed a reply. Dkt. Nos. 272, 273. The Court heard oral arguments regarding the motion on September 21, 2018. For the following reasons, the Court **GRANTS** Unicolors’ motion.

I. BACKGROUND

On August 26, 2016, Unicolors filed a First Amended Complaint (“FAC”) alleging that H&M LP engaged in copyright infringement, vicarious copyright infringement, and contributory copyright infringement. Dkt. No. 25. After H&M LP answered the

FAC, both parties moved for summary judgment, and the Court denied those motions. Dkt. Nos. 64, 80, 180, 202.

From December 5 through December 7, 2017, the Court held a jury trial on Unicolors' claims. After deliberation, the jury returned a verdict in Unicolors' favor. The jury found that Unicolors owned a valid copyright in the artwork at issue, that H&M LP infringed on that copyright, and that H&M LP's infringement was willful. Dkt. No. 229. The jury awarded Unicolors \$817,920 in profit disgorgement damages and \$28,800 in lost profits. *Id.*

H&M LP then moved for judgment as a matter of law or a new trial. Dkt. No. 247. The Court denied H&M LP's motion for judgment as a matter of law but partially granted its motion for a new trial. Dkt. No. 262. The Court found no reason for a new trial on H&M LP's liability for copyright infringement, but determined that the jury issued an excessive damages award. *Id.* at pp. 11, 20. It therefore granted H&M LP's motion for a new trial on the issue of damages, subject to Unicolors accepting a remittitur of damages to \$266,209.33. *Id.* at p. 21. Unicolors accepted the remittitur, and the Court entered judgment. Dkt. Nos. 263, 267.

Unicolors now moves for attorneys' fees and costs under 17 U.S.C. § 505. It seeks \$508,709.20 in attorneys' fees and \$5,856.27 in costs. H&M LP opposes Unicolors' motion.

II. ATTORNEYS' FEES UNDER THE COPYRIGHT ACT

The Copyright Act provides that in a copyright action, “the court in its discretion may allow the recovery of full costs by or against any party other than the United States,” including “a reasonable attorney’s fee to the prevailing party as part of the costs.” 17 U.S.C. § 505. An award of attorneys’ fees under the Copyright Act is a matter of discretion, not of right. *Fogerty v. Fantasy, Inc.* (“*Fogerty I*”), 510 U.S. 517, 533 (1994). Under § 505, “[p]revailing plaintiffs and prevailing defendants are to be treated alike, but attorney’s fees are to be awarded to prevailing parties only as a matter of the court’s discretion.” *Id.* at 534.

In deciding whether to award fees, “[d]istrict courts should consider, among other things, [(1)] the degree of success obtained; [(2)] frivolousness; [(3)] motivation; [(4)] objective unreasonableness (both in the factual and legal arguments in the case); and [(5)] the need in particular circumstances to advance considerations of compensation and deterrence.” *Historical Research v. Cabral*, 80 F.3d 377, 379 n.1 (9th Cir. 1996). Those factors are merely guideposts in the exercise of the court’s “equitable discretion,” and “courts are not limited to considering them.” *Fantasy, Inc. v. Fogerty* (“*Fogerty II*”), 94 F.3d 553, 559 (9th Cir. 1996). Indeed, “[c]ourts have awarded costs for copyright claims based on a single factor.” *Robinson v. Lopez*, No. CV 03-3732 LGB (PLAx), 2003 WL 23162906, at *2 (C.D. Cal. Nov. 24, 2003).

A court's discretion to award attorneys' fees under the Copyright Act "is not cabined by a requirement of culpability on the part of the losing party." *Fogerty II*, 94 F.3d at 555. "Within this framework courts are given wide latitude" to award or deny attorneys' fees, even when a party acted reasonably or in good faith. *Entertainment Research Group, Inc. v. Genesis Creative Group, Inc.*, 122 F.3d 1211, 1229 (9th Cir. 1997); accord *Fogerty II*, 94 F.3d at 556 (finding a fee award proper under the Copyright Act even though the "lawsuit was neither frivolous nor prosecuted in bad faith").

III. DISCUSSION

A. Unicors' Entitlement to Attorneys' Fees

In opposing Unicors' motion, H&M LP argues that Unicors should not recover attorneys' fees because Unicors was not the prevailing party in the case. It also contends that the relevant factors weigh against a fee award.

1. Prevailing Party

The Copyright Act only authorizes an award of attorneys' fees to a "prevailing party." 17 U.S.C. § 505. Generally, a plaintiff who obtains a judgment in its favor is a prevailing party. See *Buckhannon Bd. & Care Home, Inc. v. W. Virginia Dep't of Health & Human Res.*, 532 U.S. 598, 603 (2001) (noting that Supreme Court cases have adopted the view that a prevailing party is "a party in whose favor a judgment is rendered, regardless of the amount of damages

awarded”) (quotations omitted); *Brighton Collectibles, Inc. v. Pedre Watch Co.*, No. 11CV00637 AJB (WVG), 2014 WL 29008, at *4 (S.D. Cal. Jan. 2, 2014) (holding that the plaintiff was the prevailing party because “[b]y a jury decree, [the defendant] was found liable to [the plaintiff] for infringement”).

Here, Unicolors prevailed on its copyright infringement claim. After trial, the jury returned a special verdict finding that H&M LP willfully infringed Unicolors’ copyright. While the Court reduced the jury’s damages award to \$266,209.33, Unicolors still secured a fairly significant monetary judgment. Because Unicolors obtained damages and a finding of copyright infringement, Unicolors was the prevailing party in this matter.

H&M LP argues that, despite the jury’s verdict and the Court’s judgment, it was the prevailing party, not Unicolors. Essentially, H&M LP argues that it prevailed because Unicolors recovered significantly less damages than it initially sought. But a plaintiff who succeeds on a copyright infringement claim is a prevailing party even if it recovers less than it originally requested. *See Wall Data Inc. v. Los Angeles Cty. Sheriff’s Dep’t*, 447 F.3d 769, 787 (9th Cir. 2006) (affirming the district court’s determination that the plaintiff was a prevailing party “even though [the plaintiff’s] ultimate recovery was less than that which it originally sought”). The amount of Unicolors’ recovery therefore does not alter its status as a prevailing

party.¹ Unicolors is the prevailing party for purposes of 17 U.S.C. § 505.

2. Factors for Awarding Discretionary Attorneys' Fees

Next, the Court addresses the five factors courts examine in exercising their discretion to award attorneys' fees: "(1) the degree of success obtained, (2) frivolousness, (3) motivation, (4) [the] reasonableness of [the] losing party's legal and factual arguments, and (5) the need to advance considerations of compensation and deterrence." *Wall Data*, 47 F.3d at 787.

a. Degree of Success Obtained

The first factor, the degree of success obtained, favors an award of attorneys' fees. Unicolors obtained a jury verdict that its copyright was valid, that H&M LP infringed the copyright, and that H&M LP's infringement was willful. The jury found in Unicolors' favor on each question posed to it. And, even after the Court reduced Unicolors' damages, it still secured a significant award of \$266,209.33. The degree of success obtained therefore weighs in favor of a fee award.

¹ Similarly, H&M LP claims that it prevailed because the Court reduced Unicolors' damages award after post-trial briefing. That H&M LP prevailed on one motion, however, does not mean that it is the prevailing party in the litigation.

b. Frivolousness and Objective Unreasonableness

Unicolors' infringement claim was neither unreasonable nor frivolous, as Unicolors succeeded on the merits. *See Novelty Textile Inc. v. Wet Seal Inc.*, No. CV 13-05527 SJO (MRWx), 2015 WL 9690316, at *2 (C.D. Cal. Mar. 4, 2015) ("Plaintiff's infringement claims were clearly not frivolous or unreasonable: they succeeded on the merits."). Nor was H&M LP's defense of this case frivolous. Indeed, the Court denied Unicolors' motion for summary judgment because it determined that a reasonable jury could find in H&M LP's favor.

But even though H&M LP's overall position was not frivolous, it did assert some unreasonable arguments during the course of the litigation. For example, H&M LP filed multiple motions arguing that the design on its garments was presumptively original because of a Chinese copyright registration obtained by a third party. *See* Dkt. Nos. 151, 191, 247. While H&M LP's legal argument that a foreign registration could convey a presumption of originality was not objectively unreasonable, H&M LP failed to provide any evidence connecting the Chinese registration to its own garments. H&M LP therefore acted unreasonably in repeatedly litigating an issue that was irrelevant to the resolution of Unicolors' claims. *See Novelty Textile*, 2015 WL 9690316, at *2 (explaining that the defendants' re-litigation of a previously decided issue was unreasonable). Thus, this factor weighs in favor of an attorneys' fees award.

c. Motivation

The Court does not find any evidence that either party had an improper motive in this litigation. Thus, this factor is neutral.

d. Purposes of Compensation and Deterrence

Finally, the Court examines the need to advance the purposes of the Copyright Act through compensation and deterrence. “The goal of the Copyright Act is to promote creativity for the public good.” *Glacier Films (USA), Inc. v. Turchin*, 896 F.3d 1033, 1041 (9th Cir. 2018) (quotations omitted). Awarding attorneys’ fees to a prevailing plaintiff serves this purpose by “encouraging private enforcement and deterring infringements.” *Frank Music Corp. v. Metro-Goldwyn-Mayer Inc.*, 886 F.2d 1545, 1556 (9th Cir. 1989). This is particularly true when a defendant willfully infringes a plaintiff’s copyright. *See Glacier Films*, 896 F.3d at 1039 (explaining that “willful infringements involving small amounts of money may not be adequately deterred absent an award of fees”) (quotations omitted).

Here, the jury found that H&M LP willfully infringed Unicolors’ copyright. An award of attorneys’ fees will therefore deter future infringement. And, given that this matter has been heavily litigated through and past trial, a fee award will help ensure that Unicolors’ damages award is not swallowed up by attorneys’ fees. This final factor therefore favors a fee award.

Most of the relevant factors favor granting Unicolors' motion for attorneys' fees, and none of the factors weigh against it. Accordingly, the Court holds that a fee award is warranted here.

B. Amount of Attorneys' Fees

Unicolors seeks \$508,709.20 in attorneys' fees for 166.4 hours spent by Stephen Doniger, 473.9 hours spent by Scott Burroughs, 308.2 hours spent by Chan Yong Jeong, 13.4 hours spent by Trevor Barrett, and 17.2 hours spent by paralegal Erin Kurth. Mot. at pp. 18-19; Supp. Decl. Scott Burroughs ¶ 3 (Dkt. No. 273-1).

Courts use a lodestar method to determine the appropriate amount of attorneys' fees. *Intel Corp. v. Terabyte Int'l, Inc.*, 6 F.3d 614, 622 (9th Cir. 1993). In so doing, they multiply "the number of hours reasonably expended on the litigation by the reasonable hourly rate." *Id.* The lodestar amount is presumptively reasonable, but a court may adjust the award if circumstances warrant. *Morales v. City of San Rafael*, 96 F.3d 359, 363-64 (9th Cir. 1996), *opinion amended on denial of reh'g*, 108 F.3d 981 (9th Cir. 1997).

1. Reasonable Hourly Rates

The Court has reviewed the hourly rates of Unicolors' attorneys and finds them reasonable. Mr. Doniger, an attorney with 23 years of experience, charged between \$600 and \$635 per hour. Decl. Steven Doniger, ¶¶ 1, 4 (Dkt. No. 270-6). Mr. Burroughs, a copyright litigator with 14 years of experience, charged between \$545 and \$565 per hour. Decl. Scott

Burroughs, ¶¶ 5, 11 (Dkt. No. 270-1). Mr. Barrett, an associate at Doniger Burroughs APC, charged \$415 per hour. Decl. Trevor Barrett, ¶ 3 (Dkt. No. 270-8). More than three years ago, this court approved similar rates for these same three attorneys. *Novelty Textile*, 2015 WL 9690316, at *3 (in March 2015, approving a \$550 hourly rate for Mr. Doniger, a \$475 hourly rate for Mr. Burroughs, and a \$325 hourly rate for Mr. Barrett). Mr. Jeong charged a \$450 hourly rate, which also falls within a reasonable range. See Decl. Chan Yong Jeong, ¶¶ 4, 7 (Dkt. No. 270-10). Paralegal Erin Kurth’s \$125 hourly rate likewise is reasonable. See *Hirsch v. Compton Unified Sch. Dist.*, No. CV 12-01269 RSWL (MRWx), 2013 WL 1898553, at *3-4 (C.D. Cal. May 3, 2013) (explaining that “[w]ork performed by paralegals may be compensated as part of an attorney’s fee award” and approving a paralegal’s \$200 hourly rate). Thus, Unicolors bases its fee request on reasonable hourly rates.

