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IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA  
OAKLAND DIVISION

ATARI INTERACTIVE, INC.,

Plaintiff,

v.

REDBUBBLE, INC.,

Defendant.

Case No. 4:18-cv-03451-JST

**DEFENDANT REDBUBBLE, INC'S MOTION  
FOR JUDGMENT AS A MATTER OF LAW**

Date: November 2, 2021

Ctrm: 6 – 2<sup>nd</sup> Floor

Judge: Honorable Jon S. Tigar

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## I. INTRODUCTION

Atari has failed to meet its burden to prove its direct trademark and counterfeiting claims, its vicarious trademark infringement and counterfeiting claims, and its direct copyright infringement claims. In addition, the evidence at trial limits Atari's possible statutory damages awards for counterfeiting and copyright infringement even if Atari prevails on liability.

## II. LEGAL STANDARD

Pursuant to Rule 50(a) of the Federal Rules of Civil Procedure, a court may grant a motion for judgment as a matter of law before the case is submitted to the jury if "a reasonable jury would not have a legally sufficient evidentiary basis to find for [a] party on that issue." In entertaining such a motion, "the court should review all of the evidence in the record." *Reeves v. Sanderson Plumbing Prods., Inc.*, 530 U.S. 133, 150 (2000), viewing the evidence in the light most favorable to the nonmoving and drawing all reasonable inferences in that party's favor. *Josephs v. Pac. Bell*, 443 F.3d 1050, 1062 (9th Cir. 2006). Such a motion does not involve "credibility determinations or weigh[ing of] the evidence." *Krechman v. Cty. of Riverside*, 723 F.3d 1104, 1110 (9th Cir. 2013) (quoting *E.E.O.C. v. Go Daddy Software, Inc.*, 581 F.3d 951, 961 (9th Cir. 2009)).

## III. ARGUMENT

### A. Atari did not prove liability for trademark infringement or counterfeiting

#### 1. Atari's direct infringement and counterfeiting claims fail because Atari has not proven that Redbubble uses any Atari marks in commerce.

To prevail on direct infringement, Atari must demonstrate that Redbubble made an affirmative "use" of a mark "in connection with the sale, offering for sale, distribution or advertising" of the accused products. 15 U.S.C. § 1114(1). That is, Atari must show that Redbubble sold, offered for sale, or advertised the infringing or counterfeit products at issue. *See* 15 U.S.C. § 1127. Because all Atari has shown at trial is that Redbubble facilitated sales made by others, Atari has—as a matter of law—not proven direct trademark infringement.

#### a. Atari has not shown that Redbubble sold, or offered to sell, infringing or counterfeit products.

Courts—including this one—have recognized that companies that act as transactional intermediaries are not liable for direct infringement. *See, e.g., Atari Interactive, Inc. v. Redbubble, Inc.*, 515 F. Supp. 3d

1089, 1104 (N.D. Cal. 2021) (Redbubble would not be liable for direct infringement if found to be a “transactional intermediary”); *GMA Accessories, Inc. v. BOP, LLC*, 765 F. Supp. 2d 457, 464 (S.D.N.Y. 2011) (“What constitutes a ‘seller’ in the trademark context is not clear, but in other contexts a transactional intermediary is not treated as a seller.”). This Court has analyzed sales and offers for sale together. *Atari Interactive*, 515 F. Supp. 3d at 1105.

Here, the evidence introduced at trial shows as a matter of law that Redbubble is merely a transactional intermediary. First, it is undisputed that Redbubble does not control essential terms of the transaction. As Redbubble’s witnesses Mr. Deshais, Mr. Toy, and Mr. Hosking testified, Redbubble does not select the art that is offered for sale, the particular products (such as t-shirts or mugs) on which a piece of art may be printed, the title and tags for a product listing, or the price of product—the artist controls those details. Mr. Hosking also testified that Redbubble exists to allow artists to sell their art to a global audience. *See Milo & Gabby LLC v. Amazon.com, Inc.*, 693 F. App’x 879, 886–87 (Fed. Cir. 2017) (holding that Amazon was not a “seller” for direct copyright infringement, in part because Amazon “did not control what information or pictures were put on the product-detail page, nor did it control the price for which the product was sold”; rather, “third-party sellers as applicable to their products, controlled these details at all times”); *see also Tiffany (NJ) Inc. v. eBay Inc.*, 600 F.3d 93, 103 (2d Cir. 2010) (eBay not directly liable for sale of counterfeit Tiffany jewelry on its website). Indeed, in *Y.Y.G.M. SA v. Redbubble, Inc.*, the court granted summary judgment for Redbubble on the question of direct trademark liability, reasoning that because Redbubble’s service fee is the same regardless of the price charged by the artist, Redbubble’s “fee-based business model indicates the role of a service provider rather than a seller, as a seller almost invariably adjusts its price in relation to the value of the goods in question.” No. 2:19-cv-04618-RGK-JPR, 2020 WL 3984528 at \*3 (C.D. Cal. Jul 10, 2020).

In addition, Redbubble’s user agreement—which uploaders and purchasers alike agree to—repeatedly makes clear that Redbubble is not the seller:

- “Redbubble provides a range of services (the ‘Redbubble service’) which, amongst other things, enable you”—that is, the artist—“to publish, sell, discuss and purchase art,” TX 666<sup>1</sup> at 3;

<sup>1</sup> “TX” refers to exhibits admitted into evidence during trial.

