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**OPINION OF THE UNITED STATES COURT
OF APPEALS FOR THE SECOND CIRCUIT
(MAY 31, 2022)**

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

MARIA SOLANGE FERRARINI,

Plaintiff-Appellant,

v.

IPEK IRGIT, an Individual,
KIINI, LLC, a New York Limited Liability Company,

Defendants-Appellees.

21-597-cv

Appeal from a judgment of the United States
District Court for the Southern District of New York
(Lorna G. Schofield, Judge)

Before: Dennis JACOBS, Richard C. WESLEY,
William J. NARDINI, Circuit Judges.

UPON DUE CONSIDERATION, IT IS HEREBY
ORDERED, ADJUDGED, AND DECREED that the
judgment of the district court is AFFIRMED.

Plaintiff-Appellant Maria Solange Ferrarini
appeals from a judgment entered by the district court
on February 17, 2021, granting Defendants-Appellees
Ipek Irgit and Kiini, LLC's (together, "Defendants")

motion for summary judgment on Ferrarini's copyright claim on statute of limitations grounds and Defendants' motion to dismiss Ferrarini's state law claims. We assume the parties' familiarity with the record.

This case centers on the copyright to a colorful crocheted bikini. In her amended complaint filed on April 11, 2019, Ferrarini asserted a claim against Defendants for, as she framed it, copyright infringement. On summary judgment, the district court agreed with Defendants that the gravamen of Ferrarini's copyright claim was one for ownership, not infringement, and the relevant statute of limitations inquiry was therefore when Ferrarini had notice of the ownership dispute. The district court concluded that there was no genuine dispute that Ferrarini had notice of Defendants' assertion of ownership by November 8, 2015. Because the applicable statute of limitations requires that an action be brought within three years of the accrual date, the district court concluded that Ferrarini's claim was time barred. *See* 17 U.S.C. § 507(b) ("No civil action shall be maintained . . . unless it is commenced within three years after the claim accrued."). Ferrarini now appeals, arguing that ownership is not in dispute, and the district court therefore applied the wrong framework to the statute of limitations inquiry. We disagree.

We review *de novo* a district court's grant of summary judgment, "drawing all factual inferences in favor of the party against whom summary judgment is sought." *Kwan v. Schlein*, 634 F.3d 224, 228 (2d Cir. 2011); *see* Fed. R. Civ. P. 56(a). "In a copyright infringement case, the plaintiff must show: (i) ownership of a valid copyright; and (ii) unauthorized copying of the

copyrighted work.” *Sohm v. Scholastic Inc.*, 959 F.3d 39, 48 (2d Cir. 2020) (cleaned up); *see* 17 U.S.C. § 501.

Ferrarini’s argument is foreclosed by our decision in *Kwan*. There, we held “that a time-barred ownership claim will bar a claim for copyright infringement where, as here, the infringement claim cannot be decided without adjudication of a genuine dispute as to the plaintiff’s ownership of the copyright.” *Kwan*, 634 F.3d at 226. Defendants have made clear that ownership is in dispute. *See, e.g.*, Appellees’ Br. at 15 (stating that “Defendants do not concede that Plaintiff owns the copyright”); Joint App’x at 260 (arguing that “Plaintiff cannot show that she owns a valid copyright”); *id.* at 272 (asserting an affirmative defense that the “Ferrarini Bikini design is not entitled to protection under the Copyright Act”). Ferrarini filed her amended complaint on April 11, 2019. For her copyright claim to be timely, she must have been put on notice of Defendants’ assertion of ownership no earlier than April 11, 2016. *See Horror Inc. v. Miller*, 15 F.4th 232, 257 (2d Cir. 2021) (“Generally, an ownership claim accrues only once, when a reasonably diligent plaintiff would have been put on inquiry as to the existence of his right in the work.” (cleaned up)). Ferrarini’s November 8, 2015, Facebook post makes clear that she had actual notice of Defendants’ claim to ownership by at least that date. Indeed, Ferrarini protested that Kiini claimed to be the “creator of bikinis,” which were her “creation since 1998.” Joint App’x at 230. There is thus no genuine dispute of material fact that Ferrarini’s copyright claim turns on ownership and is therefore time-barred under § 507.

* * *

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We have considered Ferrarini's remaining arguments and find them to be without merit. Accordingly, we AFFIRM the judgment of the district court.

FOR THE COURT:

/s/ Catherine O'Hagan Wolfe
Clerk

**OPINION AND ORDER OF THE
UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK
(FEBRUARY 17, 2021)**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARIA SOLANGE FERRARINI,

Plaintiff,

-against-

IPEK IRGIT, ET AL.,

Defendants.

19 Civ. 0096 (LGS)

Before: Lorna G. SCHOFIELD,
United States District Judge.

LORNA G. SCHOFIELD, District Judge:

Plaintiff Maria Solange Ferrarini filed this action against Defendants Ipek Irgit and Kiini, LLC (collectively, the “Defendants”). Defendants now move for summary judgment on Plaintiff’s only remaining claim—a claim of copyright infringement under 17 U.S.C. § 501. For the reasons stated below, the motion is granted.

I. Procedural Background

On June 13, 2018, Plaintiff filed the Complaint, alleging violations of state unfair competition law, and on April 11, 2019,¹ Plaintiff filed the First Amended Complaint, adding a claim of copyright infringement and additional state law claims. Defendants moved to dismiss Plaintiff's claims on the grounds that (1) Plaintiff's copyright claim is time barred and (2) Plaintiff's state law claims are preempted by the Copyright Act. Defendants' motion was granted with respect to the state law claims but denied with respect to the copyright claim. Without the benefit of full discovery and construing all facts in favor of Plaintiff, it was "not apparent on the face of the Complaint that the [copyright] claim accrued more than three years before Plaintiff brought this action." Now at the close of discovery, it is apparent that the claim is time barred.

II. Factual Background

Unless otherwise stated, the following facts are undisputed and drawn from the parties' submissions on the motion.

Plaintiff makes and sells hand-knitted, colorful crocheted bikinis with (1) exposed elastic bands along all edges; (2) which bands are woven through hand-stitched frames; (3) which hand-stitched frames attach

¹ Plaintiff improperly filed the First Amended Complaint on April 11, 2019, and subsequently corrected her filing on April 17, 2019. April 11, 2019, is treated as the date on which Plaintiff filed the First Amended Complaint because the eight-day difference between these two filings does not change the Court's analysis or the result.

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the exposed elastic bands to fabric; (4) thereby holding the bikini parts together and enabling the bikini to cling to and support the body; (5) crocheted whip stitching to reinforce edges and secure the hand-stitched frame; (6) bright contrasting colors for the elastic, elastic frame and crocheted edging; and (7) no underwire for padding or additional support (the “Ferrarini Bikini”). This is an image of the Ferrarini Bikini:



Plaintiff has been making and selling the Ferrarini Bikini on the beaches of Trancoso, Brazil since 1994.

In 2013, Defendant Ipek Irgit founded Kiini, LLC, a New York limited liability company (“Kiini”). Since March or April of 2013, Kiini has sold swimwear. Among the designs that Kiini sells is the “Kiini Bikini,” depicted below:

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The Kiini Bikini has been featured regularly in fashion media and has a significant presence on social media, including Facebook and Instagram.² Between May 2014 and September 2015, the Kiini Bikini was featured in publications including *Vogue*, *Elle*, *Condé Nast Traveller*, *Glamour*, *Cosmopolitan* and *People Magazine*. These publications were released in countries around the world, including Brazil—where Plaintiff sells the Ferrarini Bikini. For example, in June 2015, the Kiini Bikini was featured on the cover of *Boa Forma*, a publication released in Brazil.

² Plaintiff's Response to Defendants' Rule 56.1 Statement of Material Facts states that "[n]othing in the cited evidence supports the claim that Plaintiff saw this fashion media or other notice of infringing sales in 2014." There is no dispute that the Kiini Bikini was widely publicized.

Irgit holds a prior copyright registration for the disputed bikini design. On or around December 18, 2014, Irgit submitted an application to register the Kiini Bikini for copyright protection. In response to Irgit's application, the Copyright Office issued Copyright Registration No. VA 1-943-361 (the "Kiini Copyright"), which lists Irgit as the author and has an effective date of December 18, 2014. On August 24, 2015, Irgit assigned the Kiini Copyright to Kiini. Plaintiff sought to register the Ferraini Bikini for copyright protection on June 23, 2018. On January 18, 2019, the Copyright Office issued Copyright Registration No. VA 2-134-598 (the "Ferrarini Copyright"), which has an effective date of June 23, 2018.

During her deposition Plaintiff testified that she was aware of Kiini in approximately 2013 or 2014. Specifically, she testified as follows:

Q: When were you aware that Kiini had copied the bikinis?

A: Approximately in 2013, 2014. I don't remember very well . . .

Q: So between 2013/2014 when you first learned that Kiini was copying your bikini design until you hired [Plaintiff's Brazilian counsel] Mr. Fida in 2017, what, if anything did you do to protect your intellectual property rights in your bikini? [. . .]

A: . . . I did not have the money to hire a lawyer, and all the attorneys wanted me to pay in advance. Until Mr. Fida came into my life, I didn't have the means to do that.

While Plaintiff now asserts that she became aware of Kiini's sale of the Kiini Bikini in "mid-2016," during Plaintiff's deposition, Plaintiff's counsel did not ask questions to clarify her testimony. In addition, Plaintiff did not submit an errata sheet correcting her testimony that she was "aware that Kiini had copied the bikinis" in 2013 or 2014.

In 2014 and 2015, Plaintiff sent messages on social media indicating she was aware of Defendants' sale of the Kiini Bikini and the parties' ownership dispute. On September 28, 2014, Plaintiff sent the following message to the Kiini Facebook account:

It is a perfect copy of my creation from 1987, which I sell on the beaches of Trancoso.[] That is what I call a lack of creativity. They should be ashamed of doing that to me, it's very disappointing to see someone take advantage of another person's work. That's horrible, I don't like it!

In addition, on November 8, 2015, Plaintiff posted the following message on her Facebook page "Solange Crochet Ferrarini":

"Good afternoon guys! They've noticed that I'm off the internet and the reason is the copies Lack of greater respect now the kiini saying creator of bikinis. My creation since 1998. She says that this piece is Austrian and not Brazilian. Come here besides Brazilian is our Trancoso. Trancoso is a witness to this achievement. I have not forbidden anyone to copy and sell the horrible copies very badly made And you also think of the right to ban the sale in Brazil.

I've been looking for my help. That's why I'm here asking the women who have pictures of these old bikinis please send it to me. I want to help these without clue but Brazilian also. The only thing in my reach is to ask for help from voices. Dear Women of style. My bikini is not fashion but style.

III. Standard

Summary judgment is appropriate where the record establishes “that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). There is a genuine dispute of material fact “if the evidence is such that a reasonable jury could return a verdict for the nonmoving party.” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986); *accord Nick’s Garage, Inc. v. Progressive Cas. Ins. Co.*, 875 F.3d 107, 113 (2d Cir. 2017). “Only disputes over facts that might affect the outcome of the suit under the governing law will properly preclude the entry of summary judgment. Factual disputes that are irrelevant or unnecessary will not be counted.” *Liberty Lobby*, 477 U.S. at 248; *accord Saleem v. Corp. Transp. Grp.*, 854 F.3d 131, 148 (2d Cir. 2017).

In evaluating a motion for summary judgment, a court must “constru[e] the evidence in the light most favorable to the nonmoving party and draw[] all reasonable inferences and resolv[e] all ambiguities in its favor.” *Wagner v. Chiari & Ilecki, LLP*, 973 F.3d 154, 164 (2d Cir. 2020) (internal quotation marks omitted). “When the movant properly supports its motion with evidentiary materials, the opposing party must establish a genuine issue of fact by citing to particular

parts of materials in the record.” Fed. R. Civ. P. 56 (c)(1)(A). “[A] party may not rely on mere speculation or conjecture as to the true nature of the facts to overcome a motion for summary judgment.” *Fed. Trade Comm’n v. Moses*, 913 F.3d 297, 305 (2d Cir. 2019) (quotation marks omitted). “Only admissible evidence need be considered by the trial court in ruling on a motion for summary judgment.” *Porter v. Quarantillo*, 722 F.3d 94, 97 (2d Cir. 2013); *accord Starr Indem. & Liab. Co. v. Brightstar Corp.*, 388 F. Supp. 3d 304, 323 (S.D.N.Y. 2019), *aff’d*, 828 F. App’x 84 (2d Cir. 2020) (summary order).

IV. Discussion

A. The Copyright Claim Is Barred by the Statute of Limitations

Section 507(b) of the Copyright Act provides that a copyright claim must be “commenced within three years after the claim accrued.” 17 U.S.C. § 507(b); *accord Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 667 (2014). The parties do not dispute that Plaintiff first filed her copyright infringement claim when she filed the First Amended Complaint, on April 11, 2019. As a result, Plaintiff’s copyright infringement claim is time barred if it accrued on or before April 11, 2016.

In this case, when Plaintiff’s claim accrued turns on the issue of copyright ownership rather than infringement. “In a copyright infringement case, the plaintiff must show: (i) ownership of a valid copyright; and (ii) unauthorized copying of the copyrighted work.” *Sohm v. Scholastic, Inc.*, 959 F.3d 39, 48 (2d Cir. 2020). “[W]here . . . plaintiff’s copyright ownership is

not conceded (and, in fact, the defendant holds a prior copyright registration certificate for the disputed work), copyright ownership, and not infringement, is the gravamen of the plaintiff's claim to which the statute of limitations is applied." *Kwan v. Schlein*, 634 F.3d 224, 230 (2d Cir. 2011) (internal citations and quotation marks omitted); accord *Simmons v. Stanberry*, 810 F.3d 114, 116 (2d Cir. 2016) (per curiam); *Cole v. Blackwell Fuller Music Publ'g, LLC*, No. 16 Civ. 7014, 2018 WL 4680989, at *5 (S.D.N.Y. Sept. 28, 2018). This is because "[i]f 'the ownership claim is time-barred, and ownership is the dispositive issue, any attendant infringement claim will fail.'" *Gary Friedrich Enters., LLC v. Marvel Characters, Inc.*, 716 F.3d 302, 316-17 (2d Cir. 2013) (citing *Kwan*, 634 F.3d at 230); accord *Narrative Ark Entm't LLC v. Archie Comic Publ'ns, Inc.*, No. 16 Civ. 6109, 2019 WL 4142362, at *4 (S.D.N.Y. Aug. 29, 2019).

The parties dispute which of them owns copyrights in the protectable elements, if any, of the bikini design. *Ferrarini v. Irgit*, No. 19 Civ. 96, 2020 WL 122987, at *2-3 (S.D.N.Y. Jan. 9, 2020) ("Defendants are correct that Plaintiff brings an ownership claim."); *Ferrarini v. Irgit*, No. 19 Civ. 96, Order, Dkt. No. 119 (Feb. 11, 2020) (denying Plaintiff's motion for reconsideration). The parties do not dispute that Defendant's Kiini Copyright was issued prior to, and has an earlier effective date than, Plaintiff's Ferrarini Copyright. But Plaintiff asserts that "Irgit is not an 'author' and has no rights in the Ferrarini Bikini Design, ownership or otherwise."

Because copyright ownership is contested, the relevant statute of limitations inquiry is when Plaintiff was put on notice of the ownership dispute. *Wilson v.*

Dynatone Publ'g Co., 892 F.3d 112, 118 (2d Cir. 2018) (“The claim accrues only once, when a reasonably diligent plaintiff would have been put on inquiry as to the existence of a right.”); *see also Gary Friedrich Enters.*, 716 F.3d at 317 (“Although an alleged author is aware of his claim to ownership of the work from the moment of its creation, the author does not need to bring suit until there has been an express repudiation of that claim.”) (internal citation omitted). There are “at least three types of events that can put a potential plaintiff on notice and thereby trigger the accrual of an ownership claim: public repudiation; private repudiation in communications between the parties; and implicit repudiation by conspicuously exploiting the copyright without paying royalties.” *Wilson*, 892 F.3d at 118 (internal quotation marks omitted). To determine whether repudiation of ownership rights has occurred, the following factors are relevant: whether the parties engaged in express communications regarding ownership; whether the plaintiff was aware that he or she should be receiving royalties but was not collecting them; whether the defendant publicly exploited the disputed work without giving credit to the plaintiff; the popularity of the disputed work; and whether the defendant registered a copyright in the disputed work. *See, e.g., Kwan*, 634 F.3d at 227, 229 (publication of the disputed book without crediting plaintiff was sufficient to put plaintiff on notice that her claim of authorship was repudiated); *Merchant v. Levy*, 92 F.3d 51, 56 (2d Cir. 1996) (charging the co-owner of a hit song with notice of his ownership claim once he knew he was entitled to receive royalties that defendant was not paying); *Charles v. Seinfeld*, 410 F. Supp. 3d 656, 661 (S.D.N.Y. 2019), *aff'd*, 803 F. App'x 550, 551 (2d Cir. 2020)

(express communications between the parties and Seinfeld's public performance of the disputed show without crediting plaintiff constituted a repudiation of plaintiff's authorship claim); *cf. Gary Friedrich Enters.*, 716 F.3d at 317-18 (declining to find repudiation where defendant "repeatedly and publicly recognized" plaintiff as the creator of the *Ghost Rider* comic book, did not register a copyright in the comic book before plaintiff filed the subject action, and used the comic book "sparingly and in non-obvious ways"). While relevant, a copyright registration alone is not enough to put a plaintiff on notice of an ownership dispute. *See, e.g., Wilson v. Dynatone Publ'g Co.*, 908 F.3d 843, 845 (2d Cir. 2018) ("[W]e have never held that mere registration, without more, is enough to put a reasonably diligent copyright owner on notice of an adverse claim."). Similarly, while relevant, the popularity of a work, without more, is insufficient to put a plaintiff on notice of an ownership dispute. *Masi v. Moguldom Media Grp. LLC*, No. 18 Civ. 2402, 2019 WL 3287819, at *5 (S.D.N.Y. July 22, 2019) (finding that a photographer was not put on notice of his copyright claim by general knowledge that there was interest in his photographs); *PK Music Performance, Inc. v. Timberlake*, No. 16 Civ. 1215, 2018 WL 4759737, at *8 (S.D.N.Y. Sept. 30, 2018) (declining to find that popularity and success of a Justin Timberlake song lead to accrual of an ownership claim).

There is no genuine dispute of material fact as to whether Plaintiff was on notice of the parties' ownership dispute prior to April 11, 2016. During her deposition Plaintiff testified that she became aware that Kiini had copied the Ferrarini Bikini "[a]pproximately in 2013, 2014." On September 28, 2014, Plain-

tiff sent a message directly to the Kiini Facebook account, referring to Kiini's products as a "perfect copy of [her] creation from 1987," and expressing her disappointment "to see someone take advantage of another person's work." On November 8, 2015, Plaintiff acknowledged the parties' dispute about ownership of the bikini design in a Facebook post in which she stated that, "now the kiini saying creator of bikinis."³ Plaintiff neither credibly challenges her own testimony and these Facebook posts, nor does she point to conflicting evidence in the record. In addition, Defendants point to the Kiini Copyright and widespread media coverage of the Kiini Bikini, as evidence that Plaintiff was on notice of the parties' ownership dispute prior to April 11, 2016. In light of the evidence, no reasonable juror could find that Plaintiff was first on notice of the parties' ownership dispute on or after April 11, 2016, and not before. Plaintiff's copyright claim is time barred.

Plaintiff argues in her Memorandum of Law that her deposition testimony that she became aware of Kiini sales in 2013 or 2014 is misleading because Plaintiff was testifying as to the year in which Kiini began selling the Kiini Bikini—not the year in which Plaintiff became aware of Kiini's sales of the Kiini Bikini. She offers no explanation as to why she made no attempts to clarify or correct the allegedly incorrect

³ These statements are not excluded as hearsay because (1) they are not offered to show the truth of the matter asserted, but rather to show the speakers' state of mind, namely that Plaintiff was aware of the ownership dispute, *see* Fed. R. Evid. 801(c)(2); *United States v. Moseley*, 980 F.3d 9, 27 (2d Cir. 2020), and (2) they are an opposing party's statement and excluded from the definition of hearsay, *see* Fed. R. Evid. 801(d)(2)(A).

deposition testimony. Plaintiff further asserts in her legal memorandum that she became aware of Kiini sales in mid-2016. Plaintiff does not cite any evidence to support these assertions, neither her own affidavit nor any corroborating evidence. *See* Fed. R. Civ. P. 56 (c)(1)(A) (requiring citations “to any particular parts of materials in the record” to create a genuine dispute of material fact); *see also Wheeler v. Kolek*, No. 16 Civ. 7441, 2020 WL 6726947, at *8 (S.D.N.Y. Nov. 16, 2020) (“[A] nonmoving party’s self-serving statement, without direct or circumstantial evidence to support the charge, is insufficient to defeat a motion for summary judgment.”) (collecting cases); *Hawkins v. N.Y. State Office of Mental Health*, No. 17 Civ. 649, 2019 WL 4520801, at *12 (S.D.N.Y. Sept. 19, 2019) (“Plaintiff’s own self-serving statements, in her affidavits, memoranda, and deposition,” were insufficient to survive summary judgment because the statements were “all self-serving statements uncorroborated by any additional evidence”), *aff’d*, No. 19 Civ. 3364, 2021 WL 389653 (2d Cir. Feb. 4, 2021). Further, where Plaintiff’s assertion that she became aware of Kiini Bikini sales by “mid-2016” directly contradicts her deposition testimony, no reasonable juror could find her self-serving assertion credible. *Hayes v. N.Y.C. Dep’t of Corrections*, 84 F.3d 614, 619 (2d Cir. 1996) (“[A] party may not create an issue of fact by submitting an affidavit in opposition to a summary judgment motion that, by omission or addition, contradicts the affiant’s previous deposition testimony.”); *accord Helfer v. JPMorgan Chase Bank, N.A.*, No. 19 Civ. 0008, 2020 WL 6823240, at *7 (S.D.N.Y. Nov. 20, 2020).

The record evidence—including Plaintiff’s Facebook posts, the Kiini copyright and widespread media coverage of the Kiini Bikini—shows that, no later than 2015, Plaintiff was aware of both the sales of the Kiini Bikini and the parties’ ownership dispute, and this evidence is undisputed by any contrary evidence. Consequently, Plaintiff’s claim is time barred. This opinion does not reach the issue of whether the bikini design at issue is a useful article and therefore, not subject to copyright protection.

V. Conclusion

For the reasons stated above, Defendants’ motion for summary judgment is granted. The Clerk of Court is respectfully directed to close the case.

/s/ Lorna G. Schofield
United States District Judge

Dated: February 17, 2021
New York, New York

**OPINION AND ORDER OF THE
UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF NEW YORK
(JANUARY 9, 2020)**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARIA SOLANGE FERRARINI,

Plaintiff,

-against-

IPEK IRGIT, ET AL.,

Defendants.

19 Civ. 0096 (LGS)

Before: Lorna G. SCHOFIELD,
United States District Judge.

LORNA G. SCHOFIELD, District Judge:

Plaintiff Maria Solange Ferrarini brings this action against Defendants Ipek Irgit and Kiini, LLC (collectively, the “Defendants”), alleging copyright infringement, 17 U.S.C. § 501; a violation of California’s Unfair Competition law, California Business and Professions Code § 17200, et seq.; conversion and/or civil theft under California and New York common law; and intentional interference with prospective economic advantage. Defendants move to dismiss the

Amended Complaint (the “Complaint”) under Federal Rule of Civil Procedure 12(b)(6). For the following reasons, the motion is denied as to the copyright infringement claim, and granted as to the state law claims.

I. Background

The following facts relevant to Defendants’ motion are taken from the Complaint and supporting exhibits, and are accepted as true for purposes of this motion. *See Hu v. City of New York*, 927 F.3d 81, 88 (2d Cir. 2019) (“In deciding a Rule 12(b)(6) motion, the court may consider only the facts alleged in the pleadings, documents attached as exhibits or incorporated by reference in the pleadings[,] and matters of which judicial notice may be taken.”) (internal quotation marks omitted).

Plaintiff is an artisan living in Trancoso, Brazil. In 1998, Plaintiff created a design for hand knitted, colorful crochet bikinis and, since then, has sold these bikinis directly to the public. In 2012, Defendant Irgit purchased one of Plaintiff’s bikinis. In 2013, Defendant Irgit founded Kiini, LLC and, in 2014, Defendants began manufacturing and selling bikinis using Plaintiff’s design. In December 2014, Defendant Irgit registered Plaintiff’s bikini design with the United States Copyright Office. The copyright listed Defendant Irgit as the author, and asserted January 30, 2013, as the date of first publication. Defendant Irgit subsequently assigned the copyright to Kiini, LLC. Defendants advertised and promoted the bikini through the Kiini, LLC website, and through numerous interviews in fashion and swimwear publications around the world. In these promotional interviews, Defend-

ants falsely portrayed Defendant Irgit as the creator of the bikini design.

