

United States District Court
Northern District of California

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

THE MOCKINGBIRD FOUNDATION,
INC.,

Plaintiff,

v.

QUANG-TUAN LUONG,

Defendant.

Case No. [19-cv-05671-RS](#)

**ORDER DENYING MOTION TO
DISMISS FIRST AMENDED
COMPLAINT**

I. INTRODUCTION

Plaintiff The Mockingbird Foundation (“Mockingbird”) is a non-profit corporation founded by fans of the band Phish to raise money for and improve access to youth music education. Defendant Quang-Tuan Luong is an award-winning professional photographer. In 2017, a third party posted a link to one of Luong’s photographs on Mockingbird’s website. Luong, via his attorneys, sent Mockingbird an increasingly threatening series of letters demanding that Mockingbird pay Luong \$2,500 or risk being sued for copyright infringement. In September 2019, Mockingbird instead sued Luong, seeking a declaratory judgment that it had not infringed on Luong’s copyright. Luong has now filed a motion to dismiss, arguing the case is moot. A notice was issued that the motion would be decided without oral argument, pursuant to Civil Local Rule 7-1(b). For the reasons set forth below, the motion is denied.

II. BACKGROUND¹

¹ These facts come from the complaint as well as the extrinsic evidence permitted on a factual

1 Mockingbird is a non-profit organization, staffed by volunteers. Among its activities is the
 2 operation of an online forum for Phish fans to discuss music and other topics. As of August 2019,
 3 the forum had approximately 180,000 discussion threads with 4.3 million posts from 16,000 users.
 4 Luong is an award-winning professional photographer, particularly known for his photographs of
 5 national parks. As of 2019, he had photographed all sixty-one designated national parks, becoming
 6 only the fifth individual to do so. He sells and licenses his work, which has been featured in
 7 documentaries and on a United States postal stamp. In 2017, a Mockingbird forum user posted a
 8 link to one of Luong’s photographs on a discussion thread. The link allowed other users to view
 9 the photograph as it appears on Luong’s website and server, but it did not make or store a copy on
 10 Mockingbird’s server. Mockingbird was unaware that the link had been posted until March 2019,
 11 when it began receiving a series of letters from Luong’s attorney on his behalf.

12 The letters warned Mockingbird that the linked photograph rendered it liable for copyright
 13 infringement and demanded \$2,500 to settle potential claims which Luong might have against it. If
 14 Mockingbird did not pay, said the letters, and Luong took the matter to court, Mockingbird’s
 15 CEO—a volunteer—could be subject to wage garnishment, liens on his property, and quadrupled
 16 monetary exposure, including attorney fees and costs. The letters warned that “without
 17 [Mockingbird’s] cooperation, our only option is to litigate the matter, which we frequently [sic]
 18 do, so please do not make the mistake of ignoring this.” *See* First Amended Complaint, ECF No.
 19 12, Exhibit A (“FAC”). The letters threatened to take the matter to court if Mockingbird did not
 20 pay within ten days.

21 The first letter, dated March 21, 2019, was never received by Mockingbird as it was mailed
 22 to an incorrect address. Luong’s counsel sent Mockingbird’s CEO Ellis Godard a follow-up email
 23 on April 8, containing a link to a portal on his firm’s website at which the settlement fee could be
 24 paid. Godard responded, copying Mockingbird’s counsel, stating that he did not believe he or
 25 Mockingbird bore any liability for copyright infringement, and threatening to report Luong’s

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 27 Rule 12(b)(1) motion. *See Safe Air for Everyone v. Meyer*, 373 F.3d 1035, 1039 (9th Cir. 2004).

1 “more than mildly moronic” behavior to the bar association. *See* Affidavit of Elias Godard, ECF
2 No. 20-1, at 26. Luong’s counsel sent Godard another letter on May 7, almost identical to the
3 March 21 letter, again threatening to sue if Mockingbird or Godard did not pay within ten days.
4 On May 13, Mockingbird’s counsel responded to the second letter, explaining why it believed
5 neither Godard nor Mockingbird were liable for copyright infringement and stating that the
6 offending link had in any case been taken down. Notwithstanding these communications between
7 counsel, Godard personally continued to receive emails from a “Claims Resolution Specialist”
8 who worked for Luong’s counsel. The emails acknowledged the responses from Mockingbird’s
9 counsel but nevertheless reasserted the demands for payment.