- 1 • “Any member may offer their art for sale on a physical product on the website,” *id.* at 4;
- 2 • “When you submit or upload content on the website you represent and warrant that: you own all
- 3 copyright in the content, or if you are not the owner, that you have permission to use the content,
- 4 and that you have all of the rights required to display, reproduce and sell the content,” *id.* at 3;
- 5 • “Redbubble will arrange for third parties to fulfil those orders by facilitating payment for and
- 6 manufacture of your products,” *id.* at 8;

7 Second, Redbubble never holds title to the products sold on its marketplace. Courts have found the  
 8 presence or absence of passage of title to be a significant indicator of whether a sale has occurred. *See*  
 9 *Medicines Co. v. Hospira, Inc.*, 827 F.3d 1363, 1375–76 (Fed. Cir. 2016) (“absence of title transfer”  
 10 supported conclusion that company offered *services*, as opposed to making a sale); *Area 55, Inc. v.*  
 11 *Amazon.Com, Inc.*, No. 11-CV-00145-H (NLS), 2012 WL 12517661, at \*3-4 (S.D. Cal. May 3, 2012) (“The  
 12 finder of fact could consider possession of title . . . to determine whether Defendant Amazon's activities arose  
 13 to the level of selling”); *GMA Accessories*, 765 F. Supp. 2d at 464 (holding that a showroom was a broker,  
 14 not a seller, because there was “no evidence that [Defendant] took title to the merchandise, maintained an  
 15 inventory of merchandise, bore the risk of loss or other traditional indicia of status as seller”). This is  
 16 consistent with the UCC, which defines a “sale” as “the passing of title from the seller to the buyer for a  
 17 price.” Cal. Com. Code § 2106. There is no evidence that Redbubble ever takes title to the products, or that  
 18 title passes from Redbubble to the purchaser. Instead, Redbubble’s user agreement—which both artists and  
 19 purchasers agree to—provides that title passes directly from the artist to the buyer. *See* TX 666 at 8.

20 In its summary judgment order, this Court stated that “even assuming that the artists hold some title in  
 21 the products, Redbubble may still sell those products if it had authority to do so as the artists’ agent,” *Atari*  
 22 *Interactive*, 515 F. Supp. 3d at 1103, and cited Section 7.01 of the Restatement (Third) of Agency. That  
 23 section states that an agent is liable for the agent’s torts even if the tortious conduct was done on behalf of a  
 24 principal. The provision does *not* state that agents who facilitate a sale on behalf of a principal themselves  
 25 qualify as sellers. In fact, the Restatement makes clear that an agent who makes a contract on behalf of a  
 26 disclosed principal is *not* a party to a contract of sale (and thus not a seller) unless the agent and the third  
 27 party agree otherwise. Restatement (Third) of Agency § 6.01(2) (2006). For example, a lawyer who executes  
 28 a sales contract on behalf of his client would not qualify as a seller. In facilitating a sale by artists, Redbubble

at most acts as an agent for a disclosed principal, because persons buying art on Redbubble have notice that Redbubble acts for artists whose identity is disclosed. *See* Restatement (Third) of Agency § 1.04(2)(a) (2006). Artists are identified to customers by their user name, customers can click to view their artist page (with their store and some biographical information), and customers can directly message the artists through the Redbubble website.

This Court also previously cited Section 2-403 of the U.C.C. That provision states that “[a] purchaser of goods acquires all title which his transferor had or had power to transfer . . . .” Cal. Com. Code § 2403. As relevant here, this language protects bona fide purchasers for value against attacks based on alleged defects in a seller’s title; it provides, for example, that “a person with a voidable title still has the power to transfer valid title to a good faith purchaser for value.” *Morgold, Inc. v. Keeler*, 891 F. Supp. 1361, 1367 (N.D. Cal. 1995). The “power to transfer” language in the statute refers to a provision relating to physical possession not relevant here: “entrusting of possession of goods to a merchant who deals in goods of that kind gives him power to transfer all rights of the entruster to a buyer in ordinary course of business.” Cal. Com. Code § 2403.

**b. Atari has not shown that Redbubble advertised infringing or counterfeit products.**

At summary judgment, the Court held that “Atari has only circumstantial evidence that Redbubble may have advertised the protected marks when Google and other advertising platforms selected the image for display.” *Atari Interactive*, 515 F. Supp. 3d at 1106. At trial, Atari did not introduce *any* evidence of advertising by Redbubble on Google or other advertising platforms. Accordingly, Atari has failed to prove direct trademark infringement based on advertising.