In 2015, Defendant Irgit sued Victoria's Secret for infringing Defendant Irgit's purported bikini design. During that lawsuit, Victoria's Secret subpoenaed individuals in Kiini, LLC's manufacturing and production chain, including Sally Wu. In 2012, Defendant Irgit had emailed Ms. Wu to inquire about potential production of Plaintiff's bikini design, and had attached images of Plaintiff's bikini to the email. The images revealed Plaintiff's actual signature and phone number on the waistline of the bikini bottom. In an attempt to obstruct Ms. Wu's cooperation with the subpoena, Defendant Irgit instructed Ms. Wu not to reveal the bikini was a duplication of Plaintiff's design, and offered to take Ms. Wu and three of her friends on a trip anywhere in the world if Kiini, LLC won its lawsuit against Victoria's Secret. Ms. Wu never received a copy of the subpoena, and Defendants secured a settlement with Victoria's Secret.

In early 2018, Defendant Irgit sued two smaller swimsuit manufacturers. The CEO of one of companies was able to locate Plaintiff in Trancoso, Brazil. Plaintiff subsequently sought counsel and brought this lawsuit. After Plaintiff secured a United States copyright registration, Plaintiff amended the complaint on April 17, 2019, to include a copyright infringement claim.

II. Standard

To survive a motion to dismiss under Rule 12(b)(6), "a complaint must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550

U.S. 544, 570 (2007)). “A claim has facial plausibility when the plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Id.* (citing *Twombly*, 550 U.S. at 556). It is not enough for a plaintiff to allege facts that are consistent with liability; the complaint must “nudge[]” claims “across the line from conceivable to plausible.” *Twombly*, 550 U.S. at 570. “To survive dismissal, the plaintiff must provide the grounds upon which his claim rests through factual allegations sufficient to raise a right to relief above the speculative level.” *Lanier v. Bats Exch., Inc.*, 838 F.3d 139, 150 (2d Cir. 2016). On a Rule 12(b)(6) motion, “all factual allegations in the complaint are accepted as true and all inferences are drawn in the plaintiff’s favor.” *Apotex Inc. v. Acorda Therapeutics, Inc.*, 823 F.3d 51, 59 (2d Cir. 2016).

III. Discussion

A. The Copyright Claim Is Not Barred by the Statute of Limitations

Defendants argue that the Complaint’s copyright claim is time barred. “Although the statute of limitations is ordinarily an affirmative defense that must be raised in the answer, a statute of limitations defense may be decided on a Rule 12(b)(6) motion if the defense appears on the face of the complaint.” *Thea v. Kleinhandler*, 807 F.3d 492, 501 (2d Cir. 2015); accord *Wei Su v. Sotheby’s, Inc.*, No. 17 Civ. 4577, 2019 WL 4917609, at *2 (S.D.N.Y. Oct. 4, 2019).

The threshold question for this analysis is the type of claim brought—ownership or infringement—because the type of claim determines how the statute

of limitations is applied. If the claim is one of ownership, the copyright claim must be brought “within three years after the claim accrued.” 17 U.S.C. § 507 (b)); *see Wilson v. Dynatone Publ’g Co.*, 892 F.3d 112, 118 (2d Cir. 2018). “[A]n infringement action may be commenced within three years of any infringing act, regardless of any prior acts of infringement; . . . the three-year limitations period . . . bar[s] only recovery for infringing acts occurring outside the three-year period.” *Kwan v. Schlein*, 634 F.3d 224, 228 (2d Cir. 2011). Where “the ownership claim is time-barred, and ownership is the dispositive issue, any attendant infringement claims must fail.” *Id.* at 230.

Here, Defendants are correct that Plaintiff brings an ownership claim. However, because it is not apparent on the face of the Complaint that the claim accrued more than three years before Plaintiff brought this action, the copyright infringement claim is not dismissed.

1. The Complaint Asserts an Ownership Claim

The Complaint asserts an ownership claim because it “cannot be decided without adjudication of a genuine dispute as to the plaintiff’s ownership of the copyright.” *Id.* at 226; *accord Narrative Ark Entm’t LLC v. Archie Comic Publications, Inc.*, No. 16 Civ. 6109, 2019 WL 4142362, at *4 (S.D.N.Y. Aug. 29, 2019).

Here, the gravamen of the Complaint is ownership and not infringement. For example, the Complaint alleges that Defendant Irgit “plotted to claim the design as her own” (Dkt. No. 66 at ¶ 4); Defendant Irgit “founded a company to sell her stolen design” (Dkt. No. 66 at ¶ 5); “[i]n an attempt to conceal the true

authorship of the bikini design . . . [Defendant] Irgit registered [Plaintiff's] design with the United States Copyright Office" (Dkt. No. 66 at ¶ 6); Defendant Irgit "falsely claim[ed]" she was the design author (Dkt. No. 66 at ¶ 7); and Defendant Irgit "continues to falsely claim she made [the bikini] with her grandmother when she was 10 or 11." (Dkt. No. 66 at ¶ 25). These types of allegations are consistent with a dispute over ownership. *See Kwan*, 634 F.3d at 229 (observing that infringement—rather than ownership—claims "involve the nature, extent or scope, of copying"); *Archie Comic Publications, Inc.*, 2019 WL 4142362, at *5 (finding that similar factual allegations, "along with . . . competing claims of ownership, place the parties' disputed ownership of the registered works at the heart of this case").

Moreover, the Complaint alleges that both Plaintiff and Defendants have registered the bikini design with the United States Copyright Office. As Defendants do not concede that Plaintiff owns the copyright, any finding of infringement must be predicated on a finding of ownership of the copyright in question. This is sufficient to find that Plaintiff's claim is one for ownership, not infringement. *See Cole v. Blackwell Fuller Music Publ'g, LLC*, No. 16 Civ. 7014, 2018 WL 4680989, at *5 (S.D.N.Y. Sept. 28, 2018) ("Since Defendants do not concede that Plaintiff is owner of [the disputed] copyrights . . . the relevant statute of limitations inquiry relates to the claim of ownership."); *Ortiz v. Guitian Bros. Music Inc.*, No. 07 Civ. 3897, 2008 WL 4449314, at *3 (S.D.N.Y. Sept. 29, 2008) ("Where, as here, a plaintiff's copyright ownership is not conceded (and, in fact, the defendant holds a prior copyright registration certificate for the disputed

work), copyright ownership, and not infringement, is the gravamen of the plaintiff's claim to which the statute of limitations is applied.”).

2. The Claim Is Not Time Barred

The copyright claim is timely because nothing on the face of the Complaint shows that the claim was brought more than “three years after the claim accrued.” *See* 17 U.S.C. § 507(b). “A copyright ownership claim accrues only once, when a reasonably diligent plaintiff would have been put on inquiry as to the existence of a right.” *Dynatone Publ’g Co.*, 892 F.3d at 118 (quotation marks omitted). “Although an alleged author is aware of his claim to ownership of the work from the moment of its creation, the author does not need to bring suit until there has been an express repudiation of that claim.” *Gary Friedrich Enterprises, LLC v. Marvel Characters, Inc.*, 716 F.3d 302, 316 (2d Cir. 2013) (quotation marks and citation omitted). “This Court has identified at least three types of events that can put a potential plaintiff on notice and thereby trigger the accrual of an ownership claim: public repudiation; private repudiation in communications between the parties; and implicit repudiation by conspicuously exploiting the copyright without paying royalties.” *Dynatone Publ’g Co.*, 892 F.3d at 118 (quotation marks omitted).

Plaintiff filed this action on June 13, 2018, and first included a copyright claim on April 17, 2019. Regardless of which is the relevant date under Federal Rule of Procedure 15(c)(1), the claim is timely because it accrued in 2018, when Plaintiff was informed of Defendants’ infringement.

Defendants argue that the extensive press coverage of Defendants' marketing of the bikini in 2014 and 2015, in combination with Defendants' registration of the copyright, is sufficient to have put Plaintiff on notice that Defendants claimed the design as their own. However, a copyright's registration does not, in itself, cause a claim to accrue. "If mere registration of a copyright without more sufficed to trigger the accrual of an ownership claim, then rightful owners would be forced to maintain constant vigil over new registrations. Such a requirement would be vastly more burdensome than the obligations that 'a reasonably diligent plaintiff' would undertake." *Dynatone Publ'g Co.*, 892 F.3d at 119 (quoting *Kwan*, 634 F.3d at 228).

The Complaint alleges that Defendants promoted the purportedly infringing bikini through "numerous interviews in fashion and swimwear publications around the world." Dkt. No. 66 at ¶ 46. But nothing in the Complaint indicates that Plaintiff was aware of Defendants' bikini sales prior to 2018, when the officer of a small swimsuit manufacturer located Plaintiff in Brazil in the course of a lawsuit brought by Defendants. Where nothing in the Complaint indicates that Plaintiff knew or should have known of Defendants marketing, sale and copyright registration of the bikini, Plaintiff was not on inquiry notice of her claim. *See, e.g., Masi v. Moguldom Media Grp. LLC*, No. 18 Civ. 2402, 2019 WL 3287819, at *5 (S.D.N.Y. July 22, 2019) (finding that a photographer was not put on notice of infringement by general knowledge that there was interest in his photographs); *PK Music Performance, Inc. v. Timberlake*, No. 16 Civ. 1215, 2018 WL 4759737, at *8 (S.D.N.Y. Sept. 30, 2018) (holding that the popularity and success of

an allegedly infringing Justin Timberlake song did not lead to accrual of claim because, “[s]imply because a person could have bought the Album or DVD, attended a concert on the Tour, or watched the HBO Special does not mean that a reasonable person exercising due diligence in [plaintiff’s] position should have done any of those things”).

Defendants also provide in support of their motion an exhibit from their complaint in the copyright infringement action against Victoria’s Secret, which compiles forty-nine pieces of online press and print media coverage of the bikini, but these documents may not be considered on a motion to dismiss. *See Chambers v. Time Warner, Inc.*, 282 F.3d 147, 153 (2d Cir. 2002) (“[A] plaintiff’s *reliance* on the terms and effect of a document in drafting the complaint is a necessary prerequisite to the court’s consideration of [a document extraneous to the complaint] on a dismissal motion; mere notice or possession [by Plaintiff] is not enough.”); *Global Network Commc’ns Inc. v. City of New York*, 458 F.3d 150, 157 (2d Cir. 2006) (“A court may take judicial notice of a document filed in another court . . . [only] to establish the fact of such litigation and related filings.”). In any event, neither the Complaint’s allegations nor Defendants’ exhibit are sufficient to find that the claim accrued in 2014 or 2015 due to that publicity.

Based on the allegations in the Complaint and drawing all inferences in Plaintiff’s favor, the copyright claim did not accrue until 2018 when Plaintiff was informed of Defendants’ infringement.

B. State Law Claims

The state law claims—violation of California’s Unfair Competition law, conversion, and intentional interference with prospective economic advantage—are dismissed as preempted and because the Complaint fails to make allegations sufficient to state a claim.

1. Standard

“The Copyright Act exclusively governs a claim when (1) the particular work to which the claim is being applied falls within the type of works protected by the Copyright Act under 17 U.S.C. §§ 102 and 103, and (2) the claim seeks to vindicate legal or equitable rights that are equivalent to one of the bundle of exclusive rights already protected by copyright law under 17 U.S.C. § 106.” *Universal Instruments Corp. v. Micro Sys. Eng’g, Inc.*, 924 F.3d 32, 48 (2d Cir. 2019); *see also* 17 U.S.C. § 301. “A state law right is equivalent to one of the exclusive rights of copyright if it may be abridged by an act which, in and of itself, would infringe one of the exclusive rights.” *Universal Instruments Corp.*, 924 F.3d at 48. “But if an extra element is required instead of or in addition to the acts of reproduction, performance, distribution or display, in order to constitute a state-created cause of action, there is no preemption.” *Id.* (quotation marks omitted). “Preemption, therefore, turns on what the plaintiff seeks to protect, the theories in which the matter is thought to be protected and the rights sought to be enforced.” *Id.* (internal quotation marks and alteration omitted).

2. The Complaint’s Claim of Violation of California’s Unfair Competition Law Is Preempted by Federal Copyright Law

The Complaint alleges Defendants violated the California Business and Professional Code by “engaging in false and misleading marketing and omitting material facts,” causing substantial injury to Plaintiff and consumers, Dkt. No. 66 at ¶ 67, and that “[Defendant] Irgit founded, grew, and continues to run [Defendant] Kiini, LLC on the singular, fraudulent business practice of misappropriating the Ferrarini Bikini and passing off knockoff bikinis as her own.”¹ Dkt. No. 66 at ¶ 66. The claim seeks equitable relief in the form of an injunction barring Defendants from “any further acts of unfair competition, including enjoining all sales of the Irgit Knockoff and all other swimwear that derives from the Ferrarini bikini;” a “judgment mandating that [Defendants] publish statements of retraction and apology;” and a “restoration of all money . . . that Defendants acquired through

¹ Within the count alleging a violation of California’s unfair competition law, the Complaint includes a paragraph that simply lists a number of other statutes that have allegedly been violated: Cal. Civ. Code § 1572 (actual fraud), § 1573 (constructive fraud), §§ 1709-1711 (deceit), and § 1770 (listing proscribed practices including passing off goods as those of another); 18 U.S.C. § 1341 (frauds involving counterfeit goods) and § 1343 (fraud by radio, wire or television); and the common law. The Complaint contains no facts in support of the alleged violation of the list of statutes and Plaintiff does not address them in her opposition. Since these statutes address circumstances involving contractually bound parties or counterfeit goods, the Complaint fails to plead a claim under these statutes and any claim brought under them is dismissed.

their . . . misappropriat[ion of] Plaintiff's bikini. . . .” Dkt. No. 66 at ¶¶ 72-74. The claim is preempted.

California's unfair competition law's “scope is broad. . . . [I]t does not proscribe specific practices.” *Cel-Tech Commc'ns, Inc. v. Los Angeles Cellular Tel. Co.*, 20 Cal. 4th 163, 180 (C.A. 1999). Rather, it prohibits “anything that can properly be called a business practice and that at the same time is forbidden by law.” *Id.*; accord *Diva Limousine, Ltd. v. Uber Techs., Inc.*, 392 F. Supp. 3d 1074, 1089 (N.D. Cal. 2019). However, preemption “turns on what the plaintiff seeks to protect, the theories in which the matter is thought to be protected and the rights sought to be enforced.” *Universal Instruments Corp.*, 924 F.3d at 48 (quotation marks and alteration omitted). Plaintiff's claim—which seeks to protect her from Defendants' purported misappropriation and passing off of her bikini as their own—is preempted by federal copyright law because (1) the work to which the claim is being applied is the bikini design, which is copyrighted by both Plaintiff and Defendants and is the work for which the Complaint alleges copyright infringement, and (2) the claim seeks to vindicate rights that are protected by copyright law, *i.e.*, the rights “to reproduce a copyrighted work, to prepare derivative works, [and] to distribute copies of the work to the public. . . .” *Forest Park Pictures v. Universal Television Network, Inc.*, 683 F.3d 424, 430 (2d Cir. 2012) (citing 17 U.S.C. § 106). Here, the state law claim of unfair competition relies entirely on the previous allegations supporting the copyright claims and is therefore preempted. See *Computer Assoc's Intern. Inc. v. Altai, Inc.*, 982 F. 2d 693, 717 (2d Cir. 1992) (concluding that unfair competition

claims “grounded solely in the copying of a plaintiff’s protected expression are preempted by section 301 [of the Copyright Act.]”); *accord Jacino v. Illinois Tool Works Inc.*, 16 Civ. 1704, 2017 WL 4480752, at *6 (E.D.N.Y. Oct. 6, 2017). The Complaint’s allegations that Defendants made misrepresentations regarding the bikini do not provide the extra element necessary to avoid preemption. “[T]he right to copy creative works, with or without attribution, is the domain of copyright, not of trademark or unfair competition, and the failure to credit the true author of a copyrighted work is not a false designation of origin, but a violation of copyright.” *Patterson v. Diggs*, No. 18 Civ. 03142, 2019 WL 3996493, at *6 (S.D.N.Y. Aug. 23, 2019) (citing *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33 (2003)).

Plaintiff argues that the Complaint alleges “reverse passing off,” and therefore the claim is not preempted, citing several Ninth Circuit cases. This is legally incorrect in the Second Circuit. Reverse passing off occurs when the alleged infringer sells plaintiff’s products as its own. *See Waldman Pub. Corp. v. Landoll, Inc.*, 43 F.3d 775, 780 (2d Cir. 1994) (defining “reverse passing off” as a situation “in which ‘A’ sells ‘B’s’ product under ‘A’s’ name”). Here, the Complaint alleges that Defendants are selling bikinis that they manufactured themselves, using a design that they allegedly copied from Plaintiff. As this allegation is grounded in the “copying of a plaintiff’s protected expression,” it is preempted. *See Altai, Inc.*, 982 F. 2d at 717 (emphasis added); *see also Shepard v. European Pressphoto Agency*, 291 F. Supp. 3d 465, 475 (S.D.N.Y. 2017) (“It is well-settled [in the Second Circuit] that a claim for reverse passing off predicated on the theory

that defendant’s product replicates plaintiff’s expressions contains no extra element and is therefore preempted.”) (collecting cases); 1 Nimmer on Copyright § 1.15 (2019) (Observing that a claim that “B is selling B’s products and representing to the public that they are B’s” when “B’s product replicates A’s . . . is in fact a disguised copyright infringement claim and, hence, preempted.”). The claim for violation of California’s unfair competition law is dismissed.

3. The Complaint’s Claim of Conversion Is Dismissed as Preempted and for Failure to State a Claim

The Complaint alleges a claim for conversion under both California and New York state law, stating that “through the act of registering the copyright in Ms. Ferrarini’s original design for herself through a false claim of authorship, [Defendant] Irgit intentionally and substantially interfered with [Plaintiff’s] copyright, taking it as her own and misappropriating the funds derived from the copyright and litigation based on its registration for her own personal use and enjoyment.” Dkt. No. 66 at ¶ 78. The claim is preempted, and in any event, the Complaint fails to plead a claim for conversion.

The Complaint’s conversion claim is preempted because it “assert[s] rights equivalent to those protected within the general scope’ of the Copyright Act, *Urbont v. Sony Music Entm’t*, 831 F.3d 80, 93 (2d Cir. 2016), namely, the alleged reproduction and distribution of copyrighted material.” *Betty, Inc. v. PepsiCo, Inc.*, 283 F. Supp. 3d 154, 165 (S.D.N.Y. 2017). Indeed, the Complaint alleges that such conversion occurred “through the act of registering the copyright in Ms.

Ferrarini’s original design for herself through a false claim of authorship.” Dkt. 66 at ¶ 78.

Plaintiff’s argument—that conversion requires the extra element of wrongful exercise of dominion over the personal property of another—is unavailing where the personal property allegedly converted is Plaintiff’s intellectual property rights. “[I]f unauthorized publication is the gravamen of plaintiff’s claim, then it is clear that the right [he] seeks to protect is co-extensive with an exclusive right already safeguarded by the Copyright Act, and thus that state law claim is preempted.” *Franklin v. X Gear 101, LLC*, No. 17 Civ. 6452, 2018 WL 3528731, at *21 (S.D.N.Y. July 23, 2018), *report and recommendation adopted*, No. 17 Civ. 6452, 2018 WL 4103492 (S.D.N.Y. Aug. 28, 2018). Similarly unpersuasive is Plaintiff’s argument that the federal copyright laws (unlike a conversion claim) do not prevent Defendants’ “weaponization” of the “fraudulently obtained registration” through lawsuits; the right to authorize (or preclude) the reproduction of a copyrighted work is protected by the Copyright Act. *See* 17 U.S.C. § 106 (“[T]he owner of copyright under this title has the exclusive rights to do and to authorize any of the following: (1) to reproduce the copyrighted work. . . .”). Finally, Plaintiff’s argument—that conversion has an “extra element” in that copyright laws do not prohibit Defendants’ physical misappropriation of the Ferrarini bikini—fails where the Complaint does not allege that Defendants misappropriated the physical bikini; rather, the Complaint alleges that Defendant Irgit purchased a physical bikini from Plaintiff, and then copied it. Plaintiff’s conversion claim is preempted.

Even if the claim were not preempted, the Complaint fails to state a claim. First, intellectual property cannot form the basis of an action for conversion. See *3 Stars Mentoring v. Do Ki Kim*, No. 08 Civ. 2826, 2010 WL 11549377, at *6 (C.D. Cal. Apr. 2, 2010) (“Intellectual . . . property, however, cannot form the basis of a conversion claim [under California law], which encompasses only interference with tangible property.”); *Austin v. Gould*, 93 N.Y.S.3d 33, 34 (1st Dep’t 2019) (“[T]he conversion of intangible property is not actionable.”). Second, an action for conversion must allege unauthorized dominion and control to the complete exclusion of the rightful possessor under both California and New York law. See *Voris v. Lampert*, 7 Cal. 5th 1141, 1150 (C.A. 2019) (In California, the tort of conversion requires the “defendant’s disposition of property in a manner inconsistent with plaintiff’s property rights. . . .”); *Medlock Crossing Shopping Ctr. Duluth, Ga. Ltd. P’ship v. Kitchen & Bath Studio, Inc.*, 6 N.Y.S.3d 834, 837 (4th Dep’t 2015) (“Conversion is the ‘unauthorized assumption and exercise of the right of ownership over goods belonging to another to the exclusion of the owner’s rights.’”) (quoting *Vigilant Ins. Co. of Am. v. Housing Auth. of City of El Paso, Tex.*, 660 N.E.2d 1121, 1126 (N.Y. 1995)). Here, by alleging that “Plaintiff still hand knits her Ferrarini Bikini on the beaches of Trancoso, selling them directly to an eager consuming public,” Dkt. 66 at ¶ 2, the Complaint fails to plead that Defendant’s dominion over the disputed copyright is to the exclusion of Plaintiff. The conversion claim is dismissed.

4. The Complaint’s Claim for Intentional Interference with Prospective Economic Advantage Is Dismissed as Preempted and for Failure to State a Claim

The Complaint alleges that “[a]n economic relationship existed between Ferrarini and third parties that purchased her bikinis and/or were actively interested in or actually pursuing, developing, marketing, licensing, exploiting, and utilizing Plaintiff’s one-of-a-kind bikinis” and that, “[b]y engaging in the above-described unlawful, unfair, and fraudulent business practices, Defendants have intentionally and actually interfered with the ongoing and prospective economic relationship between Ferrarini and her customers, wholesalers, retailers, and licensees.” Dkt. No. 66 at ¶ 84-87. This claim is also dismissed as preempted, and because it fails to plead a sufficient claim.

Claims for tortious interference based on unauthorized publication of a work protected by the Copyright Act are preempted. *Harper & Row Publishers, Inc. v. Nation Enters.*, 723 F.2d 195, 201 (2d Cir. 1983), *rev’d on other grounds*, 471 U.S. 539 (1985) (affirming dismissal of tortious interference claim as preempted by the Copyright Act where “it is the act of unauthorized publication which causes the violation”); *accord Vargas v. Viacom Int’l, Inc.*, No. 18 Civ. 474, 2018 WL 6920769, at *9 (S.D.N.Y. Nov. 30, 2018) (“In the Second Circuit, it is well settled that claims for tortious interference based on the unauthorized publication of a work protected by the Copyright Act are preempted.”) “[T]he fact that [the complaint] pleaded additional elements of awareness and intentional interference, not part of a copyright infringement claim, goes merely

to the scope of the right; it does not establish qualitatively different conduct on the part of the infringing party, nor a fundamental nonequivalence between the state and federal rights implicated.” *Harper & Row Publishers, Inc.*, 723 F.2d at 201; *accord Vargas*, 2018 WL 6920769, at *9. Here, the conduct alleged in support of this claim is the same conduct the Complaint alleges in support of the copyright infringement claim—that Defendants misappropriated Plaintiff’s bikini and used the bikini to create knockoffs sold as Defendants’ own creation, which “destroyed or fraudulently [took] over the market for Ferrarini Bikinis.” Dkt. No. 66 at ¶ 88. “A state law right is equivalent to one of the exclusive rights of copyright if it may be abridged by an act which, in and of itself, would infringe one of the exclusive rights.” *Universal Instruments Corp.*, 924 F.3d at 48. Plaintiff’s claim for interference with prospective economic advantage is therefore preempted.

The claim of tortious interference with prospective economic advantage is also insufficiently pled under both California and New York law. The law of both states requires that parties plead intentional interference with a pre-existing, non-speculative relationship with third parties. *See Roy Allan Slurry Seal, Inc. v. Am. Asphalt S., Inc.*, 2 Cal. 5th 505, 515 (C.A. 2017) (“[A] cause of action for tortious interference has been found lacking when either the economic relationship with a third party is too attenuated or the probability of economic benefit too speculative.”); *RSSM CPA LLP v. Bell*, 80 N.Y.S.3d 21, 23 (1st Dep’t 2018) (affirming dismissal of claim of tortious interference with prospective economic relationships because “relationships with potential clients . . . of plain-

tiff are insufficient to show that plaintiff would have obtained those contracts but for defendant's tortious interference"). Here, the Complaint solely alleges that "[1] [a]n economic relationship existed between Ferrarini and third parties that purchased her bikinis and/or were actively interested in or actively pursuing, developing, marketing, licensing, exploiting and utilizing Plaintiff's one-of-a-kind bikinis[,] . . . [2] Defendants knew of and were aware of Plaintiff's third-party economic relationships . . . and [3] Defendants intentionally engaged in acts and conduct designed to interfere with . . . [the] relationships." Dkt. No. 66 at ¶¶ 84-86. These allegations are too general and conclusory to be credited because they do not identify the parties with whom Plaintiff had prospective, non-speculative economic relationships or the manner of Defendants' intentional and direct interference with those parties. *See Rothstein v. UBS AG*, 708 F.3d 82, 94 (2d Cir. 2013) ("[W]e are not required to credit conclusory allegations or legal conclusions couched as factual allegations."). The tortious interference claim is dismissed.