10 On July 9, 2019, Luong’s counsel sent Godard a third letter demanding that \$2,500 be paid
11 within fifteen days, or a draft complaint against Mockingbird, which was appended to the letter,
12 would be filed in federal court. The demand letters only referred to the single aforementioned
13 linked photograph, but the draft complaint sought damages for “each and every” instance of
14 copyright infringement by Mockingbird, as well as attorney fees and costs. *See* FAC, Exhibit C.
15 On July 24, Mockingbird’s counsel responded, reasserting its belief that neither Godard nor
16 Mockingbird bore any liability for the purported infringement, stating that Luong’s counsel
17 continuing to communicate directly with Godard, a represented party, was against the California
18 Rules of Professional Conduct, and linking to “numerous reports of meritless litigation and
19 harassment” by Luong’s counsel. *See* Affidavit of Ellis Godard, at 58.

20 On September 9, 2019, two months after the most recent demand letter, Mockingbird filed
21 this lawsuit seeking declaratory judgment that it had not, in fact, infringed upon Luong’s
22 copyrights. On November 1, 2019, Luong’s counsel restated to Mockingbird’s counsel via email
23 that Luong still believed Mockingbird had infringed upon his copyright, but he had decided
24 Mockingbird was judgment proof² and therefore lost interest in pursuing the litigation. Luong
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27 ² Mockingbird insists it is not judgment proof, which Luong would have known had he viewed the
28 organization’s publicly available Form 990.

1 issued a license allowing the use of the aforementioned linked photograph and demanded this case
 2 be dismissed. Mockingbird’s counsel responded a few days later that it believed, under *Already*,
 3 *LLC v. Nike, Inc.*, 568 U.S. 85 (2013), that for Mockingbird’s claims to be moot would require
 4 either a covenant not to sue or a license encompassing links to *any* of Luong’s photographs which
 5 users happened to post on its forum—not just the one that was the basis of the initial dispute. In
 6 response, Luong’s counsel slightly expanded the license granted to Mockingbird to include links
 7 anywhere on the forum to the initial photograph and “make it clear that [Luong] ‘could not
 8 reasonably be expected’ to resume enforcement.” *See* Affidavit of Paul Alan Levy, ECF No. 20-2,
 9 at 25. The new license did not, however, cover Luong’s other works. Mockingbird responded that,
 10 under *Already*, its claims still were not moot. It then filed the FAC, now the operative complaint,
 11 clarifying that it is seeking declaratory judgments “that the posting (or restoration thereof) to
 12 plaintiff’s discussion forum of a deeplink to other web sites where *any* of defendants’ photographs
 13 are displayed” would not be copyright infringement for which Mockingbird itself is liable, as well
 14 as attorney fees and costs. *See* FAC at 7 (emphasis added).

15 While Mockingbird may be new to such disputes, Luong and both parties’ counsel are not.
 16 Mockingbird’s counsel is currently representing another plaintiff in a case presenting similar facts:
 17 the defendants, represented by Luong’s counsel, sent the plaintiff, who runs a forum on which
 18 links to defendants’ works were posted by third-party users, several demand letters, and the
 19 plaintiff sought declaratory judgment in response. *See Anderson v. Seliger*, No. 19-cv-05630 (N.D.
 20 Cal. filed Sept. 6, 2019).³ Mockingbird’s counsel has written a blog post about Luong’s counsel’s
 21 alleged practice of scraping websites for links to its clients’ work, demanding prompt settlement
 22 payments—often of individuals or non-profits—and dropping cases when the subjects of the cases
 23 turn out to be represented by counsel. Mockingbird’s counsel has personally been involved in

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 25 ³ While *Anderson* and the present case present some overlapping issues, neither party has filed an
 26 Administrative Motion to Consider Whether Cases Should Be Related. *See* Civil Local Rule 3-
 27 12(b). Such a motion shall also not be filed sua sponte, as, while counsel may overlap, the parties,
 28 property, transactions, and events in the present case are not the same as those in *Anderson*. *See*
 Civil Local Rule 3-12(a)(1).