**2. Atari has not proven that Redbubble is vicariously liable for any infringement or counterfeiting by fulfillers**

Redbubble can be vicariously liable for fulfiller’s infringement or counterfeiting only if Redbubble and the fulfillers: “have an apparent or actual partnership, have authority to bind one another in transactions with third parties or exercise joint ownership or control over the infringing product.” *Perfect 10, Inc. v. VISA Int’l Serv. Ass’n*, 494 F.3d 788, 807-08 (9th Cir. 2007) (citations omitted). The standard for imposing vicarious trademark liability is higher than that for vicarious copyright liability. *See, e.g., Hard Rock Cafe Licensing Corp. v. Concession Servs., Inc.*, 955 F.2d 1143, 1150 (7th Cir. 1992) (“[T]he Supreme

1 Court tells us that secondary liability for trademark infringement should, in any event, be more narrowly  
 2 drawn than secondary liability for copyright infringement.”); *Bangkok Broad. & T.V. Co. v. IPTV Corp.*, 742  
 3 F. Supp. 2d 1101, 1118 (C.D. Cal. 2010) (“Finally, secondary liability for trademark infringement should be  
 4 more narrowly drawn than secondary liability for copyright infringement.”) (internal quotation marks  
 5 omitted). This Court already ruled as a matter of law on summary judgment that Redbubble is not vicariously  
 6 liable for copyright infringement; it should similarly rule now as a matter of law that Redbubble is not  
 7 vicariously liable for trademark infringement.

8 First, there is no evidence that Redbubble and the fulfillers have an apparent or actual partnership.  
 9 The parties agree that a “[a] partnership is an association of two or more persons to carry on a business as co-  
 10 owners.” Joint Proposed Jury Instruction (Dkt. No. 167) at 64. But all the evidence adduced at trial shows  
 11 that the fulfillers are completely independent businesses from Redbubble. Tr. 359:6-11.

12 Second, there isn’t any evidence that Redbubble and the fulfillers “have authority to bind one another  
 13 in transactions with third parties,” *Perfect 10*, 494 F.3d at 807-08. Rather, Redbubble’s former head of  
 14 supply chain, Arnaud Deshais, testified unequivocally that fulfillers can always turn down an order placed  
 15 through Redbubble. Tr. 362:12-17. Mr. Deshais’s testimony was unrebutted.

16 Third, there is no evidence that Redbubble exercised “joint ownership or control over the infringing  
 17 product” with the fulfillers. *Perfect 10*, 494 F.3d at 807-08. To the contrary, the evidence demonstrated that  
 18 Redbubble exercises no control at all: Redbubble’s software automatically passes on orders to the fulfillers—  
 19 without anyone at Redbubble seeing the design—and once an order is sent to the fulfiller, Redbubble has no  
 20 further involvement: The fulfiller prints the design on a blank product that the fulfiller purchased, packages  
 21 it, and delivers it to the shipper. Tr. 363:15-364:8. No Redbubble employee has control of, over even sees,  
 22 the finished product. Tr. 365:19-25. And fulfillers are free to turn down orders, at which point the order is  
 23 cancelled and the product ***never gets made***. Tr. 362:12-17, 362:23-363:12.

24 Because no product exists at the time that Redbubble sends orders to fulfillers, and Redbubble has no  
 25 control over the infringing product itself, which is created only ***after*** the order is sent to the fulfiller,  
 26 Redbubble cannot be vicariously liable. *See, e.g., David Berg & Co. v. Gatto Int’l Trading Co.*, 884 F.2d  
 27 306, 311 (7th Cir. 1989) (rejecting argument that company that sold meat products to the direct trademark  
 28 infringer was liable under the theory that the parties had a “common plan here to sell the meat products

without any agreement to restrict the use of the trademark or the place of sale” because there was no evidence that the company “exercised joint ownership of, or control over, the meat products after they were sold to [the direct infringer]”); *see also Rosetta Stone Ltd. v. Google, Inc.*, 730 F. Supp. 2d 531, 550 (E.D. Va. 2010), *aff’d in relevant part*, 676 F.3d 144, 165 (4th Cir. 2012) (no vicarious liability absent proof that Google “controls the appearance and content” of infringing products or use of marks in those products); *Perfect 10, supra* (that direct infringers “operate their businesses according to defendants’ rules and regulations and defendants share the profits, transaction by transaction,” is insufficient to state a claim for vicarious infringement)

Presumably, Atari will rely on testimony that the packaging that the fulfillers use is Redbubble branded packaging, that Redbubble selects which fulfillers can participate in the marketplace (including vetting the fulfillers to quality), and that Redbubble provides order details (including, for example, specifications about the kind of t-shirt the customer has ordered). *See, e.g.*, Tr. 341:6-14. But that doesn’t show any control over the ***infringing content*** itself and is therefore insufficient. This distinguishes the trial record from the evidence submitted on summary judgment. At summary judgment, Atari had introduced evidence that Redbubble performs quality control. But the only evidence of control quality introduced at trial was that Redbubble ensures that fulfillers are high quality ***at the time that they are allowed to join the marketplace***; there is no evidence of any quality control of finished products. *Compare Atari Interactive*, , 515 F. Supp. 3d at 1107 (“Atari introduces circumstantial evidence that Redbubble controls the appearance and fit of the physical products, including that Redbubble performs quality control, makes detailed representations about the products, and instructs the fulfillers to use Redbubble packaging and tags.”) *with* Tr. 369:4-11, 370:3-13. Atari had also introduced evidence at summary judgment that fulfillers communicate with Redbubble about “potentially counterfeit designs, which could reasonably lead them to conclude that Redbubble ratifies the content.” *Atari Interactive*, 515 F. Supp. 3d at 1107 n.7. There is no evidence in the trial record of any communications with fulfillers about potentially counterfeit designs.