In its opposition, H&M LP does not address the hourly rates Unicolors’ attorneys’ charged. Instead, it argues that the Court should allow it to file supplemental briefing about the reasonableness of Unicolors’ attorneys’ fees. Opp’n at p. 23. But H&M LP fails to explain why it could not have fully addressed this issue in its opposition, and the Court declines to permit additional briefing on Unicolors’ fee motion.

2. Hours Reasonably Spent

The Court also finds that Unicolors’ attorneys spent a reasonable number of hours on this case. Unicolors’ attorneys submitted time entries for all of the time they spent on this matter. See Dkt. Nos. 270-4,

270-5, 270-7, 270-9, 270-11, 270-13. Having reviewed those time entries, the Court finds that they are sufficiently detailed, and the time entries do not appear excessive.

In arguing that Unicolors' attorneys billed excessively, H&M LP does not contest specific time entries. Rather, it claims Unicolors should not recover fees for time spent litigating matters on which Unicolors did not prevail. For example, H&M LP argues that Unicolors should not recover fees for time spent on unsuccessful motions and fruitless efforts toward recovering foreign profits. Opp'n at pp. 23-24. But "a plaintiff is not to be denied full attorneys' fees merely because [it] lost some interim rulings en route to ultimate success." *Assessment Techs. of WI, LLC v. WIREdata, Inc.*, 361 F.3d 434, 439 (7th Cir. 2004) (quotations omitted). The Court therefore will not reduce Unicolors' fee award simply because it sought some relief it did not obtain.

3. Calculation of Attorneys' Fees

As described above, Unicolors' attorneys charged reasonable hourly rates and expended reasonable hours litigating this case. The Court therefore adopts Unicolors' lodestar calculation of \$508,709.20. This amount is presumptively reasonable, but, as Unicolors points out, courts can increase the lodestar in certain circumstances. *Morales*, 96 F.3d at 363-64. However, the Court finds that the lodestar figure properly accounts for the time and effort that went into litigating this case. The Court therefore awards Unicolors \$508,709.20 in attorneys' fees.

C. Costs

Section 505 also allows the Court to award full costs, including “those that ‘would normally be charged to a fee paying client.’” *DuckHole Inc. v. NBCUniversal Media LLC*, No. CV-12-10077-BRO, 2013 WL 5797204, at *6 (C.D. Cal. Oct. 25, 2013) (quoting *Trustees of Const. Indus. & Laborers Health & Welfare Trust v. Redland Ins. Co.*, 460 F.3d 1253, 1257 (9th Cir. 2006)). Unicolors seeks \$5,856.27 for expenses like Westlaw legal research, service of process, filing fees, translation, and parking. Burroughs Decl. ¶ 3, Ex. 1. The Court finds these costs reasonable and awards Unicolors the requested \$5,856.27.

D. Prejudgment Interest

Unicolors also asks the Court for an award of prejudgment interest. A prevailing plaintiff can recover prejudgment interest in cases involving “undisputed copyright infringement.” *Polar Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 718 (9th Cir. 2004). In “vigorously contested” cases, however, a district court may properly decline to impose prejudgment interest. *Societe Civile Succession Guino v. Renoir*, 305 F. App’x 334, 339 (9th Cir. 2008).

This is not a case of undisputable copyright infringement. While the jury determined that H&M LP willfully infringed Unicolors’ copyright, a trial was required to make that determination. H&M LP raised defenses that, while unsuccessful, created legitimate disputes about its liability. Accordingly, the Court declines to grant Unicolors prejudgment interest.

E. Post Judgment Interest

Unicolors also seeks post judgment interest. Post judgment interest is mandatory under 28 U.S.C. § 1961(a). *Air Separation, Inc. v. Underwriters at Lloyd's of London*, 45 F.3d 288, 290 (9th Cir. 1995). The Court therefore awards Unicolors post judgment interest at the rate described in 28 U.S.C. § 1961(a).

IV. CONCLUSION

For the foregoing reasons, the Court GRANTS Unicolors' motion for attorneys' fees and costs. The Court grants Unicolors \$508,709.20 in attorneys' fees and \$5,856.27 in costs. The Court also grants Unicolors post judgment interest.

IT IS SO ORDERED.

Dated: September 25, 2018

André Birotte [h/w signature]
HONORABLE ANDRÉ BIROTTE JR.
UNITED STATES DISTRICT COURT
JUDGE

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC.,

Plaintiff,

vs.

H&M HENNES & MAURITZ, LP; et al.,

Defendants.

Case No.: CV-16-02322 AB (SKx)

Honorable André Birotte Jr.

~~PROPOSED~~ AMENDED JUDGMENT

~~PROPOSED~~ AMENDED JUDGMENT

THE COURT ORDERS AND ENTERS JUDGMENT FOR UNICOLORS, INC. (“UNICOLORS”) AGAINST H&M HENNES & MAURITZ, LP (“H&M”) AS FOLLOWS:

1. Unicolors owns a valid copyright and registration for design EH101;
2. H&M is liable for the willful copyright infringement of Unicolors’ design EH101;
3. Judgment is entered against H&M and in favor of Unicolors in the amount of seven hundred eighty-thousand seven hundred seventy-four dollars and eighty cents

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(\$780,774.80), which reflects (a) damages of two hundred sixty-six thousand two hundred nine dollars and thirty-three cents (\$266,209.33) for solely domestic United States product sales, (b) attorneys' fees of five hundred eight thousand seven hundred nine dollars and twenty cents (\$508,709.20), and (c) costs of five thousand eight hundred fifty-six dollars and twenty-seven cents (\$5,856.27); and

4. Post-judgment interest is awarded against H&M as prescribed by law.

Dated: October 22, 2018

By: André Birotte [h/w signature]
**UNITED STATES DISTRICT
JUDGE**
HONORABLE ANDRÉ BIROTTE JR.

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC., Case No. 2:16-cv-02322-AB
a California (SKx)
Corporation

Plaintiff,

**~~PROPOSED~~ ORDER
GRANTING JOINT
STIPULATION
REGARDING
SUPERSEDEAS BOND
AMOUNT**

vs.

H&M HENNES &
MAURITZ, L.P., a
New York Limited
Partnership, and
DOES 1-20, inclusive,

Defendants.

TO THE DISTRICT COURT, ALL PARTIES,
AND THEIR ATTORNEYS OF RECORD:

The Joint Stipulation Regarding Supercedeas (sic) Bond Amount was submitted for review and consideration by the Honorable André Birotte, Jr., and having consideration the Joint Stipulation:

**IT IS THEREFORE ORDERED, ADJUDGED,
AND DECREED:**

(1) A supersedes bond in the amount of 125% of the Amended Judgment, signed by Atlantic Specialty Insurance Company, a treasury approved surety up to 65 Million dollars, will be posted by H&M to secure the Amended Judgment (“Bond”); and

(2) The deadline for H&M to secure the Bond and file a motion as required by Rule 62, seeking Court approval of the Bond, shall be ten (10) business days after the date of the Court’s approval of this stipulation.

IT IS SO ORDERED.

Dated: November 13, 2018

André Birotte [h/w signature]
Hon. André Birotte Jr.
United States District Judge

CC: Fiscal

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC., Case No. 2:16-cv-02322-AB
a California (SKx)
Corporation

Plaintiff,

**~~[PROPOSED]~~ ORDER
GRANTING JOINT
MOTION FOR ENTRY OF
ORDER STAYING
EXECUTION OF
JUDGEMENT PENDING
APPEAL AND
APPROVING
SUPERSEDEAS BOND**

vs.

H&M HENNES &
MAURITZ, L.P., a
New York Limited
Partnership, and
DOES 1-20, inclusive,

Defendants.

Whereas H&M Hennes & Mauritz LP (“H&M LP”), and Unicolors Inc. have agreed to a supersedeas bond in the amount of \$975,968.50 issued by Atlantic Specialty Insurance Company in the form submitted herewith (“Bond”);

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED:

1. The Unopposed Motion for Entry of Order Staying Execution of Amended Judgment Pending Appeal is GRANTED;
2. The form of the Bond and the amount of the Bond is hereby approved;
3. Execution of the Court’s October 23, 2018 Amended Judgment is hereby stayed pending appeal, provided that H&M LP file into the record notice of a bond in the amount of \$975,968.50 and in the form of the bond attached as Exhibit A to the Joint Motion for Entry of Order to Stay Proceedings within seven (7) business days from the entry of this order.

IT IS SO ORDERED.

Dated: November 28, 2018

André Birotte [h/w signature]
Hon. André Birotte Jr.
United States District Judge

CC: Fiscal

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No.: CV 16-02322-AB (SKx) Date:
September 4,
2020

Title: *Unicolors, Inc. v. H&M Hennes & Mauritz, L.P.*

Present: The Honorable **ANDRÉ BIROTTE JR.**,
United States District Judge

Carla Badirian	N/A
Deputy Clerk	Court Reporter
Attorney(s) Present for Plaintiff(s):	Attorney(s) Present for Defendant(s):
None Appearing	None Appearing

**Proceedings: [In Chambers] Order Re-Opening
Case Following Ninth Circuit’s
Order and Notifying Parties of
Inquiry Submitted to the
U.S. Register of Copyrights**

On May 29, 2020, the United States Court of Appeals for the Ninth Circuit issued an opinion, *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*, 959 F.3d 1194 (9th Cir. 2020) (*also at* Dkt. No. 297) reversing and remanding this Court’s Amended Judgment (Dkt. No. 289), and award of attorneys’ fees (Dkt. No. 279)

previously entered in favor of Plaintiff Unicolors, Inc. and against Defendant H&M for willful copyright infringement. On August 17, 2020, the Ninth Circuit issued its Mandate. (Dkt. No. 298).

In accordance with the Ninth Circuit's May 29, 2020 Order and August 17, 2020 Mandate, the Amended Judgment entered on October 22, 2018 (Dkt. No. 289) is **REVERSED** and the Order Staying Execution of the Amended Judgment (Dkt. No. 295) is **MOOT**.

In its opinion, the Ninth Circuit remanded "with instructions to submit an inquiry to the Register of Copyrights asking whether the known inaccuracies contained in the [No. VA 1-770-400] Registration application[.]" as described in the opinion, "if known to the Register of Copyrights, would have caused it to refuse registration." *Unicolors, Inc.*, 959 F.3d at 1200.

Following the Ninth Circuit's instruction, the Court hereby submits the attached inquiry and supporting exhibits to Maria Strong, Esq., Acting Register of Copyrights and Director of the U.S. Copyright Office, via U.S. mail (address: Library of Congress, 101 Independence Avenue, SE, Washington, D.C. 20540). The Clerk of the Court is hereby directed to serve the Register of Copyrights with a copy of this Order and the letter attached hereto via U.S. mail.

In light of the foregoing, the Court hereby **ORDERS** this action **REOPENED** and will notify the parties when it receives a response to its inquiry.

IT IS SO ORDERED.

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**United States District Court
Central District of California
United States Courthouse
255 East Temple Street
Los Angeles, California 90012**

**Chambers of
of André Birotte Jr.
United States District Judge**

September 4, 2020

Maria Strong, Esq.
Acting Register of Copyrights and
Director of the U.S. Copyright Office
Library of Congress
101 Independence Avenue, SE
Washington, D.C. 20540
copyinfo@copyright.gov

Re: Inquiry in Response to the Ninth Circuit's Opin-
ion in *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*,
959 F.3d 1194 (9th Cir. 2020)

Dear Ms. Strong:

At the direction of the United States Court of Appeals
for the Ninth Circuit, the undersigned Federal Dis-
trict Court in the Central District of California re-
spectfully submits this inquiry regarding a copyright-
infringement action, *Unicolors, Inc. v. H&M Hennes
& Mauritz, L.P. et al.* (Case No. 2:16-cv-02322-AB
(SKx), filed Apr. 5, 2016).