1 other cases, besides *Anderson*, in which this alleged practice has been deployed, including another
 2 case in which Luong himself was the defendant. *See Schollossberg v. Luong*, No. 19-cv-02497
 3 (N.D. Cal. filed May 8, 2019).

4 III. LEGAL STANDARD

5 Federal courts are courts of limited jurisdiction; they only have power to hear disputes
 6 when authorized by Article III and by Congress pursuant thereto. *Bender v. Williamsport Area*
 7 *Sch. Dist.*, 475 U.S. 534, 541 (1986). When a federal court lacks jurisdiction, it *must* dismiss the
 8 case. *Spencer Enterprises, Inc. v. United States*, 345 F.3d 683, 687 (9th Cir. 2003). Motions to
 9 dismiss for lack of subject matter jurisdiction are governed by Rule 12(b)(1).⁴ Such motions may
 10 be brought at any time. Fed. R. Civ. P. 12(h)(3). They can be facial, challenging the court’s
 11 jurisdiction on the face of the complaint, or factual, presenting extrinsic evidence that
 12 demonstrates a lack of jurisdiction on the facts of the case. *Safe Air for Everyone v. Meyer*, 373
 13 F.3d 1035, 1039 (9th Cir. 2004). Courts may review evidence beyond the complaint, without
 14 converting the motion into one for summary judgment, in resolving a factual attack on
 15 jurisdiction. *Id.* (internal citation omitted). The truthfulness of the plaintiff’s allegations need not
 16 be presumed. *Id.* “Once the moving party has converted the motion to dismiss into a factual
 17 motion by presenting affidavits or other evidence properly brought before the court, the party
 18 opposing the motion must furnish affidavits or other evidence necessary to satisfy its burden of
 19 establishing subject matter jurisdiction.” *Savage v. Glendale Union High Sch., Dist. No. 205,*
 20 *Maricopa Cty.*, 343 F.3d 1036, 1039 n.2 (9th Cir. 2003) (internal citation omitted).

21 IV. DISCUSSION

22 Luong’s present motion to dismiss is premised on his allegation that the dispute is moot.
 23 As mootness goes to a federal court’s subject matter jurisdiction, it is properly raised in a Rule
 24 12(b)(1) motion. “A case becomes moot—and therefore no longer a ‘Case’ or ‘Controversy’ for
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 27 ⁴ While the present motion to dismiss is styled as a motion under both Rule 12(b)(1) and Rule
 28 12(b)(6), it only raises arguments about subject matter jurisdiction—not failure to state a claim.

1 purposes of Article III—when the issues presented are no longer live or the parties lack a legally
2 cognizable interest in the outcome.” *Already*, 568 U.S. at 91 (internal citation and quotations
3 omitted). “[A] defendant cannot automatically moot a case simply by ending its unlawful conduct
4 once sued.” *Id.* (internal citation omitted). “Otherwise, a defendant could engage in unlawful
5 conduct, stop when sued to have the case declared moot, then pick up where he left off, repeating
6 this cycle until he achieves all his unlawful ends.” *Id.* Thus, a defendant claiming that their
7 voluntary cessation moots a case “bears the formidable burden of showing that it is absolutely
8 clear the allegedly wrongful behavior could not reasonably be expected to recur.” *Friends of the*
9 *Earth, Inc. v. Laidlaw Environmental Services (TOC), Inc.*, 528 U.S. 167, 190 (2000).