IV. Conclusion

For the foregoing reasons, Defendants' motion to dismiss is GRANTED as to Plaintiff's state law claims, and DENIED as to Plaintiff's claim of copyright infringement.

The Clerk of Court is respectfully directed to close the motion at Dkt. No. 69.

App.38a

/s/ Lorna G. Schofield
United States District Judge

Dated: January 9, 2020
New York, New York

**ORDER OF THE
UNITED STATES COURT OF APPEALS FOR
THE SECOND CIRCUIT DENYING
PETITION FOR REHEARING EN BANC
(JULY 22, 2022)**

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

MARIA SOLANGE FERRARINI,

Plaintiff-Appellant,

v.

IPEK IRGIT, an Individual,
KIINI, LLC, a New York Limited Liability Company,

Defendants-Appellees.

Docket No: 21-597

Appellant Maria Solange Ferrarini, filed a petition for panel rehearing, or, in the alternative, for rehearing *en banc*. The panel that determined the appeal has considered the request for panel rehearing, and the active members of the Court have considered the request for rehearing *en banc*.

IT IS HEREBY ORDERED that the petition is denied.

App.40a

FOR THE COURT:

/s/ Catherine O'Hagan Wolfe
Clerk

**FIRST AMENDED COMPLAINT
(APRIL 11, 2019)**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARIA SOLANGE FERRARINI, an Individual,
Plaintiff,

v.

IPEK IRGIT, an Individual, and
KIINI, LLC, a New York Limited Liability Company,
Defendants.

Case No. 2:19-cv-0096-LGS-GWG
DEMAND FOR JURY TRIAL

Plaintiff Maria Solange Ferrarini alleges:

1. This is a civil action for copyright infringement, unfair business practices, conversion, and intentional interference with economic advantage.
2. Plaintiff Maria Solange Ferrarini is an artisan living in Trancoso, Brazil. She is the author and creator of striking and colorful crochet bikinis. A design she created around 1998, Plaintiff still hand knits her Ferrarini Bikini on the beaches of Trancoso, selling them directly to an eager consuming public.

3. Sometime in early 2012, Defendant Ipek Irgit travelled to Trancoso and met Ms. Ferrarini, whose brightly-colored bikinis immediately drew her attention.

4. Falsely claiming she was purchasing the bikini for her own personal use, Ms. Irgit instead returned to the United States with her Ferrarini-original and plotted to claim the design as her own and mass-produce Ms. Ferrarini's hand-crocheted design for sale at high-end retailers.

5. By 2014 Irgit had been successful in finding a manufacturer that could duplicate the intricate design and sales were getting off the ground. She founded a company to sell her stolen design, calling it "Kiini."

6. In an attempt to conceal the true authorship of the bikini design, in December 2014, Ms. Irgit registered Ms. Ferrarini's design with the United States Copyright Office, calling a scan of the swimsuit "Bathing Suit Art #1," listing January 2013 as the date of first publication and herself, Ipek Irgit, as the author.

Title	Title of Work: Bathing Suit Art #1		
Completion/Publication	Year of Completion: 2013		
	Date of 1st Publication: January 30, 2013	Nation of 1st Publication: United States	
Author	Author: IPEK IRGIT		
	Author Created: 2-D artwork		
	Citizen of: United States	Domiciled in: United States	

{ See Text Translation Which Follows }

Title_____

Title of Work: Bathing Suit Art #1

Completion/Publication_____

Year of Completion: 2013

Date of 1st Publication: January 20, 2013

Nation of 1st Publication: United States

Author_____

- Author: IPEK IRGIT

Author Created: 2-D artwork

Citizen of: United States

Domiciled in: Unites States

7. Emboldened by growing commercial success, in 2015 Irgit took her fraudulently-obtained copyright on the offensive, suing other swimsuit manufacturers for infringing Ms. Ferrarini's design and falsely claiming in each case that she was the original author and creator.

8. As a lawsuit against then-swimsuit giant Victoria's Secret entered 2016, Irgit's fraud, and her empire, risked potential exposure. Victoria's Secret had subpoenaed individuals in Kiini's manufacturing and production chain, including Kiini's original manufacturing liaison, Sally Wu.

9. Back in late July 2012, Ms. Irgit, freshly back from Trancoso, emailed Ms. Wu to request pricing, production terms, and samples from Ms. Wu's connections at an overseas factory for a crochet bikini design.

10. Irgit attached a nine-page spec sheet to her email. It depicts a bikini identical to the Ferrarini original. Indeed, on the very last page, showing specs for the bikini bottoms, is Solange’s name signed in marker on the bright pink elastic section of the waistband that peeks through the crocheted square stitch. Next to her name is her phone number and “Trancoso, B.A.”

11. In the summer of 2016, upon learning through her lawyers that a subpoena had been directed to Sally Wu, Ms. Irgit swung into action, calling Ms. Wu late in the evening and asking to stop by, even though Ms. Wu and Ms. Irgit’s professional relationship had soured in recent months.

12. Arriving only thirty minutes after she had phoned, Irgit instructed Ms. Wu not to reveal that her bikini—near the apex of its commercial success and the sole product sold by Kiini—was a knockoff and duplication of Ms. Ferrarini’s original bikini design.

13. Ms. Wu refused to lie for Ms. Irgit. Irgit left Ms. Wu a signed note promising to take Wu and three of her friends on a trip “anywhere in the world” if Kiini won its lawsuit against Victoria’s Secret.

14. Ms. Wu never received copy of the subpoena.

15. After securing a settlement with Victoria’s Secret in early 2017, Irgit continued her fraudulent offensive, suing two smaller swimsuit manufacturers in early 2018.

16. This time Ms. Irgit would not exit the litigation as lucky. One of the small swimsuit company’s CEOs was married to a former Assistant United States

Attorney. After some digging, he was able to locate Ms. Ferrarini in Trancoso.

17. Unaware that her work had been misappropriated, copied, falsely presented to the copyright office as Irgit's original work of authorship, and handsomely capitalized on, Ms. Ferrarini sought counsel.

18. On June 13, 2018, Ms. Ferrarini filed a lawsuit against Defendants Irgit and Kiini in the Central District of California, the same court where Defendants had previously sued Victoria's Secret.

19. Owing to Defendant Irgit's fraud and wrongful conversion, Ms. Ferrarini did not have a copyright registration at the time she filed suit in federal court in California. At the time she alleged one claim of unfair business practices and requested swift injunctive relief.

20. On June 23, 2018, Ms. Ferrarini applied for copyright registration of her original bikini design, submitting a full color photo of the swimsuit that is nearly identical to that submitted by Ms. Irgit in her 2012 copyright registration.

21. Initially denied a registration, Ms. Ferrarini appealed, noting that her submission was nearly identical to Bathing Suit Art #1 and attaching Irgit's July 2012 email to Sally Wu, which contained the request to copy Ms. Ferrarini's original bikini design, and Ms. Ferrarini's signature in the waistband. *See* Exhibit A.

22. On January 18, 2019, after "carefully reexam[in]g the Ferrarini bikini in light of the points" Ms. Ferrarini raised on appeal, the Copyright Office

granted her registration in her original bikini design. *See Exhibit B.*

23. The registration, number VA 2-134-598 has June 23, 2018 as its effective date of registration. *See Exhibit C.*

24. Ms. Ferrarini now seeks some form of justice and to try and regain what Ms. Irgit and Kiini stole from her and misappropriated for themselves.

25. Defendants' actions were purposeful and fraudulent at each turn. Irgit has repeatedly made known false statements regarding the origins of the Kiini design, and to this day continues to falsely claim she made it with her grandmother when she was 10 or 11.

26. Because of the continued, intentional, and egregious nature of Defendants' acts, Ms. Ferrarini seeks damages, including exemplary and punitive, in the highest amount allowed under law.

JURISDICTION

27. The Court has jurisdiction over this action under 28 U.S.C. §§ 1331 (federal question), 1338 (copyright), and 1332 (diversity).

28. The parties are of diverse citizenship and the amount in controversy on all claims exceeds \$75,000, exclusive of interest and costs.

VENUE

29. Venue is proper in this district pursuant to 28 U.S.C. § 1391(b) and 28 U.S.C. § 1400(a). A substantial part of the events or omissions giving rise to the claims alleged occurred in this judicial district.

PARTIES

30. Plaintiff Maria Solange Ferrarini (“Ferrarini”) is a resident and citizen of Brazil.

31. Defendant Ipek Irgit (“Irgit”) is, on information and belief, a resident of the State of New York.

32. Defendant Kiini, LLC (“Kiini”) is a New York Limited Liability Company, which markets, distributes, and sells swimsuits through its website, kiini.com (“Kiini Site”), and through high-end, third-party retailers around the country and around the world.

BACKGROUND

A True Artist

33. In 1998, Ferrarini created a bikini that featured (1) exposed elastic bands along all edges; (2) which bands were woven through hand-stitched frames; (3) which hand-stitched frames attached the exposed elastic bands to fabric; (4) thereby holding the bikini parts together and enabling it to cling to and support the body; (5) crocheted whip stitching to reinforce edges and secure the hand-stitched frame; (6) bright contrasting colors for the elastic, elastic frame, and crocheted edging; and (7) no underwire or padding for additional support (the “Ferrarini Bikini”).

34. Since 1998, Ferrarini has handmade and sold the Ferrarini Bikini on the beaches of Trancoso, Bahia in Brazil.

35. In early 2012, British model Kelly Brook bought a Ferrarini Bikini from Ferrarini. On February 3, 2012, the website DailyMail.com featured several photos of Brook wearing her Ferrarini Bikini, under the headline, “What happened to the bikinis you designed?”

Kelly Brook pours her curves into swimwear bought from a beach vendor in Brazil.”



A True Con Artist

36. In 2012, Irgit traveled to Trancoso and bought a Ferrarini Bikini from Ferrarini herself.

37. After returning to the United States, Irgit, who had never created a commercially viable bikini of her own, took several photographs of the Ferrarini Bikini, took measurements of the Ferrarini Bikini, and then used those images and dimensions to enlist a factory in China to knock off the Ferrarini Bikini.

38. On July 28, 2012, Irgit sent the following e-mail:

From: ipek irgit <ipekirgit@[REDACTED].com>
Sent: Saturday, July 28, 2012 8:36 PM
To: [REDACTED]
Subject: bikini pdf
Attachments: ipek bikini.pdf

[REDACTED] darling,

How did the [REDACTED] event go?

My guest finally left and I finished the document for the bikini.

So I guess the next step is to find out the pricing from the factory right? Hopefully it will be something reasonable and then we can get into getting samples made. I will pay for the sample costs whatever they are.

I really appreciate your help. But I want to find a way to compensate you for this work. Anyway, we can discuss it after we get the #s from the factory if you like.

I am leaving for Turkey in August 4. Lets talk when u are at the office and if you have any questions on this doc.

Have a great rest of the weekend.

xo
i

{ See Text Translation Which Follows }

From: ipek irgit <ipekirgit@[REDACTED].com>
Sent: Saturday, July 28, 2012 8:36 PM
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I am leaving for Turkey in August 4. Lets talk when u are at the office and if you have any question on this doc.

Have a great rest of the weekend

xo

i

39. To this e-mail Irgit attached images of the Ferrarini Bikini that she wanted to copy and knockoff:





40. One image Irgit attached to her e-mail requesting pricing for the knockoffs even revealed one of Ferrarini's signature elements: her actual signature ("Solange") and phone number, along with "Trancoso BA." (BA stands for Bahia):



41. Once Irgit had arranged for the knockoff to be manufactured, she began concocting a false story about how she (Irgit) had actually created the design that was the Ferrarini Bikini.

42. On January 24, 2013, Irgit formed Kiini to perpetuate her fraud and provide a corporate vehicle through which to monetize and capitalize on her deceit.

43. Sometime prior to December 18, 2014, Irgit submitted an image of her knockoff bikini to the United States Copyright Office requesting registration as an original work of art (the image on the left is the original Ferrarini Bikini that Irgit purchased from Ferrarini and knocked off; the image on the right is the image of Irgit's knockoff bikini (the "Irgit Knockoff") that Irgit registered as original "artwork" for copyright protection):



**Ferrarini Bikini Irgit
Purchased in Trancoso**



**Irgit Knockoff
Submitted to U.S.
Copyright Office**

44. On December 18, 2014, the United States Copyright Office issued Irgit a copyright registration for the above photograph of the Irgit Knockoff.

45. On August 24, 2015, Irgit assigned the copyright to Kiini, stating in the assignment that, “[Irgit] has prepared, written, created, owns certain original works identified in the attached Copyright Registration, Certificate Number VA 1-943-361.”

46. Through the Kiini website, and numerous interviews in fashion and swimwear publications around the world, Irgit and Kiini used the Irgit Knockoff to falsely promote it as an original and falsely portray Irgit as the creator of the design that Ferrarini created in 1998:

- a. “Kiini launched in the summer of 2013 by Turkish born, New York based designer Ipek Irgit.”
- b. “The original Kiini swimsuit design which has become eponymous with its name, was created by Irgit; using techniques she adopted through her creative upbringing and years working in the fashion industry.”
- c. “All Kiini designs and the contents of this site are copyright protected.”
- d. “KIINI was conceived during travels to beautiful beaches around the globe and came to life among the urban vibrations of New York City. The conspirators name is Ipek Irgit (me!). A Turkish born, New York based World citizen.”
- e. “As much as we are proud to be an inspiration, Kiini design is owned and registered by Kiini and Ipek Irgit, and copying these designs under the pretense of inspiration is immoral and illegal and legal action may be taken against infringers.”
- f. “I’ve [Irgit] always found it very important to be original. Of course, being such a unique product, it could have gone totally the other way and people could have been like, ‘What the hell is this this?’ Luckily that wasn’t the case!”
- g. “What makes Kiini swimwear unique? [] It embodies different elements in its design. It is bohemian, sporty, chic, and sexy at the same time—which is kind of a reflection of

my personality. The color combinations are fun, and most importantly to me the bikinis give amazing support without wire or padding.”

- h. “Typically crochet bikinis aren’t supportive—they normally sag. Adding in elastic and making them somewhat sporty was the solution.”
- i. “I always wanted to wear a crochet bikini but the traditional crochet doesn’t give any support. I had 34Ds so it was impossible for me. I decided to make my own.”
- j. “I love offering handmade details and crochet too—before I started there were no crochet bikinis with support.”
- k. “I used to only buy my bikinis in Brazil.”
- l. “ON THE PIECE THAT KICK STARTED IT ALL: The first piece I created was based on a style my grandmother knitted for me when I was a kid and some other samples I had collected over the years.”
- m. “THE BIGGEST STRUGGLES: One of my big challenges has been trying to keep up with demand without losing integrity and hiring the right people without panicking. My biggest challenge right now is the copiers around the world. People say I should be flattered but I despise all of them. It just shows a very ugly side of humanity to me. I am taking legal action towards some of the big names that have copied.”

47. In October 2015, Irgit, through KIINI, took “legal action” against “big name[]” Victoria’s Secret, in which they perpetuated the false and misleading image of originality by defrauding the Court and Victoria’s Secret (*KIINI LLC v. Victoria’s Secret Stores Brand Management, Inc.*, Case No. 15-8433 FMO (GJSx) (C.D. CA) (the “VS CDCA Case”):

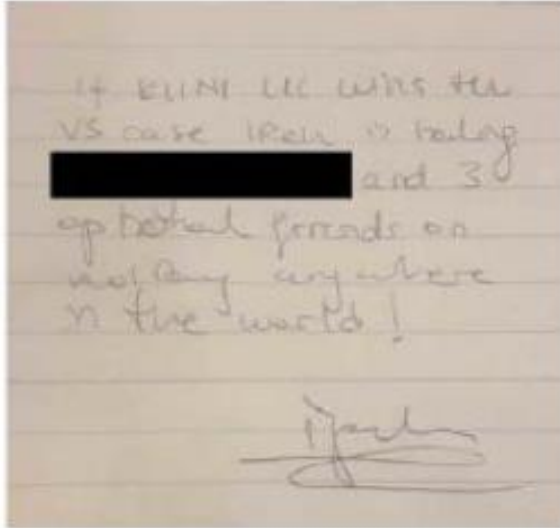
On or before early 2013, Ms. Irgit, as the original, individual sole author, created the KIINI Design. The KIINI Design is an original work of authorship embodying copy-rightable subject matter, subject to the full protection of the United States Copyright Act. The KIINI Design includes, without limitation, the selection, coordination, compilation and arrangement of lines, curves, loops, stitch, crochet, embroidery and elastic elements and their respective shapes and patterns.

VS CDCA Case, ECF 1 at ¶ 15.

48. Upon information and belief, Irgit’s fraud extended to obstructing justice and committing perjury by providing false and misleading sworn testimony in the VS CDCA Case.

49. Irgit’s fraud also extended to obstructing justice and tampering with at least one witness in the VS CDCA Case. Upon learning that Victoria’s Secret was attempting to subpoena a witness who could expose her fraud, Irgit implored the witness not to reveal the truth. When the witness told Irgit that she could not lie for Irgit, Irgit offered to pay for the witness, the witness’s daughter, and “3 optional

friends” to go “on holiday anywhere in the world!” but only if “KIINI LLC wins the VS case”:



{ See Text Translation Which Follows }

If KIINI LLC wins the VS case Irgit is taking [redacted] and 3 optional friends on holiday anywhere in the world!

/s/ Irgit

50. In one of Irgit’s multiple trade dress applications with the United States Patent and Trademark Office (submitted in Kiini’s name), the purported trade dress of the Irgit Knockoff consists only of elements that originated with Ferrarini, not with Irgit:

The mark consists of a pattern of non-uniform rectangles forming strips that outline the

edges of a bikini top and bikini bottom; the strips of rectangles have small lines extending onto the fabric of the bikini top and bikini bottom. The rectangular strips are also placed on the straps of the bikini top and bikini bottom, extending from the front to the back of both pieces of the swimsuit.

51. Having learned of Ms. Irgit's false claims and misappropriation of her design, Ms. Ferrarini filed for a copyright registration on June 23, 2018, and, after seeking reconsideration of an initial denial, was granted her copyright registration on January 18, 2019, retroactive to.

52. Ms. Ferrarini's copyright registration number is VA 2-134-598, effective as of June 23, 2018, and attached to this complaint as Exhibit C.

COUNT I

Copyright Infringement

53. Ferrarini incorporates the above allegations by reference as if fully set forth herein.

54. Plaintiff Ferrarini is the original author of the Ferrarini bikini design depicted in her registration, Ex. A.

55. Ms. Ferrarini owns a valid copyright in the Ferrarini bikini design. Ms. Ferrarini has the exclusive right to, among other things, reproduce, copy, and/or license the Ferrarini bikini design as well as the exclusive right to prepare derivative works based on the Ferrarini bikini design.

56. Kiini and Irgit have copied and duplicated Plaintiff's original design, manufacturing, distributing,

and selling copies and derivative works at large profit margins to high-end retailers.

57. Through the conduct alleged in the preceding paragraphs and through the replication, manufacture, sale, and/or distribution of the bikinis described as:

- KAIA
- CLO
- AURA
- YAZ
- RO
- TUESDAY
- LUNA
- TASMIN
- WREN
- SOLEY
- FLOR
- COCO
- MILA
- LIV
- BEA
- CHACHA
- VALENTINE
- KIKI

or any prior iteration thereof whether referred to by these names or others, and including all silhouettes and colorways in which the above-listed designs or SKUs

are produced, manufactured, and/or sold, including but not limited to:

- Bikini top
- One-shoulder top
- Scoop bikini top
- Bikini bottom
- Boyshort bottom
- Highrise bottom

or any prior iteration thereof whether referred to by these names or others, these Defendants have repeatedly and without compunction violated Plaintiff's copyright in her Ferrarini Bikini.

58. Through the conduct alleged in the preceding paragraphs and through the replication, manufacture, sale, and/or distribution of the bikinis described as:

- KAIA
- YAZ
- TASMIN
- SOLEY
- WREN
- FLOR
- LUNA
- CHACHA
- VALENTINE
- CLO

or any prior iteration thereof whether referred to by these names or others, and including all silhouettes and

colorways in which the above-listed designs or SKUs are produced, manufactured, and/or sold, including but not limited to:

- One-piece
- Scoop back maillot
- One-shoulder maillot
- Mono maillot

or any prior iteration thereof whether referred to by these names or others, these Defendants have repeatedly and without compunction violated Plaintiff's copyright including, but not limited to, her right to prepare works that are derivative of her original design.

59. All of Kiini's one-piece swimsuits are works that are derivative of the original two-piece bikini design, bearing the same high-contrast colorways and square block crochet rim.

60. Each act of infringement described herein, including but not limited to each sale of a Kiini swimsuit, including both bikinis and one-pieces, constituted an independent act of infringement.

61. Defendants fraudulent and infringing conduct continues to this day

62. Defendants intentionally copied, reproduced, passed off as their own, and prepared and sold derivative works of the Ferrarini original design. Defendants acted and continued to act with willful disregard of Plaintiff's rights, both in the three years preceding her registration date and through the present.

63. As a direct, proximate, and legal result of Irgit and Kiini's conduct, Ms. Ferrarini has suffered

harm and injury to her business, her reputation, her profits, and her well-being, each in an amount provable at trial.

COUNT II
Violation of California's
Unfair Competition Law, California Business
and Professions Code § 17200, *et seq.*

64. Plaintiff Ferrarini incorporates the above allegations by reference as if fully set forth herein.

65. California Business and Professions Code § 17200, *et seq.*, the Unfair Competition Law (“UCL”) prohibits any “unlawful, unfair or fraudulent business act or practice.”

66. Irgit founded, grew, and continues to run Kiini, LLC on the singular, fraudulent business practice of misappropriating the Ferrarini Bikini and passing off knockoff bikinis as her own.

67. Irgit and Kiini violated the UCL’s prohibition against engaging in unlawful practices by, *inter alia*, engaging in a false and misleading marketing and omitting material facts, as set forth more fully herein; and violating Cal. Civ. Code §§ 1572-1573, §§ 1709-1711 and § 1770, 18 U.S.C. §§ 1341 and 1343; and the common law.

68. Ferrarini reserves the right to allege other violations of law, which constitute other unlawful business acts or practices. Such conduct is ongoing and continues to this date.

69. Irgit and Kiini’s acts, omissions, misrepresentations, practices and non-disclosures alleged herein also constitute “unfair” business acts and practices

within the meaning of the UCL in that Defendants' conduct is substantially injurious to Ferrarini and consumers, offends public policy, and is immoral, unethical, oppressive, unscrupulous, unconscionable, and/or substantially injurious and the gravity of the conduct outweighs any alleged benefits attributable to such conduct.

70. Irgit and Kiini's claims, non-disclosures, and misleading statements, as more fully set forth above, were false, misleading, and/or likely to deceive the consuming public within the meaning of the UCL.

71. Irgit and Kiini's conduct caused and continues to cause substantial injury to Ferrarini and consumers. Ferrarini's marketing and licensing opportunities have been significantly impaired by Irgit and Kiini's false and misleading claims of originality, including depriving Ferrarini of the benefits that naturally flow from being the original creator of the Ferrarini Bikini, such as premium pricing, greater consumer interest, and licensing opportunities.

72. Ferrarini is entitled to judgment enjoining and restraining Irgit and Kiini from engaging in any further acts of unfair competition, including enjoining all sales of the Irgit Knockoff and all other swimwear that derives from the Ferrarini Bikini.

73. Ferrarini is entitled to judgment mandating that Irgit and Kiini publish statements of retraction and apology for their acts of unfair competition.

74. Ferrarini is further entitled to restoration of all money, property, profits, awards, or settlements that Defendants acquired through their unlawful, unfair, and fraudulent business practice of misappropriating Plaintiff's bikini and then passing it off as their own.

75. By reason of the foregoing, Irgit and Kiini have violated Sections 17200, *et seq.*, of the California Business and Professions Code, and thus engaged in unlawful, unfair and fraudulent business acts and practices, entitling Ferrarini to judgment, restitution, and equitable relief against Defendants as set forth in the Prayer for Relief.

COUNT III

Violation of California and New York Common Law Conversion and/or Civil Theft

76. Ferrarini incorporates the above allegations by reference as if fully set forth herein.

77. As the original creator of the Ferrarini bikini design, and by being the first to publish that design, Ms. Ferrarini had a right to apply for, register, and possess a copyright in her original design.