On May 29, 2020, the Ninth Circuit issued an opinion
reversing this Court's prior (1) entry of judgment

following a jury trial and (2) award of attorneys' fees, previously entered in favor of Plaintiff Unicolors, Inc. ("Unicolors") and against Defendant H&M Hennes & Mauritz LP ("H&M") for willful copyright infringement. *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*, 959 F.3d 1194, 1200 (9th Cir. 2020). As background, this case regards "the factual issue whether H&M's garments bear infringing copies of Unicolors's 2011 design." *Id.* at 1195. This design is a two-dimensional artwork called EH101, which Unicolors received a U.S. Copyright Office registration for in February 2011. *Id.* at 1196.

Relevant here, the Ninth Circuit remanded to this Court "with instructions to submit an inquiry to the Register of Copyrights asking whether the known inaccuracies contained in the [No. VA 1770-400] Registration application [for EH101,]" as described in the opinion, "if known to the Register of Copyrights, would have caused it to refuse registration." *Id.* at 1200. This inquiry is necessary because the Ninth Circuit clarified that, under 17 U.S.C. § 411(b)(1)-(2), once a defendant alleges that:

(1) a plaintiff's certificate of registration contains inaccurate information; (2) 'the inaccurate information was included on the application for copyright registration'; and (3) the inaccurate information was included on the application 'with knowledge that it was inaccurate,' a district court is then required to submit a request to the Register of Copyrights 'to advise the court whether the inaccurate information, if known, would have caused [it] to refuse registration.'

Id. at 1197 (quoting 17 U.S.C. § 411(b)(1)-(2)).

Here, the Ninth Circuit determined that this Court erred by “consider[ing] in the first instance whether the Register of Copyrights would have refused registration due to the inclusion of known inaccuracies in a registration application.” *Id.* Accordingly, in compliance with the Ninth Circuit’s instruction, this Court respectfully requests that the Register of Copyrights provide an answer to the following question:

If the Register of Copyrights had been aware of the known inaccuracies contained in Unicolors, Inc.’s Registration application No. VA 1-770-400, as described in the Ninth Circuit’s decision in *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*, 959 F.3d 1194 (9th Cir. 2020), would those inaccuracies have caused it to refuse copyright registration? Why or why not?

Attached hereto are the following documents to aid in your response to this inquiry:

- **Exhibit 1:** Unicolors’s First Amended Complaint (Case No. 2:16-cv-02322-AB (SKx), Dkt. No. 25 and Exhibits A-C thereto, dated Aug. 26, 2016);
- **Exhibit 2:** Amended Judgment (Case No. 2:16-cv-02322-AB (SKx), Dkt. No. 289, dated Oct. 22, 2018);
- **Exhibit 3:** Opinion from the Ninth Circuit Court of Appeals in *Unicolors, Inc. v. H&M*

Hennes & Mauritz, LP, 959 F.3d 1194 (9th Cir. 2020);

- **Exhibit 4:** H&M's Request for the Court to Submit a Request to the Register of Copyrights Pursuant to 17 U.S.C. § 411(b)(2); [Proposed] Request to the Copyright Register and Copy of the Ninth Circuit Order Filed Concurrently Herewith (Case No. 2:16-cv-02322-AB (SKx), Dkt. No. 299, dated Aug. 21, 2020); and
- **Exhibit 5:** Unicolors, Inc's Notice of Lodging of [Proposed] 17 U.S.C. § 411(b)(2) Request to the Register of Copyrights (Case No. 2:16-cv-02322-AB (SKx), Dkt. No. 302, dated Aug. 31, 2020).

This Court respectfully requests a response to this inquiry by **March 5, 2021**. Your response will shed light on a threshold issue before this Court, namely, whether Unicolors's copyright registration for the textile design EH101 is valid, which is a precondition to bringing a copyright-infringement suit.

Should you have any questions, please do not hesitate to contact this Court the address above or via email at AB_Chambers@cacd.uscourts.gov.

Sincerely,

/s/ André Birotte Jr.

André Birotte Jr.

United States District Judge

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EXHIBIT 1

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Attorneys for Plaintiff, UNICOLORS, INC.

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Plaintiff,

vs.

H&M HENNES & MAURITZ L.P., a New York Limited Partnership, and DOES 1-20, inclusive,

Defendants.

Case Number: 2:16-cv-02322-AB-(SKx)

**PLAINTIFF' S FIRST AMENDED
COMPLAINT FOR: 1. COPYRIGHT
INFRINGEMENT 2. VICARIOUS
COPYRIGHT INFRINGEMENT
3. CONTRIBUTORY COPYRIGHT
INFRINGEMENT**

Jury Trial Demanded

Plaintiff UNICOLORS, Inc. (“Plaintiff” or “UNICOLORS”) by and through its undersigned attorneys, hereby prays to this honorable Court for relief and remedy based on the following:

INTRODUCTION

Plaintiff is a California-based company engaged in the apparel industry as a textile converter of imported and domestic fabrications. Plaintiff creates, or purchases and obtains, exclusive rights to unique two-dimensional graphic artworks for use on textiles and garments, and those textiles and garments are transacted primarily in the fashion industry. Plaintiff owns these designs in exclusivity and makes sales of products bearing these designs for profit. Plaintiff’s business is predicated on its ownership of these designs and it spends a considerable amount of time and resources creating and obtaining top-quality, marketable and aesthetically-appealing designs. Customers of Plaintiff, including possibly DOE defendants named herein, take design samples with the understanding and agreement that they will only utilize Plaintiff to reproduce said designs should they wish to do so, and will not seek to make minor changes to Plaintiff’s proprietary work to reproduce the same elsewhere, yet use those designs in furtherance of their business in violation of both their contractual agreement with Plaintiff and Plaintiff’s copyrights. No other party is authorized to make sales of product bearing Plaintiff’s proprietary designs without express permission from Plaintiff. This action is brought to recover damages for direct, vicarious and contributory copyright

infringement arising out of the misappropriation of Plaintiff's exclusive designs by the Defendants, and each of them.

JURISDICTION AND VENUE

1. This action arises under the Copyright Act of 1976, Title 17 U.S.C. § 101 et seq.
2. This Court has federal question jurisdiction under 28 U.S.C. §§ 1331, 1338(a) and (b).
3. Venue in this judicial district is proper under 28 U.S.C. §§ 1391(c) and 1400(a) in that this is the judicial district in which a substantial part of the acts and omissions giving rise to the claims occurred.

PARTIES

4. UNICOLORS, Inc. ("Plaintiff") is a corporation organized and existing under the laws of the State of California with its principal place of business in the County of Los Angeles, at 3251 East 26th Street, Vernon, CA 90058.
5. Plaintiff is informed and believes and thereon alleges that Defendant H & M HENNES & MAURITZ L.P. ("H & M"), is, and at all times herein mentioned was, a limited partnership organized and existing under the laws of New York and doing business in California, with its principal place of business at 110 Fifth Avenue, 11th Floor, New York, NY 10011.

6. Defendant H&M, and Defendants DOES 1-20, inclusive, may be collectively referred to as “Defendants.”
7. Plaintiff is informed and believes and thereon alleges that some of Defendants DOES 1 through 8, inclusive, are manufacturers and/or vendors of garments to Defendant, which DOE Defendants have manufactured and/or supplied, and are manufacturing and/or supplying, garments comprised of fabric printed with Plaintiff’s copyrighted design(s) (as hereinafter defined) without Plaintiff’s knowledge or consent, or have contributed to said infringement. The true names, whether corporate, individual or otherwise, and capacities of defendants sued herein as DOES 1 through 8 are presently unknown to Plaintiff at this time, and therefore, Plaintiff sues said defendants by such fictitious names. Plaintiff will seek leave to amend this complaint to allege their true names and capacities when the same have been ascertained. Plaintiff is informed and believes, and based thereon alleges, that each of defendants designated as a DOE is responsible in some manner for the events alleged herein and the damages caused thereby.
8. Defendants DOES 9 through 20, inclusive, are other parties not yet identified who have infringed Plaintiff’s copyrights, have contributed to the infringement of Plaintiff’s copyrights, or have engaged in one or more of the wrongful practices alleged herein. The true names, whether corporate, individual or otherwise, and capacities of defendants sued herein as DOES 9 through 20 are

presently unknown to Plaintiff at this time, and therefore, Plaintiff sues said defendants by such fictitious names. Plaintiff will seek leave to amend this complaint to allege their true names and capacities when the same have been ascertained.

9. Plaintiff is informed and believes and thereupon alleges that at all times relevant hereto each of Defendants acted in concert with each other, was the agent, affiliate, officer, director, manager, principal, alter-ego, and/or employee of the remaining defendants and was at all times acting within the scope of such agency, affiliation, alter-ego relationship and/or employment; and actively participated in or subsequently ratified and adopted, or both, each and all of the acts or conduct alleged, with full knowledge of all the facts and circumstances, including without limitation to full knowledge of each and every wrongful conduct and Plaintiff's damages caused therefrom.

CLAIMS RELATED TO DESIGN

10. Plaintiff is the owner and author of a two-dimensional artwork called EH101, under title Floral ("Subject Design"). (Exhibit A).
11. Plaintiff applied for a copyright from the United States Copyright Office for the Subject Design and was granted Registration No. VA 1-770-400 effective on February 14, 2011. (Exhibit B).

12. Plaintiff formatted the Subject Design for use on textiles, sampled the Subject Design, and negotiated sales of fabric bearing the Subject Design.
13. Plaintiff is informed and believes and thereon alleges that, without Plaintiff's authorization, Defendant H & M purchased, sold, marketed, advertised, manufactured, caused to be manufactured, imported and/or distributed fabric and/or garments comprised of fabric featuring a design which is identical, or substantially similar to, the Subject Design. True and correct copies of such garments have been attached hereto as Exhibit C. Said garments include but are not limited to garments sold by H & M bearing the label "H&M."
14. At various times Defendant H & M owned and controlled offline and/or online retail stores, and Plaintiff's investigation revealed that garments comprised of fabric bearing the Subject Design were being offered for sale at such offline and/or retail stores, garments which were manufactured and/or imported under the direction of the Defendants, and each of them.
15. None of the aforementioned transactions were authorized by Plaintiff, and all were in violation of Plaintiff's intellectual property rights.

FIRST CLAIM FOR RELIEF

(For Copyright Infringement – Against All Defendants)

16. Plaintiff repeats, re-alleges and incorporates herein by reference as though fully set forth the allegations contained in Paragraphs 1 through 15, inclusive, of this Complaint.
17. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, accessed the Subject Design through, without limitation, the following: (a) access to Plaintiff's showroom and/or design library; (b) access to authorized or unauthorized reproductions of the Subject Design in the possession of other vendors and/or DOE Defendants, including but not limited to international and overseas converters and printing mills; (c) access to Plaintiff's strike-offs, swatches, paper CADs and samples; and (d) access to garments in the marketplace manufactured with lawfully printed fabric bearing the Subject Design.
18. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, infringed Plaintiff's copyright by importing, creating, making and/or developing directly infringing and/or derivative works from the Subject Design and by importing, producing, distributing and/or selling infringing garments through a nationwide network of retail stores, catalogues, and online websites.

19. Due to Defendants' acts of infringement, Plaintiff has suffered substantial damages to its business in an amount to be established at trial.
20. Due to Defendants' acts of infringement, Plaintiff has suffered general and special damages to its business in an amount to be established at trial.
21. Due to Defendants' acts of copyright infringement as alleged herein, Defendants, and each of them, have obtained direct and indirect profits they would not otherwise have realized but for their infringement of the Subject Design. As such, Plaintiff is entitled to disgorgement of Defendants' profits directly and indirectly attributable to Defendants' infringement of the Subject Design in an amount to be established at trial.
22. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, have committed acts of infringement alleged herein with actual or constructive knowledge of Plaintiff's rights such that Plaintiff is entitled to a finding of willful infringement.

SECOND CLAIM FOR RELIEF

(For Vicarious Copyright Infringement – Against All Defendants)

23. Plaintiff repeats, re-alleges and incorporates herein by reference as though fully set forth the allegations contained in Paragraphs 1 through 22 inclusive, of this Complaint.

24. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, are vicariously liable for the infringement alleged herein because they had the right and ability to supervise the infringing conduct and because they had a direct financial interest in the infringing product.
25. Plaintiff is informed and believes Defendants including, but not limited to Defendant H & M, engaged in direct copyright infringement.
26. Plaintiff is informed and believes and thereon alleges that there was a substantial and continuing connection between Defendants.
27. Plaintiff is informed and believes and thereon alleges that the Defendants had the right and ability to supervise the infringing conduct by engaging in exclusive distribution agreements, retaining decisions over design, and/or reserving the right to monitor and terminate partnerships with entities that violate others' copyrights.
28. Plaintiff is informed and believes and thereon alleges that the Defendants had direct financial interest in the infringer's activity by profiting from featuring the desirable Subject Design on the infringing garments, while declining to exercise their right and/or obligation to stop or limit the infringement by requesting, changing, or suggesting a different design or declining to buy the garment featuring the Subject Design.

29. By reason of the Defendants', and each of their, acts of vicarious infringement as alleged above, Plaintiff has suffered and will continue to suffer substantial damages to its business in an amount to established at trial, as well as additional general and special damages in an amount to be established at trial.
30. Due to Defendants' acts of vicarious copyright infringement as alleged herein, Defendants, and each of them, have obtained direct and indirect profits they would have not otherwise realized bur for their infringement of the Subject Design. As such, Plaintiff is entitled to disgorgement of Defendants' profits directly and indirectly attributable to Defendants' infringement of the Subject Design, an amount to be established at trial.
31. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, have committed acts of infringement alleged herein with actual or constructive knowledge of Plaintiff's rights such that Plaintiff is entitled to a finding of willful infringement.

THIRD CLAIM FOR RELIF

(For Contributory Copyright Infringement – Against All Defendants)

32. Plaintiff repeats, re-alleges and incorporates herein by reference as though fully set forth the allegations contained in Paragraphs 1 through 31 inclusive, of this Complaint.

33. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, knowingly induced, participated in, aided and abetted in and resultantly profited from the illegal reproduction, importation, purchase, distribution and/or sales of product featuring the Subject Design as alleged herein above.
34. By reason of the Defendants', and each of their, acts of contributory copyright infringement as alleged above, Plaintiff has suffered and will continue to suffer substantial damages to its business in an amount to established at trial, as well as additional general and special damages in an amount to be established at trial.
35. Due to Defendants' acts of contributory copyright infringement as alleged herein, Defendants, and each of them, have obtained direct and indirect profits they would have not otherwise realized but for their infringement of the Subject Design. As such, Plaintiff is entitled to disgorgement of Defendants' profits directly and indirectly attributable to Defendants' infringement of the Subject Design, in an amount to be established at trial.
36. Plaintiff is informed and believes and thereon alleges that Defendants, and each of them, have committed acts of infringement alleged herein with actual or constructive knowledge of Plaintiff's rights such that Plaintiff is entitled to a finding of willful infringement.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for judgment against all Defendants as follows:

Against All Defendants

With respect to Each Claim for Relief:

1. That Defendants, their agents and servants be enjoined from infringing Plaintiff's copyrights in any manner;
2. That Plaintiff be awarded all profits of Defendants plus all losses of Plaintiff, the exact sum to be proven at time of trial, or, if elected before final judgment, statutory damages as available under the Copyright Act, 17 U.S.C. § 101 et seq.;
3. That Plaintiff be awarded its attorneys' fees as available under the Copyright Act, 17 U.S.C. § 101 et seq.;
4. That Plaintiff be awarded pre-judgment interest as allowed by law;
5. That Plaintiff be awarded costs of litigation; and
6. That Plaintiff be awarded such further legal and equitable relief as the Court deems proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury in this action pursuant to Federal Rule of Civil Procedure 38 and the Seventh Amendment of the Constitution.

57a

Dated: August 26, 2016 Respectfully submitted,

/s/ C. Yong Jeong

C. Yong Jeong, Esq.

Attorneys for Plaintiff, UNICOLORS, INC.

58a

EXHIBIT A

59a

EH101.tif

Not Actual Size, 75% of actual size



60a

EXHIBIT B

61a

Certificate of Registration



This Certificate issued under the seal of the Copyright Office in accordance with title 17, *United States Code*, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

Registration Number

VA 1-770-400

Effective date of registration:

February 14, 2011

/s/ Maria A. Pallonte

Acting Register of Copyrights, United States of America

Title

Title of Work: Floral: EH103, EH105, EH111, CEH113, EH123, EH132, CEH146, CEH147, EH149, EH157, CEH175, EH181, CEH182, EH183, EH185, CEH194, EH196, EH200, EH210

62a

Ethnic: EH101, EH102, EH106,
CEH109, EH115, CEH116,
EH119, EH120, EH125, EH133,
EH142, EH144

Completion / Publication

Year of Completion: 2011

Date of 1st Publication: January 15, 2011

Author

Author: UNICOLORS, INC. AKA
UNICOLRS STUDIO

Author Created: 2-Dimentional artwork

Work made for hire: Yes

Citizen of: United States

Domiciled in: United States

Copyright Clamant

Copyright Clamant:

UNICOLORS, INC. AKA UNICOLORS STUDIO
3251 E. 26th STREET, Los Angeles, CA, 90058

Certification

Name: NADER PAZIRANDEH

Date: January 28, 2011

63a

Registration #: VA001770400

Service Request #: 1-570056087



UNICOLORS, INC.
3251 E. 26th STREET
Los Angeles, CA 90058

64a

EXHIBIT C

65a



66a



67a



68a



69a



70a

H&M
www.HM.com

Grapevine Mills
3000 Grapevine Mills Parkway
Grapevine, TX 76051
1-855-HNM-SHOP

SA: 72274 Store: 120266 No.: 6584
Date: 10/19/2015 Till: 4 Time: 20:34

Suit jacket 59.99
61087 8 Black

Net total 59.99
Tax: 4.95

Total \$64.94

Number of items: 1

Received Cash \$100.00

Back Cash \$35.06

NOW OPEN. SHOP HM.COM
Sign up for Fashion News at
www.hm.com/newsletter and
we'll be sure to keep you
updated on all of our special
offers and promotions.

Last date of refund: 11/18/2015


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71a

EXHIBIT 2

72a

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNICOLORS, INC.,

Plaintiff,

vs.

H&M HENNES & MAURITZ, LP; et al.,

Defendants.

Case No.: CV-16-02322 AB (SKx)

Honorable Andre Birotte Jr.

**~~PROPOSED~~ AMENDED
JUDGMENT**

~~PROPOSED~~ AMENDED JUDGMENT

THE COURT ORDERS AND ENTERS JUDGMENT FOR UNICOLORS, INC. (“UNICOLORS”) AGAINST H&M HENNES & MAURITZ, LP (“H&M”) AS FOLLOWS:

1. Unicolors owns a valid copyright and registration for design EH101;
2. H&M is liable for the willful copyright infringement of Unicolors’ design EH101;
3. Judgment is entered against H&M and in favor of Unicolors in the amount of seven hundred eighty-thousand seven hundred seventy-four dollars and eighty cents (\$780,774.80), which reflects (a) damages of two hundred sixty-six thousand two hundred nine dollars and thirty-three cents (\$266,209.33) for solely domestic United States product sales, (b) attorneys’ fees of five hundred eight thousand seven hundred nine dollars and twenty cents (\$508,709.20), and (c) costs of five thousand eight hundred fifty-six dollars and twenty-seven cents (\$5,856.27); and
4. Post-judgment interest is awarded against H&M as prescribed by law.

Dated: October 22, 2018

By: /s/ André Birotte Jr.
UNITED STATES DISTRICT JUDGE
HONORABLE ANDRÉ
BIROTTE JR.

74a

EXHIBIT 3

75a

UNICOLORS, INC., a California
Corporation,
Plaintiff-Appellee,

v.

H&M HENNES & MAURITZ, L.P., a New York
limited partnership,
Defendant-Appellant.

Nos. 18-56253, 18-56548

United States Court of Appeals, Ninth Circuit.

Submitted March 30, 2020¹ Pasadena, California

Filed May 29, 2020

Appeal from the United States District Court for the
Central District of California, Andre Birotte, Jr., Dis-
trict Judge, Presiding, D.C. No. 2:16-cv-02322-AB-SK

Staci Jennifer Riordan, Aaron Brian, and Dale A.
Hudson, Nixon Peabody LLP, Los Angeles, Califor-
nia, for Defendant-Appellant.

Stephen M. Doniger, Scott Alan Burroughs, and Tre-
vor W. Barrett, Doniger / Burroughs, Venice, Califor-
nia, for Plaintiff-Appellee.

¹ The panel unanimously concludes this case is suitable for de-
cision without oral argument. *See* Fed. R. App. P. 34(a)(2).

Before: Carlos T. Bea and Bridget S. Bade, Circuit Judges, and Jon P. McCalla, ** District Judge.

OPINION

BEA, Circuit Judge:

This is a copyright-infringement action brought by Unicolors, Inc. (“Unicolors”), a company that creates designs for use on textiles and garments, against H&M Hennes & Mauritz L.P. (“H&M”), which owns domestic retail clothing stores. Unicolors alleges that a design it created in 2011 is remarkably similar to a design printed on garments that H&M began selling in 2015. The heart of this case is the factual issue whether H&M’s garments bear infringing copies of Unicolors’s 2011 design. Presented with that question, a jury reached a verdict in favor of Unicolors, finding the two works at least substantially similar. On appeal, however, we must decide a threshold *1196 issue whether Unicolors has a valid copyright registration for its 2011 design, which is a precondition to bringing a copyright-infringement suit.

I

Unicolors’s business model is to create artwork, copyright it, print the artwork on fabric, and market the designed fabrics to garment manufacturers. Sometimes, though, Unicolors designs “confined” works,

** The Honorable Jon P. McCalla, United States District Judge for the Western District of Tennessee, sitting by designation.

which are works created for a specific customer. This customer is granted the right of exclusive use of the confined work for at least a few months, during which time Unicolors does not offer to sell the work to other customers. At trial, Unicolors's President, Nader Pazirandeh, explained that customers "ask for privacy" for confined designs, in respect of which Unicolors holds the confined designs for a "few months" from other customers. Mr. Pazirandeh added that his staff follows instructions not to offer confined designs for sale to customers generally, and Unicolors does not even place confined designs in its showroom until the exclusivity period ends.

In February 2011, Unicolors applied for and received a copyright registration from the U.S. Copyright Office for a two-dimensional artwork called EH101, which is the subject of this suit. Unicolors's registration—No. VA 1-770-400 ("the '400 Registration")—included a January 15, 2011 date of first publication. The '400 Registration is a "single-unit registration" of thirty-one separate designs in a single registration, one of which designs is EH101. The name for twenty-two of the works in the '400 Registration, like EH101, have the prefix "EH"; the other nine works were named with the prefix "CEH." Hannah Lim, a Unicolors textile designer, testified at trial that the "EH" designation stands for "January 2011," meaning these works were created in that month. Ms. Lim added that a "CEH" designation means a work was designed in January 2011 but was a "confined" work.

When asked about the '400 Registration at trial, Mr. Pazirandeh testified that Unicolors submits

collections of works in a single copyright registration “for saving money.” Mr. Pazirandeh added that the first publication date of January 15, 2011 represented “when [Unicolors] present[ed] [the designs] to [its] salespeople.” But these salespeople are Unicolors employees, not the public. And the presentation took place at a company member-only meeting. Following the presentation, according to Mr. Pazirandeh, Unicolors would have placed non-confined designs in Unicolors’s showroom, making them “available for public viewing” and purchase. Confined designs, on the other hand, would not be placed in Unicolors’s showroom for the public at large to view.

H&M owns and operates hundreds of clothing retail stores in the United States. In fall 2015, H&M stores began selling a jacket and skirt made of fabric bearing an artwork design named “Xue Xu.” Upon discovering H&M was selling garments bearing the Xue Xu artwork, Unicolors filed this action for copyright infringement, alleging that H&M’s sales infringed Unicolors’s copyrighted EH101 design. Unicolors alleges that the two works are “row by row, layer by layer” identical to each other.

The case proceeded to trial, at which a jury returned a verdict in Unicolors’s favor, finding Unicolors owned a valid copyright in the EH101 artwork, H&M infringed on that copyright by selling the contested skirt and jacket, and H&M’s infringement was willful. The jury awarded Unicolors \$817,920 in profit disgorgement damages and \$28,800 in lost profits.