10 When this case was initiated, in September 2019, a live case or controversy existed.
11 Luong, via his counsel, had sent Mockingbird three letters, plus several emails, threatening to take
12 imminent legal action if Mockingbird did not pay a settlement. The letters mentioned wage
13 garnishment, property liens, quadrupled monetary exposure, and personal liability for a volunteer
14 CEO. The final letter included a draft complaint. Even when Mockingbird responded that the
15 offending link had been taken down, and that it did not believe it bore any liability for a third-
16 party’s actions, Luong’s counsel continued to pursue its threats. The letters came every few
17 months, and the emails from both Luong’s counsel and the “Claims Resolution Specialist” were
18 constant—leading Mockingbird to believe reasonably that “the allegedly wrongful behavior
19 could...be expected to recur.” *Id.* Luong did not communicate to Mockingbird that he did not
20 intend to follow through on the letters until after the complaint had been filed.

21 Whether the licenses Luong issued after the case had been filed mooted the case is a
22 different issue. *Cf. Arizonans for Official English v. Arizona*, 520 U.S. 43, 67 (1997) (“An actual
23 controversy must be extant at all stages of review, not merely at the time the complaint is filed.”).
24 In *Already*, the defendants took action purportedly to moot a case in which the plaintiff sought
25 declaratory judgment that it was not violating the defendants’ trademark months after the
26 complaint had been filed. *Already*, 568 U.S. at 88–89. The Court found the language of the
27 defendant’s covenant not to sue, alongside the plaintiff’s anticipated future activities, rendered it

1 “‘absolutely clear’ that the allegedly unlawful activity cannot reasonably be expected to recur.” *Id.*
2 at 95 (internal citation omitted).

3 In reaching this conclusion, the Court focused on the “breadth of the covenant” issued by
4 defendants. *Id.* at 100. The covenant read, in relevant part:

5 [Nike] unconditionally and irrevocably covenants to refrain from
6 making *any* claim(s) or demand(s)...against *Already* or *any* of
7 its...related business entities...[including] distributors...and
8 employees of such entities and *all* customers...on account of
9 any *possible* cause of action based on or involving trademark
10 infringement, unfair competition, or dilution, under state or federal
11 law...relating to the NIKE Mark based on the appearance of *any* of
12 *Already*’s current and/or previous footwear product designs,
13 and *any* colorable imitations thereof, regardless of whether that
14 footwear is produced...or otherwise used in commerce before or after
15 the Effective Date of this Covenant.

16 *Id.* at 93 (alterations and emphases in original).

17 Because the covenant was unconditional and irrevocable, prohibited the defendant from
18 making any claim or demand, protected plaintiff’s distributors and consumers, and applied to past,
19 present, and future infringement, the Court found it “hard to imagine a scenario that would
20 potentially infringe [Nike’s trademark] and yet not fall under the Covenant.” *Id.* at 94 (alteration in
21 original) (internal citation omitted). If such a scenario exists, “[i]t sits,” the Court found, “on a
22 shelf between Dorothy’s ruby slippers and Perseus’s winged sandals.” *Id.* Therefore, the
23 defendant’s voluntary cessation mooted the case.

24 The license in the present case reads: “Quan-Tuan Luong grants the owners and operators
25 of Phish.net an irrevocable retroactive and future license to display the image grte25409.jpeg via
26 an inline on Phish.net, including any of its subdomains.” *See* Declaration of Matthew K. Higbee in
27 Support of Defendant’s Motion to Dismiss, ECF No. 16-1, Exhibit A. It is distinguishable from the
28 covenant in *Already* in at least three material ways. First, the present case involves a license, while
Already involved a covenant not to sue. Second, while the covenant in *Already* protected all the
plaintiff’s consumers and distributors, the license here does not necessarily protect Mockingbird
forum users. Third, and most critically, the license in the present case encompasses only one of
Luong’s many photographs. *Compare Expensify, Inc. v. White*, No. 19-cv-01892, 2019 WL

1 5295064, at *6 (N.D. Cal. Oct. 18, 2019) (finding that the defendant had voluntarily ceased its
 2 conduct because there existed “no cognizable distinction” between the covenant in *Already* and
 3 that in the case), *with Humu, Inc. v. Hulu, LLC*, No. 19-cv-00327, 2019 WL 3220271, at *1–*2
 4 (N.D. Cal. July 17, 2019) (finding that the defendant had not voluntarily ceased its conduct
 5 because the covenant in the case did not contain a “critical proviso,” such that unlike the covenant
 6 in *Already*, the covenant did not encompass all of plaintiff’s activities).

