

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

DENNIS MARIO RIVERA,

Plaintiff,

v.

MÉNDEZ & COMPAÑIA, *et al.*,

Defendants.

Civil No. 11-1530 (BJM)

OPINION AND ORDER

In an amended complaint, Dennis Mario Rivera sued Méndez & Compañía (“Méndez”), HNK Americas, Luis Álvarez, Triple-S Propiedad, Inc. and others, alleging copyright infringement. Docket No. 83 (“Compl.”). The parties have consented to proceed before a magistrate judge. Docket No. 107. Before the court is plaintiff’s motion for summary judgment and defendants’ motion for partial summary judgment. Docket Nos. 120, 121 (“Pl. Mot.”), 124 (“Def. Mot.”), 125. Each side has opposed the other, and plaintiff additionally submitted a reply. Docket Nos. 128, 132, 148. In light of the findings of fact and legal discussion set forth below, plaintiff’s motion for summary judgment is **GRANTED IN PART** and **DENIED IN PART**, and defendants’ motion for partial summary judgment is **DENIED**.

SUMMARY JUDGMENT STANDARD

Summary judgment is appropriate when “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). A fact is material only if it “might affect the outcome of the suit under the governing law,” *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986), and “[a] ‘genuine’ issue is one that could be resolved in favor of either party.” *Calero-Cerezo v. U.S. Dep’t of Justice*, 355 F.3d 6, 19 (1st Cir. 2004). The court does not weigh facts, but instead ascertains whether the “evidence is such that a reasonable jury

could return a verdict for the nonmoving party.” *Leary v. Dalton*, 58 F.3d 748, 751 (1st Cir. 1995).

The movant must first “inform[] the district court of the basis for its motion,” and identify the record materials “which it believes demonstrate the absence of a genuine issue of material fact.” *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); R. 56(c)(1). If this threshold is met, the opponent “must do more than simply show that there is some metaphysical doubt as to the material facts” to avoid summary judgment. *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574, 586 (1986). The nonmoving party may not prevail with mere “conclusory allegations, improbable inferences, and unsupported speculation” for any element of the claim. *Medina-Muñoz v. R.J. Reynolds Tobacco Co.*, 896 F.2d 5, 8 (1st Cir. 1990). Still, the court draws inferences and evaluates facts “in the light most favorable to the nonmoving party,” *Leary*, 58 F.3d at 751, and the court must not “superimpose [its] own ideas of probability and likelihood (no matter how reasonable those ideas may be) upon the facts of the record.” *Greenburg v. P.R. Maritime Shipping Auth.*, 835 F.2d 932, 936 (1st Cir. 1987).

BACKGROUND

This summary of the facts is guided by the parties’ Local Rule 56 statements of uncontested facts. *See* Docket Nos. 120 (“Pl. SUF”), 125 (“Def. SUF”), 131, 133, 149.¹

Dennis Mario Rivera is an artist of more than 30 years based in Puerto Rico. Méndez & Compañía is a Puerto Rico company that serves as the exclusive distributor of Heineken beer in Puerto Rico, and sponsors the annual Puerto Rico Heineken Jazz Fest

¹ Local Rule 56 requires parties at summary judgment to supply brief, numbered statements of facts, supported by citations to admissible evidence. It “relieve[s] the district court of any responsibility to ferret through the record to discern whether any material fact is genuinely in dispute,” *CMI Capital Market Inv. v. González-Toro*, 520 F.3d 58, 62 (1st Cir. 2008), and prevents litigants from “shift[ing] the burden of organizing the evidence presented in a given case to the district court.” *Mariani-Colón v. Dep’t of Homeland Sec.*, 511 F.3d 216, 219 (1st Cir. 2007). The rule “permits the district court to treat the moving party’s statement of facts as uncontested” when not properly opposed, and litigants ignore it “at their peril.” *Id.*

(“PRHJF”). Luis Álvarez is a Vice President at Méndez and the Executive Producer of PRHJF. Pl. SUF ¶¶ 1–5. The Puerto Rico Heineken Jazz Fest is a music festival, established in 1991, and which raises funds for students of the Berklee College of Music. Def. SUF ¶ 1.

Sometime before the 1998 festival, Méndez approached Rivera and commissioned him to create a visual design that included the Heineken logo and featured that year’s artist, to be used in various promotional and marketing materials (posters, t-shirts, bus shelters, etc.) for the 1998 PRHJF. Compl. ¶¶ 16–17; Def. SUF ¶¶ 2–3. For each festival starting in 1998 through 2009, Rivera created one such design (for a total of twelve pieces). Pl. SUF ¶ 10. Rivera was given a significant amount of artistic freedom to create these works. *Id.* ¶¶ 100–02, 104. Upon completion of each piece, Rivera would deliver to Méndez the original work, framed, and the work in a digital format on a disk. Def. SUF ¶ 7. For each piece, he charged Méndez \$5000 for the original artwork, \$4000 for “logo design,” and an additional sum for the original’s framing. *See, e.g.*, Docket No. 125-8, at 10–18. Prior to the festival’s twentieth anniversary in 2010, Álvarez met with Rivera at a restaurant in San Juan and notified him that another artist would be designing the artwork for the 2010 PRHJF. Pl. SUF ¶¶ 11–12. During this meeting, Rivera claims he told Álvarez that he was fine with this change, but that they could no longer use any of his prior artwork. *Id.* ¶ 165; Docket No. 146-9. Álvarez claims Rivera never made such a statement. Docket No. 133-1, at 2.