78. By the acts described above, and specifically through the act of registering the copyright in Ms. Ferrarini's original design for herself through a false claim of authorship, Irgit intentionally and substantially interfered Ms. Ferrarini's copyright, taking it as her own and misappropriating the funds derived from the copyright and litigation based on its registration for her own personal use and enjoyment.

79. Ms. Ferrarini did not consent in any manner to Defendants' taking, misappropriation, or registration of the copyright in her original design.

80. Ms. Irgit has not returned the copyright to Plaintiff Ferrarini, nor has she compensated her for the design.

81. As a direct and proximate result of Defendants' conversion of Plaintiff's copyright and/or conversion of its registration, Plaintiff has suffered general and economic damages, in an amount to be determined at trial.

82. Defendants' conduct was knowing, willful, and carried out with malicious intent. Because these acts were knowing, willful, and malicious, plaintiff is entitled to punitive damages, in an amount to be determined by proof at trial.

COUNT IV
Intentional Interference with
Prospective Economic Advantage

83. Ferrarini incorporates the above allegations by reference as if fully set forth herein.

84. Plaintiff has manufactured and sold her one-of-a-kind Ferrarini Bikini from the beaches of Trancoso, Brazil for years. An economic relationship existed between Ferrarini and third parties that purchased her bikinis and/or were actively interested in or actually pursuing, developing, marketing, licensing, exploiting, and utilizing Plaintiff's one-of-a-kind bikinis. These existing economic relationships, if successfully developed and exploited, would have resulted in substantial future economic benefits and advantages to Plaintiff Ferrarini.

85. Defendants knew of and were aware of Plaintiff's third-party economic relationships, Defendant Irgit having seen them for herself when she fraudulently obtained a Ferrarini Bikini from Plaintiff in Trancoso.

86. Defendants intentionally engaged in acts and conduct designed to interfere with, disrupt, undermine, and terminate Plaintiff's economic relationships, and/or take the relationships for their own.

87. By engaging in the above-described unlawful, unfair, and fraudulent business practices, Defendants have intentionally and actually interfered with the ongoing and prospective economic relationship between Ferrarini and her customers, wholesalers, retailers, and licensees.

88. As a direct, proximate, and legal result of Irgit and Kiini's conduct, Plaintiff's economic relationships were in fact interfered with, disrupted, and terminated, in that actual and potential licensees, customers, investors, wholesalers, retailers, partners, and joint venturers lost interest in pursuing Plaintiffs' one-of-a-kind Ferrarini Bikinis. Defendants' conduct deprived Plaintiff of the economic benefits and advantages to which she would have otherwise been entitled had Defendants not misappropriated her bikini, used it to create knockoffs, passed those knockoffs off as their own, and destroyed or fraudulently taken over the market for Ferrarini Bikinis.

89. As a direct, legal, proximate and foreseeable result of Defendants' unlawful, unfair, and fraudulent Plaintiff has suffered, and continues to suffer, economic damages and losses, including but not limited to the financial loss of the benefits of the prospective economic relationships. The precise amount of Plaintiff damages and losses will be proven at trial.

90. In misappropriating Plaintiff's bikini, Defendants Irgit and Kiini acted oppressively, fraudulently, maliciously, willfully and in conscious disregard of

Plaintiff Ferrarini's rights, and with the intention of causing, or in reckless disregard of the probability of causing economic damages and losses to her. Accordingly, Plaintiff is entitled to an award of punitive and exemplary damages against both Defendants; to serve as punishment and deter future wrongful acts, conduct, and misappropriation.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Ferrarini prays for relief as follows:

1. Judgment entered in her favor and against Defendants;

2. Injunctive relief pursuant to California Business and Professions Code Sections 17200, *et seq.*;

3. A permanent injunction prohibiting Irgit, Kiini, their officers, directors, principals, agents, servants, employees, successors, and assigns, and all other persons in active concert, privity, or participation with Defendants, jointly and severally, from engaging in the unlawful, unfair, and fraudulent acts alleged herein, including:

- a. Ceasing all sales of the Irgit Knockoff /Infringing Copies and all other swimwear that derives from the Ferrarini Bikini; and
- b. Removing from the Kiini website all misleading statements, including those alleged herein;

4. That the Court enter an injunction mandating Irgit and Kiini complete a corrective marketing campaign that includes the following:

- a. publishing prominently on the splash page of the Kiini website for no less than one year a “Statement of Retraction and Apology,” consisting of the following:

For years, Ipek Irgit and Kiini have falsely portrayed Irgit as the original creator of what we have referred to as the Kiini design bikini, when, in truth, Irgit copied from Solange Ferrarini every design element we have claimed and marketed as our own. We sincerely apologize to Ms. Ferrarini, the artist who deserves full credit for her creation. We also apologize to our customers who we have misled with our false claims of originality.

- b. publishing the Statement of Retraction and Apology in full-page advertisements in each magazine or newspaper (or a 30-day daily recurring advertisement on any website or blog) that referred readers to the Kiini website or featured an interview of Irgit, including (but not limited to) *Vogue*, *Women’s Wear Daily*, *Glamour*, *Elle Magazine*, *Women’s Health Magazine*, *O—The Oprah Magazine*, *Huffington Post*, *Harper’s Bazaar*, *InStyle*, *Condé Nast Traveler*, *Condé Nast Lucky*, *Cosmopolitan*, *People*, *Hamptons Magazine*, *Lyst*, *Daily Beast*, *US Magazine*, *Town & Country*, *The New York Post*, *Marie Claire*, *Shape*, and *Fitness*;
- c. posting the Statement of Retraction and Apology to all of Kiini and Irgit’s social media accounts (including but not limited to Insta-

gram and Facebook) every Monday at 9:00 a.m. Eastern time for one year, and at 9:00 a.m. on the first Monday of each month for the next two years thereafter;

5. General and special damages according to proof;

6. Exemplary and punitive damages in an amount to be determined at trial and based on Defendants' willful, fraudulent, and deliberate misappropriation of Plaintiff's Ferrarini Bikini and their intentional interference with her prospective economic advantage;

7. Restoration of all money, property, profits, awards, or settlements Defendants acquired through unlawful, unfair, and fraudulent business practices;

8. Damages for the value of the copyright at the time of the conversion;

9. Prejudgment interest and an accounting;

10. Costs and attorneys' fees; and

11. Any such other and further relief as the Court may deem just and proper.

App.70a

Respectfully submitted,

/s/ Jack M. Rutherford

Jack M. Rutherford, 268669

RUTHERFORD LAW

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Counsel for Plaintiff

Maria Solange Ferrarini

Admitted pro hac vice

Date: April 11, 2019

**ANSWER TO PLAINTIFF'S
FIRST AMENDED COMPLAINT
(FEBRUARY 25, 2020)**

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MARIA SOLANGE FERRARINI, an Individual

Plaintiff,

-against-

IPEK IRGIT, an Individual, and
KIINI, LLC, a New York Limited Liability Company,

Defendants.

Civil No. 19-0096-LGS-GWG

Defendants Ipek Irgit and Kiini, LLC, by and through their undersigned counsel, respond as follows to Plaintiff's First Amended Complaint:

1. Denied.
2. Defendants lack sufficient information to admit or deny.
3. Admitted that Defendant Irgit travelled to Trancoso, Brazil in 2012; otherwise denied.
4. Denied.
5. Denied.
6. Denied.

7. Denied.

8. Denied.

9. Admitted that Defendant Irgit emailed Sally Wu regarding pricing and samples on July 28, 2012; otherwise denied.

10. Admitted that Defendant attached a nine-page document to the July 28, 2012 email; otherwise denied.

11. Denied.

12. Denied.

13. Denied.

14. Defendants lack sufficient information to admit or deny.

15. Denied.

16. Defendants lack sufficient information to admit or deny.

17. Defendants lack sufficient information to admit or deny whether Plaintiff sought counsel, otherwise denied.

18. Admitted.

19. Admitted that Plaintiff did not have a copyright registration at the time she filed federal suit in federal court in California, and admitted that at the time Plaintiff filed suit she alleged one claim of unfair business practices; otherwise denied.

20. Defendants lack sufficient information to admit or deny.

21. Defendants lack sufficient information to admit or deny.

22. Defendants lack sufficient information to admit or deny.

23. Defendants lack sufficient information to admit or deny.

24. Denied.

25. Denied.

26. Denied.

JURISDICTION

27. No response is required because this paragraph states a legal conclusion, but otherwise admitted.

28. No response is required because this paragraph states a legal conclusion, but otherwise admitted.

VENUE

29. No response is required because this paragraph states a legal conclusion, but otherwise admitted.

PARTIES

30. Defendants lack sufficient information to admit or deny.

31. Admitted.

32. Admitted.

BACKGROUND

33. Defendants lack sufficient information to admit or deny.

34. Defendants lack sufficient information to admit or deny.

35. Defendants lack sufficient information to admit or deny.

36. Admitted that Defendant Irgit traveled to Trancoso in 2012; otherwise denied.

37. Denied.

38. Admitted that Defendant Irgit sent the July 28, 2012 email.

39. Denied.

40. Defendants lack sufficient information to admit or deny.

41. Denied.

42. Admitted that Defendant Irgit formed Kiini, LLC on or about January 24, 2013; otherwise denied.

43. Admitted that Defendant Irgit registered the copyright in her bikini design titled "Bathing Suit Art #1" sometime prior December 18, 2014; otherwise denied.

44. Admitted that on December 18, 2014, the United States Copyright Office issued Defendant Irgit a copyright registration in her bikini design titled "Bathing Suit Art #1"; otherwise denied.

45. Admitted.

46. Denied.

47. Admitted that Defendant Kiini, LLC sued Victoria's Secret in October 2015; otherwise denied.

48. Denied.

49. Denied.

50. Denied.

51. Defendants lack sufficient information to admit or deny Plaintiff's state of mind or the date on which she filed for a copyright registration; otherwise denied.

52. Defendants lack sufficient information to admit or deny.

COUNT I

53. Defendants incorporate by reference their preceding responses as though fully set forth herein.

54. Defendants lack sufficient information to admit or deny.

55. Denied.

56. Denied.

57. Denied.

58. Denied.

59. Denied.

60. Denied.

61. Denied.

62. Denied.

63. Denied.

COUNTS II-IV

All paragraphs: No response is required because the Court dismissed all of the referenced state law claims pursuant to its January 9, 2020 Order.

AFFIRMATIVE DEFENSES

1. Plaintiff's claim is barred by the applicable statute of limitations.

2. Plaintiff's claim is barred by doctrine of unclean hands.

3. Plaintiff's claim is barred by the doctrine of waiver.

4. Plaintiff's claim is barred by the doctrine of equitable estoppel.

5. Defendants independently created the at-issue bikini design.

6. Defendants are the sole owners of the copyright in the at-issue bikini design.

7. The Ferrarini Bikini design is not entitled to protection under the Copyright Act, 17 U.S.C. § 101 *et seq.*

8. Defendants were not aware and had no reason to believe that their acts constituted an infringement of copyright.

9. Plaintiff's claim fails in whole or in part because she has suffered no damages.

10. Without any admission by Defendants that Plaintiff suffered any damages, to the extent Plaintiff did suffer damages, her claims are barred in whole or in part because she failed to use reasonable means to prevent the alleged damages and failed to use reasonable means to mitigate her damages.

11. Plaintiff is barred by 17 U.S.C. § 412 from claiming statutory damages or attorney's fees under the Copyright Act for any alleged acts of infringement

that occurred before Plaintiff's first registration of the at-issue bikini design.

12. Defendants reserve the right to assert such additional defenses as may be asserted through the course of continuing investigation and analysis.

Respectfully submitted,

/s/ Mark A. Berman

Mark A. Berman, Esq.

HARTMANN DOHERTY ROSA

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mberman@hdrbb.com

Attorneys for Defendants

Ipek Irgit and Kiini, LLC

Dated: February 25, 2020

**BRIEF OF PLAINTIFF-APPELLANT
MARIA SOLANGE FERRARINI
(AUGUST 9, 2021)**

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

MARIA SOLANGE FERRARINI,

Plaintiff-Appellant,

v.

IPEK IRGIT & KIINI, LLC,
a New York Limited Liability Company,

Defendants-Appellees.

No. 21-0597-CV

On Appeal from the United States District Court for
the Southern District of New York No. 19-cv-0096,
Hon. Lorna G. Schofield, Presiding

Jack M. Rutherford, Esq.
Attorney for Appellant
RUTHERFORD LAW
2811 1/2 2nd Ave
Los Angeles, CA 90018
(415) 794-5639

DISCLOSURE STATEMENT

Pursuant to Rule 26.1 of the Federal Rules of Appellate Procedure, Plaintiff-Appellant Maria Ferrarini, by and through her undersigned counsel, hereby certifies that she has no parent corporation and that no publicly held corporation owns 10% or more of its stock.

/s/ Jack Rutherford
Jack M. Rutherford, Esq.
Attorney for Appellant
RUTHERFORD LAW
2811 1/2 2nd Ave.
Los Angeles, CA 90018
(415) 794-5639

{ Note: Table of Contents and
Table of Authorities Omitted }

PRELIMINARY STATEMENT

This case reveals conflicting currents in the copyright law of this Circuit (and others) that require resolution. The District Court took this Court's most recent cases to allow, by a misreading of earlier precedent and without textual support, flagrant infringers to forever escape liability by ginning up bad-faith disputes as to ownership outside the limitations period for an infringement claim. The sad facts of this case, wherein a beach seamstress in Brazil has unquestionably had her design stolen for mass manufacture of copies and derivative works by an American company shamelessly lying about their origins, demonstrate the need to return to the Court's earlier line of cases. They control in this Circuit as a matter of *stare decisis* and are the correct approach in any event.

Whatever the case, fact specific questions about when Plaintiff learned of Defendants' actions—and what actions matter—preclude summary judgment. Plaintiff may have learned shortly before the limitations period that Defendants were copying and preparing derivatives of her work, but there is no evidence she had notice outside the limitations period that Defendants were fraudulently claiming ownership, indeed actual authorship, of her work. Notice of infringement is not notice of a claim of ownership, particularly an audaciously fraudulent one.

If the District Court's Copyright Act ruling is allowed to stand, then the property rights protected by state and federal law will diverge so as to preclude preemption of Plaintiff's state-law claims. As such, at least one of the District Court's erroneous preemption rulings at the motion-to-dismiss stage, as to intentional

interference with prospective economic advantage, will require remand.

In fact, both of Plaintiff's winning state-law claims should be remanded because the District Court committed error under *Van Dusen v. Barrack*, 376 U.S. 612 (1964), by applying Second Circuit law to state-law claims after a 28 U.S.C. § 1404(a) transfer from the Central District of California. Under the Ninth Circuit law that should have been applied, Plaintiff's state-law claims are not preempted.

JURISDICTIONAL STATEMENT

The district court had subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1332, and 1338 because this Copyright Act action arises under federal law and the parties are diverse with more than \$75,000 in controversy. Final judgment was entered on February 17, 2021. Appellant filed a notice of appeal on March 15, 2021. This Court has jurisdiction under 28 U.S.C. § 1291.

STATEMENT OF THE ISSUES PRESENTED FOR REVIEW

1. Whether a copyright infringer may forever escape liability by fraudulently manufacturing a dispute as to ownership of the work falling outside the Copyright Act's three-year limitations period?
2. Whether there is a genuine issue as to the date Plaintiff became aware of Defendants' fraudulent claim of ownership of her bikini design?
3. Whether the District Court committed *Van Dusen* error by relying on Second Circuit cases to reject Plaintiff's California state-law claims that were

transferred from the Central District of California under 28 U.S.C. § 1404(a).

4. Whether Plaintiff's state-law claims are preempted?¹

STATEMENT OF THE CASE

Plaintiff Maria Solange Ferrarini has been making and selling the colorful Ferrarini Bikini Design on the beaches of Trancoso, Brazil since at least 1994. JA3. It looks like this:



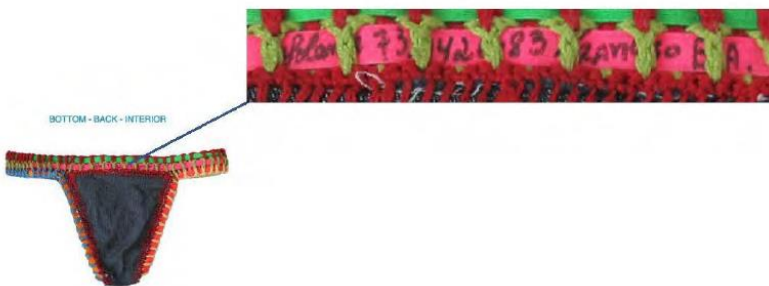
Defendants began marketing and selling a bikini design in 2013 or 2014 that looks like this (JA4):

¹ Plaintiff does not appeal dismissal of her state-law conversion claim for failure to state a claim. If, contrary to her third point, Second Circuit law applies, she asserts her then-foreclosed unfair competition law claim for preservation purposes only.



Defendants also produce numerous knock-offs of the same design. JA136. Of course, if this were happenstance we would not be here. But it is no happenstance. Defendants unabashedly stole Plaintiff's design. JA134-136.

First, there is testimony from an associate of Defendants that she purchased a bikini directly from Plaintiff and gave it to Defendants some time before July 2012. JA136. Then, enlargement of one of the images Defendants sent to their manufacturing connection reveals Plaintiff's signature, phone number, and "Trancoso, B.A." in the waistband. *Id.*



There is testimony from Defendants' manufacturing connection that their prototype bikini was produced based off those images with very little change. *Id.* And, in an earlier proceeding, Defendants attempted to suborn perjury from that manufacturing connection about the origin of the bikini's design. JA410.

Perhaps because they cannot, Defendants do not meaningfully contest this history, or their history of attempting to suppress these facts in their other aggressive litigation efforts. JA409-410, 419-20. Instead, their defense has focused on legal arguments. Relevant to Plaintiff's copyright claims, Defendants first point to their December 2014 registration of a copyright for the design, listing their natural person, Ipek Igrit, as the sole author of the work. JA136, 410.

Title	Title of Work: Bathing Suit Art #1	
Completion/Publication	Year of Completion: 2013	
	Date of 1st Publication: January 30, 2013	Nation of 1st Publication: United States
Author	Author: IPEK IGRIT	
	Author Created: 2-D artwork	
	Citizen of: United States	Domiciled in: United States

{ See Text Translation Which Follows }

Title _____

Title of Work: Bathing Suit Art #1

Completion/Publication _____

Year of Completion: 2013

Date of 1st Publication: January 20, 2013

Nation of 1st Publication: United States

Author _____

- Author: IPEK IRGIT

Author Created: 2-D artwork

Citizen of: United States

Domiciled in: Unites States

But of course a copyright registration does not itself begin the running of any statute of limitations. *Wilson v. Dynamic Publ'g Co.*, 892 F.3d 112, 119 (2d Cir. 2018); *Horror Inc. v. Miller*, 335 F. Supp. 3d 273, 315-16 (D. Conn. 2018). Thus, Defendants' actual argument relies on other events. In granting summary judgment against Plaintiff, the District Court relied most extensively on a September 2014 Facebook message from Plaintiff to Defendants complaining about their copying:²

² Defendants also pointed to allegedly widespread media coverage, albeit mostly in American publications, of their infringing copies and deposition testimony from Plaintiff, which she argued was taken out of context, to assert Plaintiff had knowledge of their infringement as early as 2013. JA3-4. But because each of those sources of alleged knowledge mentions at most an awareness of

It is a perfect copy of my creation from 1987, which I sell on the beaches of Trancoso.[] That is what I call a lack of creativity. They should be ashamed of doing that to me, it's very disappointing to see someone take advantage of another person's work. That's horrible, I don't like it!

JA2, 5-6. Because this message indicates Plaintiff was aware of Defendants' copying in 2014 and Plaintiff did not file suit until June 2018, Defendants believe, and the District Court agreed, that the Copyright Act's three-year statute of limitations forever bars Plaintiff from recovering for their continuing infringement. JA2, 5-6.

Plaintiff's first statement indicating in even muddled terms an awareness that Defendants were claiming ownership, however, was a November 2015 Facebook post:

Good afternoon guys! They've noticed that I'm off the internet and the reason is the copies. . . . Lack of greater respect now the kiini saying creator of bikinis. My creation since 1998 [sic]. She says that this piece is Austrian and not Brazilian. Come here besides Brazilian is our Trancoso. Trancoso is a witness to this achievement. I have not forbidden anyone to copy and sell the

mere copying or preparation of derivative works rather than awareness of an assertion of ownership, Plaintiff will accept for these purposes that such evidence demonstrates she knew Defendants were infringing her work outside the three-year limitations period. She does not accept that this demonstrates any awareness Defendants were prepared to lie about authorship of the original work and so ownership.

horrible copies very badly made. . . . And you also think of the right to ban the sale in Brazil. I've been looking for my help. That's why I'm here asking the women who have pictures of these old bikinis please send it to me. I want to help these without clue but Brazilian also. The only thing in my reach is to ask for help from voices. Dear Women of style. My biquini is not fashion but style.³

JA4-5. The filing date for the original complaint in this matter, June 2018, is within three years of this November 2015 post.

Plaintiff originally brought this suit alleging violations of state unfair competition law in the Central District of California. JA2, 455. Defendants moved to transfer the case to this Court under 28 U.S.C. § 1404(a) for the convenience of the parties, which the Central District of California granted. JA455-460. The First Amended Complaint, which also added the copyright claim, included two additional state-law claims, for conversion and intentional interference with prospective economic advantage. JA426-428. The District Court dismissed the unfair competition claim as preempted (JA301-303) and the other two claims as both preempted and for failing to state a claim (JA303-308).

³ Of note, and as discussed further in Part I.B *infra*, even this statement does not suggest there is a dispute as to authorship of the knock-off bikinis being sold by Defendants and that are also the subject of the infringement claim. Plaintiff acknowledges Defendants were making “the horrible copies very badly made.” The issue, of course, is whether those copies, in addition to the original strict copy, infringe the right to produce derivative works (*inter alia*).

This timely appeal of both the dismissals and summary judgment follows.

SUMMARY OF ARGUMENT

The Court should reverse the District Court's grant of summary judgment as to the Copyright Act claim. It should also reverse the District Court's dismissal of the state-law unfair competition and intentional interference with prospective economic advantage claims.

The District Court erred in granting summary judgment to Defendants on limitations grounds because it applied the wrong legal framework to Plaintiff's claim. Rather than apply *Stone v. Williams*, 970 F.2d 1043 (2d Cir. 1992), which held a without-limitations-period dispute as to ownership had no effect on within-limitations-period claims, it applied more recent cases concerning copyright co-owners that relied on a Ninth Circuit case, *Zuill v. Shanahan*, 80 F.3d 1366 (9th Cir. 1996), to reach the opposite conclusion. But *Stone*, which expressly likened the royalty claim involved there to an infringement claim, is the most closely analogous case. There are no co-ownership questions here, and as the Sixth Circuit has noted, sound reasons exist for treating co-ownership or joint authorship claims differently than ownership disputes between strangers, where the absence of a close relationship presents significant notice and discovery issues.

If there is no reason to treat co-ownership claims, or at least ownership disputes between closely related parties, differently than spurious ownership claims by strangers, then *Stone* and this Court's *Zuill* progeny, *Kwan v. Schlein*, 634 F.3d 224, 228 (2d Cir.

2011); *Merchant v. Levy*, 92 F.3d 51, 56 (2d Cir. 1996), are irreconcilable. Principles of *stare decisis* would counsel returning to *Stone* as the earlier-decided authority. Otherwise, *en banc* determination to harmonize the Court's law is necessary. The text, policy, legislative history, and scholarly commentary on the Copyright Act all point to adopting *Stone's* approach as the governing standard.

Even if the Court were to adopt its most recent *Zuill* progeny, *Kwan v. Schlein*, 634 F.3d 224, 228 (2d Cir. 2011), as the rule, however, the absence of a genuine dispute as to ownership in this case would still counsel allowing Plaintiff to proceed on her within-limitations-period infringement claims. Defendants' claim is not just frivolous, it is fraudulent.

Regardless, there is a genuine dispute as to when Plaintiff learned of any "plain and express repudiation" by Defendants of her authorship and therefore ownership, as opposed to mere infringement. of the bikini design.

Should the Court allow a patently false claim of authorship by Defendants to defeat Plaintiff's timely infringement claims, then her state-law claims should be considered anew. They would provide protection of a right different from that protected by federal law, and Defendants' advertising and sale of indistinguishable bikinis unfairly interfered with Plaintiff's ability to sell her bikinis to beachgoers in Brazil, as she had a non-speculative expectation of continuing to do.

In any event, the District Court was wrong to rely on Second Circuit cases to dismiss Plaintiff's state-law claims, which were transferred to this Court under

28 U.S.C. § 1404(a). “The legislative history of s 1404(a) certainly does not justify the rather startling conclusion that one might get a change of law as a bonus for a change of venue.” *Van Dusen v. Barrack*, 376 U.S. 612, 635–36 (1964) (internal quotation marks omitted). As such, a “change of venue under s 1404(a) generally should be, with respect to state law, but a change of courtrooms.” *Id.* at 639. While this Court applies its own precedents to federal claims transferred under Section 1404(a), including an analysis of a state-law claim’s preemption by a federal statute, *Desiano v. Warner-Lambert & Co.*, 467 F.3d 85, 90-92 (2d Cir. 2006), *Van Dusen* leaves no such discretion. The *Desiano* approach makes Section 1404(a) transfers more than “but a change of courtrooms.”