As the Court observed in its summary judgment order, “[s]ince vicarious infringement arises from agency principles, the key question is whether the fulfillers act under direction from Redbubble in attaching the marks.” *Atari Interactive*, 515 F. Supp. 3d at 1107. While it is true that Redbubble passes on a customer’s order to a fulfiller, whether to fill that order—that is, whether to attach the marks to the product—

1 is a decision left entirely up to the fulfiller. And once the design is attached, Redbubble never touches, or  
 2 even sees, the product. Redbubble is therefore not vicariously liable for any infringement by fulfillers as a  
 3 matter of law.

4 **3. Atari has not proven counterfeiting because it has not introduced evidence**  
 5 **showing Redbubble's intent or knowledge**

6 Atari has not shown that Redbubble intentionally used a counterfeit mark or knew that the mark  
 7 was counterfeit. The Ninth Circuit has held that to receive statutory damages for counterfeiting, the  
 8 plaintiff must show that “(1) [The defendant] intentionally used a counterfeit mark in commerce; (2)  
 9 knowing the mark was counterfeit; (3) in connection with the sale, offering for sale, or distribution of  
 10 goods; and (4) its use was likely to confuse or deceive.” *State of Idaho Potato Comm’n v. G&T Terminal*  
 11 *Packaging, Inc.*, 425 F.3d 708, 721 (9th Cir. 2005); McCarthy 25:10 (“Counterfeiting is the act of  
 12 producing or selling a product with a sham trademark that is an *intentional* and calculated reproduction  
 13 of the genuine trademark.” (emphasis added)).

14 Even assuming Atari can prove that a counterfeit mark was used on Redbubble, Atari did not  
 15 provide any evidence that Redbubble acted with intent or knowledge that any design was a counterfeit  
 16 mark. Indeed, the Court already resolved the issue of Redbubble's knowledge at summary judgment,  
 17 holding that “Atari fails to establish either knowledge or willful blindness to infringement of Atari's  
 18 copyrights,” Dkt. No. 97 at 31, and that it “reaches the same result as to Atari's trademark claims,” Dkt.  
 19 No. 127 at 2. This is because “Atari provides no evidence that Redbubble knew of specific infringing  
 20 material.” Dkt. No. 97 at 28-29 (cleaned up). To know that a mark was counterfeit and intentionally use  
 21 a counterfeit mark in commerce, Redbubble would have to know of the specific material in question,  
 22 which the Court has already ruled Redbubble does not. Even had the Court not already decided that  
 23 issue, Atari did not provide any evidence at trial suggesting Redbubble had knowledge of specific  
 24 material on its website, much less that any specific material constituting a counterfeit mark. Thus, the  
 25 Court should grant judgment for Redbubble on Atari's counterfeiting claim.

26 **B. Atari can receive no more than four awards of trademark counterfeiting statutory**  
 27 **damages.**

28 Assuming Atari could prove liability for trademark counterfeiting, it can receive no more than  
 four statutory damages awards: three for the Atari “Fuji” logo and one for Pong.

1 Statutory damages for trademark counterfeiting are awarded per mark, per type of good. Under  
2 the Court's jury instruction:

3 [F]or each of the registered marks that you determine was counterfeited,  
4 you must determine how many types of counterfeit goods Redbubble sold,  
5 offered for sale, or distributed. Only the goods for which a mark is  
6 registered count for purposes of a counterfeiting claim.

7 Goods are of the same "type" if they serve the same functional purpose or  
8 have the same basic functionality. Subtle differences in size, shape, color,  
9 pattern, or fabric do not make something a different type of good.

10 Dkt No. 208 at 1.

11 The registration for the Atari "Fuji" trademark, TX 81, states that "the mark consists of the word  
12 'Atari' with a Fuji design above the word within a box." It covers "printed matter, namely, posters,  
13 stickers; user and instruction manuals for computer hardware and software" and "articles of clothing,  
14 namely, t-shirts, sweat shirts, hats . . . ." *Id.*<sup>2</sup>

15 In addition, the Lanham (Trademark) Act, Pub L. 79-489, 60 Stat 427, enacted July 5, 1946,  
16 codified at 15 U.S.C. § 1051 et seq., "defines a counterfeit mark as 'a spurious mark which is identical  
17 with, or substantially indistinguishable from, a registered mark.'" *Gibson Brands, Inc. v. John Hornby  
18 Skewes & Co.*, No. CV 14-00609 DDP (SSx), 2016 WL 7479317, at \*5 (C.D. Cal. Dec. 29, 2016)  
19 (quoting 15 U.S.C. § 1127); 4 McCarthy on Trademarks and Unfair Competition § 25:10 ("A 'counterfeit  
20 mark' is a false mark that is identical with, or substantially indistinguishable from, the genuine mark.")).  
21 For example, the Second Circuit has held that even where the wording of marks was the same, the marks  
22 were not "substantially indistinguishable" where they differed in "font, color, and capitalization." *Kelly-  
23 Brown v. Winfrey*, 717 F.3d 295, 315 (2d Cir. 2013).