***1197** H&M filed a renewed motion for judgment as a matter of law, or in the alternative, for a new

trial. The district court denied H&M's renewed motion for judgment as a matter of law, but conditionally granted H&M's motion for a new trial subject to Unicolors accepting a remittitur of damages to \$266,209.33. Unicolors accepted the district court's remittitur and the district court entered judgment against H&M accordingly. Unicolors subsequently moved for attorneys' fees and costs, which the district court awarded in the amounts of \$508,709.20 and \$5,856.27, respectively. This appeal of both the entry of judgment and award of attorneys' fees in favor of Unicolors followed.

II

[1] [2] "To establish infringement, two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original." *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361, 111 S.Ct. 1282, 113 L.Ed.2d 358 (1991). As to ownership, a registration certificate issued by the U.S. Register of Copyrights constitutes prima facie evidence of the validity of a plaintiff's copyright. 17 U.S.C. § 410(c).

[3] Although proper registration benefits copyright-infringement plaintiffs by imbuing their copyright with a presumption of validity, proper registration is also a burden of sorts, as it is "a precondition to filing an action for copyright infringement." *Gold Value Int'l Textile, Inc. v. Sanctuary Clothing, LLC*, 925 F.3d 1140, 1144 (9th Cir. 2019); see 17 U.S.C. § 411(a). Proper registration, of course, is not a precondition to copyright protection. 17 U.S.C. § 408(a). But the Copyright Act expressly prohibits

copyright owners from bringing infringement actions without first properly registering their work. *Id.* § 411(a). Whether a copyright is properly registered is rarely disputed, because the mere receipt of a registration certificate issued by the Register of Copyrights ordinarily satisfies the Copyright Act's registration requirement. *Id.* § 411(b)(1). But possession of a registration certificate does not satisfy the Copyright Act's registration requirement if the registrant secured the registration by knowingly including inaccurate information in the application for copyright registration that, if known by the Register of Copyrights, would have caused it to deny registration. *Id.*

[4] In practice, once a defendant alleges that (1) a plaintiff's certificate of registration contains inaccurate information; (2) "the inaccurate information was included on the application for copyright registration"; and (3) the inaccurate information was included on the application "with knowledge that it was inaccurate," a district court is then required to submit a request to the Register of Copyrights "to advise the court whether the inaccurate information, if known, would have caused [it] to refuse registration." *Id.* § 411(b)(1)Q(2). In other words, courts may not consider in the first instance whether the Register of Copyrights would have refused registration due to the inclusion of known inaccuracies in a registration application.

Here, following the unfavorable verdict, H&M filed a renewed motion for judgment as a matter of law that contended, in relevant part, that Unicolors's '400 Registration covering the EH101 work was invalid because Unicolors secured the registration by

including known inaccuracies in its application for registration. In particular, H&M noted that Unicolors used a single copyright registration to register thirty-one separate works, one of which was EH101. But to register a collection of works as a “single unit” as Unicolors did, H&M maintained that the works must have been first sold or offered for sale in *1198 some integrated manner. And because the undisputed evidence adduced at trial showed that Unicolors included in the ‘400 Registration at least nine confined works that were sold separately and exclusively to individual customers, H&M argued that the collection of works identified in the ‘400 Registration were not first sold together and at the same time. In turn, H&M contended the district court should find the ‘400 Registration invalid and enter judgment in favor of H&M.

The district court rejected H&M’s argument for invalidating the ‘400 Registration for two reasons. First, the district court held that invalidation required a showing at trial that Unicolors intended to defraud the Copyright Office, and found no evidence introduced at trial showed such an intent. Second, the district court held that although Unicolors may have marketed and sold various works included in the ‘400 Registration separately, that did not mean all of the works were not first made available to the public—i.e., published—on the same day.

[5] Both the district court’s reasons for denying H&M judgment as a matter of law are flawed. To be sure, several opinions from this Court have implied that there is an intent-to-defraud requirement for registration invalidation. *See L.A.*

Printex Indus., Inc. v. Aeropostale, Inc., 676 F.3d 841, 853-54 (9th Cir. 2012); *see also Lamps Plus, Inc. v. Seattle Lighting Fixture Co.*, 345 F.3d 1140, 1145 (9th Cir. 2003) (stating that inaccuracies “do not invalidate a copyright ... [unless] the claimant intended to defraud the Copyright Office by making the misstatement”) (quoting *Urantia Found. v. Maaherra*, 114 F.3d 955, 963 (9th Cir. 1997)); *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 486-87 (9th Cir. 2000) (same), *overruled on other grounds* by *Skidmore v. Led Zeppelin*, 952 F.3d 1051 (9th Cir. 2020) (*en banc*); *Cooling Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 487 (9th Cir. 1985) (“Absent fraud, a misstatement or clerical error in the registration application ... will not invalidate the copyright”) (internal quotation marks omitted), *overruling on other grounds recognized by Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1448 (9th Cir. 1994); 2 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 7.20[B][1] (2019). But we recently clarified that there is no such intent-to-defraud requirement. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147 (9th Cir. 2019).

[6] The district court further erred in concluding that Unicolors’s application for copyright registration did not contain inaccuracies despite the inclusion of confined designs because single-unit registration requires merely that all works identified in the application be published on the same date. Under the Copyright Act, an author may register a collection of published works “as a single work,” so that the registrant need pay only one filing fee. 37 C.F.R.

§ 202.3(b)(4) (effective January 24, 2011).¹ To register such a collection of published works, the works must have been “included in a single unit of publication.” *Id.* § 202.3(b)(4)(i)(A) “Publication” under the Copyright Act is defined as the initial “distribution” or “offering to distribute” the “work to the public by sale or other transfer of ownership, or by rental, lease, or lending.” 17 U.S.C. § 101. As we have explained, publication includes when copies of a work are “made available to the general public ... even if a sale or other such disposition does not in fact occur.” *1199 *Am. Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1027 (9th Cir. 1981) (quoting 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 4.04 at 4-18 to 4-19 (1978)). The confined designs, however, were not placed in the showroom for sale at the same time. And this court has never previously addressed what it means to publish multiple works as a “single unit.”²

We conclude that the plain meaning of “single unit” in § 202.3(b)(4)(i)(A) requires that the registrant first published the collection of works in a singular,

¹ The current version of § 202.3(b)(4) refers to registration “as one work” rather than “as a single work.” We use the language of the regulation’s version effective January 24, 2011, which is the operative version in this case.

² The Third Circuit discussed the single-unit requirement in a published opinion, but that case provides no help to the matter at hand. *See Kay Berry, Inc. v. Taylor Gifts, Inc.*, 421 F.3d 199, 204-06 (3d Cir. 2005) (mentioning the single-unit registration option and concluding the individual works need not be “related,” but not explaining what it means for works to be part of a “single unit”).

bundled collection. The relevant language of the regulation provides, in full:

For the purpose of registration on a single application and upon payment of a single registration fee, the following shall be considered a single work:

(A) In the case of published works: all copyrightable elements that are *otherwise recognizable as self-contained* works, that are *included in a single unit of publication*, and in which the copyright claimant is the same[.]

37 C.F.R. § 202.3(b)(4)(i)(A) (emphasis added). The plain meaning of the word “single” unsurprisingly commands a sense of singularity. *See Single*, Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/single> (defining “single” as “unaccompanied by others”). The plain meaning of “unit” is no different. *See Unit*, Merriam-Webster Dictionary, <https://www.merriamwebster.com/dictionary/unit> (defining “unit” as “a single thing, person, or group that is a constituent of a whole”). Together, the two words suggest that a “single unit of publication” refers to some singular, bundled item that contains all works identified in the registration.

[7] The proverbial toolkit of statutory interpretation reinforces that a collection of published works that make up “a single unit of publication” must have been first published as part of some singular, bundled collection. The principle of *noscitur a sociis*—“it is known by its associates” or “birds of a feather flock together”—instructs that words in

statutes are given more precise content by neighboring words. *See Life Techs. Corp. v. Promega Corp.*, — U.S. —, 137 S. Ct. 734, 740, 197 L.Ed.2d 33 (2017); *see also* Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts*, 195-98 (2012) (describing *noscitur a sociis* and explaining its meaning as “birds of a feather flock together”). Here, § 202.3(b)(4)(i)(A) refers to “copyrightable *elements* that are otherwise recognizable as *self-contained* works, which are included in a single unit of publication.” (emphasis added). By referring to “elements” that are “otherwise ... self-contained works,” the regulation unambiguously contemplates that a “single-unit of publication” does not cover separate self-contained works, but instead covers the unification of such works that otherwise could be self-contained.³

³ Even if the term “single unit” were ambiguous, we would hold the term has the same meaning. If it were ambiguous, we would look to how the U.S. Copyright Office has defined the term in its internal manual, *Compendium of Copyright Office Practices* (“Compendium”), which is entitled to *Skidmore* deference. *Inhale, Inc. v. Starbuzz Tobacco, Inc.*, 755 F.3d 1038, 1041-42 & n.2 (9th Cir. 2014). The Compendium details that the “single unit of publication” option applies to a collection of published works “first distributed to the public in the packaged unit.” *Compendium* § 1103. In other words, a single unit of publication refers to separately copyrightable works “that are physically bundled together and distributed to the public as a unit, such as a board game containing instructions, a game board, and sculpted playing pieces.” *Id.* The Compendium’s definition for “single unit” thus aligns with what we ascribe as its unambiguous and plain meaning.

***1200** For these reasons, we hold that a collection of works does not qualify as a “single unit of publication” unless all individual works of the collection were first published as a singular, bundled unit. Therefore, it is an inaccuracy for a registrant like Unicolors to register a collection of works (such as the works identified in the ‘400 Registration) as a single-unit publication when the works were not initially published as a singular, bundled collection. At a minimum, the confined works included in the ‘400 Registration were initially made available only to individual, exclusive customers.

[8] The undisputed evidence adduced at trial further shows that Unicolors included the inaccurate information “with knowledge that it was inaccurate.” 17 U.S.C. § 411(b)(1) (A). And the knowledge inquiry is not whether Unicolors knew that including a mixture of confined and non-confined designs would run afoul of the single-unit registration requirements; the inquiry is merely whether Unicolors knew that certain designs included in the registration were confined and, therefore, were each published separately to exclusive customers. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147. At trial, Unicolors admitted to having such knowledge.

Although Unicolors’s application for the ‘400 Registration contained known inaccuracies, that does not mean H&M was entitled to judgment as a matter of law. Rather, the district court was required to “request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register ... to refuse registration.” 17 U.S.C. § 411(b)(2). Because the district court did

not make the statutorily required request, we remand the case so that the district court can complete this requirement before deciding whether Unicolors’s registration is invalid, which would require dismissing Unicolors’s claims and entering judgment in favor of H&M.

III

For the foregoing reasons, we reverse the district court’s entry of judgment and award of attorneys’ fees in favor of Unicolors and remand to the district court with instructions to submit an inquiry to the Register of Copyrights asking whether the known inaccuracies contained in the ‘400 Registration application detailed above, if known to the Register of Copyrights, would have caused it to refuse registration. Because the validity of Unicolors’s copyright registration is a threshold issue, we do not consider here the many other questions presented on appeal.⁴ In the event

⁴ As the Supreme Court has explained, the Copyright Act’s registration requirement is not a jurisdictional requirement; rather, it is a claim-processing rule. *Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154, 163-66, 130 S.Ct. 1237, 176 L.Ed.2d 18 (2010). That does not change that Unicolors’s compliance with the Copyright Act’s registration requirement is a threshold matter. As the Supreme Court recently clarified, a claim-processing rule can still be “mandatory,” which means “that a court must enforce the rule if a party ‘properly raise[s]’ it.” *Fort Bend Cty. v. Davis*, — U.S. —, 139 S. Ct. 1843, 1849, 204 L.Ed.2d 116 (2019) (alteration in original) (quoting *Eberhart v. United States*, 546 U.S. 12, 19, 126 S.Ct. 403, 163 L.Ed.2d 14 (2005) (*per curiam*)). The Fort Bend County Court even noted that “the Copyright Act’s requirement that parties register their copyrights” is one such mandatory claim-processing rule. *Id.* Here, the parties do not dispute

*1201 the district court determines on remand—and after submitting the necessary inquiry to the Register of Copyrights—that Unicolors has a valid copyright registration in EH101, this panel retains jurisdiction over any subsequent appeal to review that determination and, if necessary, to decide remaining questions presented in this appeal.