It bears noting that this case is only remotely difficult because a beach seamstress in Brazil with limited English skills had difficulty finding a lawyer willing to take on a famously litigious American fashion company.⁴ If the law’s inexorable command compelled the result reached by the District Court, this might simply be another tragic tale. There are a half dozen ways in which the law need not produce such a harsh and inequitable result, one that rewards frank fraud, however. Plaintiff respectfully requests that the Court pick only one.

⁴ JA137 (describing Plaintiff’s YouTube appeal for God to send her a lawyer); Katherine Rosman, *The Itsy-Bitsy, Teenie-Weenie, Very Litigious Bikini*, N.Y. TIMES, Dec. 23, 2018, at B1. Defendants’ many lawsuits against alleged knockoffs when they themselves are peddling a knock off brings to mind how “[s]uspicion always haunts the guilty mind.” SHAKESPEARE, 3 KING HENRY VI, Act 5, Sc. 6.

ARGUMENT

I. The District Court's Grant of Summary Judgment on the Basis of the Copyright Act's Statute of Limitations Should Be Reversed.

The standard of review for an appeal of the grant of summary judgment is *de novo*, and all factual inferences must be drawn in favor of Plaintiff as the nonmoving party.⁵

The District Court's statute-of-limitations ruling is wrong as a matter of law, because this Court long ago recognized that the Copyright Act's statute of limitations circumscribes only remedies, not rights, and has allowed recovery for within-limitations-period infringement on the same facts as here (a without-limitations-period disputed ownership claim). Case law's subsequent introduction of a confusing "ownership" infringement claims versus "infringement" infringement claims is inconsistent with that earlier line of cases and has brought us to the present, where a fraudulent claim of ownership is allowed to defeat claims for flagrant infringement, and in perpetuity.

First principles counsel the same outcome as the Court's original precedent: Infringement outside the Copyright Act's limitations period is non-actionable, but recent infringement is actionable.

⁵ This Court reviews the grant of summary judgment *de novo*, drawing all factual inferences in favor of the party against whom summary judgment is sought. *Panecasio v. Unisource Worldwide, Inc.*, 532 F.3d 101, 107 (2d Cir. 2008). Summary judgment is appropriate only "if the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(a); *Wright v. Goord*, 554 F.3d 255, 266 (2d Cir. 2009).

In any event, genuine disputes about when Plaintiff knew or should have known Defendants were claiming ownership of her work instead of simply copying and preparing derivative works of it should have precluded summary judgment under either of this Court's lines of cases. If ownership-as-gravamen is good for the goose of defining the substance of the limitations period, ownership-as-gravamen is good for the gander of defining the trigger of the limitations period.

A. The District Court erred as a matter of law by allowing a frivolous without-limitations-period dispute as to ownership to foreclose the within-limitations-period infringement claims.

1. This Court's controlling precedent, like that of the Sixth and in contrast to that of the Ninth Circuit, does not allow untimely ownership disputes to defeat timely infringement claims.⁶

This Court first confronted the problem of fresh infringement complicated by old ownership questions in *Stone v. Williams*, 970 F.2d 1043 (2d Cir. 1992). There, Hank Williams Sr.'s secret daughter sought a declaration that, as Williams' child, she was entitled to copyright renewal rights and therefore also to an

⁶ There is no dispute that *Desiano v. Warner-Lambert & Co.*, 467 F.3d 85, 90-92 (2d Cir. 2006), requires—and that it is probably permissible under the logic of *Van Dusen* for it to require—that this Court's interpretations, rather than the Ninth Circuit's interpretations, of the Copyright Act be applied to a Copyright Act claim.

accounting and damages from the defendants. *Id.* at 1046, 1048. The district court dismissed on statute of limitations grounds because the plaintiff knew or should have known by October 1979 of her right to receive royalties (because that is when she knew or should have known Williams was her biological father), yet she waited till 1985 to file suit. *Id.* at 1046, 1047-48.

This Court reversed. It heartedly agreed that the plaintiff's ownership claim accrued in 1979, *id.* at 1048-49, *i.e.*, well outside the three-year limitations period, but “[h]aving concluded that,” it proceed to ask “the significance for limitations purposes of such information.” *Id.* at 1049. The Court concluded the accrual of the ownership claim outside the limitations period did “not bar relief for deprivations occurring” within the limitations period. *Id.*

Defendants had protested that “infringement cases [where the Court’s result was evidently not in doubt] are distinguishable because the copyright’s ownership had been established within the limitations period.” *Id.* at 1050. By contrast, “defendants insist[ed], because plaintiff did not seek a judicial determination that she was an owner of the copyright renewals within three years of 1979 she cannot now do so and then assert a cause of action based on such ownership.” *Id.*

This Court expressly rejected that argument. The plaintiff’s “failure to seek relief promptly for violations of her entitlement to renewal copyrights does not make defendants immune from suit for later violations.” *Id.* This was “[a]n overly technical approach to copyright entitlements [that] has not carried the day in other contexts, and it fails to do so in this one.” *Id.*

The defendants' position also "ignore[d] the distinction between what must be done to give rise to certain rights and what needs to be done to vindicate those rights." *Id.* As discussed below in Part I.A.2, this rights-remedies distinction is a consistent feature of federal law. *Id.*

Stone, by repeatedly and expressly equating a claim to receive royalties with an infringement claim, *id.* at 1049-1051, is on all fours with the present case. It traces precedent for its construction back to a general principle set forth in a decision by the illustrious panel of Judges Frank, Learned Hand, and Swan. *Id.* at 1051 (citing *United States v. Obermeier*, 186 F.2d 243, 254 (2d Cir. 1950)).

Then things went awry. The Ninth Circuit all-but rejected *Stone*'s approach in *Zuill v. Shanahan*, 80 F.3d 1366 (9th Cir. 1996), forestalling formal repudiation only "[b]ecause it is not controlling authority in this circuit, [so] we need not decide whether *Stone* is properly distinguishable." *Id.* at 1370. Except that *Zuill* concerned co-ownership claims, *id.*, which might, because of the absence of notice concerns, be properly subjected to a different rule, along the lines of *Stone*'s own recognition that a copyright right that never comes into existence cannot support an infringement claim, 970 F.2d at 1051. *Zuill* even expressly distinguished infringement claims. 80 F.3d at 1369 ("We conclude that claims of co-ownership, as distinct from claims of infringement, accrue when plain and express repudiation of co-ownership is communicated to the claimant. . . ." (emphasis added)).

Two of this Court's cases dealing with copyright co-ownership claims have subsequently cited *Zuill*, the most recent of which did so blithe to the apparent

conflict. *Kwan v. Schlein*, 634 F.3d 224, 228 (2d Cir. 2011); *Merchant v. Levy*, 92 F.3d 51, 56 (2d Cir. 1996). Perhaps that is defensible because, unlike this case, *Kwan* and *Levy* dealt with co-ownership claims like the one at issue in *Zuill*. Under that approach, which breaks co-ownership claims out from all other kinds of ownership-related issues because “[a] co-author knows that he or she jointly created a work from the moment of its creation,” *Levy*, 92 F.3d at 56,⁷ the District Court was simply wrong to rely on *Kwan* and *Levy* instead of the more analogous *Stone*.

Even if the District Court could have properly relied on *Kwan*, however, its own words would defeat Defendants’ argument: “We hold that a time-barred ownership claim will bar a claim for copyright infringement where, as here, the infringement claim cannot be decided without adjudication of a genuine dispute as to the plaintiff’s ownership of the copyright.” 634 F.3d at 226 (emphasis added). There is no “genuine dispute” here that Defendants copied Plaintiff’s bikini and are therefore neither the author of the work nor the

⁷ The Sixth Circuit takes this middle-of-the-road approach. *Ritchie v. Williams*, 395 F.3d 283, 288 n.5 (6th Cir. 2005) (“The district court applied the copyright principle that each new infringing act causes a new three year statutory period to begin. While this principle does apply to causes of action by an owner against an unknown third party, in closer relationships, such as when the parties are coauthors, the statutory period for any action to establish ownership begins to run whenever there is a “plain and express repudiation” of ownership by one party as against the other.”). Even the Ninth Circuit has subsequently recognized the importance of this close relationship in assuring adequate notice for all practical purposes. *Seven Arts Filmed Entertainment Ltd. v. Content Media Corp, PLC.*, 733 F.3d 1251, 1256 (9th Cir. 2013). Obviously there was no close relationship between the parties here. Indeed, there was no relationship at all.

owners of the copyright. Defendants' copyright filing to the contrary was a knowing fraud.

In any event, if *Kwan* and *Levy* cannot be reconciled with *Stone*, there are two possible approaches. The Fifth Circuit exemplifies one, holding that “[w]hen panel opinions appear to conflict, we are bound to follow the earlier opinion.” *Automotive–Hardware, Inc. v. Pitney Bowes, Inc.*, 227 F.3d 326, 330 (5th Cir. 2000). The Ninth Circuit exemplifies the other approach, disclaiming an ability to “simply pick one [case] to follow” and requiring the panel “call this case en banc.” *United States v. Torre–Jimenez*, 771 F.3d 1163, 1167 (9th Cir. 2014). Under the Fifth Circuit’s approach, the Court should revert back to *Stone*. Under the Ninth Circuit’s approach, the *en banc* court would need to address the issue anew. But first principles and scholarly commentary would still counsel a return to *Stone*.

2. The Copyright Act’s prescriptive period limits remedies not rights; a without-limitations-period ownership dispute is therefore irrelevant to damages for within-limitations period infringement.

As Patry explains: “We noted above that the legislative history of section 507(b) unequivocally indicates that the provision is to be construed as a remedial, and not a substantive, limitation on rights.”⁸

⁸ Although this rights-remedies distinction is perhaps most familiar to federal courts in the context of so-called *Bivens* actions, it exists throughout federal law and in the context of statutes of limitations in particular. Indeed, Judge Posner, surveying the landscape, wrote that he was unable to find any federal statute

6 Patry on Copyright, *Statute of limitations and ownership claims*, § 20:35. “Thus, where a declaratory judgment action is brought more than three years after the claim accrued, plaintiff may be deprived of certain remedies, but may not be deprived of authorship rights.” *Id.* (internal quotation marks omitted). “Regrettably, Congress’ intent has not been followed by the courts, despite a promising start in *Prather v. Neva Paperbacks, Inc.*[, 446 F.2d 338 (5th Cir. 1971),] and in *Stone v. Williams*[, 970 F.2d 1043 (2d Cir. 1992)].” *Id.*

Patry’s regret? The Ninth Circuit’s *Zuill v. Shanahan*, 80 F.3d 1366 (9th Cir. 1996), which is where “trouble began.” 6 Patry on Copyright, *Statute of limitations and ownership claims—Zuill v. Shanahan: the beginning of big trouble*, § 20:37. “Despite *Zuill*’s many faults, it has been followed by other courts, significantly by the Second Circuit in *Merchant v. Levy*,” even though “[t]he Second Circuit’s earlier opinion in *Stone v. Williams* correctly construed section 507(b) as barring only remedies and not extinguishing rights, even in ownership disputes.” 6 Patry on Copyright, *Statute of limitations and ownership claims—*

of limitations held to be substantive other than those authorizing suits against the United States. *Lawyers Title Ins. Corp. v. Dearborn Title Corp.*, 118 F.3d 1157, 1166 (7th Cir. 1997). The principle may be traced even further back to the 1881 opinion *In re English*, where a district court rejected an argument that title could not be challenged upon expiration of the limitations period: “This would be to give to the statute of limitations when it has closed the force of a judicial decree establishing conclusively the rights of the parties. But such is not its operation. Statutes of limitation operate upon the remedy, not the title.” 6 F. 276, 278 (W.D. Pa. 1881).

*Zuill v. Shanahan: the beginning of big trouble—
Merchant v. Levy*, § 20:38.

Other than to note that the plain language of the statute supports her position,⁹ Plaintiff can do no better in explaining the problems of this approach than Patry’s extended disquisition:

There are important constitutional principles that support *Stone v. Williams*’ construction of the statute. Assume plaintiff is the true sole author of a work. Defendant claims to be a joint author, but in fact only contributed ideas or other unprotectible material. Applying section 507 to deprive plaintiff of sole authorship would effectively make a joint author out of a party who is constitutionally incapable of being one. Although the inquiry into whether a coauthor contributed expression may make it less clear who owns copyright in some situations, the constitutional limitation on copyright vesting only in authors is certainly more important than the desire to quiet title.

⁹ “No civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued.” 17 U.S.C. § 507(b). “[T]he claim” in this case is for infringement. There is no “claim” for ownership. In most relevant part, Black’s defines a “claim” to be “A demand for money, property, or a legal remedy to which one asserts a right; esp., the part of a complaint in a civil action specifying what relief the plaintiff asks for.” BLACK’S LAW DICTIONARY (11th ed. 2019). Thus this case is even easier than *Stone*, where there was a “claim” for ownership in the form of a declaratory relief claim. No such “claim” is pleaded here. JA428-430.

Other problematic uses of the statute of limitations to deprive authors of authorship status can easily be conceived. Assume a co-author brings a declaratory judgment against a person claiming falsely to be the heir of the other coauthor. The coauthor bringing the suit has known of the false claim for 10 years but ignored it because the work wasn't licensed and thus it made no economic sense to initiate litigation. Ten years after such awareness, the false heir licenses the work for inclusion in a motion picture, falsely asserting that she is the sole owner. Under *Merchant's* interpretation of *Stone*, the true coauthor would be deprived of all remedies and rights because there was no uncertainty surrounding the relative's status as a member of the author's family.

Or assume two individuals, A and B, both claim rights in the same work. A claims sole authorship and is aware that B is also claiming sole authorship, but does nothing for four years because the work isn't being exploited. In the fourth year, a third party infringes the work. B brings an infringement action and A seeks to intervene. B opposes the intervention because he claims A is barred from asserting ownership rights. While the action is one for infringement, the dispute between A and B doesn't turn on the infringement. Under *Zuill-Merchant*, it is uncertain whether A would be barred from intervening, and the uncertainty is the direct result of the questionable distinction

drawn between infringement and ownership for statute of limitations purposes, a topic to which we now turn.

In any event, it is not clear that *Zuill-Merchant* are good law after the Supreme Court's later decision in *TRW, Inc. v. Andrews* [534 U.S. 19 (2001)]. As Judge Lewis Kaplan wrote in *Auscape International v. National Geographic Society*[409 F. Supp. 2d 235, 244 (S.D.N.Y. 2004)], now the leading case on the issue:

[T]wo things are clear in the aftermath of *TRW*. First, it is uncertain whether *Stone* and *Merchant* remain good law even in the co-ownership context, as both were premised upon the automatic application of the discovery rule that the Supreme Court rejected in *TRW*. Second, regardless of whether *Stone* and *Merchant* continue to govern in the co-ownership context, *TRW* demonstrates that uncritical extension of those cases to the infringement context would be unwarranted. Instead, *TRW* requires examination of the statutory structure and legislative history in determining whether a discovery or injury rule should apply where, as here, the statute itself is silent on the issue.

6 Patry on Copyright, *Statute of limitations and ownership claims—Problems with Zuill-Merchant*, § 20:39.

B. Even accepting the District Court's framework, it erred as a matter of law by asking when Plaintiff learned of Defendants' infringement instead of Defendants' claim of ownership.

“The only ray of hope that one may cling to in *Zuill* is the high threshold it set for accrual: there must be a ‘plain and express repudiation’ of plaintiff’s ownership claim in order for the limitations period to begin.” 6 Patry on Copyright, *Statute of limitations and ownership claims—Zuill v. Shanahan: the beginning of big trouble*, § 20:37. All the courts to address this point explicitly are in accord, *Consumer Health Information Corp. v. Amylin Pharmaceuticals, Inc.*, 819 F.3d 992, 997 (7th Cir. 2016) (“explicit”); *Brownstein v. Lindsay*, 742 F.3d 55, 70 (3d Cir. 2014) (“express”); *Stan Lee Media, Inc. v. Walt Disney Co.*, 774 F.3d 1292, 1300 n.4 (10th Cir. 2014) (“express-repudiation”); *Ritchie v. Williams*, 395 F.3d 283, 288 n.5 (6th Cir. 2005) (“plain and express repudiation”), as is this Court, *Gary Friedrich Enterprises, LLC v. Marvel Characters, Inc.*, 716 F.3d 302, 317 (2d Cir. 2013).

Under all these tests, there is no question that Defendants’ fraudulent copyright registration was insufficient to put Plaintiff on notice of their ownership claim. *Wilson v. Dynamic Publ’g Co.*, 892 F.3d 112, 119 (2d Cir. 2018); *Gaiman v. McFarlane*, 360 F.3d 644, 653 (7th Cir. 2004) (rejecting registration and affixation of a copyright notice on a collective work as sufficient notice) (Posner, J.). Exploitation of the copyright in another country, as Defendants did when they took a Brazilian beach seamstress’ design and sold it in the American fashion market, is not even reasonable notice of copying or preparing of

derivative works, to say less a plain and express repudiation of ownership. Finally, there is no evidence in the record that Defendants directly communicated any sort of “plain and express” repudiation to Plaintiff’s. Thus, all we are left with are inferences from Plaintiff’s statements, which do not support—far less compel, so as to permit summary judgment—the conclusion she was aware of Defendants’ audaciously fraudulent claim of ownership.

The district court’s reliance on Plaintiff’s November 2015 Facebook post confirms the court’s error, as the post reflects nothing approaching Plaintiff’s awareness of a “plain and express repudiation” of her ownership of what is indisputably her original design. The overarching theme of the post is that others had been selling “very badly made” knockoffs of Plaintiff’s original design. Among them, Plaintiff took particular offense with Defendants’ knockoff: “Lack of greater respect now the kiini saying creator of bikinis’. My creation since 1998. She says this piece is Austrian and not Brazilian. Come here besides Brazilian is our Trancoso. Trancoso is a witness to this achievement.” JA4-5. Plaintiff’s post was not alleging that Defendants took one of her actual handsewn bikinis from Trancoso, expressly denied that plaintiff had created it, and resold that actual bikini as their own creation, which would be the situation were this an authorship claim. Instead, it is apparent that plaintiff was upset that defendants were claiming that Defendants’ “badly made” knockoff was an Austrian-inspired design, when in fact, it derived from her Brazilian design. Substantially similar? Overwhelmingly similar? Yes to both, but undeniably and indisputably different actual “works.”

This is what the district court missed so badly—that this case is not about authorship because it is not about a single song (*Merchant*), book (*Kwan*), program (*Zuill*), or other work that has been copied word for word and that’s it. Plaintiff’s case did not claim she authored or co-authored Defendants’ “badly made” knockoff bikini (infringing her right to prepare derivatives), and not until it became clear via discovery in this litigation did she understand that Defendants were also fraudulently claiming they authored her original handsewn bikini based on a copy bought from her (infringing her reproduction, distribution, and display rights). As such, the fact that Defendants may have been the most egregious of multiple infringers did not transform Plaintiff’s infringement claim into an authorship claim. Copyright owners are entitled to believe infringers may simply be infringing a work, perhaps accidentally or with a good-faith belief they have a right or defense to do so, and will respond to a request to stop. They do not have to assume every infringer is also in the process of committing a federal criminal offense by lying to the Copyright Office. *See* 18 U.S.C. § 506(e).

II. The District Court’s Dismissal of the Intentional Inference with Prospective Economic Advantage and Unfair Competition Law Claims Should Be Reversed for *Van Dusen* Error.

For more than fifty years, the law has been clear. A “change of venue under s 1404(a) generally should be, with respect to state law, but a change of courtrooms.” *Van Dusen v. Barrack*, 376 U.S. 612, 639 (1964); *Ferens v. John Deere Co.*, 494 U.S. 516, 523 (1990) (“A transfer under § 1404(a), in other words,

does not change the law applicable to a diversity case.”). It is true that the circuit courts are divided on whether the holding of *Van Dusen* extends to federal claims, with this Court holding that it does not. Compare *In re Ford Motor Co.*, 591 F.3d 406, 413 n.15 (5th Cir. 2009) (where federal “law is ‘geographically non-uniform, a transferee court should use the rule of the transferor forum in order to implement the central conclusion of *Van Dusen v. Barrack*, 376 U.S. 612 (1964), and *Ferens v. John Deere Co.*, 494 U.S. 516 (1990): that a transfer . . . accomplishes ‘but a change of courtrooms.’” (quoting *Eckstein v. Balcor Film Investors*, 8 F.3d 1121, 1127 (7th Cir. 1993))) with *Desiano v. Warner-Lambert & Co.*, 467 F.3d 85 (2d Cir. 2006) (“We have previously held that a transferee federal court should apply its interpretations of federal law, not the constructions of federal law of the transferor circuit. . . . [F]ederal courts comprise a single system applying a single body of law, and no litigant has a right to have the interpretation of one federal court rather than that of another determine his case. . . .” (quoting *Menowitz v. Brown*, 991, F.2d 36, 40 (2d Cir. 1993))). See generally *Hooper v. Lockheed Martin Corp.*, 688 F.3d 1037, 1044-47 (9th Cir. 2012) (surveying cases).

At least as to cases like this one and *Desiano*, which held that a transferee court should apply its own law to determine whether a state law is preempted by federal law, this Circuit is firmly on the wrong side of the split. The question is not about the federal-versus-state nature of the question, but about the federal-versus-state nature of the claim. If the underlying claim is a state-law claim, as Plaintiff’s unfair competition and intentional interference claims

are, then *Van Dusen* and *Ferens* require that the parties remain in the exact same legal position as if the case had not been transferred under Section 1404(a). This is so not just as to questions of preemption, but removal and other federal jurisdiction-related issues. Otherwise, a transfer under Section 1404(a) would change the outcome on the state-law claims, undermining all the policies given in *Van Dusen* for not adopting such an approach:

First, § 1404(a) should not deprive parties of state-law advantages that exist absent diversity jurisdiction. Second, § 1404(a) should not create or multiply opportunities for forum shopping. Third, the decision to transfer venue under § 1404(a) should turn on considerations of convenience and the interest of justice rather than on the possible prejudice resulting from a change of law.

Ferens, 494 U.S. at 523 (1990).

Ninth Circuit law should therefore determine whether Plaintiff's state-law claims are preempted. And it is uncontested that Ninth Circuit law, on which Plaintiff relied in all the briefing below, would not treat Plaintiff's state-law claims as preempted. *Summit Mach. Tool Mfg. Corp. v. Victor CNC Sys., Inc.*, 7 F.3d 1434, 1441 (9th Cir. 1993) (holding unfair competition law under reverse passing off theory not preempted); see *Hernandez v. Pac. Mar. Ass'n*, 379 F. App'x 668, 670 (9th Cir. 2010) (unpublished) ("Under California law, the tort of interference with prospective economic advantage requires proof, among other things, of the existence of an economic relationship between the plaintiff and a third party, with the probability of future economic benefit to the plaintiff. [citations

omitted] The plaintiff also must prove that the [intentional] interference [with prospective economic advantage] was ‘wrongful by some legal measure other than the fact of interference itself.’” (quoting *Overstock.com, Inc. v. Gradient Analytics, Inc.*, 151 Cal. App. 4th 688 (Cal. Ct. App. 2007) & *Della Penna v. Toyota Motor Sales, U.S.A., Inc.*, 902 P.2d 740, 751 (Cal. 1995))).

III. The District Court’s Dismissal of the Intentional Inference with Prospective Economic Advantage and Unfair Competition Law Claims Should Be Reversed Regardless Which Circuit’s Law Applies.

A. The intentional interference with prospective economic advantage claim is not preempted and does not fail to state a claim.

If Plaintiff is not an owner of her design under the Copyright Act, then her claim for tortious interference is not “based on the unauthorized publication of a work protected by the Copyright Act.” *Vargas v. Viacom Int’l, Inc.*, No. 18 Civ. 474, 2018 WL 6920769, at *9 (S.D.N.Y. Nov. 30, 2018). It is no longer simply that Plaintiff’s complaint “pleaded additional elements of awareness and intentional interference, not part of a copyright infringement claim”; because her work is unprotected by the Copyright Act, this claim “establish[es] qualitatively different conduct on the part of the infringing party” and “a fundamental nonequivalence between the state and federal rights implicated.” *Harper & Row Publishers, Inc. v. Nation Enters.*, 723 F.2d 195, 201 (2d Cir. 1983), *rev’d on other grounds*, 471 U.S. 539 (1985). A rights-obliterating, as opposed

to a remedies-limiting, approach to the statute of limitations questions necessarily alters the nature of the right, creating space for common-law copyrights and common-law as well as state statutory claims available.

The District Court's dismissal of this claim for failure to state a claim was erroneous regardless. It was right to observe that "[t]he law of both states requires that parties plead intentional interference with a pre-existing, non-speculative relationship with third parties." JA307. But Plaintiff has pleaded precisely those relationships: with her customers on the beach in Trancoso. The District Court seemed to be under the impression this claim required a pre-existing, non-speculative relationship with some other business enterprise. No such requirement exists. By diluting the market value of Plaintiff's bikinis through flooding the market with knock-off goods, Defendants made it harder for Plaintiff to sell her bikinis to her beach customers.