24 Applying those standards, there are only a few accused products that could possibly be viewed as  
25 having "the word 'Atari' with a Fuji design above the word within a box" and that are depicted on  
26 products that could correspond to the types of goods listed in the trademark registration: TX 100 at page  
27

28 <sup>2</sup> The Atari "Fuji" logo registration also covers video game machines and plug and play units, but there is  
no contention that any such products were available on Redbubble's website.

2, row 1; page 19, row 2; page 6, row 2.



These accused products correspond, at most, to three types of goods listed in the trademark registration: t-shirts, sweat shirts, and stickers.

At trial, Atari alleged as infringing a particular product listing, TX 199, for which the “available products” included a poster, stickers (sticker and glossy sticker), t-shirts (such as active, classic, and premium), sweatshirts (such as lightweight and pullover), phone covers, and laptop sleeves.



First, this image is not a counterfeit mark. The design in TX 199 is not substantially indistinguishable from the registered “Fuji” trademark, because it does not have the Fuji design above the word Atari in a box. Moreover, products such as phone covers or laptop sleeves do not count because a counterfeiting claim requires that “the genuine mark was *registered for use on the same goods* to which the infringer applied the mark.” *Louis Vuitton Malletier, S.A. v. Akanoc Sols., Inc.*, 658 F.3d 936, 946 (9th Cir. 2011) (emphasis added). And Atari never introduced evidence that products like “sticker” versus a “glossy sticker” have a different functional purpose or functionality.

The registration for the word mark “Pong,” TX 82, covers “printed matter, namely, stickers; user and instruction manuals for computer hardware and software” and “articles of clothing, namely, t-shirts, sweat shirts, hats . . . .” Atari did not introduce evidence of a product listing with multiple products for an image with the word Pong; it only showed images from search results of *t-shirts* with the word Pong. *E.g.*, TX 100 at page 5, row 4. Thus, Atari can show at most one type of good with the Pong mark.

Thus, Atari is entitled to no more than four awards of statutory damages for counterfeiting.

**C. Atari did not prove liability for copyright infringement**

Atari asserts direct infringement of its copyright reproduction and distribution rights. *See Atari Interactive*, 515 F. Supp. 3d at 1113 (holding that Redbubble is not directly liable for infringement of display rights). Atari must (1) “show ownership of the allegedly infringed material,” (2) “demonstrate that the alleged infringers violated at least one exclusive right granted to copyright holders under 17 U.S.C. § 106,” and (3) “show causation (also referred to as ‘volitional conduct’) by the defendant.” *Giganews*, 847 F.3d at 666. “[T]he scope of the copyright is limited by the deposit copy.” *Skidmore as Tr. for Randy Craig Wolfe Tr. v. Led Zeppelin*, 952 F.3d 1051, 1063 (9th Cir. 2020) (en banc). Further, “outside of statutory exceptions not applicable here, § 411(a) bars a copyright owner from suing for infringement until “registration . . . has been made.” *Fourth Est. Pub. Benefit Corp. v. Wall-Street.com, LLC*, 139 S. Ct. 881, 888 (2019) (quoting 17 U.S.C. § 411).

Per the parties’ pretrial stipulations, Atari agreed that it will not pursue any copyright claims other than “direct copyright infringement of the game graphics and artwork associated with the following games: *Adventure*, *Asteroids*, *Breakout*, *Centipede*, *Missile Command*, *Pong*, and *Yar’s Revenge*.” Dkt. No. 164 at 2. The parties further stipulated that “Atari is the owner of the copyright registrations numbered USCO Reg. No. PA 1-805-830 and USCO Reg. No. PA 1-805-832.” *Id.* The first registration is for *Atari Greatest Hits Volume I (DS)*, from 2010 (TX 83); the second is for *Atari Greatest Hits Volume 2 (DS)*, from 2011. The “DS” refers to the Nintendo DS, a dual-screened handheld gaming device made by Nintendo. Atari did not introduce the registration for *Greatest Hits Volume 2 (DS)* into evidence during the trial and has not included it in its revised proposed jury instructions. *See* Dkt. No. 230 at 33 (listing only Exhibit 83 in the proposed copyright registration certificate instruction). And although Atari did introduce an exhibit listing copyright catalog search results for various other registrations, TX 21, it does not include any of these in its revised proposed jury instructions, either. *See id.* In addition, TX 21 does not reference separate registrations for game graphics other than as to *Asteroids*, *Breakout*, and *Centipede*.<sup>3</sup> Redbubble also did not stipulate to Atari’s ownership of those registrations in TX 21, and Atari introduced no evidence that it owns those registrations.

<sup>3</sup> TX 21 does contain a registration for *Pong: the next level (2001)*, but as Atari’s expert Mr. Lapetino testified, that game has different graphics. Tr. 649:14-650:3.