REVERSED AND REMANDED.

that H&M properly raised its challenge to Unicolors's compliance with the Copyright Act's registration requirement.

89a

EXHIBIT 4

90a

Staci Jennifer Riordan (SBN 232659)

Dale A. Hudson (SBN 81948)

Aaron M. Brian (SBN 213191)

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Attorneys for Defendant

H & M HENNES & MAURITZ LP

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC., a California Corporation,

Plaintiff,

vs.

H & M HENNES & MAURITZ L.P., a New York
Limited Partnership, and DOES 1-20, inclusive,

Defendants.

Case No.: 2:16-cv-02322 – AB – SK

Honorable André Birotte Jr.

**REQUEST FOR THE COURT
TO SUBMIT A REQUEST TO
THE REGISTER OF COPY-
RIGHTS PURSUANT TO 17
U.S.C. § 411(b)(2); [PROPOSED]
REQUEST TO THE COPY-
RIGHT REGISTER AND COPY
OF THE NINTH CIRCUIT OR-
DER FILED CONCURRENTLY
HEREWITH**

Filed: April 5, 2016

Trial: December 5-7, 2017

In accordance with the Ninth Circuit’s order dated May 29, 2020 and the Mandate issued August 17, 2020, H & M Hennes & Mauritz LP (“H&M NY”) hereby respectfully requests the Court to submit the [Proposed] Request to the Register of Copyrights pursuant to 17 U.S.C. § 411(b)(2) (“Request”) in connection with Unicolors, Inc. (“Unicolors”) Copyright Registration No. VA 1-700-400 (“the ‘400 Registration”), along with a copy of this filing and a copy of the Ninth Circuit’s May 29, 2020 order. Dkt 298 & Dkt 297, *Unicolors, Inc. v. H&M Hennes & Mauritz LP*, 959 F3d 1194 (9th Cir. 2020) (“Order”).

Specifically, H&M NY asks the Court to “request the Register of Copyrights to advise the court whether the inaccurate information [contained in the ‘400 Registration], if known, would have caused the Register to refuse registration.” Order, 959 F.3d at 1200.

The Ninth Circuit held that the undisputed evidence adduced at trial showed that Unicolors

registered a collection of thirty-one designs “as a single work” with its ‘400 Registration. *Id.* at 1198-1200. The Ninth Circuit also held the undisputed evidence demonstrates that these designs were not all “initially published as a singular, bundled collection,” in violation of 37 C.F.R. § 202.3(b)(4). As recognized in the Order, to register such a collection of published works as a “single work,” the works must have been “included in a single unit of publication.” Order, *959 F.3d at 1198-99*.

The Ninth Circuit further held that the undisputed evidence at trial shows that Unicolors “included the inaccurate information ‘with knowledge that it was inaccurate.’” *Id.* at 1200 *citing* 17 U.S.C. 411(b)(1)(A).

Accordingly, as directed by the Ninth Circuit, H&M NY respectfully requests that Court submit the Request to the Copyright Register pursuant to 17 U.S.C. § 411(b)(2).

Dated: August 21, 2020 NIXON PEABODY LLP

By /s/ Staci Jennifer Riordan
Staci Jennifer Riordan
Dale A. Hudson
Aaron M. Brian
Attorneys for Defendant
H & M HENNES & MAU-
RITZ LP

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EXHIBIT 1

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UNICOLORS, INC., a California
Corporation,
Plaintiff-Appellee,

v.

H&M HENNES & MAURITZ, L.P., a New York
limited partnership,
Defendant-Appellant.

Nos. 18-56253, 18-56548

United States Court of Appeals, Ninth Circuit.

Submitted March 30, 2020¹ Pasadena, California

Filed May 29, 2020

Appeal from the United States District Court for the
Central District of California, Andre Birotte, Jr., Dis-
trict Judge, Presiding, D.C. No. 2:16-cv-02322-AB-SK

Staci Jennifer Riordan, Aaron Brian, and Dale A.
Hudson, Nixon Peabody LLP, Los Angeles, Califor-
nia, for Defendant-Appellant.

Stephen M. Doniger, Scott Alan Burroughs, and Tre-
vor W. Barrett, Doniger / Burroughs, Venice, Califor-
nia, for Plaintiff-Appellee.

¹ The panel unanimously concludes this case is suitable for deci-
sion without oral argument. *See* Fed. R. App. P. 34(a)(2).

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Before: Carlos T. Bea and Bridget S. Bade, Circuit Judges, and Jon P. McCalla, ** District Judge.

** The Honorable Jon P. McCalla, United States District Judge for the Western District of Tennessee, sitting by designation.

OPINION

BEA, Circuit Judge:

This is a copyright-infringement action brought by Unicolors, Inc. (“Unicolors”), a company that creates designs for use on textiles and garments, against H&M Hennes & Mauritz L.P. (“H&M”), which owns domestic retail clothing stores. Unicolors alleges that a design it created in 2011 is remarkably similar to a design printed on garments that H&M began selling in 2015. The heart of this case is the factual issue whether H&M’s garments bear infringing copies of Unicolors’s 2011 design. Presented with that question, a jury reached a verdict in favor of Unicolors, finding the two works at least substantially similar. On appeal, however, we must decide a threshold *1196 issue whether Unicolors has a valid copyright registration for its 2011 design, which is a precondition to bringing a copyright-infringement suit.

I

Unicolors’s business model is to create artwork, copyright it, print the artwork on fabric, and market the designed fabrics to garment manufacturers. Sometimes, though, Unicolors designs “confined” works, which are works created for a specific customer. This customer is granted the right of exclusive use of the confined work for at least a few months, during which time Unicolors does not offer to sell the work to other customers. At trial, Unicolors’s President, Nader Pazirandeh, explained that customers “ask for privacy” for confined designs, in respect of which Unicolors holds the confined designs for a “few months” from

other customers. Mr. Pazirandeh added that his staff follows instructions not to offer confined designs for sale to customers generally, and Unicolors does not even place confined designs in its showroom until the exclusivity period ends.

In February 2011, Unicolors applied for and received a copyright registration from the U.S. Copyright Office for a two-dimensional artwork called EH101, which is the subject of this suit. Unicolors's registration—No. VA 1-770-400 (“the ‘400 Registration”)—included a January 15, 2011 date of first publication. The ‘400 Registration is a “single-unit registration” of thirty-one separate designs in a single registration, one of which designs is EH101. The name for twenty-two of the works in the ‘400 Registration, like EH101, have the prefix “EH”; the other nine works were named with the prefix “CEH.” Hannah Lim, a Unicolors textile designer, testified at trial that the “EH” designation stands for “January 2011,” meaning these works were created in that month. Ms. Lim added that a “CEH” designation means a work was designed in January 2011 but was a “confined” work.

When asked about the ‘400 Registration at trial, Mr. Pazirandeh testified that Unicolors submits collections of works in a single copyright registration “for saving money.” Mr. Pazirandeh added that the first publication date of January 15, 2011 represented “when [Unicolors] present[ed] [the designs] to [its] salespeople.” But these salespeople are Unicolors employees, not the public. And the presentation took place at a company member-only meeting. Following the presentation, according to Mr. Pazirandeh,

Unicolors would have placed non-confined designs in Unicolors's showroom, making them "available for public viewing" and purchase. Confined designs, on the other hand, would not be placed in Unicolors's showroom for the public at large to view.

H&M owns and operates hundreds of clothing retail stores in the United States. In fall 2015, H&M stores began selling a jacket and skirt made of fabric bearing an artwork design named "Xue Xu." Upon discovering H&M was selling garments bearing the Xue Xu artwork, Unicolors filed this action for copyright infringement, alleging that H&M's sales infringed Unicolors's copyrighted EH101 design. Unicolors alleges that the two works are "row by row, layer by layer" identical to each other.

The case proceeded to trial, at which a jury returned a verdict in Unicolors's favor, finding Unicolors owned a valid copyright in the EH101 artwork, H&M infringed on that copyright by selling the contested skirt and jacket, and H&M's infringement was willful. The jury awarded Unicolors \$817,920 in profit disgorgement damages and \$28,800 in lost profits.

***1197** H&M filed a renewed motion for judgment as a matter of law, or in the alternative, for a new trial. The district court denied H&M's renewed motion for judgment as a matter of law, but conditionally granted H&M's motion for a new trial subject to Unicolors accepting a remittitur of damages to \$266,209.33. Unicolors accepted the district court's remittitur and the district court entered judgment against H&M accordingly. Unicolors subsequently moved for attorneys' fees and costs, which the district

court awarded in the amounts of \$508,709.20 and \$5,856.27, respectively. This appeal of both the entry of judgment and award of attorneys' fees in favor of Unicolors followed.

II

[1] [2] “To establish infringement, two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.” *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361, 111 S.Ct. 1282, 113 L.Ed.2d 358 (1991). As to ownership, a registration certificate issued by the U.S. Register of Copyrights constitutes prima facie evidence of the validity of a plaintiff's copyright. 17 U.S.C. § 410(c).

[3] Although proper registration benefits copyright-infringement plaintiffs by imbuing their copyright with a presumption of validity, proper registration is also a burden of sorts, as it is “a precondition to filing an action for copyright infringement.” *Gold Value Int'l Textile, Inc. v. Sanctuary Clothing, LLC*, 925 F.3d 1140, 1144 (9th Cir. 2019); see 17 U.S.C. § 411(a). Proper registration, of course, is not a precondition to copyright protection. 17 U.S.C. § 408(a). But the Copyright Act expressly prohibits copyright owners from bringing infringement actions without first properly registering their work. *Id.* § 411(a). Whether a copyright is properly registered is rarely disputed, because the mere receipt of a registration certificate issued by the Register of Copyrights ordinarily satisfies the Copyright Act's registration requirement. *Id.* § 411(b)(1). But possession of a registration certificate does not satisfy the

Copyright Act's registration requirement if the registrant secured the registration by knowingly including inaccurate information in the application for copyright registration that, if known by the Register of Copyrights, would have caused it to deny registration. *Id.*

[4] In practice, once a defendant alleges that (1) a plaintiff's certificate of registration contains inaccurate information; (2) "the inaccurate information was included on the application for copyright registration"; and (3) the inaccurate information was included on the application "with knowledge that it was inaccurate," a district court is then required to submit a request to the Register of Copyrights "to advise the court whether the inaccurate information, if known, would have caused [it] to refuse registration." *Id.* § 411(b)(1)Q(2). In other words, courts may not consider in the first instance whether the Register of Copyrights would have refused registration due to the inclusion of known inaccuracies in a registration application.

Here, following the unfavorable verdict, H&M filed a renewed motion for judgment as a matter of law that contended, in relevant part, that Unicolors's '400 Registration covering the EH101 work was invalid because Unicolors secured the registration by including known inaccuracies in its application for registration. In particular, H&M noted that Unicolors used a single copyright registration to register thirty-one separate works, one of which was EH101. But to register a collection of works as a "single unit" as Unicolors did, H&M maintained that the works must have been first sold or offered for sale in *1198 some

integrated manner. And because the undisputed evidence adduced at trial showed that Unicolors included in the ‘400 Registration at least nine confined works that were sold separately and exclusively to individual customers, H&M argued that the collection of works identified in the ‘400 Registration were not first sold together and at the same time. In turn, H&M contended the district court should find the ‘400 Registration invalid and enter judgment in favor of H&M.

The district court rejected H&M’s argument for invalidating the ‘400 Registration for two reasons. First, the district court held that invalidation required a showing at trial that Unicolors intended to defraud the Copyright Office, and found no evidence introduced at trial showed such an intent. Second, the district court held that although Unicolors may have marketed and sold various works included in the ‘400 Registration separately, that did not mean all of the works were not first made available to the public—i.e., published—on the same day.

