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ONE LLP 10 NOV 23 AMII: 27 CLERK U.S. DISTRICT COURT CENTRAL DIST. OF CALIF. · LOS ANGELES 4000 MacArthur Blvd. West Tower, Suite 1100 Newport Beach, California 92660 Telephone: (949) 502-2870 Facsimile: (949) 258-5081 www.onellp.com 8 Attorneys for Plaintiff, Mavrix Photo, Inc. 9 UNITED STATES DISTRICT COURT 10 CENTRAL DISTRICT OF CALIFORNIA 11 12 MAVRIX PHOTO, INC., a Florida 13 corporation, COMPLAINT FOR COPYRIGHT INFRINGEMENT 14 Plaintiff, 15 DEMAND FOR JURY TRIAL 16 DAILY MAIL OF LONDON, a DBA for ASSOCIATED NEWSPAPERS LIMITED; 17 DMGT PLC; and DOES 1-10 INCLUSIVE, 18 19 Defendants. 20 21 Mavrix Photo, Inc. ("Mavrix"), by and through its attorneys of record, complains 22 against Associated Newspapers Limited dba "Daily Mail of London" and dba 23 www.dailymail.co.uk, DMGT PLC, and DOES 1 through 10 (collectively, "Defendants"), 24 as follows: 25 /// 26 /// 27 .28 17808

JURISDICTION AND VENUE

- 1. This is a civil action against Defendants for copyright infringement in breach of the United States Copyright Act, 17 U.S.C. §§ 101 *et seq*. This Court has subject matter jurisdiction over the copyright infringement under 28 U.S.C. § 1331, 17 U.S.C. § 501(a), and 28 U.S.C. § 1338(a) and (b).
- 2. Venue is proper in this District under 28 U.S.C. §§ 1391(b) and (c) and 28 U.S.C. § 1400(a) in that the claim arises in this Judicial District, the Defendants may be found and transact business in this Judicial District, and the injury suffered by Plaintiff took place in this Judicial District. Defendants are subject to the jurisdiction of this Court because of their contacts with the United States and the State of California.

PARTIES: MAVRIX, DAILY MAIL, AND THE DAILY MAIL'S OPENING OF A CELEBRITY-FOCUSED BUREAU IN LOS ANGELES

- 3. Plaintiff Mavrix is a corporation incorporated and existing under the laws of Florida, with offices located in Los Angeles, California and Miami, Florida, which is publicly stated as such. Mavrix is a prominent celebrity photography agency. Mavrix licenses its photographs to its end customers, the world's leading newspapers, television programs and magazines, like People or US Weekly.
- 4. Plaintiff is informed and believes and, upon such, alleges that Associated Newspapers Limited is a worldwide business with its corporation headquarters in London, England and a Los Angeles Bureau.
- 5. Associated Newspapers Limited publishes the worldwide online newspaper known as www.dailymail.co.uk ("Website" or "Daily Mail Online") as well as the print paper known as the Daily Mail Newspaper ("Daily Mail"). The print version of the Daily Mail is sold in the United States, in California and in Los Angeles specifically, which consumers pay for the paper and those monies paid by Californians and Los Angelinos eventually reach Associated Newspapers.

- 6. Public documents indicate that Associated Newspapers Ltd. is itself simply a "division" of DMGT PLC, a multi-billion dollar worldwide publicly traded media conglomerate entity that operates in over 40 countries, including the United States, and has offices in the United States as well as facilities at the California Market Center in Los Angeles. In fact, the Daily Mail entity appears from public documents to be a division of DMGT housed in what DMGT calls its "A&N Media" group. The A&N Media Group includes various media outlets. On information and belief, DMGT stands for "Daily Mail and General Trust." Associated Newspapers Ltd. and DMGT are all part of the same entity, do not enjoy a separate corporate structure and function as one common enterprise and/or as alter egos of each other.
- 7. In 2010, Defendants opened a Los Angeles Bureau of the Daily Mail Online, which Bureau is in Los Angeles for the purpose of engaging in commerce related to celebrity photographs and celebrity news stories. Defendants picked Los Angeles for their new celebrity-focused Bureau because Los Angeles and Hollywood are the epicenter of celebrity culture and celebrity sightings. Defendants operate their Los Angeles Daily Mail Online Bureau in Inglewood, Los Angeles and have a 310 phone number for consumers to call with any celebrity leads or photos to offer Defendants, and the number is registered to a "World Media DMG." On information and belief World Media DMG is an alter ego of Defendants ("DMG" refers to "Daily Mail Group" on information and belief) and the front for their Los Angeles Daily Mail Online Bureau. True and correct copies of articles discussing the opening of the Defendants' Los Angeles Bureau are attached as Exhibit A.
- 8. The true names or capacities, whether individual, corporate or otherwise, of the Defendants named herein as DOES 1 through 10, inclusive, are unknown to Plaintiff, who therefore sues said Defendants by such fictitious names. Plaintiff will ask leave of Court to amend this Complaint and insert the true names and capacities of said Defendants when the same have been ascertained. Plaintiff is informed and believes and, upon such, alleges that each of the Defendants designated herein as a "DOE" is legally responsible in

some manner for the events and happenings herein alleged, and that Plaintiff's damages as alleged herein were proximately caused by such Defendants.