B. The unfair competition law claim is not preempted.

This Court has previously held that Plaintiff's claim under California law for unfair competition by reverse passing off is preempted by the Copyright Act. *Computer Assoc's Intern. Inc. v. Altai, Inc.*, 982 F. 2d 693, 717 (2d Cir. 1992); *Shepard v. European Pressphoto Agency*, 291 F. Supp. 3d 465, 475 (S.D.N.Y. 2017). As noted above, and by the District Court (JA303), Ninth Circuit law is to the contrary because it considers unfair competition claims for reverse palming off to have an extra element precluding preemption, namely the reverse palming off. *Summit*

Mach. Tool Mfg. Corp. v. Victor CNC Sys., Inc., 7 F.3d 1434, 1441 (9th Cir. 1993) (“State unfair competition laws which seek to prevent reverse palming off are not preempted by federal law.”). If, contrary to the argument in Part II above, Second Circuit law rather than Ninth Circuit law applies, Plaintiff accepts that this claim is foreclosed as a matter of Circuit precedent. She nevertheless preserves her objection to this Circuit’s rule in *Computer Assoc’s Intern. Inc. v. Altai, Inc.* and its progeny for purposes of further review. Plaintiff therefore urges this Court to adopt the Ninth Circuit’s approach and conclude that state-law unfair competition claims based on a reverse passing or palming off theory are not preempted because such claims include an “‘extra element’ which changes the nature of the action.” *Summit Mach. Tool Mfg. Corp.*, 7 F.3d at 1441.

CONCLUSION

In the end, this is not a difficult case. Plaintiff cannot recover for all that Defendants have stolen from her, but she can recover for that which they have stolen within the three years preceding this complaint. If she can never recover for Defendants’ brazen theft of her intellectual property under the Copyright Act, then state law has a lacuna to fill that is not preempted.

WHEREFORE Plaintiff respectfully requests that the Court reverse the District Court and remand for further proceedings on her Copyright Act claim and state-law intentional interference with prospective economic advantage and unfair competition claims.

App.109a

Respectfully submitted,

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Dated: August 9, 2021
Los Angeles, CA

**BRIEF FOR DEFENDANTS-APPELLEES
IPEK IRGIT AND KIINI LLC
(NOVEMBER 8, 2021)**

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

MARIA SOLANGE FERRARINI,

Plaintiff-Appellant,

v.

IPEK IRGIT, an Individual,
KIINI, LLC, a New York Limited Liability Company,

Defendants-Appellees.

21-0597-cv

On Appeal from the United States District Court
for the Southern District of New York

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CORPORATE DISCLOSURE STATEMENT

Kiini is a non-governmental corporate party with no parent corporation. No publicly held corporation owns 10% or more of its stock.

{ Note: Table of Contents and
Table of Authorities Omitted }

STATEMENT OF THE ISSUES PRESENTED

1. Whether the district court correctly granted summary judgment in favor of Defendants on Plaintiff's copyright ownership claim under the applicable statute of limitations?

2. Whether the district court correctly dismissed Plaintiff's state law claims because they were preempted by the federal Copyright Act and for failure to state a claim?

STATEMENT OF THE CASE

Plaintiff-Appellant Maria Solange Ferrarini, a resident and citizen of Brazil, waited too long to file her alleged copyright ownership claim against Defendants-Appellees Kiini, LLC and Ipek Irgit. Through her own fashion, design, and marketing creativity, Ms. Irgit built Kiini into a small but successful swimwear company, selling women's swimsuits that have received worldwide media attention, including in Brazil. (JA-160 at ¶¶ 6-7; JA-191 at 28:16-23; JA-192 at 31:4-32:2; JA-160 at ¶ 12; JA-198-212.) Plaintiff, who claims to have spent the last 30 years on the beaches of Trancoso, Brazil, hand-knitting bikinis and selling them to beachgoers (JA-159 at ¶ 26; JA-218-219 at 63:11-65:5), admitted under oath at her deposition that she has known about Kiini and its bikinis since 2013 or 2014, but deliberately chose not to bring any action to challenge Defendants' claim to ownership of the design. (JA-163 at ¶¶ 33-35; JA-216 at 17:14-15, 18:9-19:7.) Plaintiff filed this copyright claim only on April 11, 2019, six years after she admittedly first learned that Kiini was claiming ownership of what Plaintiff also claims is her design, aided by a Kiini competitor seeking to usurp the

success that was the product of Ms. Irgit's creativity and hard work. (JA-408-430.)

As the district court properly held, Plaintiff is too late; the statute of limitations governing Plaintiff's copyright claim has expired. Moreover, Plaintiff's state law claims are preempted by federal copyright law and otherwise fail to state a claim; therefore, they, too, properly were dismissed by the district court.

A. Statement of Facts

Drawing on years of crochet experience and other inspirations (JA-193 at 62:17-63:24; JA-195 at 109:8-112:25), Ipek Irgit created a bikini design involving loops of elastic passing through crochet hoops (the "Kiini Bikini") (JA-194 at 103:21-23). The first time Ms. Irgit saw the Kiini Bikini design was in her own home, after she made it. (JA-195 at 109:8-112:25.) She did not steal anyone else's design. (*Id.*) In January 2013, Ms. Irgit formed Kiini, LLC and began manufacturing, marketing, and selling swimwear using the Kiini design. (JA-160 at ¶¶ 6-7; JA-191 at 28:16-23; JA-192 at 31:4-32:2.) On December 18, 2014, Ms. Irgit registered the copyright of the Kiini Bikini design titled "Bathing Suit Art #1" with the United States Copyright Office. (JA-160 at ¶¶ 9-10; JA-434-435.) On August 24, 2015, Ms. Irgit assigned the copyright to Kiini. (JA-160 at ¶ 11.) Since at least 2014, the Kiini Bikini has been widely publicized and has been featured in multiple fashion publications across the world, including in Brazil, and has a significant presence on social media, including Facebook and Instagram. (JA-160 at ¶ 12; JA-198-212.)

Plaintiff claims to have spent approximately the last 30 years on the beaches of Trancoso, Brazil,

crocheting bikinis and selling them to beachgoers. (JA-159 at ¶ 26; JA-218-219 at 63:11-65:5.) Plaintiff, however, has never attempted to sell her bikinis outside of Trancoso and has never engaged in any marketing of her bikinis. (JA-159 at ¶ 27; JA-221 at 90:23-91:2; JA-222 at 116:10-117:4.) Plaintiff was aware, at least as early as 2009, that others were copying the Ferrarini Bikini design but, prior to filing this lawsuit, Plaintiff never took any steps to claim ownership of the design or to enforce any copyright. (JA-162-163 at ¶¶ 28-31; JA-221 at 91:21-23.)

Plaintiff admitted at her deposition that she has known of Defendants' marketing of the Kiini Bikini since as early as 2013 or 2014:

Q: When were you aware that Kiini had copied the bikinis?

A: Approximately in 2013, 2014. I don't remember very well. . . .

* * * *

Q: So between 2013/2014 when you first learned that Kiini was copying your bikini design until you hired [Plaintiff's Brazilian counsel] Mr. Fida in 2017, what, if anything, did you do to protect your intellectual property rights in your bikini? [. . .]

A: I got very sick. I suffered a lot with that. . . . I did not have money to hire a lawyer, and all the attorneys wanted me to pay in advance. Until Mr. Fida came into my life, I didn't have the means to do that.

(JA-216 at 17:14-15, 18:9-19:7.) Plaintiff also testified at her deposition that she spoke to lawyers at the

time about enforcing her copyright rights against Defendants, but Plaintiff was unwilling to pay a lawyer to do so. (*Id.*) Rather, Plaintiff testified that she deliberately chose not to pursue any claim. (*Id.*)

On September 28, 2014, Plaintiff sent a Facebook message directly to Ms. Irgit stating:

“It is a perfect copy of my creation from 1987, which I sell on the beaches of Trancoso.[] That is what I call a lack of creativity. They should be ashamed of doing that to me, it’s very disappointing to see someone take advantage of another person’s work. That’s horrible, I don’t like it.”

(JA-17-19.)

On November 8, 2015, in a Facebook post, Plaintiff acknowledged that she was aware that Defendants were claiming that they had created the at-issue bikini design:

“Good afternoon guys! They’ve noticed that I’m off the internet and the reason is the copies. . . . Lack of greater respect now the kiini saying creator of bikinis. My creation since 1998. She says that this piece is Austrian and not Brazilian. Come here besides Brazilian is our Trancoso. Trancoso is a witness to this achievement. I have not forbidden anyone to copy and sell the horrible copies very badly made. . . . And you also think of the right to ban the sale in Brazil. I’ve been looking for my help. That’s why I’m here asking the women who have pictures of these old bikinis please send it to me. I want to help these without clue but Brazilian

also. The only thing in my reach is to ask for help from voices. Dear Women of style. My biquini is not fashion but style.”

(JA-230) (emphasis added.)

In 2016, Plaintiff was approached by an American attorney named, Jason Forge, who wife’s swimsuit company, PilyQ, had been sued by Kiini for selling knock-offs of the Kiini swimsuit. (JA-160 at ¶¶ 13-15, 17-18; JA-171.) Mr. Forge caused PilyQ to enter into self-serving licensing agreement with Plaintiff under which Plaintiff was paid only \$7,700 per year. (JA-161 at ¶ 19; JA-171.) Mr. Forge also represented Plaintiff in filing for a copyright registration of Plaintiff’s bikini design (the “Ferrarini Bikini”) on June 23, 2018 (JA-411 at ¶ 20) and arranged for counsel to file Plaintiff’s original unfair competition claim lawsuit in federal court in California. (JA-160-161 at ¶¶ 13-22.)

Based upon this evidence, the district court concluded as follows:

There is no genuine dispute of material fact as to whether Plaintiff was on notice of the parties’ ownership dispute prior to April 11, 2016. During her deposition Plaintiff testified that she became aware that Kiini had copied the Ferrarini Bikini “[a]pproximately in 2013, 2014.” On September 28, 2014, Plaintiff sent a message directly to the Kiini Facebook account, referring to Kiini’s products as a “perfect copy of [her] creation from 1987,” and expressing her disappointment “to see someone take advantage of another person’s work.” On November 8, 2015, Plaintiff acknowledged the parties’ dispute about

ownership of the bikini design in a Facebook post in which she stated that, “now the kiini saying creator of bikinis.” Plaintiff neither credibly challenges her own testimony and these Facebook posts, nor does she point to conflicting evidence in the record. In addition, Defendants point to the Kiini Copyright and widespread media coverage of the Kiini Bikini, as evidence that Plaintiff was on notice of the parties’ ownership dispute prior to April 11, 2016. In light of the evidence, no reasonable juror could find that Plaintiff was first on notice of the parties’ ownership dispute on or after April 11, 2016, and not before. Plaintiff’s copyright claim is time barred.

(JA-10.)

B. Statement of Procedural History

On June 13, 2018, Plaintiff filed a Complaint in the United States District Court for the Central District of California alleging a single claim of unfair competition in violation of California Business and Professions Code § 17200 *et seq.* (ECF No. 1.) Defendants moved to dismiss the original Complaint for lack of personal jurisdiction and for failure to state a claim; in the alternative, Defendants moved to transfer the case to the Southern District of New York under 28 U.S.C. § 1404(a). (ECF No. 13.)

On July 27, 2018, Defendants filed a Motion to Disqualify Counsel for Plaintiff. (ECF No. 18.) Specifically, Plaintiff’s counsel had represented Victoria’s Secret in a copyright infringement lawsuit filed against it by Kiini, was bound by a protective order entered

in that case, and the confidentiality provision of the parties' settlement agreement but, nevertheless, violated both by using information obtained in the Victoria's Secret lawsuit in the complaint filed on behalf of Plaintiff Ferrarini. (*Id.*)

On December 28, 2018, the California district court granted Defendants' motion to transfer the case to the Southern District of New York. (JA-455-460.)

When Plaintiff's California attorney moved for admission *pro hac vice* in the Southern District of New York, Defendants opposed the motion for the same reasons set forth in Defendants' previously filed motion to disqualify. (ECF No. 46.) The district court treated Defendants' opposition as a motion to disqualify Plaintiff's counsel, which was denied by order dated March 7, 2019. (ECF No. 52.) Specifically, the district court viewed Ferrarini's attorney's representation as a potential ethics violation but not a basis for disqualifying counsel. (*Id.* at 3-4.)

On April 11, 2019, Plaintiff filed an Amended Complaint in the Southern District of New York, adding a copyright claim and state law claims for conversion and intentional interference with prospective economic advantage. (JA-408-430.) All of Plaintiff's claims were premised upon the allegation that Defendants had knocked off, copyrighted and sold a bikini design that Ferrarini had created.

Defendants moved to dismiss the Amended Complaint on the grounds that Plaintiff's copyright ownership claim was time barred and that Plaintiff's state law claims were preempted by the Copyright Act and otherwise failed to state a claim as a matter of law. (JA-330-407.) On January 9, 2020, the district

court granted Defendants' motion to dismiss Plaintiff's state law claims on the basis that they were preempted by federal copyright law and for failure to state a claim but denied Defendants' motion to dismiss Plaintiff's copyright claim. (JA-293-308.) Specifically, although the district court agreed with Defendants that Plaintiff's copyright claim was a copyright ownership claim, subject to a three-year statute of limitations (JA-296), the court ruled that discovery was necessary because "it was not apparent on the face of the Complaint that the [copyright] claim accrued more than three years before Plaintiff brought this action." (*Id.*)

On January 23, 2020, Plaintiff filed a motion for reconsideration of the district court's ruling that Plaintiff had pled a copyright ownership claim rather than an infringement claim. (ECF No. 114.) On February 11, 2020, the district court denied Plaintiff's motion, explaining among other things that, "as the Court observed in the Opinion, Plaintiff's Complaint includes repeated allegations that Defendants have claimed the design as their own and have registered the design with the United States Copyright Office." (JA-274.)

At the end of discovery, Defendants moved for summary judgment on Plaintiff's copyright claim on statute of limitations and other grounds. (JA-267.) In its opposition papers, Plaintiff once again sought to re-litigate the district court's prior ruling that Plaintiff's Complaint alleged a copyright ownership claim. (JA-130.) On February 17, 2021, the district court granted Defendants' motion for summary judgment, ruling that there is no genuine issue that Plaintiff was aware of Defendants' claim of ownership more than three

years prior to the filing of the Amended Complaint. (JA-2-12.)¹

SUMMARY OF ARGUMENT

Three times the district court considered and rejected Plaintiff's assertion that her Amended Complaint pleaded something other than the copyright ownership claim actually alleged by its plain terms, correctly relying upon this Court's decision in *Kwan v. Schlein*, 634 F.3d 224 (2d Cir. 2011). Plaintiff's argument that the district court applied the wrong legal framework, relying on *Stone v. Williams*, 970 F.2d 1043 (2d Cir. 1992), which has been limited to its facts, is without merit. Moreover, the district court correctly concluded that there was no genuine dispute that Plaintiff had failed to file her copyright claim within three years of learning of the ownership dispute. In granting summary judgment in favor of Defendants on Plaintiff's copyright claim, the district court rightly found that "[t]he record evidence—including Plaintiff's Facebook posts, the Kiini copyright and widespread media coverage of the Kiini Bikini—shows that, no later than 2015, Plaintiff was aware of both the sales of the Kiini Bikini and the parties' ownership dispute, and this evidence is undisputed by any contrary evidence." (JA-10.) Indeed, as the district court recognized, Plaintiff admitted at her deposition that she was aware of Appellees' bikinis as early as 2013-2014—years before the bar date. (JA-9.)

¹ The district court did not address the other bases raised by Defendants' in their motion for summary judgment on the copyright claim because of its conclusion that Plaintiff's copyright claim was time barred.

The district court also properly dismissed Plaintiff's state law claims as preempted by federal copyright law and for failure to state a claim. Plaintiff argues for the first time on appeal that binding Second Circuit precedent, which requires the transferee court to apply its own interpretations of federal law in a case transferred under 28 U.S.C. § 1404(a), is not good law and that, therefore, Ninth Circuit law should apply to the question of whether Plaintiff's state law claims are preempted by the Copyright Act. Plaintiff waived this issue by not raising it below. In any event, the district court properly applied Second Circuit law in dismissing Plaintiff's state law claims.

ARGUMENT

I. THE DISTRICT COURT PROPERLY RULED THAT PLAINTIFF'S COPYRIGHT OWNERSHIP CLAIM IS TIME BARRED.

Standard of Review

A district court's grant of summary judgment is reviewed *de novo*. *Spak v. Phillips*, 857 F.3d 458, 461 (2d Cir. 2017).

Discussion

Plaintiff argues on appeal that the district court erred in holding that Plaintiff's Amended Complaint alleged a copyright ownership claim, not a copyright infringement claim. Plaintiff argues in the alternative that the district court erred in ruling that there was no genuine dispute that Plaintiff was aware of the ownership dispute more than three years prior to filing her copyright claim in the Amended Complaint. Both arguments are without merit.

A. The District Court Correctly Ruled that Plaintiff's Amended Complaint Alleged a Copyright Ownership Claim for Statute of Limitations Purposes.

Plaintiff argues on appeal that the district court misconstrued Plaintiff's copyright claim as an ownership, rather than infringement, claim. The district court's ruling that the Amended Complaint alleged a copyright ownership claim, however, correctly applied Second Circuit precedent. Therefore, the district court's judgment should be affirmed.

“Under the Copyright Act a claim must be brought within three years from the time it accrued.” *Latin Am. Music Co. v. Spanish Broad. Sys.*, 738 F. App'x 722, 723 (2d Cir. 2018). *See also* 17 U.S.C. § 507(b) (“No civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued.”). A copyright claim's accrual date depends on whether the claim is an ownership claim or an infringement claim. To prove a copyright infringement claim, “the plaintiff must show: (i) ownership of a valid copyright; and (ii) unauthorized copying of the copyrighted work.” *Sohm v. Scholastic, Inc.*, 959 F.3d 39, 48 (2d Cir. 2020). In a case such as this, “where . . . plaintiff's copyright ownership is not conceded (and, in fact, the defendant holds a prior copyright registration certificate for the disputed work), copyright ownership, and not infringement, is the gravamen of the plaintiff's claim to which the statute of limitations is applied.” *Kwan v. Schlein*, 634 F.3d 224, 230 (2d Cir. 2011) (*citing Ortiz v. Guitian Bros. Music Inc.*, No. 07 Civ. 3897, 2008 WL 4449314, at *3 (S.D.N.Y. Sept. 29, 2008)); *see also Big East Entm't, Inc. v. Zomba Enters., Inc.*,

453 F. Supp. 2d 788, 796 (S.D.N.Y. 2006) (“[T]he statute of limitations cannot be defeated by portraying an action as one for infringement when copyright ownership rights are the true matter at issue.”), *aff’d on other grounds*, 259 Fed. Appx. 413 (2d Cir. 2008).

Whether a copyright claim is an ownership or infringement claim impacts the applicable statute of limitations. As this Court further explained in *Kwan*:

An ownership claim accrues only once, when “a reasonably diligent plaintiff would have been put on inquiry as to the existence of a right.” *Stone v. Williams*, 970 F.2d 1043, 1048 (2d Cir. 1992). Under this rubric, any number of events can trigger the accrual of an ownership claim, including “[a]n express assertion of sole authorship or ownership.” *Netzer v. Continuity Graphic Assocs., Inc.*, 963 F. Supp. 1308, 1315 (S.D.N.Y. 1997) (citing *Zuill v. Shanahan*, 80 F.3d 1366, 1370 (9th Cir. 1996)); *accord Merchant v. Levy*, 92 F.3d 51, 56 (2d Cir. 1996) (citing *Stone*, 970 F.2d at 1048). By contrast, an infringement action may be commenced within three years of any infringing act, regardless of any prior acts of infringement; we have applied the three-year limitations period to bar only recovery for infringing acts occurring outside the three-year period. *See Merchant*, 92 F.3d at 57 n. 8.

Id. at 228. *Accord Wilson v. Dynatone Publ’g Co.*, 892 F.3d 112, 118 (2d Cir. 2018). And, because “ownership” is an element of an infringement claim, this Court held in *Kwan*, that “‘infringement’ claims . . . are time-barred as a matter of law . . . where the underlying

ownership claim is time-barred.” *Id.* at 229-30 (holding that where “ownership is the dispositive issue, any attendant infringement claims must fail.”); *accord Charles v. Seinfeld*, 803 Fed. Appx. 550, 551-52 (2d Cir. 2020) (holding that “the central issue is clearly a dispute over ownership,” and plaintiff’s infringement claim was time-barred because his ownership claim was time-barred); *Latin Am. Music Co.*, 738 F. App’x at 723 (“Where ownership is at issue, and the ownership claim is time-barred . . . any attendant infringement claims must fail.”); *Simmons v. Stanberry*, 810 F.3d 114, 116 (2d Cir. 2016) (“Where the plaintiff’s claims were rooted in her contested assertion of an ownership interest in the copyright, and that claim of ownership interest was time-barred because of the plaintiff’s delay in suing, the plaintiff could not resuscitate the untimely claim by relying on claims against the defendants’ continuing course of infringing publication after the plaintiff’s ownership claim became time-barred. . . . Where . . . the ownership claim is time-barred, and ownership is the dispositive issue, any attendant infringement claims must fail.”).

Here, the district court correctly concluded that Plaintiff had alleged a copyright ownership claim. As the district court recognized, the Complaint alleged that Defendant Irgit “plotted to claim the design as her own” (JA-409 at ¶ 4); “founded a company to sell her stolen design” (*Id.* at ¶ 5); “[i]n an attempt to conceal the true authorship of the bikini design . . . [Defendant] Irgit registered [Plaintiff’s] design with the United States Copyright Office” (*Id.* at ¶ 6); “falsely claim[ed]” she was the design author (*Id.* at ¶ 7); and “continues to falsely claim she made [the bikini] with her grandmother when she was 10 or 11.” (JA-411 at

¶ 25.) Moreover, Defendants and then, more recently, Plaintiff have registered dueling copyrights of the bikini design, and Defendants do not concede that Plaintiff owns the copyright; therefore, as the district court concluded in its order on Defendants' motion to dismiss, "any finding of infringement must be predicated on a finding of ownership of the copyright in question." (JA-297) (*citing Cole v. Blackwell Fuller Music Publ'g, LLC*, No. 16 Civ. 7014, 2018 WL 4680989, at *5 (S.D.N.Y. Sept. 28, 2018) ("Since Defendants do not concede that Plaintiff is owner of [the disputed] copyrights . . . the relevant statute of limitations inquiry relates to the claim of ownership").

Three times Plaintiff argued in the district court that her copyright claim was not an ownership claim and three times the district court rejected her argument. She now argues on appeal that the district court's statute of limitations ruling was wrong as a matter of law on the basis that the Second Circuit precedent, unfavorable to her claim, should be abandoned. Plaintiff is wrong—this Court made clear in *Kwan* that a claim for copyright infringement cannot proceed where the underlying ownership claim is barred by the statute of limitations. *See Kwan, supra*.

Plaintiff's Brief on Appeal engages in a convoluted discussion of *Stone v. Williams*, 970 F.2d 1043 (2d Cir. 1992), arguing that the failure to assert an ownership claim within the statute of limitations applicable to ownership claims should not bar a later claim for copyright infringement. (App. Br. at 12-20.) Plaintiff further argues that the holding in *Stone* "cannot be reconciled" with this Court's later holdings in *Kwan* and *Merchant v. Levy*, 92 F.3d 51 (2d Cir. 1996). (*Id.* at 16.) The Court in *Kwan* cited *Stone* for

the proposition that “[a]n ownership claim accrues only once, when ‘a reasonably diligent plaintiff would have been put on inquiry as to the existence of a right.’” *Kwan*, 634 F.3d at 228 (citing *Stone*, 970 F.2d at 1048). But the *Kwan* Court did not extend *Stone* to a case such as this; to the contrary, it held that where “the ownership claim is time-barred, and ownership is the dispositive issue, any attendant infringement claims must fail.” *Id.* at 230; *see also Gary Friedrich Enters., LLC v. Marvel Characters, Inc.*, 716 F.3d 302, 316-17 (2d Cir. 2013) (citing *Kwan*). The *Merchant* Court distinguished *Stone* as “based on highly idiosyncratic facts,” and “stand[ing] for the narrow proposition that, in certain situations, the statute of limitations will not be applied to defeat the copyright co-ownership claim of an author’s relative accruing more than three years before the lawsuit where uncertainty surrounded the relative’s status as a member of the author’s family.” *Id.* at 56. That is, in *Merchant*, this Court held that *Stone* is limited to the situation “where the copyright co-ownership claim was based on plaintiff’s uncertain status as an heir,” which is not this case at all. *Id.*

Plaintiff also continues to insist on appeal, as she did before the district court, that copyright ownership claims are limited to cases involving disputes between co-authors of written works. This argument is unsupported by case law. For example, Plaintiff quotes *Merchant* for the proposition that co-ownership claims are treated differently for statute of limitations purposes because “[a] co-author knows that he or she jointly created a work from the moment of its creation.” (App. Br. at 15.) This statement, however, is taken out of context. The *Merchant* Court’s point was that a

co-author is charged with knowledge of their ownership rights from the date of creation because they know that they jointly created a work from the moment it was created, whereas an heir of a co-author, as in *Stone*, may not be similarly certain of their legal rights:

Unlike *Stone*, where the copyright co-ownership claim was based on plaintiff's uncertain status as an heir, no similar uncertainty exists as to co-ownership rights based on co-authorship. A coauthor knows that he or she jointly created a work from the moment of its creation. Accordingly, the concerns motivating our decision in *Stone* are not present here.