1                   **1. Atari has not proven volitional conduct by Redbubble**

2                   To establish copyright infringement, Atari “must also establish causation, which is commonly  
3 referred to as the ‘volitional-conduct requirement.’” *VHT, Inc. v. Zillow Group, Inc.*, 918 F.3d 723,  
4 731(9th Cir. 2019) (citing *Giganews*, 847 F.3d at 666). The volitional conduct doctrine requires a party  
5 to be the “direct cause” and “actively involved” in infringement for direct liability to attach. *Id.*; *see also*,  
6 *e.g.*, *Giganews*, 847 F.3d at 666 (“direct infringement requires . . . causation (also referred to as ‘volitional  
7 conduct’) by the defendant”); *CoStar Grp., Inc. v. LoopNet, Inc.*, 373 F.3d 544, 550 (4th Cir. 2004) (requiring  
8 “conduct by a person who causes in some meaningful way an infringement”) (emphasis in original); *Wolk v.*  
9 *Kodak Imaging Network, Inc.*, 840 F. Supp. 2d 724, 742 (S.D.N.Y. 2012). For the same reason that Atari  
10 has failed to show use in commerce, it has also failed to show volitional conduct.

11                  The Ninth Circuit has held that a service provider does not engage in volitional conduct when it  
12 “automatically cop[ies], stor[es], and transmit[s] materials upon instigation by others.” *Giganews*, 847  
13 F.3d at 668 (emphasis added); *see also Zillow Grp.*, 918 F.3d at 732 (to show volitional conduct, a  
14 plaintiff must provide “evidence showing [the alleged infringer] exercised control (other than by general  
15 operation of its website); selected any material for upload, download, transmission, or storage; or  
16 instigated any copying, storage, or distribution of its copyrighted materials”) (cleaned up); *Religious*  
17 *Tech. Ctr. v. Netcom On-Line Comm’n Sers., Inc.*, 907 F. Supp. 1361, 1368 (N.D. Cal. 1995) (no  
18 volitional conduct where an online bulletin board “did not take any affirmative action that directly  
19 resulted in copying plaintiffs’ works other than by installing and maintaining a system whereby software  
20 automatically forwards messages received from subscribers onto the Usenet, and temporarily stores  
21 copies on its system”).

22                  Atari did not show anything other than automatic storage and transmission. Specifically, as  
23 Redbubble’s witnesses testified, the artist creates the work and uploads it; no one at Redbubble need ever  
24 lay eyes on it for the product to be listed. The artist also chooses what price to set, what products (e.g., t-  
25 shirts or stickers) to offer the art on, and how to describe the product in the listing (such as with a title  
26 and tags). Once the product is listed, it is the *customer’s* decision to add the product to their cart and  
27 checkout that triggers the automated process of passing on data to a fulfiller that then creates and delivers  
28 the physical product. From start to finish, a sale on Redbubble generally occurs without human

1 intervention from Redbubble. Indeed, no one at Redbubble sees the art or the physical product before the  
 2 order is completed. And Redbubble does not manufacture the product nor control the fulfiller; as Mr.  
 3 Deshais testified (without rebuttal), the fulfiller can choose to decline an order, and fulfillers have in fact  
 4 done so.

5 **2. Atari has not proven the scope of its copyright because it failed to introduce**  
 6 **evidence of deposit copies.**

7 Atari must “show ownership of the allegedly infringed material.” *Giganews*, 847 F.3d at 666. In  
 8 *Skidmore*, 952 F.3d at 1062-63, the Ninth Circuit held that under the 1909 Copyright Act, “the scope of  
 9 the copyright is limited by the deposit copy,” because (1) under the statute, “the author must deposit one  
 10 *complete copy* of such work” and (2) the purpose of that deposit is to “make a record of the claimed  
 11 copyright, provide notice to third parties, and prevent confusion about the scope of the copyright.”  
 12 *Skidmore* also cited the Copyright Office Compendium in effect at the time, which stated its practice of  
 13 “writing to the applicant, *pointing out that protection extends only to the material actually deposited*, and  
 14 suggesting that in his own interest he develop his manuscript to supply the missing element.” *Id.*  
 15 (citation omitted). Accordingly, *Skidmore* affirmed the district court’s exclusion of evidence (sound  
 16 recordings) that went beyond the scope of the deposit copy (a page of sheet music). *Id.* at 1063-64; *see*  
 17 TX 21 at 3 (PA0000610716).

18 The same is true under the 1976 Act. With limited exceptions not applicable here, “the owner of  
 19 copyright or of any exclusive right in the work may obtain registration of the copyright claim by  
 20 delivering to the Copyright Office the deposit specified by this section.” 17 U.S.C. § 408(a).  
 21 Specifically, “in the case of a published work,” like the video games at issue here, the registrant must  
 22 deposit “two complete copies or phonorecords of the best edition.” *Id.* § 408(b)(2). And just as with the  
 23 1909 Act, an important purpose of the deposit copy is to delineate the scope of the copyright. For  
 24 example, as the Supreme Court has explained, under Section 410 of the 1976 Act, “if the Register  
 25 determines that the material deposited constitutes copyrightable subject matter and other legal and formal  
 26 requirements are met are met, the Register shall register the claim.” *Fourth Estate Pub. Benefit Corp. v*  
 27 *Wall-Street.*, 139 S. Ct. 881, 889 (2019) (cleaned up). “But if the Register determines that the deposited  
 28 material does not constitute copyrightable subject matter or that the claim is invalid for any other reason,

the Register shall refuse registration.” *Id.* (cleaned up). Moreover, the Copyright Office Compendium in effect in 2010 and 2011—when the *Greatest Hits* game were registered—states that “the coverage of a registration cannot, subject to certain exceptions, extend beyond the material deposited to make that registration.” *Compendium of Copyright Office Practices* (“*Copyright Office Compendium*”) § 108.04 (2d ed. 1998).

