

Eastern District Addresses Copyrights and Catalogues

by Mark S. Mulholland

On Sept. 3, U.S. District Judge Denis Hurley enjoined Long Island-based Trophy Depot from infringing the trophy catalogue of Crown Awards Inc. in *Crown Awards, Inc. v. Trophy Depot*. Long Island is home to more than 400 businesses that market their merchandise and services through print or online catalogues. The court's decision is notable for its comprehensive treatment of the overlapping legal theories and causes of action that inevitably come into play when competitors accuse one another of unfair competitive practices. The case highlights the value of having copyright registrations in place, before litigation erupts, in view of the relative strength and simplicity of copyright claims -- as compared to unfair competition claims that require an evidentiary showing beyond simple copying. The plaintiff in *Crown Awards* met with limited success in seeking to enjoin the defendant's conduct beyond the outright copying of selected pages from the plaintiff's printed catalogue. On its copyright claims, however, the plaintiff won immediate, preliminary relief.

Crown Awards, Inc. is located in Hawthorne and specializes in the sale of medals, trophies, plaques and related award materials. The company issues print catalogues, advertisements, e-mail circulars and maintains a Web site. *Trophy Depot* also sells trophies and awards and has its own printed catalogue. The court's decision focused on alleged similarities between *Crown Awards'* 2001 and 2002 catalogues registered with the U.S. Copyright Office, and *Trophy Depot's* unregistered 2003 catalogue. The court also considered claims of copyright infringement, trade dress infringement, unfair competition under New York common law, and injury to business reputation.

A copyright plaintiff needs to show ownership of a copyright and unauthorized copying by the defendant." A certificate of registration from the Register of Copyrights constitutes prima facie evidence of the valid ownership of a copyright, although that presumption may be rebutted.

Catalogues are generally protectable under the Copyright Act as "literary works." "Literary works" expressly include catalogues, directories and similar factual, reference or instructional works and compilations of data.

To be protectable, a catalogue must constitute "a work formed by the collection and assembling of pre-existing materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship[.]"The issue invariably in catalogue cases is whether the compilation of unprotectable elements is "original." "Original, as the term is used in copyright, means only that the work was independently created by the author ... and that it possesses at least some minimal degree of creativity."The Second Circuit requires a "more refined analysis," demanding "substantial similarity between those elements[] that provide copyrightability to the allegedly infringed compilation." District courts in New York and Connecticut therefore must identify those elements that actually are protectable as "original compilations and determine whether that arrangement of elements is substantially similar to that in the purportedly infringing item.'

Judge Hurley focused on the layout, coloring, text placement, use of borders, column arrangements, product sequencing and grouping, and product depictions. Based on those protectable characteristics taken as a whole, Judge Hurley "conclude[d] that a reasonable observer would 'regard their aesthetic appeal as the same.' "" The court concluded that similarities existed as to the "four by three grid" used in both catalogues; the shape of overlays used to present text; selection of specific product samples; use of opaque rectangular boxes to display ordering information; positioning of key elements relative to one another; and the order in which contents were displayed.

Finding these and other similarities throughout 18 of the 64 pages constituting Trophy Depot's 2003 catalogue, the court found that a prima facie case of copyright infringement had been established: "The Court concludes that eighteen of the sixty-four pages from Trophy Depot's 2003 catalogue -- pages 4, 5, 11, 15, 23, 24, 28, 44, 45, 46, 48, 49, 50, 51, 52, 53, 55 and 56 -- are substantially similar to the protectable arrangement of elements in certain pages from Crown Awards' copyrighted 2002 and 2001 catalogue." Judge Hurley did not require evidence of irreparable harm to

conclude that injunctive relief was appropriate in favor of Crown Awards. As the court observed, since a prima facie case for copyright infringement had been made out with regard to the 2002 Crown Awards catalogue, irreparable harm is presumed.

Crown Awards also sought injunctive relief against Trophy Depot based upon defendants' copying of the "total trade dress" of Crown Awards' catalogue, Web site and print advertisements. The court was less impressed with these claims and declined to expand the injunction to embrace Trophy Depot's Web site or ad materials. The court found that Crown Awards had failed to come forward with persuasive evidence establishing the required level of distinctiveness or acquired secondary meaning.

Crown Awards also sought injunctive relief under New York common law regarding unfair competition. Judge Hurley held that there was insufficient evidence to support an award of injunctive relief under New York unfair competition law. Crown Awards presented evidence of two actually confused customers, which Judge Hurley viewed as insufficient in the face of the parties' volume of sales. The court has required Crown Awards to post a \$50,000 bond as part of the order enjoining Trophy Depot from further distribution of the 2003 Trophy Depot catalogue. The case remains pending in the Eastern District.

[i] Slip Op. *Crown Awards, Inc. v. Trophy Depot*, 03 Civ. No. 02448 (E.D.N.Y.).

[ii] See www.longisland.com (listing 405 Long Island businesses with print and online catalogues).

[iii] *Id.* Another Long Island case involving catalogue infringement is *Independent Living Aids v. Maxi-Aids, Inc.*, 208 F.Supp.2d 387 (E.D.N.Y. 2002).

[iv] *Id.* The Web site is located at www.crownawards.com

[v] *Id.*

[vi] Id.

[vii] *Hamil America Inc. v. GFI*, 193 F.3d 92, 98 (2d Cir. 1999).

[viii] *Rogers v. Koons*, 960 F.2d 301, 306 (2d Cir. 1992).

[ix] 17 U.S.C. § 102(a)(1).

[x] H.R. Rep. No. 1476, 1976 U.S. Code Cong. & Ad. News at 5667; see generally *Softel, Inc. v. Dragon Medical and Scientific Communications, Inc.*, 118 F.3d 955, 964 (2d Cir. 1997); Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 2.04[B], at 2-46 (2002).

[xi] 17 U.S.C. § 101.

[xii] *Feist Publications, Inc. v. Rural Telephone Service Co.*, 340, 351 (1991).

[xiii] Id.

[xiv] *Key Publ'ns, Inc. v. Chinatown Today Publ'g Enterprises, Inc.* 945 F.2d 509, 514 (2d Cir. 1991).

[xv] Id.; see also 17 U.S.C. § 103 ('the copyright in a compilation ... extends only to the material contributed by the author of such work.').

[xvi] *Boisson v. Banian, Ltd.*, 273 F.3d 262, 272 (2d Cir. 2001) (quoting *Folio Impressions v. Byer California*, 937 F.2d 759 (2d Cir. 1991)).

[xvii] See *Marisa Christina, Inc. v. Bernard Chaus, Inc.*, 808 F.Supp. 356, 358 (S.D.N.Y. 1992).

[xviii] See *ABKCO Music, Inc. v. Stellar Records, Inc.*, 96 F.3d 60, 64 (2d Cir. 1996).

[xix] See *Do The Hustle, LLC v. Rogovich*, No. 03 Civ. 3870, 2003 WL 21436215, at § 8 (S.D.N.Y. June 19, 2003).

[xx] See *L&J.G. Stickley v. Canal Dover Furniture Co., Inc.*, 79 F.3d 258, 262 (2d Cir. 1996).

[xxi] *Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 34 (2d Cir. 1995) (internal quotation removed).

[xxii] See *Jeffrey Milstein, Inc. v. Greger, Lawlor, Roth, Inc.*, 58 F.3d 27, 34-35 (2d Cir. 1995).

[xxiii] Slip. Op. (citing *Nora Beverages, Inc. v. Perrier Group of America, Inc.*, 269 F.3d 114 (2d Cir. 2001)).

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