[5] Both the district court’s reasons for denying H&M judgment as a matter of law are flawed. To be sure, several opinions from this Court have implied that there is an intent-to-defraud requirement for registration invalidation. *See L.A. Printex Indus., Inc. v. Aeropostale, Inc.*, 676 F.3d 841, 853-54 (9th Cir. 2012); *see also Lamps Plus, Inc. v. Seattle Lighting Fixture Co.*, 345 F.3d 1140, 1145 (9th Cir. 2003) (stating that inaccuracies “do not invalidate a copyright ... [unless] the claimant intended to defraud the Copyright Office by making the misstatement”) (quoting *Urantia Found. v. Maaherra*, 114

F.3d 955, 963 (9th Cir. 1997)); *Three Boys Music Corp. v. Bolton*, 212 F.3d 477, 486-87 (9th Cir. 2000) (same), *overruled on other grounds* by *Skidmore v. Led Zeppelin*, 952 F.3d 1051 (9th Cir. 2020) (*en banc*); *Cooling Sys. & Flexibles, Inc. v. Stuart Radiator, Inc.*, 777 F.2d 485, 487 (9th Cir. 1985) (“Absent fraud, a misstatement or clerical error in the registration application ... will not invalidate the copyright”) (internal quotation marks omitted), *overruling on other grounds recognized by Apple Computer, Inc. v. Microsoft Corp.*, 35 F.3d 1435, 1448 (9th Cir. 1994); 2 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 7.20[B][1] (2019). But we recently clarified that there is no such intent-to-defraud requirement. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147 (9th Cir. 2019).

[6] The district court further erred in concluding that Unicolors’s application for copyright registration did not contain inaccuracies despite the inclusion of confined designs because single-unit registration requires merely that all works identified in the application be published on the same date. Under the Copyright Act, an author may register a collection of published works “as a single work,” so that the registrant need pay only one filing fee. 37 C.F.R. § 202.3(b)(4) (effective January 24, 2011).¹ To register such a collection of published works, the works must have been “included in a single unit of publication.”

¹ The current version of § 202.3(b)(4) refers to registration “as one work” rather than “as a single work.” We use the language of the regulation’s version effective January 24, 2011, which is the operative version in this case.

Id. § 202.3(b)(4)(i)(A) “Publication” under the Copyright Act is defined as the initial “distribution” or “offering to distribute” the “work to the public by sale or other transfer of ownership, or by rental, lease, or lending.” 17 U.S.C. § 101. As we have explained, publication includes when copies of a work are “made available to the general public ... even if a sale or other such disposition does not in fact occur.” *1199 *Am. Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1027 (9th Cir. 1981) (quoting 1 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 4.04 at 4-18 to 4-19 (1978)). The confined designs, however, were not placed in the showroom for sale at the same time. And this court has never previously addressed what it means to publish multiple works as a “single unit.”²

We conclude that the plain meaning of “single unit” in § 202.3(b)(4)(i)(A) requires that the registrant first published the collection of works in a singular, bundled collection. The relevant language of the regulation provides, in full:

For the purpose of registration on a single application and upon payment of a single registration fee, the following shall be considered a single work:

² The Third Circuit discussed the single-unit requirement in a published opinion, but that case provides no help to the matter at hand. See *Kay Berry, Inc. v. Taylor Gifts, Inc.*, 421 F.3d 199, 204-06 (3d Cir. 2005) (mentioning the single-unit registration option and concluding the individual works need not be “related,” but not explaining what it means for works to be part of a “single unit”).

(A) In the case of published works: all copyrightable elements that are *otherwise recognizable as self-contained* works, that are *included in a single unit of publication*, and in which the copyright claimant is the same[.]

37 C.F.R. § 202.3(b)(4)(i)(A) (emphasis added). The plain meaning of the word “single” unsurprisingly commands a sense of singularity. *See Single*, Merriam-Webster Dictionary, <https://www.merriam-webster.com/dictionary/single> (defining “single” as “unaccompanied by others”). The plain meaning of “unit” is no different. *See Unit*, Merriam-Webster Dictionary, <https://www.merriamwebster.com/dictionary/unit> (defining “unit” as “a single thing, person, or group that is a constituent of a whole”). Together, the two words suggest that a “single unit of publication” refers to some singular, bundled item that contains all works identified in the registration.

[7] The proverbial toolkit of statutory interpretation reinforces that a collection of published works that make up “a single unit of publication” must have been first published as part of some singular, bundled collection. The principle of *noscitur a sociis*—“it is known by its associates” or “birds of a feather flock together”—instructs that words in statutes are given more precise content by neighboring words. *See Life Techs. Corp. v. Promega Corp.*, — U.S. —, 137 S. Ct. 734, 740, 197 L.Ed.2d 33 (2017); *see also* Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts*, 195-98 (2012) (describing *noscitur a sociis* and explaining its meaning as “birds of a feather flock together”). Here, § 202.3(b)(4)(i)(A) refers to “copyrightable *elements*

that are otherwise recognizable as *self-contained* works, which are included in a single unit of publication.” (emphasis added). By referring to “elements” that are “otherwise ... self-contained works,” the regulation unambiguously contemplates that a “single-unit of publication” does not cover separate self-contained works, but instead covers the unification of such works that otherwise could be self-contained.³

***1200** For these reasons, we hold that a collection of works does not qualify as a “single unit of publication” unless all individual works of the collection were first published as a singular, bundled unit. Therefore, it is an inaccuracy for a registrant like Unicolors to register a collection of works (such as the works identified in the ‘400 Registration) as a single-unit publication when the works were not initially published as a singular, bundled collection. At a minimum, the

³ Even if the term “single unit” were ambiguous, we would hold the term has the same meaning. If it were ambiguous, we would look to how the U.S. Copyright Office has defined the term in its internal manual, *Compendium of Copyright Office Practices* (“Compendium”), which is entitled to *Skidmore* deference. *Inhale, Inc. v. Starbuzz Tobacco, Inc.*, 755 F.3d 1038, 1041-42 & n.2 (9th Cir. 2014). The Compendium details that the “single unit of publication” option applies to a collection of published works “first distributed to the public in the packaged unit.” *Compendium* § 1103. In other words, a single unit of publication refers to separately copyrightable works “that are physically bundled together and distributed to the public as a unit, such as a board game containing instructions, a game board, and sculpted playing pieces.” *Id.* The Compendium’s definition for “single unit” thus aligns with what we ascribe as its unambiguous and plain meaning.

confined works included in the '400 Registration were initially made available only to individual, exclusive customers.

[8] The undisputed evidence adduced at trial further shows that Unicolors included the inaccurate information “with knowledge that it was inaccurate.” 17 U.S.C. § 411(b)(1) (A). And the knowledge inquiry is not whether Unicolors knew that including a mixture of confined and non-confined designs would run afoul of the single-unit registration requirements; the inquiry is merely whether Unicolors knew that certain designs included in the registration were confined and, therefore, were each published separately to exclusive customers. *See Gold Value Int’l Textile, Inc.*, 925 F.3d at 1147. At trial, Unicolors admitted to having such knowledge.

Although Unicolors’s application for the ‘400 Registration contained known inaccuracies, that does not mean H&M was entitled to judgment as a matter of law. Rather, the district court was required to “request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register ... to refuse registration.” 17 U.S.C. § 411(b)(2). Because the district court did not make the statutorily required request, we remand the case so that the district court can complete this requirement before deciding whether Unicolors’s registration is invalid, which would require dismissing Unicolors’s claims and entering judgment in favor of H&M.

III

For the foregoing reasons, we reverse the district court’s entry of judgment and award of attorneys’ fees in favor of Unicors and remand to the district court with instructions to submit an inquiry to the Register of Copyrights asking whether the known inaccuracies contained in the ‘400 Registration application detailed above, if known to the Register of Copyrights, would have caused it to refuse registration. Because the validity of Unicors’s copyright registration is a threshold issue, we do not consider here the many other questions presented on appeal.⁴ In the event *1201 the district court determines on remand—and after submitting the necessary inquiry to the Register of Copyrights—that Unicors has a valid copyright registration in EH101, this panel retains jurisdiction over any subsequent appeal to review that

⁴ As the Supreme Court has explained, the Copyright Act’s registration requirement is not a jurisdictional requirement; rather, it is a claim-processing rule. *Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154, 163-66, 130 S.Ct. 1237, 176 L.Ed.2d 18 (2010). That does not change that Unicors’s compliance with the Copyright Act’s registration requirement is a threshold matter. As the Supreme Court recently clarified, a claim-processing rule can still be “mandatory,” which means “that a court must enforce the rule if a party ‘properly raise[s]’ it.” *Fort Bend Cty. v. Davis*, — U.S. —, 139 S. Ct. 1843, 1849, 204 L.Ed.2d 116 (2019) (alteration in original) (quoting *Eberhart v. United States*, 546 U.S. 12, 19, 126 S.Ct. 403, 163 L.Ed.2d 14 (2005) (*per curiam*)). The Fort Bend County Court even noted that “the Copyright Act’s requirement that parties register their copyrights” is one such mandatory claim-processing rule. *Id.* Here, the parties do not dispute that H&M properly raised its challenge to Unicors’s compliance with the Copyright Act’s registration requirement.

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determination and, if necessary, to decide remaining questions presented in this appeal.

REVERSED AND REMANDED.

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNICOLORS, INC., a California Corporation,

Plaintiff,

vs.

H&M HENNES & MAURITZ L.P., a New York Limited Partnership, and DOES 1-20, inclusive,

Defendants.

Case No.: 2:16-cv-02322 – AB – SK

Honorable André Birotte Jr.

**[PROPOSED] REQUEST TO THE
REGISTER OF COPYRIGHTS
PURSUANT TO 17 U.S.C.
§ 411(b)(2)**

Filed: April 5, 2016

Trial: December 5-7, 2017

**REQUEST TO THE REGISTER OF COPY-
RIGHTS**

PURSUANT 17 U.S.C. § 411(B)(2)

Unicolors, Inc. (“Unicolors”) brought this action for copyright infringement against defendant, H & M Hennes & Mauritz LP (“H&M NY”). The Complaint alleges that Unicolors created and owns a valid copyright in a two-dimensional textile design, which is

titled EH101 (“EH101 Design”). Unicolors contends that EH101 is registered as a part of a collection of published works under Copyright Registration No. VA 1-770-400 (“the ‘400 Registration”) that were all initially first published together on Saturday, January 15, 2011.

In response to the claims, H & M NY challenged the validity of the ‘400 Registration. H&M NY contends that Unicolors knowingly submitted inaccurate information when Unicolors filed its application for the ‘400 Registration. Based on this premise, H&M NY argues that, but for the submission of this information, the Register of Copyrights would have refused registration.

In a related order, the United States Court of Appeals for the Ninth Circuit has determined that Unicolors knowingly submitted inaccurate information in connection with its application for the ‘400 Registration (“Ninth Circuit Order”), attached hereto as Exhibit 1. Specifically, the Ninth Circuit Order held that the thirty-one designs covered by the ‘400 Registration did not qualify as “single unit of publication” because all of the individual works of the collection “were not initially published as a singular, bundled unit. *Unicolors, Inc. v. H&M Hennes & Maurtitz LP*, 959 F.3d 1194, 1200 (9th Cir. 2020) (“Order”).

The Ninth Circuit’s Order further concluded that the ‘400 Registration contained both “confined” works and regular works, in violation of 37 C.F.R. § 202.3(b)(4). *Id.* This is apparent from the face of the ‘400 Registration once Unicolors’ naming protocol is understood. The name of twenty-two of the works in

the ‘400 Registration, like EH101, have the prefix “EH;” the other nine works were named with the prefix “CEH.” *Id.* at 1196. Unicors testified at trial that the “EH” designation stands for January 2011” and “CEH” “means a work was designed in January 2011 but was a confined work.” *Id.* A confined work is one that Unicors “made available only to individual, exclusive customers” and thus not initially published concurrently with the other twenty-two designs. *Id.* at 1200. Accordingly, all thirty-one designs in the collection were not first published together as a singular bundled unit on January 15, 2011. *Id.*

In light of the findings in the Ninth Circuit Order, pursuant to 17 U.S.C. § 411(b)(2), the Court requests a response by the Register of Copyrights to the following inquiry:

Would the Register of Copyrights have rejected Unicors’ Registration No. VA-1-770-400 for 2-dimensional artwork (“the ‘400 Application”) if it had known that Unicors included known inaccuracies for the dates of first publication in an attempt to save application fees? Specifically, would the Register of Copyrights have rejected the “400 Application if, at the time of the application, the Register of Copyrights had known that, although Plaintiff stated that all thirty-one works were first published on January 15, 2011, at least nine of the thirty-one works were not first published on that date.

The Court requests a response to these matters on or before ____, 2020. The Clerk of the Court shall send

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this Request, including Exhibit 1, to the Register of Copyrights.