Merchant, 92 F.3d at 56.

Moreover, the holding in *Kwan* has been extended beyond co-authorship claims. *See, e.g., Simmons*, 810 F.3d at 116 (rejecting plaintiff's attempt to distinguish this case from *Kwan* because he claimed to be an exclusive licensee rather than an owner of the copyright); *Charles*, 803 Fed. Appx. at 551-52 (holding that plaintiff was alleging that he was the sole author of the show and therefore asserting an ownership claim). The circumstances alleged in Plaintiff's Complaint fit well within this paradigm. And, in this regard, Plaintiff did not seek leave to amend her complaint even after the district court issued its decision on Defendants' motion to dismiss ruling that Plaintiff had pled an ownership, and not an infringement, claim. For these reasons, the district court's determination that Plaintiff has alleged an ownership claim for purposes of the statute of limitations should be affirmed.

B. The District Court Correctly Found There Was No Genuine Dispute of Material Fact That Plaintiff Was on Notice of the Copyright Ownership Claim Prior to the Bar Date.

Plaintiff also argues on appeal that there is a genuine dispute as to when Plaintiff was put on inquiry notice of Defendants' competing ownership claim. In fact, the evidence presented at summary judgment—including Defendant's own Facebook posts and admission at her deposition—categorically established that Plaintiff was aware of Defendants' claim of ownership more than three years before Plaintiff filed her copyright claim on April 11, 2019. Therefore, the district court's grant of summary judgment in favor of Defendants should be affirmed.

As the district court ruled, Plaintiff's ownership claim accrued only once, when she was put on inquiry as to the existence of her purported right to bring a copyright claim against Defendants. *See Kwan*, 634 F.3d at 228. "This Court has identified at least three types of events that can put a potential plaintiff on notice and thereby trigger the accrual of an ownership claim: public repudiation; private repudiation in communications between the parties; and implicit repudiation by conspicuously exploiting the copyright without paying royalties." *Wilson*, 892 F.3d at 118. But, "any number of events can trigger the accrual of an ownership claim, including an express assertion of sole authorship or ownership." *Kwan*, 634 F.3d at 228. For example, a claim can accrue when an owner becomes aware that copyrightable material is published by another claiming ownership or when an owner

learns they are entitled to royalties they are not receiving. *Gary Friedrich Enters.*, 716 F.3d at 316-17.

Here, Plaintiff testified under oath at her deposition that already in 2013 or 2014, she had actual knowledge of Defendants' conduct and that she knowingly chose not to pursue a claim:

Q: When were you aware that Kiini had copied the bikinis?

A: Approximately in 2013, 2014. I don't remember very well. . . .

* * * *

Q: So between 2013/2014 when you first learned that Kiini was copying your bikini design until you hired [Plaintiff's Brazilian counsel] Mr. Fida in 2017, what, if anything, did you do to protect your intellectual property rights in your bikini? [. . .]

A: I got very sick. I suffered a lot with that. . . . I did not have money to hire a lawyer, and all the attorneys wanted me to pay in advance. Until Mr. Fida came into my life, I didn't have the means to do that.

(JA-216 at 17:14-15, 18:9-19:7.)

Plaintiff's admission in her deposition testimony was corroborated by a Facebook message she sent directly to Ms. Irgit, on September 28, 2014, in which she criticized her for selling "a perfect copy of my creation" and for "tak[ing] advantage of another person's work." (JA-17-19.) Plaintiff also posted several statements online that corroborate that she was aware her rights were being repudiated before the accrual date, including the following November 8,

2015 Facebook post in which she complained that Kiini was claiming to be the creator of her bikini design:

“Good afternoon guys! They’ve noticed that I’m off the internet and the reason is the copies. . . . Lack of greater respect now the kiini saying creator of bikinis. My creation since 1998. She says that this piece is Austrian and not Brazilian. Come here besides Brazilian is our Trancoso. Trancoso is a witness to this achievement. I have not forbidden anyone to copy and sell the horrible copies very badly made. . . . And you also think of the right to ban the sale in Brazil. I’ve been looking for my help. That’s why I’m here asking the women who have pictures of these old bikinis please send it to me. I want to help these without clue but Brazilian also. The only thing in my reach is to ask for help from voices. Dear Women of style. My biquini is not fashion but style.”

JA-230 (emphasis added).) Plaintiff’s post distinguishes between Kiini’s claim that it was the creator of the bikinis and others who simply copied it. At her deposition, Plaintiff explained that “[p]eople can work and make money based on the Ferrarini bikini, my design, but no one has the right to consider themselves the creator or designer of the piece. I am the creator of this piece. . . . Why would they say that they are the creator of that piece?” (Ferrarini Tr. at 56:9-15.)

Because Plaintiff has admitted that she was on notice of her copyright rights before the bar date, there is no need to reach the issue of repudiation. Nonetheless, Defendants’ extensive marketing and

sale of the Kiini Bikini since 2013, without crediting or compensating Plaintiff as the purported original creator of the of the at-issue bikini design, constituted public repudiation that put Plaintiff on inquiry notice of her copyright claim. *See, e.g., Gary Friedrich*, 716 F.3d at 316-17 (publishing a book without plaintiff's name on it would be sufficient repudiation to put plaintiff on notice) (*citing Kwan*, 634 F.3d at 229)).

As the district court recognized, in addition to Plaintiff's own 2015 Facebook post, there was widespread media coverage of the Kiini Bikini between May 2014 and September 2015. (JA-198-212.) The coverage, which features multiple front-page pictures of the Kiini Bikini, is found in virtually all the big-name fashion publications, such as *Vogue*, *Marie Claire*, *Elle*, *Oprah*, *Harper's Bazaar*, *Good*, *W Magazine*, *Cosmopolitan*, the *New York Post*, and *People Magazine*. Further, the coverage was published across the globe, in the United States, the U.K., Australia, Russia, Turkey, the Netherlands, France, Italy, Spain, and in Plaintiff's native Brazil. (*Id.*) This corroborates Plaintiff's testimony that she was aware of the Kiini Bikini as early as 2014. Indeed, Plaintiff herself quotes some of this 2014 media coverage—which “falsely promote[s] [the Kiini Bikini] as an original and falsely portray[s] Irgit as the creator of the design that Ferrarini created in 1998”—in her Complaint. (JA-11-12 at ¶ 46(k) (*quoting* Sagansky, Gillian, *Bikinis Forever*, *W MAGAZINE* (Sept. 15, 2014) (*available at* <https://www.wagazine.com/story/ipek-irgit-kiini-swimwear/>)).

The saturation coverage of Kiini's marketing and sale of the Kiini Bikini design—especially paired with Plaintiff's express admission that she knew about Defendants' alleged copying during the same period—

demonstrate that Plaintiff was on notice of the parties' ownership dispute and that Defendants had publicly repudiated Plaintiff's claim to the at-issue bikini design before the bar date. Moreover, Defendants had registered the Kiini bikini design with the U.S. Copyright Office in 2014. *See Complex Sys., Inc. v. ABN Ambro Bank N.V.*, 979 F. Supp. 2d 456, 472 (S.D.N.Y. 2013) (recognizing that a copyright registration certificate "put[s] the world on constructive notice" of the facts stated in the certificate, including ownership of the copyright") (collecting cases). Based on the entirety of this record, the district court correctly found there was no genuine dispute of material fact that Plaintiff was on notice of her copyright claim before the bar date of April 11, 2016.

Although Plaintiff complains that it would be unjust to dismiss her lawsuit, the very purpose of statutes of limitations is to prevent injustice to defendants and to relieve courts of the burden of adjudicating claims that could and should have been brought sooner:

Statutes of limitations are primarily designed to assure fairness to defendants. Such statutes "promote justice by preventing surprises through the revival of claims that have been allowed to slumber until evidence has been lost, memories have faded, and witnesses have disappeared. The theory is that even if one has a just claim it is unjust not to put the adversary on notice to defend within the period of limitation and that the right to be free of stale claims in time comes to prevail over the right to prosecute them." *Order of Railroad Telegraphers v. Railway Express*

Agency, Inc., 321 U.S. 342, 348-349 [1944].
Moreover, the courts ought to be relieved of the burden of trying stale claims when a plaintiff has slept on his rights.

Burnett v. N.Y. Cent. R.R. Co., 380 U.S. 424, 428 (1965).
See also Meyer v. Frank, 550 F.2d 726, 730 (2d Cir. 1977); *Twersky v. Yeshiva Univ.*, 993 F. Supp. 2d 429, 433 (S.D.N.Y. 2014) (“Statutes of limitations strike a balance between providing a reasonable time for victims to bring their claims while assuring that defendants have a fair opportunity to defend themselves before evidence is lost or memories fade.”). Plaintiff admits that she affirmatively chose not to file a copyright claim when she became aware of Defendants’ ownership claim because of personal reasons. (JA-163 at ¶¶ 33-35; JA-216 at 17:14-15, 18:9-19:7.) Indeed, Plaintiff did not do anything at all even to begin to take action with respect to her claimed copyright until after one of Defendants’ adversaries, from a different litigation, in pursuit of its own self-interest, found Plaintiff, began paying her a small licensing fee, and then arranged to retain counsel for Plaintiff. (JA-160-161 at ¶¶ 13-22.) Plaintiff sat on any rights she may have had and did not file her claim until well after the statutory period had run.

For these reasons, the evidentiary record established without a doubt that Plaintiff was aware of Defendants’ ownership claim long before the accrual date; Plaintiff did not, and has not on appeal, cited any contrary evidence. (JA-10-11.) Accordingly, Plaintiff’s claim is time barred and the district court’s grant of summary judgment on statute of limitations grounds should be affirmed.

II. THE DISTRICT COURT PROPERLY DISMISSED PLAINTIFF’S STATE LAW CLAIMS ON THE BASIS OF PREEMPTION AND FOR FAILURE TO STATE A CLAIM.

Standard of Review

This Court reviews *de novo* a district court’s application of preemption principles. *Goodspeed Airport LLC v. E. Haddam Inland Wetlands & Watercourses Comm’n*, 634 F.3d 206, 209 (2d Cir. 2011). A district court’s grant of a motion to dismiss under Federal Rule of Civil Procedure 12(b)(6) is reviewed *de novo*, “accepting all factual allegations (but not legal conclusions) as true and drawing all reasonable inferences in favor of the plaintiffs.” *Keiler v. Harlequin Enterprises Ltd.*, 751 F.3d 64, 68 (2d Cir. 2014).

Argument

Plaintiff’s Amended Complaint alleged three state law causes of action: a violation of California’s Business and Professions Code § 17200 et seq. (“Count II”), conversion (“Count III”), and tortious interference with prospective economic advantage (“Count IV”). (JA-408-430.) All three claims were premised upon the allegation that Defendants knocked off and then copyrighted Plaintiff’s bikini design. Defendants moved to dismiss those claims on the basis that, among other things, Plaintiff’s assertion of a right equivalent to those protected by the federal Copyright Act, but pled as a state law claim, was preempted by federal law. The district court agreed, dismissing Plaintiff’s state law claims on preemption grounds, and for fail-

ure to state a claim.² (JA-300-308.) Plaintiff's appeal of those determinations is without merit.

“One of the goals of the Copyright Act of 1976 was to create a national, uniform copyright law by broadly pre-empting state statutory and common-law copyright regulation. Accordingly, the Copyright Act preempts state law claims asserting rights equivalent to those protected within the general scope of the statute.” *Urbont v. Sony Music Entertainment*, 813 F.3d 80, 93 (2d Cir. 2016) (*citing* 17 U.S.C. § 301(a)) (internal citations and quotations omitted) (affirming dismissal of state law unfair competition and misappropriation claims as preempted). A state law claim is “exclusively govern[ed]” by the Copyright Act “when (1) the particular work to which the claim is being applied falls within the type of works protected by the Copyright Act under 17 U.S.C. §§ 102 and 103, and (2) the claim seeks to vindicate legal or equitable rights that are equivalent to one of the bundles of exclusive rights already protected by copyright law under 17 U.S.C. § 106.” *Universal Instruments Corp. v. Micro Sys. Eng’g Inc.*, 924 F.3d 32, 48 (2d Cir. 2019). “A state law right is equivalent to one of the exclusive rights of copyright if it may be abridged by an act which, in and of itself, would infringe one of the exclusive rights.” *Id.*; *see also Forest Park Pictures v. Universal Television Network, Inc.*, 683 F.3d 424, 430 (2d Cir. 2012) (same). If an “extra element is required instead of or in addition to the acts of reproduction, performance, distribution or display, in order to constitute a state-created cause of action,

² Plaintiff does not appeal the district court’s dismissal of the conversion claim.

there is no preemption.” *Forest Park Pictures*, 683 F.3d at 430 (internal citations omitted). “Preemption, therefore, turns on what the plaintiff seeks to protect, the theories in which the matter is thought to be protected and the rights sought to be enforced.” *Universal Instruments Corp.*, 924 F.3d at 48 (internal quotation marks omitted).

It is well-established that federal law preempts claims brought under state (including California’s) unfair competition statutes, and state law tortious interference claims, seeking a remedy for copying another’s copyrighted material. *See Harper & Row Publishers, Inc. v. Nation Enters.*, 723 F.2d 195, 201 (2d Cir. 1983) (affirming dismissal of tortious interference claim as preempted by the Copyright Act where “it is the act of unauthorized publication which causes the violation”), *rev’d on other grounds*, 471 U.S. 539 (1985); *20th Century Wear, Inc. v. Sammark-Stardust, Inc.*, 747 F.2d 81, 92 n.15 (2d Cir. 1984) (“A state may not, through its laws banning unfair competition, undermine federal patent rights by prohibiting the copying of an article that is protected by neither a federal patent nor a federal copyright.”); *Kodadek v. MTV Networks, Inc.*, 152 F.3d 1209, 1212-13 (9th Cir. 1998) (dismissing California unfair competition claim premised upon plaintiff’s allegation that defendant stole plaintiff’s idea for “Beavis and Butthead” from drawing plaintiff had given defendant because state law claim was preempted by federal law); *Vargas v. Viacom Int’l, Inc.*, No. 18 Civ. 474, 2018 WL 6920769, at *9 (S.D.N.Y. Nov. 30, 2018) (“In the Second Circuit, it is well settled that claims for tortious interference based on the unauthorized publication of a work pro-

tected by the Copyright Act are preempted.”); *Joint Stock Co. “Channel One Russ. Worldwide” v. Russian TV Co.*, 2019 U.S. Dist. LEXIS 27991, at *28 (S.D.N.Y. Feb. 21, 2019) (dismissing state law unfair competition claims as preempted by section 301 of the Copyright Act); *WNET v. Aereo, Inc.*, 871 F. Supp. 2d 281, 283 (S.D.N.Y. 2012) (holding state law unfair competition claim preempted by the Copyright Act); *Faulkner v. Nat’l Geographic Soc’y*, 211 F. Supp. 2d 450, 477 (S.D.N.Y. 2002) (holding that plaintiff’s unjust enrichment, unfair competition, and tortious misappropriation of goodwill claims were preempted by federal law); *Deckers Outdoor Corp. v. J.C. Penney Co.*, 45 F. Supp. 3d 1181, 1189 (C.D. Cal. 2014) (holding that plaintiff’s claim under California Unfair Competition Law, premised upon allegation the defendant had knocked off plaintiff’s Ugg™ boot design, was preempted by federal law); *Silverstein v. Penguin Putnam, Inc.*, 522 F. Supp. 2d 579, 600-02 (S.D.N.Y. 2007) (holding that unfair competition claims premised upon allegation of reverse passing off of non-copyrighted material “are preempted by the Copyright Act”).

Plaintiff’s unfair competition claim is based upon the same conduct that allegedly violated her rights under the Copyright Act. Specifically, Plaintiff alleged:

Irgit founded, grew, and continues to run Kiini, LLC on the singular, fraudulent business practice of misappropriating the Ferrarini Bikini and passing off knockoff bikinis as her own . . . Ferrarini’s marketing and licensing opportunities have been significantly impaired by Irgit and Kiini’s false and misleading claims of originality,

including depriving Ferrarini of the benefits that naturally flow from being the original creator of the Ferrarini Bikini, such as premium pricing, greater consumer interest, and licensing opportunities. Ferrarini is entitled to judgment enjoining . . . all sales of the Irgit Knockoff and all other swimwear that derives Ferrarini Bikini.

(JA-424-425 at ¶¶ 66-72.) Because Plaintiff's unfair competition claim relies entirely on her copyright allegations that Defendants copied her bikini design, the district court correctly ruled it is preempted. (JA-302-303) ("Plaintiff's claim—which seeks to protect her from Defendants' purported misappropriation and passing off of her bikini as their own—is preempted by federal copyright law, *i.e.*, the rights 'to reproduce a copyrighted work, to prepare derivative works, [and] to distribute copies of the work to the public . . .'" (*citing Forest Park Pictures*, 683 F.3d at 430)). Further, "Plaintiff's allegations that Defendants made misrepresentations regarding the bikini do not provide the extra element necessary to avoid preemption." (JA-302.) *See Urbont*, 831 F.3d at 93 (affirming dismissal of state law unfair competition and misappropriation claims as preempted); *Cabell v. Sony Pictures Entertainment, Inc.*, 425 Fed. Appx. 42, 43 (2d Cir. 2011) (affirming dismissal of state law unfair competition claim as preempted); *Kregos v. Associated Press*, 3 F.3d 656, 665-66 (2d Cir. 1993) (holding state law claim of unfair competition, grounded in the copying of plaintiff's protected expression as opposed to in breach of confidential relationship or fiduciary duty, preempted).

Plaintiff attempts to save her unfair competition claim from preemption by arguing that she is alleging “reverse passing off.”³ Plaintiff acknowledges that, if Second Circuit law applies here, which it does, then “this claim is foreclosed as a matter of Circuit precedent.” (App. Br. at 28.) Nevertheless, Plaintiff argues that “Ninth Circuit law should . . . determine whether Plaintiff’s state-law claims are preempted” under the Supreme Court’s decision in *Van Dusen v. Barrack*, 376 U.S. 612 (1964) (“where defendants seek transfer, the transferee district court must be obligated to apply the state law that would have been applied if there had been no change of venue”), and that well-settled Second Circuit precedent should be ignored. (App. Br. at 23-26.)

First, “[i]t is the general rule, of course that a federal appellate court does not consider an issue not passed upon below.” *Singleton v. Wulff*, 428 U.S. 106, 120 (1976); *see also Greene v. United States*, 13 F.3d 577, 586 (2d Cir. 1994) (declining to address issue raised for the first time on appeal where there was no suggestion of “any great injustice” if the Court refused to address it). Here, Plaintiff argues for the first time on appeal that *Van Dusen* requires this Court to apply Ninth Circuit law to interpret federal copyright law and federal preemption. (App. Br. 23-25.) It is indisputable that Plaintiff did not raise this issue in her briefs in opposition to Defendants’ motion to dismiss or in her motion for reconsideration of the Court’s January 9, 2020 Order holding that her state law claims were preempted by the U.S. Copyright

³ Reverse passing off occurs when “‘A’ sells ‘B’s’ product under ‘A’s’ name.” *See Waldman Pub. Corp. v. Landoll, Inc.*, 43 F.3d 775, 780 (2d Cir. 1994).

Act. (JA-286-292; JA-320-329.) Plaintiff also does not argue that there will be an “obvious injustice” if the Court does not consider Plaintiff’s argument that Ninth Circuit law should apply on preemption; indeed, there would be no injustice.⁴ Plaintiff sat on this argument and should not be given the opportunity at this late stage to raise issues for the first time on appeal.

The district court correctly applied the law of the Second Circuit to determine that federal copyright law preempted Plaintiff’s state law claims. *See Desiano v. Warner-Lambert & Co.*, 467 F.3d 85 (2d Cir. 2006). Indeed, Plaintiff concedes that the “circuit courts are divided on whether the holding of *Van Dusen* extends to federal claims, with this Court holding that it does not.” (App. Br. at 23.) In *Desiano*, this Court held that it is “permitted—indeed, required—to reach our own conclusions” with respect to federal law, and extended that requirement to transferred cases. *Id.* at 90-91. Specifically, the Court in *Desiano* held that the question of whether federal law preempted Michigan law “depends on significant issues of federal

⁴ It is not at all clear that Ninth Circuit law even supports Plaintiff’s position. *See Angelini Metal Works Co. v. Hubbard Iron Doors, Inc.*, Civil No. 11-6392-GHK (PLAx), 2016 U.S. Dist. LEXIS 184768, at *20 (C.D. Cal. Jan. 5, 2016) (“[A] ‘reverse passing off’ claim, where ‘B is selling [] products [that infringe on A’s copyrights] and representing to the public that they are B’s,’ is preempted because it is a disguised copyright infringement claim.”) (*citing* 1 *Nimmer on Copyright* § 1.01[B][1][e], at 1-24 n.100 (stating that if B is selling B’s products and representing to the public that they are B’s products, a claim by A that B’s products replicate A’s is a disguised copyright infringement claim and is preempted)); *Salim v. Lee*, 202 F. Supp. 2d 112, 1126-27 (C.D. Cal. 2002) (noting that reverse passing off “has been limited to situations of bodily appropriation.”).

law including, *inter alia*, the meaning of Supreme Court precedents . . . and the scope of federal statutes,” and that, therefore, the Court was “obligated to answer independently questions of federal law” and not required to apply the Sixth Circuit’s analysis of federal issues. *Id.* at 91. In addition, as noted above, it is not “uncontested” that Ninth Circuit law would treat Plaintiff’s unfair competition and tortious interference claims as not preempted by federal copyright law. In fact, Plaintiff does not argue that Ninth Circuit law with respect to her tortious interference claim differs from Second Circuit law or that it would result in a different outcome. Plaintiff’s dissatisfaction with the district court’s decision does not amount to an “obvious injustice” and does not provide a basis for ignoring binding Second Circuit precedent.

Second, the law of this Circuit is clear that, in a case such as this, where the unfair competition claim is “grounded solely in the copying of a plaintiff’s protected expression,” that claim is “preempted by section 301.” *Computer Assoc. Intern. Inc. v. Altai, Inc.*, 982 F.2d 693, 717 (2d Cir. 1992); *see also Kregos*, 3 F.3d at 666 (holding that Plaintiff’s false designation of ownership claim did not add an “extra element” and his “unfair-competition and misappropriation claims, based solely on the copying of the protected expression in his forms, are preempted by § 301.”); *Shepard v. European Pressphoto Agency*, 291 F. Supp. 3d 465, 476 (S.D.N.Y. 2017) (“It is well-settled that a claim for reverse passing off predicated on the theory that defendant’s product replicates plaintiff’s expressions contains no extra element and is therefore preempted.” (internal citations omitted)). As the district court emphasized, “the Complaint alleges that Defend-

ants are selling bikinis that they manufactured themselves, using a design they allegedly copied from Plaintiff. As this allegation is grounded in the ‘copying of a plaintiff’s protected expression, it is preempted.’” (JA-303.) For these reasons, the district court correctly concluded that Plaintiff’s unfair competition claim was preempted.

Plaintiff also argues that the dismissal of her intentional interference with prospective economic advantage claim on preemption grounds was in error. Plaintiff’s tortious interference claim alleged:

An economic relationship existed between Ferrarini and third parties that purchased her bikinis and/or were actively interested in or actually pursuing, developing, marketing, licensing, exploiting, and utilizing Plaintiff’s one-of-a-kind bikinis . . . Defendants intentionally engaged in acts and conduct designed to . . . take the relationships for their own. By engaging in the above-described unlawful, unfair, and fraudulent business practices, Defendants have intentionally and actually interfered with the ongoing and prospective economic relationship between Ferrarini and her customers, wholesalers, retailers, and licensees. Defendants’ conduct deprived Plaintiff of the economic benefits and advantages to which she would have otherwise been entitled had Defendants not misappropriated her bikini, used it to create knockoffs, passed those knockoffs off as their own, and destroyed or fraudulently taken over the market for Ferrarini Bikinis.

(JA-427-428 at ¶¶ 84-88.) These allegations arise from Plaintiff's same allegations that Defendants copied Plaintiff's bikini design, which is insufficient to avoid preemption. The district court correctly held that Plaintiff's claims for "tortious interference based on unauthorized publication of a work protected by the Copyright Act are preempted." (JA-306.)