Although Méndez did not commission Rivera to produce a new piece for the 2010 festival, Méndez used at least six of Rivera’s previous designs in a collage that was placed on festival programs and commemorative merchandise sold during the 2010 festival. Pl. SUF ¶ 116; Def. SUF ¶ 10. Rivera did not explicitly authorize the creation of this collage. Pl. SUF ¶ 118. Additionally, Rivera’s artworks are still displayed on the Méndez & Compañía (www.mendezcopr.com) and PRHJF websites (www.prheinekenjazz.com). Pl. SUF ¶ 17; Docket Nos. 133-3, 133-4. On the Méndez

website, a page describes the history of the Heineken Jazz Fest and allows the user to scroll through year-by-year, to see the artwork from each annual event, including all twelve of Rivera's works. Docket No. 133, Additional Fact ¶ 7.

Rivera registered all twelve artworks at issue with the U.S. Copyright Office on April 27, 2011. Docket No. 120-4. He brought suit against defendants in June 2011 for copyright infringement, seeking injunctive relief and damages.

DISCUSSION

Plaintiff Rivera moves for summary judgment on his copyright infringement claim. To prevail, a plaintiff must demonstrate an absence of a genuine issue of material fact as to: 1) ownership of copyright, and 2) defendants' infringement. *Johnson v. Gordon*, 409 F.3d 12, 17 (1st Cir. 2005) ("two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original"). Defendant Méndez argues that its use of Rivera's artwork is within the scope of implied licenses Rivera granted to Méndez each time an artwork was commissioned and delivered. Méndez also asserts a fair use defense with respect to the display of Rivera's artwork on the Méndez & Compañia and PRHJF websites. Lastly, Méndez moves for partial summary judgment on Rivera's claim for damages. Each issue will be discussed below in turn.

I. Copyright Infringement

To establish copyright infringement, a plaintiff must first demonstrate ownership of a valid copyright. *Johnson*, 409 F.3d at 17; *see also Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991). The burden of proving copyright ownership is borne by the plaintiff. *Grubb v. KMS Patriots, L.P.*, 88 F.3d 1, 3, 5 (1st Cir. 1996). Registration with the U.S. Copyright Office within five years of the work's first publication is *prima facie* evidence of copyright ownership, and the burden shifts to the opposing party to demonstrate invalidity of the copyright. 17 U.S.C. § 410(c); *Lotus Dev. Corp. v. Borland Int'l, Inc.*, 49 F.3d 807, 813 (1st Cir. 1995). Registration obtained after

five years benefits from no presumption, and the weight given to such a registration is within the discretion of the court. 17 U.S.C. § 410(c); *Brown v. Latin Am. Music Co., Inc.*, 498 F.3d 18, 23–24 (1st Cir. 2007).

In this case, Rivera registered all twelve artworks at issue on April 27, 2011. *See* Docket No. 120-4. The first publication date for these pieces range from 1998 to 2009. *Id.* Thus, the registrations are *prima facie* evidence of valid copyright ownership for only some of the artworks (those with a first publication date on or after April 27, 2006). However, Méndez has produced no evidence to demonstrate why Rivera’s claimed copyright is not valid, and in fact it admits that Rivera is the “copyright owner of the artworks” at issue. SUF ¶ 9. Accordingly, I find that Rivera has established ownership of valid copyright and has satisfied the first prong of his copyright infringement claim. Summary judgment as to the issue of copyright ownership is granted. *See* Fed. R. Civ. P. 56(g) (court may enter order finding any material fact not in dispute and “treating the fact as established in the case”)

With respect to the second prong, a plaintiff must show “(a) that the defendant actually copied the work as a factual matter,” and “(b) that the defendant’s copying of the copyrighted material was so extensive that it rendered the infringing and copyrighted works ‘substantially similar.’” *Airframe Sys., Inc. v. L-3 Comms. Corp.*, 658 F.3d 100, 105–06 (1st Cir. 2011) (quoting *Situation Mgmt. Sys., Inc. v. ASP Consulting LLC*, 560 F.3d 53, 58 (1st Cir. 2009)) (further citations omitted). Absent direct evidence of copying, actual copying may be inferred where “the alleged infringer had access to the copyrighted work” and “the offending and copyrighted works are so similar that the court may infer that there was factual copying (i.e., probative similarity).” *Lotus Dev. Corp.*, 49 F.3d at 813. The probative similarity inquiry “is somewhat akin to, but different than, the requirement of substantial similarity.” *Johnson*, 409 F.3d at 18. Substantial similarity exists where “a reasonable, ordinary observer, upon examination of the two works, would ‘conclude that the defendant unlawfully appropriated the plaintiff’s protectable

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