FACTS COMMON TO ALL COUNTS: THE DAILY MAIL'S REPEATED COPYRIGHT INFRINGEMENT OF PLAINTIFF'S WORKS AND ITS PATTERN AND PRACTICE OF SIMILAR INFRINGEMENTS AGAINST OTHERS.

- 9. The Daily Mail Online is one of the largest websites in the world. It is the second largest English news site in the world, second only to the New York Times. Individuals associated with the Daily Mail Online (and working for Defendants, specifically one James Bromley) claim that one-third of its online audience comes from the United States.
- 10. Of the nearly 80 million websites in the world, the Website ranks number 157 in the United States, according to the internet website traffic monitoring company Alexa. A true and correct copy of the Alexa verification of this is attached as Exhibit B. Similarly, Quantcast (another internet website traffic monitoring company) indicates that 2.8 million Americans per month view the Website, and ranks the website as number 548 in the world. A true and correct copy of Quantcast's data is also attached as part of Exhibit B.
- 11. Not surprisingly, the Daily Mail Online advertises myriad product and service offerings to people in California and the United States generally. For example, true and correct advertisements from the Website are attached as Exhibit C, all of which demonstrate the Defendant offering Californians Mercedes Benz cars for sale (at Southern California Mercedes Benz dealerships), job opportunities, health care plans, Cable TV at Time Warner in Southern California, auto insurance in California, and Lincoln Mercury cars for sale in California, among myriad other advertisements on the Website directed to Californians and Americans.
- 12. The Daily Mail Online also has a California-focused section, specifically a top-level link to a portion of the Website named "U.S. Showbiz" with a dedicated section to Los Angeles celebrity culture named "Gossip Direct From L.A." This portion of the Website focuses on celebrity culture, the world epicenter of which is Los Angeles. A true

and correct copy of this Los Angeles section of the Website is attached as Exhibit D. As discussed in Exhibit A, the celebrity gossip portion of the Website engages readers for longer than any other portion of the Website.

- 13. The Daily Mail Online also itself boasts that it has more non-UK users of its English language website that it does UK users, claiming recently that it received an average of almost 2,670,371 million unique non-UK visitors per day. Moreover, it claims that 64.05% percent of its unique users come from browser sessions outside the UK, with the remaining 35% coming from the UK.
- 14. The Website has "Debate Boards" for users to upload comments on celebrity issues and engage in online sparring debates as well as voting/polling opportunities for users to vote on celebrity issues (Example: "Has Kelly Osborne lost too much weight?").
- 15. Defendants are familiar with Mavrix and Mavrix's valuable and proprietary celebrity images. Indeed, in the past Mavrix had licensed the Daily Mail certain of Mavrix's images. But the parties' business relationship deteriorated over time, and Defendants took to simply using Mavrix's photos (at issue here) despite no legal authority to do so, a pattern of conduct that is apparently part of Defendants' *modus operandi* with other photograph agencies.
- 16. Mavrix captures and authors certain valuable celebrity images and offers them for license to entities, including the Defendants, by way of, for example, the following offer (the following is a specific offer given to Defendants by Plaintiff via a communication to Mr. Elliot Wagland, the Online Picture Editor for Defendants):

MAVRIXONLINE.COM - DAILY MAIL ONLINE OUT -

EXCLUSIVE!! Kate Hudson relaxes poolside in a blue bikini with her brother Oliver Hudson and his wife Erinn Bartlett. Hudson, who turns 31 in ten days time, had a pedicure, ate bbq ribs and chilled out in the Florida sunshine. She also appeared to be reading a script, possibly learning lines for her upcoming movie Ass Backwards. Florida, 4/9/10.

Fees must be agreed prior to publication. Byline, credit, TV usage,

web usage or linkback **must read MAVRIXONLINE.COM**. Failure to byline correctly will incur double the agreed fee. Tel: 305 542 9275 or 954 698 6777.

- 17. Despite prominent warning that under no circumstances could the images be used in the print media without agreeing to fees first, and that under all circumstances the images could not be used on the Daily Mail Online website ("DAILY MAIL ONLINE OUT"), Defendants nonetheless used the images on its online website and/or its hard-copy publication.
- 18. Despite prominent warning that "Fees must be agreed" prior to publication, Defendant simply would use the image online and in print editions and never negotiate fees. Defendant would on occasion send a check for a trivial, insubstantial sum of money, which was never agreed upon as the appropriate fee for the valuable images.
- 19. As such, Defendants have repeatedly reproduced, publicly distributed and publicly displayed numerous photographs belonging to Mavrix on numerous occasions via their Website and also in their print editions of the Daily Mail, all of which was done without consent or license of Plaintiff.
- 20. There are multiple infringements at issue in this case across two different media:
- a. Specifically, the following photographs are photographs that belong exclusively to Mavrix and which, as evidenced in the referenced Exhibits, were reproduced on Defendant's Website without consent:
 - 1. Pamela Anderson (Exclusive) (Exhibit E)
 - 2. Robbie Williams Wedding (Exhibit F)
 - 3. Devon James (Exclusive) (Exhibit G)
 - 4. Roger Daltrey (Exclusive) (Exhibit H)
 - 5. Halle Berry & Olivier Martinez (Exhibit I)

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27 28 intellectual property piracy, was willful thereby entitling Mavrix to statutory damages of \$150,000 per eligible image infringed per infringement.