Plaintiff argues that if she is "not an owner of her design under the Copyright Act," then she can maintain her state law claims of intentional interference with prospective economic advantage because her "work is unprotected by the Copyright Act." (App. Br. at 26.) This argument makes no sense—the district court did not reach the question of whether Plaintiff has a valid copyright; rather, the district court concluded that her claim for copyright ownership was barred by the statute of limitations. Failing to satisfy a statute of limitations does not eliminate the doctrine of preemption; the Copyright Act preempts state law claims regardless of whether Plaintiff sits on her rights or not. Further, the cases cited by Plaintiff actually reiterate that it is "well settled that claims for tortious interference based on the unauthorized publication of a work protected by the Copyright Act are preempted." *Vargas*, 2018 WL 6920769, at *9; *Harper & Row Publishers, Inc.*, 723 F.2d at 201 (affirming dismissal of tortious interference claim as preempted by the Copyright Act where "it is the act of unauthorized publication which causes the violation").

Plaintiff also appeals the district court's dismissal of her intentional interference with prospective economic advantage claim for failure to state a claim, under California or New York law, on the basis that the district court "seemed to be under the impression

this claim required a pre-existing, non-speculative relationship with some other business enterprise,” as opposed to individuals, and that “[n]o such requirement exists.” (App. Br. at 27 (emphasis in original).) To the contrary, the district court held that the intentional interference claim was insufficiently pled under both California and New York law because the allegations in the Amended Complaint were “too general and conclusory to be credited” and “they do not identify the parties with whom Plaintiff had prospective, non-speculative economic relationships or the manner of Defendants’ intentional and direct interference with those parties.” (JA-307-308) (*citing Rothstein v. UBS AG*, 708 F.3d 82, 94 (2d Cir. 2013) (“[W]e are not required to credit conclusory allegations or legal conclusions couched as factual allegations.”)). That is, the district court did not distinguish between enterprises and individuals.

Rather, Plaintiff alleged only that she had an economic relationship with unidentified “third parties that purchased her bikinis and/or were actively interested in or actively pursuing, developing, marketing, licensing, exploiting and utilizing Plaintiff’s one-of-a-kind bikinis.” (JA-427 at ¶¶ 84-88.) Plaintiff’s allegations failed to plead a pre-existing, non-speculative relationship with anyone—human or corporate—with the required specificity. Therefore, Plaintiff’s tortious interference cause of action properly was dismissed by the district court for failure to state a claim.

CONCLUSION

For the reasons set forth above, the Court of Appeals should affirm the district court's entry of judgment in favor of Defendants.

Respectfully submitted,

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Dated: November 8, 2021

**PETITION FOR PANEL REHEARING
AND REHEARING EN BANC
(JUNE 14, 2022)**

IN THE UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

MARIA SOLANGE FERRARINI,

Plaintiff-Appellant,

v.

IPEK IRGIT & KIINI, LLC,
a New York Limited Liability Company,

Defendants-Appellees.

No. 21-0597-CV

On Appeal from the United States District Court
for the Southern District of New York

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{ Note: Table of Contents and
Table of Authorities Omitted }

INTRODUCTION

The Summary Order issued in *Ferrarini v. Irgit*, misapprehends the nature of the dispute between the parties and improperly extends this Court’s decision in *Kwan v. Schlein*, 634 F.3d 224, 229 (2d Cir. 2011), to apply to factually-distinct scenarios, thereby allowing copyright infringement claims to be forever time-barred whenever a defendant declares an “ownership dispute” in the infringed item. Upholding summary judgment in this case constitutes a novel, harsh, and inequitable application of case law with grave policy implications. Accordingly, the Panel’s Summary Order was in error, and this case merits either rehearing and issuance of a full, authored opinion by this Panel, or rehearing en banc.¹

Defendants’ repeated declaration of an “ownership dispute” is unfounded and unproven on the record. Plaintiff claims infringement of the Ferrarini Bikini, a work Defendants do not dispute Plaintiff created and therefore owns. In defense, Defendants claim they independently created and separately registered the Kiini Bikini and that Plaintiff cannot own a copyright in her work.

To fit these facts within *Kwan*, Defendants argue that Plaintiff’s ownership of the Ferrarini Bikini must be adjudicated before a Court can find them guilty of infringement. But even if true, Defendant

¹ This Court’s Local Rules specify that a summary order may be issued only when a full opinion “would serve no jurisprudential purpose.” Local Rule 32.1.1.

Irgit’s self-serving testimony of independent creation does not create a genuine dispute as to Plaintiff Ferrarini’s ownership of her own copyright in her own design (the “Ferrarini Bikini”).

This case is unlike *Kwan, Horror Inc. v. Miller*, 15 F.4th 232, 257 (2d Cir. 2021), or any related jurisprudence wherein alleged coauthors or contracting parties dispute ownership interests in the same item or items. The Panel and District Court have stretched these contested authorship cases too far, now finding a “genuine ownership dispute” between strangers, neither of whom claims ownership in the same work.

If *Kwan* remains applied to this case, every infringement claim brought more than three years after the first act of infringement could be found to turn on a time-barred ownership claim so long as the defendant contests the copyrightability of a plaintiff’s work and claims independent creation—even if the Defendant can offer no proof on the record in support. Rehearing and issuance of a full opinion, either by the Panel or En Banc, will ensure that future defendants cannot use *Kwan* to force such absurd and problematic results.

I. FACTUAL AND LEGAL MISAPPREHENSIONS CALL FOR PANEL REHEARING

Plaintiff Appellant Maria Solange Ferrarini requests her case be reheard because factual and legal misapprehensions led the Panel to conclude that her infringement claim required resolution of a dispute as to her “ownership of the copyright” and is therefore “foreclosed by our decision in *Kwan*.” ECF No. 108-1, at 2 (“Order”).

Respectfully, undisputed but overlooked facts in this case foreclose application of *Kwan*, which involved an untimely claim of contested authorship, and therefore ownership, of one jointly created work. In contrast, Defendants here do not dispute that Plaintiff “is the author and creator” of the infringed Ferrarini Bikini. See JA408 (Plaintiff’s First Amended Complaint states she created the Ferrarini Bikini in 1998) and JA268 (“Defendants [answer they lack sufficient information to admit or deny.]”).

Instead, Defendants “dispute” Plaintiff’s ownership of a valid copyright based on the copyrightability of the Ferrarini Bikini, not whether Plaintiff (like *Kwan*) created it “in the first place.” *Compare* JA24, 31-33, 260-266 (Defendants challenge Plaintiff’s infringement claim as an invalid claim of ownership of the design of a useful article) *with Kwan*, 634 F.3d 222, 229 (2d Cir. 2011) (“the [ownership] dispute involves who wrote [the work] in the first place.”). Similarly distinct from *Kwan*, Defendants here do not allege that they created the infringed work, instead they allege independent creation of a separate work—the Kiini Bikini.² Defendants’ claim to have made the Kiini in 2013, based on Irgit’s ideas from childhood, but Defendants’ copyright ownership, if any, is solely in the Kiini Bikini as they make no claim to ownership of the Ferrarini design.

² Defendants’ copyright registration states that their design was completed in 2013 and first published on January 30, 2013. JA 434; *see also* Katherine Rosman, *The Itsy-Bitsy, Teenie-Weenie, Very Litigious Bikini*, *The New York Times*, December 13, 2018, available at <https://www.nytimes.com/2018/12/20/business/kiini-bikini-law>.

Until now, no court has transformed an infringement claim into an ownership claim, when the defendants do not dispute that the plaintiff is the “author and creator” of the allegedly infringed work. Nor has any court found an ownership dispute when the Defendants’ infringing work was undisputedly created years later, and only months after Defendants had access to the allegedly infringed work. Yet, that is precisely the result the Panel’s misapprehensions have created.

a. Defendants’ “Ownership Dispute” is with the Copyrightability of the Ferrarini Bikini, not whether Plaintiff Created it “in the First Place”

In finding a “genuine dispute as to the plaintiff’s ownership of the copyright,” this Court held “Defendants have made clear that ownership [akin to that in *Kwan*] is in dispute,” and cited three portions of the record in support. ECF No. 108-1 (*citing* Appellee’s Br. at 15, JA260 and 272). But the Panel misapprehends the nature of what Defendants dispute, what the record shows, and what *Kwan* held.

Defendants in this case dispute the copyrightability of Plaintiff’s work—not whether Plaintiff was the author, and therefore owner³, of the Ferrarini Bikini. See JA260 (In a section titled “the Ferrarini Bikini is a Useful Article and is not Entitled to Copyright Pro-

³ “To qualify for copyright protection, a work must be original to the author. Original, as the term is used in copyright, means only that the work was independently created by the author (as opposed to copied from other works), and that it possesses at least some minimal degree of creativity.” *Feist Publ., Inc. v. Rural Telephone Service Co., Inc.*, 499 U.S. 340, 345 (1991).

tection,” Defendants argue, “[t]here is no genuine dispute of material fact that the Ferrarini Bikini is a useful article and that the design elements identified by Plaintiff in her Amended Complaint are functional. Therefore, Plaintiff cannot show that she owns a valid copyright and Defendants are entitled to summary judgment on her copyright claim as a matter of law.”⁴ (emphases added).

In *Kwan*, editor of the book *Find it Online* (FIOL) Shirley Kwan sued book author Alan Schlein for infringement claiming her editing of the book—a collaborative process where Schlein wrote first drafts and Kwan edited and finalized them—was so substantial that she essentially ghost wrote the work at issue. 34 F.3d at 227. Schlein expressly disagreed, refused Kwan’s request for authorship credit, and paid Kwan royalties as detailed in their editing agreement. *Id.*

Every time-barred “ownership” dispute features a similar scenario: a collaborative/work-for-hire process that leads to the creation of one copyrighted work where one party later claims an ownership interest in the original work.⁵ *See id.* at 229 (citation omitted)

⁴ Notably there is no section in any of Defendants’ briefs titled “Plaintiff did not Author the Ferrarini Bikini.” Nor is there any argument to that effect. *See* JA26, 159, 165, 250, 268, 277, 309, 330, 407. Defendants do claim over and over again that Ferrarini “knew of the ownership dispute”, *see* JA26, 27, 30, but what she knew was that Defendants claimed they created a work they copied, she had no notice Defendants were claiming her work was not copyrightable.

⁵ Without exception, every cited case finding that infringement claims were time-barred ownership claims is facially distinguishable, as the allegedly infringed owner was either a coauthor, in a contractual relationship with an author, or was a successor-in-interest to the original alleged co-owner or contracting parties.

(noting that “coauthors cannot sue one another for copyright infringement”).

There was no such collaborative process in this case, Defendants do not claim to own the Ferrarini Bikini, and Plaintiff Ferrarini need not prove ownership of the infringing Kiini design to sue for infringement of her Ferrarini Bikini.

Further, each case distinguishably involves disputed ownership over the same item or items. *Charles v. Seinfeld*, 803 Fed. Appx. 550 (2d Cir. 2020) (co-authorship of television show); *Wilson v. Dynatron Publ'g Co.*, 892 F.3d 112 (2d Cir. 2018) (dispute between performance group and publishing companies regarding ownership of musical compositions and recordings); *Latin Am. Music Co. v. Spanish Broad. Sys.*, 738 F. App'x 722 (2d Cir. 2018) (suit brought by purchasers of copyrights from alleged coauthors of songs); *Simmons v. Stanberry*, 810 F.3d 114 (2d Cir. 2016) (infringement claim brought by licensee against hip-hop beat's author, another artist who later used the beat, and related companies); *Gary Friedrich Enters., LLC v. Marvel Characters, Inc.*, 716 F.3d 302 (2d Cir. 2013) (work-for-hire agreement between author and publisher); *Kwan v. Schlein*, 634 F.3d 224 (2d Cir. 2011) (co-authorship of a book); *Merchant v. Levy*, 92 F.3d 51 (2d Cir. 1996) (co-authorship of song); *Cole v. Blackwell Fuller Music Publ'g, LLC*, No. 16 Civ. 7014, 2018 WL 4680989 (S.D.N.Y. Sept. 28, 2018) (dispute between co-author and publishing company); *Ortiz v. Guiana Bros. Music Inc.*, No. 07 Civ. 3897, 2008 WL 4449314 (S.D.N.Y. Sept. 29, 2008) (ownership of musical score that defendants hired plaintiff to compose); and *Big East Entm't, Inc. v. Zomba Enters., Inc.*, 453 F. Supp. 2d 788 (S.D.N.Y. Sept 28, 2006), *aff'd on other grounds*, 259 F. Appx. 413 (2d Cir. 2008) (dispute between successor companies over allegedly co-published musical compositions).

b. Defendants Treat the Ferrarini Bikini as a Separate and Distinct Work from Bathing Suit Art #1 and their Kiini Bikini

The Panel appears to have held the “ownership dispute” in this case is between Plaintiff and Defendants over one copyright in the same article, like that in *Kwan*. Order at 2. But this is not the case. Plaintiff and Defendants recognize the other’s work as distinct from their own and neither claims to own the other’s work.⁶ While Plaintiff attempted to show substantial similarity (the second prong of any infringement claim) with evidence of Defendants’ near-total copying, JA 408-421, 433-449, Plaintiff did not and does not claim that her work and Defendants’ work are one and the same or that they hold the same copyright⁷ *Id.* Many infringement claims feature allegations of near-identical copying, but such allegations do not transform infringement claims into ownership disputes. *See, e.g., Bright Tunes Music Corp. v. Harrisongs Music, LTD.*, 420 F.Supp 177, 181 (S.D.N.Y. August 31, 1976)

⁶ To be certain, Defendants repeatedly claim Plaintiff was “aware of their claim of ownership.”

⁷ Under the copyright statutes, two people can be coauthors of a work only if they co-create it as a “joint work.” *See* 17 U.S.C. § 101; 17 U.S.C. § 201(a). One work cannot be created in one place and time by one person and again by another person in a different place in time. 17 U.S.C. § 101 (“A work is ‘created’ when it is fixed in a copy . . .; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.)(Emphasis added). Those are two different works, even if substantially similar. Independent creation is an affirmative defense to infringement, not an allegation disputing ownership. *Repp v. Webber*, 132 F.3d 882, 889 (2d Cir. 1997).

(“it is clear that My Sweet Lord is the very same song as He’s So Fine”).

Defendants have argued and maintained the same division throughout the record and proceedings below, repeatedly distinguishing between the “Ferrarini Bikini” which they claim “is not entitled to protection under the Copyright Act,” JA24 (emphases added), and the “Kiini Bikini,” the “at-issue bikini design,” JA 272, which they claim to have “independently created,” JA272.⁸ See also JA160 (In their statement of undisputed material facts, Defendants claim to have created Bathing Suit Art #1 and to hold a registration in the “Kiini Work,” which they distinguish from “the Ferrarini Bikini”); JA162 (describing Plaintiff’s testimony as her creating a design in the “Ferrarini Bikini”); JA163 (noting Plaintiff’s awareness of “Defendants marketing of the Kiini Bikini” and Plaintiff’s filing “for copyright registration of her bikini design (the “Ferrarini Bikini”)”) (emphases added); JA434.

Defendants’ repeated use of the phrases “Kiini’s claim of ownership” and “ownership dispute,” cannot change the undisputed facts in this case—the infringed work (the Ferrarini Bikini) and the infringing work

⁸ Having attacked the validity of Plaintiff’s ownership in the Ferrarini Bikini for lack of copyrightability, and considering the substantial similarity between the designs, it becomes difficult to imagine how Defendants could argue the Ferrarini Bikini and their Kiini Bikini were one and the same, as to do so would be arguing against the copyrightability of their own work, which they previously registered and used as the basis for affirmative suits against alleged infringers of the “Kiini Bikini.” *Kiini LLC v. Victoria’s Secret Stores Brand Mgmt., Inc.*, No. CV 15-8433 FMO (GJSx), 2016 WL 5890069 (C.D. Cal. Feb. 8, 2016).

(the Kiini Bikini) were created years apart by different people, each with rights in their work. Now in order to raise a *Kwan* ownership dispute, all a defendant need do is refer to two different works created by two different people at two different times as one work or subject to one copyright, and she can cut off all recovery for infringement—precisely what Defendants have done here. *Compare* Appellee’s Br. At 15 (arguing Defendants and Plaintiff “registered dueling copyrights of the bikini design, and Defendants do not concede that Plaintiff owns the copyright; therefore . . . any finding of infringement must be predicated on a finding of ownership of the copyright in question”) (*citing* JA 297) (*citing* *Cole v. Blackwell Fuller Music Publ, LLC*, No. 16 Civ. 7014, 2018 WL 4680989, at *5 (S.D.N.Y. Sept. 28, 2018) (emphases added))⁹ *with* JA21, 24, 25 (n. 1), 31-32, 160-163, 272 (Defendants refer to the “Ferrarini Bikini” as distinct from the “Kiini Bikini”) and JA434, 449-50 (separate registration certificates for the Kiini “Bathing Suit Art #1” and the “Ferrarini Bikini”).

c. The Kwan Dispute was Over Authorship, Not Copyrightability

This case bears no resemblance to *Kwan*, where the dispute was over who wrote a single work (a book with multiple editions), which both parties collaborated to create at the same time:

[T]he dispute involves who wrote FIOL in the first place—whether Kwan’s editorial

⁹ *Cole* is inapposite to the present case, as neither copyrightability of an infringed work nor the existence of an ownership dispute was at issue in that case. *Id.*

contributions to FIOL were significant enough to qualify her as the author and therefore owner of the copyright in FIOL. Indeed, because coauthors cannot sue one another for copyright infringement, *see Weissmann v. Freeman*, 868 F.2d 1313, 1318 (2d Cir. 1989), Kwan cannot recover unless she was the sole author of FIOL.

Kwan, 634 F.3d at 229 (emphasis added).

In *Kwan*, and all other cases holding that an infringement claim sounds in ownership, “the dispute involves who [created a single article] in the first place.”¹⁰ *Id.* (emphasis added). There is no such dispute here, as Defendants expressly do not dispute that Plaintiff created the Ferrarini Bikini “in the first place” in 1998. JA268, 408. Defendants instead dispute that *anyone* can own a valid copyright in the Ferrarini Bikini because it is a non-copyrightable “useful article.” JA21, 24, 31, 260.

This is not the kind of “ownership” dispute that can transform an infringement claim into an ownership claim. *See e.g., Kwan*, 634 F.3d at 228-29; *Stone v. Williams*, 970 F.2d 1043 (2d Cir. 1992). This is simply a defense to an infringement claim. *See, e.g., Warner Bros. Inc. v. Am. Broad. Companies, Inc.*, 720 F.2d 231, 240 (2d Cir. 1983) (“a court may determine non-infringement as a matter of law [where] the similarity between two works concerns only ‘non-copyrightable elements of the plaintiff’s work’”) (quoting *Durham Industries, Inc. v. Tomy Corp.*, 630 F.2d 905, 918 (2d Cir.1980)).

¹⁰ *See* footnote 5, *supra*.

d. Under *Carell*, Time Barred Ownership Claims Do Not Extinguish Remedies for Infringement within the SOL

A claim of ownership is “distinct from [a] claim of infringement” and even when ownership remedies have been extinguished by the three-year limitation, the substantive rights of the copyright owner remain, including the right to sue for infringement. *Carell v. Shubert, Org., Inc.*, 104 F.Supp. 2d 236, 255 (S.D.N.Y. June 27, 2000) (“Congress intended the statute of limitations under the Copyright Act to extend only to remedies, and not to substantive rights.”). Further, “the right to sue for infringement is not a remedy flowing from a declaration of sole ownership. . . . The only requirement to institute a suit for infringement is a valid copyright registration certificate.” *Id.* at 253, n. 14.

This Court’s expansion of *Kwan* unnecessarily and improperly extinguishes Plaintiff’s rights to her work in addition to her remedies for infringement. This is the opposite of what the law requires. *Carell* at 236; *Stone v. Williams*, 970 F.2d 1043, 1051 (2d Cir. 1992) (“[B]ecause Stone could have brought [a copyright infringement] suit in 1979 does not prevent her suit (only some of the relief sought) in 1985. To hold otherwise would ignore the long established rule that statutes of limitations bar remedies, not the assertion of rights.”).

e. Plaintiff’s Claim Should Be Tolled for the Time it Took the US Copyright Office to Consider and Issue Her Registration

The Court’s extinguishing of Plaintiff’s rights in her work as well as her remedies for infringement is

further compounded by the Court's failure to toll the limitations period for the six months and twenty-six days it took the U.S. Copyright Office to consider and ultimately register Plaintiff copyright. JA447-450. As a registration certificate is a prerequisite to filing suit, Plaintiff could not have filed her infringement claim until she obtained her registration. 17 U.S.C. § 411. Plaintiff filed her complaint on June 13, 2018, alleging Defendants copied her work and infringed her copyright. JA408-423. On June 23, 2018, Plaintiff filed to register the Ferrarini Bikini. Shortly thereafter, the Copyright Office refused and on July 24, 2018, Plaintiff requested reconsideration. JA431-432. On January 18, 2019, the Copyright Office reconsidered Plaintiff's and granted her registration. JA447-448.

If the Copyright Office had registered Plaintiff's copyright when she applied in June 2018, she could have added her infringement claim well before November 8, 2018, the Court's determined three-year cutoff date. But the copyright office took six months and twenty-six days to deny, reconsider, and then issue Plaintiff's copyright registration. *Id.* Failure to toll the limitations period during this time compounds the Court's legal error in cutting off Plaintiff's remedies for infringement, in addition to her ownership rights. *See Carell*, 104 F.Supp.2d 236, 252. Plaintiff's claim should be tolled and found timely.

II. APPLICATION OF KWAN TO BAR INFRINGEMENT CLAIMS RAISING COPYRIGHTABILITY DISPUTES EXPANDS KWAN’S HOLDING AND LEADS TO ABSURD RESULTS THIS COURT SHOULD REVIEW EN BANC

Expanded to ownership disputes based on copyrightability and independent creation, *Kwan* no longer “makes sense,”¹¹ changes the landscape of existing infringement defenses, and creates a category of works that are forever unprotected because the time-barred and contrived ownership claim will never be determined, thereby allowing infringement to continue indefinitely.

a. Expanded Application of Kwan Changes Defenses to Infringement

Copyrightability and independent creation, both alleged by Defendants in this case, are distinct defenses to infringement. Section 101 of the copyright law provides that a “pictorial, graphic, or sculptural featur[e]” incorporated into the “design of a useful article” is eligible for copyright protection if it (1) “can be identified separately from,” and (2) is “capable of existing independently of, the utilitarian aspects of the article.” *Star Athletica, L.L.C. v. Varsity Brands, Inc.*, 137 S.Ct. 1002, 1010 (2017). To claim, as Defendants did, that Plaintiff cannot own copyright in the infringed work because “it is an invalid claim of ownership in the design of a useful article” (JA24, 31,

¹¹ Patry on Copyright, § 20.38 (allowing a time-barred ownership claim to prohibit infringement claims, “makes sense under the facts in *Kwan*, which was a blatant attempt to get around an obvious bar to the limitations provision by a coauthor dissatisfied with credit but otherwise not complaining about the use.”).

260) requires a court to determine whether the design, “when identified and imagined apart from the useful article,” would qualify for copyright protection “either on its own or when fixed in some other tangible medium.” *Star Athletica*, at 1012. The Court made no such determination here.

Independent creation is a complete defense to infringement and requires the defendant to show he created his work “without knowledge of or exposure to the plaintiff’s work.” *Feist*, 499 U.S. at 345–46. But Defendants here admit they sent an email containing photos of Plaintiff’s protected work to get samples of their own, Kiini Bikini made. *Compare* JA408-10 with JA268. And neither the independent creation or copyrightability defense has ever transformed an infringement claim into an ownership dispute—until now.

b. Kwan’s Expanded Rule Allows Infringers to Manufacture New Ownership Disputes and Bar Infringement Claims at Creation

By applying the accrual test for a *Kwan* authorship dispute to Defendants’ copyrightability defense, the Court has radically expanded *Kwan*’s holding and created a path for every accused infringer to manufacture a time-barred “ownership dispute” by claiming they “created” an infringing work and then refusing to “concede that Plaintiff owns the copyright” in the infringed work because it is not protectible. Order at 2 (*citing* Appellee’s Br. at 15). Worse, a defendant need not raise copyrightability or independent creation in good faith or prove either, the mere allegation of both will prevent the original author from bringing her claim. *Id.*

To understand the impact of the Court's expansion, imagine the facts of *Bright Tunes*. In that case it was clear that the infringing song, My Sweet Lord, was "the very same song" as the original work, He's So Fine. *Bright Tunes*, 420 F.Supp. at 181. George Harrison denied copying He's So Fine but acknowledged he had heard the song before creating My Sweet Lord. *Id.* at 180. The Court found infringement because substantial similarity combined with proven access is "under the law, infringement of copyright, and no less so even though subconsciously accomplished." *Id.* at 181.

If Harrison had also alleged that He's So Fine was not copyrightable for any reason—Harrison could have prevented Bright Tunes' claim outright—without ever having to prove He's So Fine was not copyrightable, even though his access to the original song and (subconscious) copying were clear. *Id.* at 181. Under the Panel's decision here, the assertion that He's So Fine lacked copyrightability combined with Harrison's claim to have created My Sweet Lord is tantamount to an "ownership" dispute because it means there is a dispute over whether Bright Tunes owned a valid copyright in He's So Fine in the first place. This represents a wholly unjustifiable sea change in the law.

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Dated: June 14, 2022
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