7 The distinctions between the covenant in *Already* and the license here are not without a
 8 difference. Mockingbird has pled that its forum is wide-ranging; thousands of users have made
 9 millions of posts. Mockingbird has no way of preventing the forum users from posting links on its
 10 forum—other than disallowing the use of links altogether. Luong has similarly pled that his vast
 11 collection of work—he is, as one will remember, only the fifth person to have photographed every
 12 national park—is widely used, for example in documentaries and on postage stamps. It is not “hard
 13 to imagine a scenario,” *Already*, 568 U.S. at 94, wherein somewhere in the millions of posts on
 14 Mockingbird’s forums, another one of the many thousands of users has posted a link to another
 15 piece of Luong’s work that would not be encompassed by the granted license.⁵ Luong has
 16 explicitly refused to grant Mockingbird a broader license—even though Mockingbird would have
 17 dismissed its claims had Luong done so, *see* Affidavit of Paul Alan Levy, at 3—which would seem
 18 to suggest that he has not abandoned every intention of pursuing legal action against them. The
 19 breadth of the covenant in *Already* was instrumental to the decision in that case. No such breadth
 20 exists here.

21 Finally, that this matter is replete with repeat players increases the possibility that the
 22 relevant facts can and will repeat themselves. *Cf. Expensify*, 2019 WL 5295064, at *4. Luong’s

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 24 ⁵ Mockingbird discovered that it could receive protection against infringement claims by
 25 registering an agent to receive takedown notices under the Digital Millennium Copyright Act and
 26 did so on September 29, 2019. *See* Affidavit of Ellis Godard, at 5. However, that registration does
 27 not relieve Mockingbird of liability for links posted before that date, and it lacks the resources to
 28 search every post on its forum for offending links. *Id.* at 5–6. It therefore remains concerned about
 claims that could be brought alleging violations before September 29, 2019. *Id.*

1 counsel is a “leading filer” of copyright infringement demand letters. *Id.* Mockingbird’s counsel
 2 has cited numerous examples of cases in which Luong’s counsel sent various parties, many of
 3 them individuals or nonprofits, letters demanding two- and three-figure settlements for alleged
 4 copyright infringement. *See* Affidavit of Paul Alan Levy, Exhibits F, G, H. Those demands were
 5 only dropped once Luong’s counsel determined that the subjects of the letters were “judgment
 6 proof”—a determination that curiously coincided with the revelation that each recipient was
 7 represented by counsel, in some cases Mockingbird’s counsel. That Luong communicated with
 8 Mockingbird via “counsel with such a reputation further supports a finding that [Mockingbird]
 9 acted out of a real and reasonable apprehension of facing suit by [Luong].” *Expensify*, 2019 WL
 10 5295064, at *4. Furthermore, this body of prior cases includes at least one in which Luong himself
 11 was sued by another plaintiff who sought declaratory judgment in response to his demand letters.
 12 *See Schollossberg v. Luong*, No. 19-cv-02497 (N.D. Cal. filed May 8, 2019). It is not “absolutely
 13 clear” that Luong and his counsel will not dig up another purported instance of copyright
 14 infringement and repeat a similar series of demands. *Already*, 568 U.S. at 95.

15 Thus, Luong has not met the “formidable burden” of demonstrating that this case is moot.
 16 *Friends of the Earth*, 528 U.S. at 190. A live case or controversy exists, and the Rule 12(b)(1)
 17 motion to dismiss is therefore denied. Furthermore, as Mockingbird correctly notes, Luong’s
 18 demand for attorney fees is premature.

19 V. CONCLUSION

20 For the reasons above, the motion to dismiss must be denied. This action shall proceed
 21 accordingly.

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 23 **IT IS SO ORDERED.**

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 25 Dated: February 20, 2020

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 27 RICHARD SEEBORG
 28 United States District Judge

ORDER DENYING MOTION TO DISMISS
 CASE NO. [19-cv-05671-RS](#)