FIRST CLAIM FOR RELIEF

(Copyright Infringement, 17 U.S.C. § 501)

- 24. Plaintiff Mavrix incorporates here by reference the allegations in paragraphs 1 through 23 above.
- Mavrix is the owner of all rights, title and interest in the copyrights to the 25. Photos, which substantially consist of material wholly original with Plaintiff and which are proper subject matter for copyright under the laws of the United States. Mavrix has complied in all respects with the Copyright Act and all of the laws of the United States governing copyrights. The Photos have been registered with the United States Copyright Office.
- 26. Defendants have directly, vicariously and/or contributorily infringed, and unless enjoined, will continue to infringe Mavrix's copyrights by reproducing, displaying, distributing and utilized the Photos for purposes of trade in violation of 17 U.S.C. § 501 et seq.
- Defendants have willfully infringed, and unless enjoined, will continue to 27. infringe Mavrix's copyrights by knowingly reproducing, displaying, distributing and utilizing the Photos for purposes of trade.
- Defendants have received substantial benefits in connection with the unauthorized reproduction, display, distribution and utilization of the Photos for purposes of trade, including by increasing the traffic to Defendants' websites and, thus, increasing the advertising fees realized.
- 29. The Defendants' acts are and were performed without the permission, license or consent of Mavrix.
- 30. The wrongful acts of Defendants have caused, and are causing, great injury to Mavrix, of which damages cannot be accurately computed, and unless this Court restrains 17808

Defendants from further commission of said acts, Mavrix will suffer irreparable injury, for all of which it is without an adequate remedy at law. Accordingly, Mavrix seeks a declaration that Defendants are infringing Mavrix's copyrights and an order under 17 U.S.C. § 502 enjoining Defendants from any further infringement of Mavrix's copyrights.

- 31. As a result of the acts of Defendants alleged herein, Mavrix has suffered and is suffering substantial damage to its business in the form of diversion of trade, loss of profits, injury to goodwill and reputation, and the dilution of the value of its rights, all of which are not yet fully ascertainable.
- 32. Because of the willful nature of the copyright infringement, Mavrix is entitled to an award of statutory damages equal to \$150,000 per infringement.
 - 33. Mavrix is also entitled to its attorney's fees in prosecuting this action.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff requests judgment against Defendants as follows:

- 1. The Defendants, their officers, agents, servants, employees, representatives, and attorneys, and all person in active concert or participation with them, be permanently enjoyed from designing, copying, reproducing, displaying, promoting, advertising, distributing, or selling, or any other form of dealing or transaction in, any and all advertising and promotional materials, print media, signs, Internet websites, or any other media, either now known or hereafter devised, bearing any design or mark which infringe, contributorily infringe, or vicariously infringe upon Plaintiff Mavrix's rights in the Photos.
- 2. Defendants be held liable to Plaintiff in statutory damages for copyright infringement, including willful infringement, in accordance with 17 U.S.C. §§ 504(a)(2) & (c) and for costs, interest and reasonable attorney's fees pursuant to 17 U.S.C. § 505.
- 3. An accounting be made for all profits, income, receipts or other benefit derived by Defendants from the reproduction, copying, display, promotion, distribution or sale of products and services, or other media, either now known or hereafter devised, that improperly or unlawfully infringes upon Plaintiff's copyrights pursuant to 17 U.S.C. §§ 504 (a)(1) & (b).

1	4. Requiring Defendants to account for and pay over to Plaintiff all profits
2	derived by Defendants from their acts of copyright infringement and to reimburse Plaintiff
3	for all damages suffered by Plaintiff by reasons of Defendant's acts, pursuant to 17 U.S.C.
4	§§ 504 (a)(1) & (b).
5	5. Actual damages for copyright infringement pursuant to 17 U.S.C. §§
6	504 (a)(1) & (b).
7	6. That Plaintiff be awarded any such other and further relief as the Court
8	may deem just and appropriate.
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10	Dated: November 22, 2010 ONE LLP
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12	By: 1ct 1.14
13	Peter Afrasiabi, Esq. Attorneys for Plaintiff
14	Mavrix Photo, Inc.
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DEMAND FOR JURY TRIAL

Plaintiff Mavrix Photo, Inc. hereby demands trial by jury of all issues so triable under the law.

Dated: November 22, 2010

ONE LLP

Peter Afrasiabi, Esq.

Attorneys for Plaintiff,

Mavrix Photo, Inc.