IT IS SO ORDERED.

Dated: _____

ANDRÉ BIROTTE JR.
United States District Judge

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EXHIBIT 5

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNICOLORS, INC.,

Plaintiff,

vs.

H&M HENNES & MAURITZ LP; et al.,

Defendants.

Case No.: 2:16-cv-02322 AB (SKx)
Honorable André Birotte, Jr. Presiding

NOTICE OF LODGING OF [PROPOSED] 17 U.S.C. § 411(b)(2) REQUEST TO THE REGISTER OF COPYRIGHTS

TO THE HONORABLE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

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PLEASE TAKE NOTICE that Plaintiff Unicolors, Inc. hereby submits its Notice of Lodging of [Proposed] 17 U.S.C. § 411(b)(2) Request to The Register of Copyrights regarding Registration No. VA 1-770-400. The lodged [Proposed] 17 U.S.C. § 411(b)(2) Request to The Register of Copyrights is attached hereto as **Exhibit A**.

Respectfully submitted,

Dated: August 26, 2020

By: /s/ Stephen M. Doniger
Stephen M. Doniger, Esq.
Scott Alan Burroughs, Esq.
Trevor W. Barrett, Esq.
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EXHIBIT A

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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

UNICOLORS, INC.,

Plaintiff,

vs.

H&M HENNES & MAURITZ LP; *et al.*,

Defendants.

Case No.: 2:16-cv-02322 AB (SKx)
Honorable André Birotte, Jr. Presid-
ing

**[PROPOSED] REQUEST TO THE
REGISTER OF COPYRIGHTS
PURSUANT TO 17 U.S.C.
§ 411(b)(2)**

REQUEST TO THE REGISTER OF COPYRIGHTS

This case is a copyright infringement action involving claims by Plaintiff, Unicolors, Inc., that Defendant H&M Hennes & Mauritz LP sold product bearing an unauthorized copy of Unicolors' artwork titled EH101. At trial a jury unanimously found H&M liable for willful copyright infringement. H&M, as part of the trial proceedings, raised putative issues regarding the validity of Unicolors' registration for EH101. This request follows.

Unicolors registered EH101 with the Copyright Office as part of Registration No. VA 1-770-400 ("the Registration"), with an effective date of February 14, 2011. The Ninth Circuit has ordered that this Court, pursuant to 17 U.S.C. § 411(b)(2), advise the Register of Copyrights of the inaccurate information alleged, and request an opinion as to whether the alleged inaccurate information, if known, would have caused it to refuse registration.

17 U.S.C. § 411(b) provides, in relevant part:

- (1) A certificate of registration satisfies the requirements of this section and section 412, regardless of whether the certificate contains any inaccurate information, unless—
 - (A) the inaccurate information was included on the application for copyright registration with knowledge that it was inaccurate; and
 - (B) the inaccuracy of the information, if known, would have caused the Register of Copyrights to refuse registration.

(2) In any case in which inaccurate information described under paragraph (1) is alleged, the court shall request the Register of Copyrights to advise the court whether the inaccurate information, if known, would have caused the Register of Copyrights to refuse registration.

Based on the evidence presented by the parties, the following facts relate to the alleged inaccuracy:

1. The Registration covers 31 floral designs, one of which is EH101, the design at issue in this case.
2. The Registration lists the date of first publication as January 15, 2011.
3. The Registration was applied for and issued on or about February 14, 2011.
4. Per the testimony of Unicolors' President, January 15, 2011 represented "when [Unicolors] present[ed] [the designs] to [its] salespeople." (SER 407). Unicolors' President further stated that all designs in the collection were presented as a group, as "[t]hat's always our practice." (*Id.*). Following the presentation, according to Mr. Pazirandeh, Unicolors would have placed non-confined designs in Unicolors' showroom, making them "available for public viewing" and purchase. (SER 294).

5. Of the 31 designs on the Registration, 22 are identified with names starting with the prefix “EH,” (including “EH101”—the design at issue in the case), and the other nine are identified with names starting with the prefix “CEH.”
6. Unicolors designer Hannah Lim testified that the prefix “CEH” indicates that the design has been “confined, which means this particular design was given exclusively to certain customer” for a limited period of “anywhere from two months to six months,” during which time Unicolors does not offer to sell it to other customers. (SER 349).
7. Unicolors’ President testified that sometimes designs are confined because they are created for a specific customer, and other times designs become confined after a customer requests exclusivity by asking Unicolors to “please take this out of your line for at least two, three months.” (SER 293).
8. Contrary evidence was presented as to whether confined designs are made available to customers for viewing. According to Ms. Lim, although confined designs won’t be produced for other customers during the period of confinement, Unicolors will still show it to other customers “because after that limited confinement time period, other customers could purchase that

design.” (SER 350). On the other hand, Unicolors’ President testified that confined designs that are created for a particular customer should not be placed in the showroom or shown to other customers during the period of confinement, but some salespersons may be “sneaky” and go to the design room to take those designs to show other customers. (SER 291-293).

No evidence was presented as to how or when the “CEH” designs listed on the Registration became confined, i.e., whether they were confined before the January 15, 2011 date of first publication or at the request of customers after that date.

To assist the Register in its review, the relevant pages of testimony reflecting the facts above are attached to this Request as **Exhibit 1**.

Had the Register known of these facts, would it have (1) rejected the registration in its entirety, (2) accepted the registration provided Unicolors removed the “CEH” designs, (3) accepted the registration provided Unicolors limited it to the EH101 design, (4) allowed correction of the registration via a Form CA to remove the “CEH” designs, or (5) taken some other action?

Respectfully submitted,

Dated: August 31, 2020

By: /s/ Stephen M. Doniger
Stephen M. Doniger, Esq.

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Scott Alan Burroughs, Esq.
Trevor W. Barrett, Esq.
DONIGER / BURROUGHS
Attorneys for Plaintiff
UNICOLORS, INC.

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EXHIBIT 1

Q. Is it less money to apply for a group registration?

A. Of course.

Q. And do you know how these designs were first published?

A. What do you mean?

Q. Well, it says the date of first publication is January 15, 2011. I'm asking how this group of designs were first published together.

A. Oh, that's when we present it to our salespeople.

Q. And you present these as a group, these floral designs and ethnic designs go to the public as a group?

A. That's always our practice.

Q. And how is that done?

A. In a sales meeting. In the sales meeting, my designers come. And my designers come, I come, and they present it to the salespeople that this is the group that we believe it's working with this colorations for that season or for that month.

Q. Who do the salespeople work for?

A. For Unicolors.

Q. Unicolors salespeople?

A. Yes.

Q. Okay. So you present these designs as a group to your salespeople and, according to this, that was done on January 15th, 2011; is that correct?

A. That's correct, yes.

office, I have almost 15,000 square feet of sampling room.

BY MR. BRIAN:

Q Fifteen or 50?

A One five.

Q One five. That's still a lot.

A 15,000. It's a huge place, three times than this place.

Q I am going to ask you to look at Exhibit Number 32. This has been offered into evidence, Your Honor.

THE WITNESS: Yes.

BY MR. BRIAN:

Q We talked about this a little bit yesterday. This is the certificate of registration for a group of designs, including the design we're here about today, EH101.

We talked about the date of first publication, January 15th, 2011. We talked about the type of meeting you would have held to share this with your sales staff and other people.

I think Mr. Burroughs had you testify that this group of designs would have gone into your showroom and have been available for public viewing. Correct?

A Yes.

Q If you look at the fourth design under Floral, we have EH103, 105, 111, and then we have CEH113.

A Yes.

Q And do you remember during your deposition we talked about—I'm sorry. What does CEH mean in front of—if you see here Number 113.

A Well, EH is the same, 2011 January. C stand for confined, which means this particular design was given exclusivity to certain customer. And that exclusivity period isn't very long; it could be anywhere from two months to six months. Within those time period it's exclusive to that particular client.

Q And you see in Exhibit 32 there is a lot of CEHs; right? There is CEH113.

A Yes.

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Q There is CEH146?

A Yes.

Q There is CEH147.

A Yes.

Q There is CEH117—I'm sorry—175?

A Yes.

Q And there is CEH182?

A Yes.

Q There is CEH194?

A Yes.

Q There is CEH109?

A Yes.

Q There's CEH, confined EH116?

BY MR. BRIAN:

Q Does Unicolors do anything internally to designate designs that are not supposed to be sold to the public? I mean a designation on that design.

A We try our best to tell in every meeting that just an honor code to keep this privacy. And they're doing it. I haven't had any incident.

I had incidents before, that one of my customers called me and said, “Could you please take this out of your line for at least two, three months?” Which I did it. That was a problem I had.

But, no. We try—and most of—I mean, they’re trying. I have so many designs. I mean, sometimes it happens, but usually we try our best to not—

Q So you advise the salespeople and the rest of the staff not to sell publicly, but that’s—you trust them?

MR. BURROUGHS: Objection. Relevance. Cumulative and nonsensical.

THE COURT: Overruled.

THE WITNESS: My design room manager—I have a manager for my design room. He—when we create a design for the specific customers, he’s the one who is holding those designs back, and he doesn’t give it to the—he doesn’t put it on the shelf.

If you come to my design room, I have—to my

A Yes.

Q So there’s about nine designs as part of this copyright registration that are confined designs; right?

A Yes.

MS. RIORDAN: No further questions, Your Honor.

THE COURT: Anything further, Mr. Burroughs or Mr. Doniger?

MR. DONIGER: Very briefly, Your Honor.

CROSS-EXAMINATION

BY MR. DONIGER:

Q Miss Lim, you told the jury that a confined design, if I understood you correctly, won't be sold to another customer for—won't be produced for another customer for a limited period of time; correct?

A That's correct. We don't sell it to other customer within that period, but we do still show it.

Q What do you mean, you "still show it"?

A Well, that is because after that limited confined time period, other customers could purchase that design.

Q So looking at the registration certificate, does the fact that some of these designs are confined—let me ask it this way: Does the fact that some of the designs created in the first couple weeks of January of 2015—does the fact that some of those designs were confined and some were not confined—is that

inconsistent to your understanding; Is that accurate?

A That's fair, yes.

Q Is there a manager of the design room that would take that request and pair it up with an appropriate designer?

A I have a responsible person in my design room, that she's overlook all of my designers. I really don't talk to her that—how you manage this. I just see the result that it's running well. So I'm trusting in her judgment.

Q What does Unicolors do internally to make sure that designer knows this is a custom design for this customer only?

A When the manager—or when the e-mail comes from the customer that I want tropical design with this color palettes, that's indicating that it's for that customer.

Q And would the designer see that e-mail or be told that information, that this is just for Company A or Company B? Or do you know how the designer is made aware that this is a special request?

A That, I don't know. I'm not aware.

Q And then, once the design is finished, how does Unicolors keep that design from going out into the showroom or keep that design

from being put in a salesperson's hands and sold to the public—or offered to the public?

A The design belongs to us; so we can offer to the public. But out of the courtesy to my customers, when they ask for privacy for that design, we try to hold it for few months.

But I have salespeople who are very sneaky. They go to my design room and they just take the designs and—but it belongs to us because we have the right for it. We don't sell the right to any of my customers.

Q Okay. So you have an agreement with the customer that we're making this just for you, and you try to honor that agreement internally; but salespeople might get their hands on the design and run out with it and try to make sales? Is that accurate?

MR. BURROUGHS: Your Honor, objection. Compound. Cumulative and relevance.

THE COURT: Sustained.

THE WITNESS: I don't—

THE COURT: You don't answer.

Next question.

BY MR. BRIAN:

Q Do the customers that request you make them a design know that your salespeople

might be selling that design to other members of the public?

MR. BURROUGHS: Objection. Cumulative. Relevance. Calls for speculation.

THE COURT: Sustained.

BY MR. BRIAN:

Q Does Unicolors do anything internally to designate designs that are not supposed to be sold to the public? I mean a designation on that design.

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Judges Bea, Bade, and McCalla vote to deny the petition for panel rehearing. Judge Bade votes to deny the petition for rehearing en banc, and Judges Bea and McCalla so recommend.

The full court has been advised of the petition for rehearing en banc, and no judge has requested a vote on whether to rehear the matter en banc. Fed. R. App. P. 35.

The petition for panel rehearing and rehearing en banc is therefore

DENIED.