Because it failed to provide evidence of any deposit copies, Atari has not met its burden of proving ownership of the allegedly infringing material. This is not merely a theoretical problem. Atari alleges infringement of various game graphics and artwork. The copyright registration that Atari relies on—*Greatest Hits Volume I (DS)*—which was published in November 2010 and thus is governed by the 1976 Act, is for the “audio-visual work” and “instructional materials” of that game. Atari did not produce in discovery, and thus did not introduce at trial, any screenshots of those games, nor of any specific instructional materials. During the trial, Atari pointed to some screenshots from classic Atari games, but cannot establish that those particular images are present in the registered copyrights. As *Skidmore* recognized, a purpose of the deposit copy is precisely to “prevent confusion about the scope of the copyright.” 952 F.3d at 1062. In *Hayes v. Minaj*, No. 2:12-CV-07972-SVW-SH, 2013 WL 11328453, at \*4 (C.D. Cal. Mar. 7, 2013), the Court granted summary judgment of no copyright infringement because the plaintiff “failed to provide any evidence that the Second Book or the Songs were submitted as part of the Registered Work.” “Plaintiff’s self-serving testimony that the Second Book and the Songs were submitted [to the Copyright Office] along with the Registered Work is insufficient to create a triable issue of fact.” *Id.*

Because Atari did not provide any evidence that it submitted any particular game images to the Copyright Office, let alone in registering *Greatest Hits Volume I (DS)*, the Court should grant judgment for Redbubble on Atari’s copyright claims.

### **3. Atari has not proven copyright infringement for any of the asserted games.**

For each game, Atari had to prove that it has a copyright registration covering the allegedly infringing material, and that there was an actual distribution or reproduction of that material. Except possibly as to game graphics for *Breakout* and *Pong*, which Atari contends are both included in *Greatest Hits Volume I* as parts of a compilation, Atari has not done so. Accordingly, based on Atari’s failure of

proof, the Court should enter judgment for Redbubble on all of Atari's copyright claims except as to game graphics for *Breakout* and *Pong*.

**a. *Adventure***

Atari asserted infringement of box art and graphics for the game *Adventure*. For example, Ms. Brown purported to identify the "artwork" for "Adventure"—testifying "that's the box." Tr. 390:2-16.

First, Atari did not prove that it has a registration on any *Adventure* box art. The registration for *Greatest Hits Volume I (DS)* expressly states that it is an "Audio-Visual Work," and describes that the new material is "[d]ifferent graphics, game play, audio-visual materials and instructional materials"—not any artwork on the external game packaging. TX 83. The Copyright Act defines "audiovisual works" as "works that consist of a series of related images which are intrinsically intended to be shown by the use of machines, or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any." 17 U.S.C. § 101. That definition does not encompass artwork on the box. As to "instructional materials," that refers to textual instructions, and in any event Atari did not introduce any evidence as to the content of the "instructional materials" for *Greatest Hits Volume I (DS)*. Nor did Atari introduce reference to any separate registration covering box art for *Adventure*. See TX 21. Accordingly, Redbubble is entitled to judgment on any claim of infringement of *Adventure* box art.

Second, Atari has not provided evidence of any in-game images of *Adventure*—either from the two *Greatest Hits* works or from some earlier version of *Adventure*. In its summary judgment order, this Court held that "the screenshots of the [*Greatest Hits*] game[s] are sufficient to establish the content of the protected audiovisual elements." *Atari Interactive, Inc. v. Redbubble, Inc.*, 515 F. Supp. 3d 1089, 1111 (N.D. Cal. 2021). But the Court granted Redbubble's motion *in limine* No. 11 to exclude those particular screenshots, which Atari produced for the first time with its summary judgment briefing, because "Atari produced these exhibits significantly longer after the discovery cut-off" even though "[i]t could have created and produced [the evidence] within the discovery cut-off period." Dkt. No. 197 at 13-14. Atari did not adduce any testimony as to the graphics of *Adventure* (as distinct from the box art), but even if it had, such testimony alone would not be sufficient, because the evidence must permit the jury to make a side-by-side comparison. See *Experian Info. Sols., Inc. v. Nationwide Mktg. Servs. Inc.*, 893 F.3d 1176, 1186 (9th Cir. 2018).

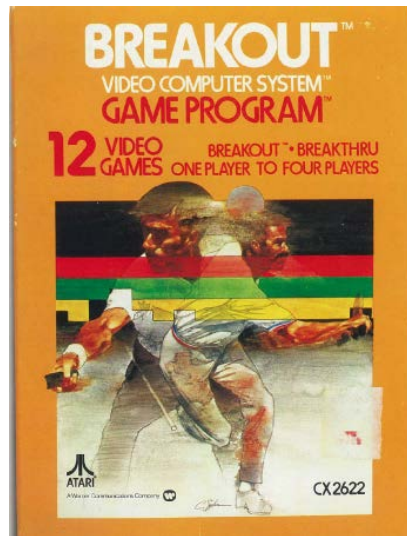
Because Atari did not prove it has a registration covering *Adventure* box art, and submitted no evidence of *Adventure* game graphics, the Court should enter judgment for Redbubble.

**b. *Asteroids***

Atari did not prove that it has a registration covering *Asteroids* box art. As explained above, the registration for *Greatest Hits* does not cover box art, and Atari did not introduce evidence referring to any separate registration covering box art for this game, *see* TX 21. Atari also submitted no screenshots of *Asteroids* gameplay, either from the *Greatest Hits* games or any earlier version of *Asteroids*. Ms. Brown testified, when looking at an *accused* shirt, “that’s the *Asteroids* ship.” Tr. 528:14-23. But that testimony is insufficient because it deprives the *jury* of the ability to make a side-by-side comparison and determine substantial similarity.

**c. *Breakout – box art***

Atari introduced evidence of a 1978 registration for the “Printed carton” of “Breakout, Video Computer System, Game Program.” TX 21 at 6. However, Atari did not introduce evidence that it owns that registration, which names “Atari, Inc.” (not Atari Interactive, Inc.) and “Spohn, C.” The parties stipulated to Atari’s ownership only for the registrations for the two *Greatest Hits* games. In addition, Atari did not allege that any product on Redbubble infringed the below image, which its witness Mr. Lapetino identified as “a photograph of the Breakout box,” Tr. 593:1-4:



TX 80-78 (bottom left).

1                                    **d.      *Centipede***

2            Atari did not prove that it has a registration covering *Centipede* box art. As explained above, the  
3 registration for *Greatest Hits* does not cover box art, and Atari did not introduce evidence referring to  
4 any separate registration covering box art for this game, *see* TX 21. It also submitted no screenshots of  
5 *Centipede* gameplay, either from the *Greatest Hits* games or any earlier version of *Centipede*. It also did  
6 not point to any products on Redbubble as infringing the graphics of *Centipede*, as opposed to the box  
7 art.

8                                    **e.      *Missile Command***

9            Atari did not prove that it has a registration covering *Missile Command* box art. As explained  
10 above, the registration for *Greatest Hits* does not cover box art, and Atari did not introduce evidence  
11 referring to any separate registration covering box art for this game, *see* TX 21. Atari also submitted no  
12 screenshots of *Missile Command* gameplay, either from the *Greatest Hits* games or any earlier version of  
13 *Missile Command*. Nor did Atari accuse any product of infringing the *Missile Command* graphics, as  
14 opposed to the box art.

15                                   **f.      *Pong – box art***

16           Atari did not prove that it has a registration covering *Pong* box art. As explained above, the  
17 registration for *Greatest Hits* does not cover box art, and Atari did not introduce evidence referring to  
18 any separate registration covering box art for this game, *see* TX 21.

19                                   **g.      *Yar's Revenge***

20           Atari did not prove that it has a registration covering *Yar's Revenge* box art. As explained above,  
21 the registration for *Greatest Hits* does not cover box art, and Atari did not introduce evidence referring to  
22 any separate registration covering box art for this game, *see* TX 21. As to game graphics, Atari did not  
23 introduce any screenshots showing *Yar's Revenge* graphics, either from the registered *Greatest Hits*  
24 games or from an earlier version of *Yar's Revenge*. Atari also did identify any products which it alleges  
25 infringe game graphics of *Yar's Revenge*.

26           **D.      Atari can receive no more than one statutory damages award for copyright**  
27           **infringement**

28           Assuming Atari can prove liability for copyright infringement, it can receive no more than one

1 statutory damages award. Copyright statutory damages are awarded by infringed work, irrespective of  
 2 the number of infringements of each work. *See Louis Vuitton Malletier, S.A. v. Akanoc Sols., Inc.*, 658  
 3 F.3d 936, 946 (9th Cir. 2011); 17 U.S.C. § 504(c)(1) (providing for “an award of statutory damages for  
 4 all infringements involved in the action, with respect to any one work”).

5 Here, Atari relies on just one registered work: *Atari Greatest Hits Volume I (DS)*. This game is a  
 6 derivative work. *See Atari Interactive*, 515 F. Supp. 3d at 1111 (analyzing these games as derivative  
 7 works); TX 83 (excluding from the copyright the “[o]riginal graphics”). It is also a compilation, because  
 8 it consists of different pre-existing games and thus constitutes a “work formed by the collection and  
 9 assembling of preexisting materials or of data.” 17 U.S.C. § 101. Further, Atari’s director of licensing,  
 10 Ms. Brown, testified that “it’s a compilation.” Tr. 387:2-6. Section 504(c)(1) provides that for purposes  
 11 of calculating statutory damages, “all the parts of a compilation or derivative work constitute one work.”  
 12 Thus, as set forth by the statute, there can be at most one award of statutory damages. *See Bryant v.*  
 13 *Media Right Prods., Inc.*, 603 F.3d 135, 142 (2d Cir. 2010) (holding that a music album was a  
 14 compilation, “subject to only one award of statutory damages,” “even if the parts of the compilation are  
 15 regarded as independent works for other purposes” (citation omitted)).

#### 16 **IV. CONCLUSION**

17 For the foregoing reasons, the Court should grant Redbubble’s motion for judgment as a matter of  
 18 law.

19  
 20 Dated: November 2, 2021

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