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16 **UNITED STATES DISTRICT COURT**  
17 **SOUTHERN DISTRICT OF CALIFORNIA**

18 **DR. SEUSS ENTERPRISES, L.P.,**

19 Plaintiff,

20 v.

21 **COMICMIX LLC; GLENN**  
22 **HAUMAN; DAVID JERROLD**  
23 **FRIEDMAN a/k/a DAVID**  
24 **GERROLD; and TY TEMPLETON,**

25 Defendants.

Case No. 3:16-cv-02779-JLS-BGS

**MEMORANDUM OF POINTS AND**  
**AUTHORITIES IN SUPPORT OF**  
**DEFENDANTS' MOTION TO**  
**DISMISS THE FIRST AMENDED**  
**COMPLAINT PURSUANT TO FED.**  
**R. CIV. P. 12(b)(6)**

Assigned to Hon. Janis L. Sammartino  
United States District Judge

Hearing Date: August 31, 2017  
Hearing Time: 1:30 p.m.  
Hearing Place: Schwartz Courthouse,  
Courtroom 4A

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## I. Introduction and Procedural Background

Defendants again respectfully move the Court for an order dismissing this action for failure to state a claim pursuant to Fed. R. Civ. P. 12(b)(6). The doctrines of fair use and nominative fair use protect Defendants and their book from all claims.

In its original complaint, Plaintiff Dr. Seuss Enterprises, L.P. (“DSE”) pleaded counts of copyright infringement, trademark infringement, and unfair competition. Doc. 1. Defendants moved to dismiss. Doc. 8, 34, 36. The Court substantially narrowed the issues under the copyright count with an extensive fair use analysis; dismissed the latter two counts on nominative fair use grounds; and granted leave to amend the complaint as to only those two causes of action. Doc. 38 (“Order”). Taking liberties, DSE’s first amended complaint seeks to bolster all three and adds a fourth causes of action, infringement of a registered trademark. Doc. 39 (“FAC”).

The amendments are futile. Nominative fair use applies equally to all of DSE’s alleged marks, obviates any likelihood-of-confusion analysis, and defeats all claims other than the copyright claim. That claim cannot survive DSE’s new allegations. On balance the statutory fair use factors, including the few issues not resolved by the Order, weigh in favor of Defendants. Their book cannot have a negative effect on any market in which DSE might participate, and the purposes of copyright strongly support finding fair use and granting the motion to dismiss.

## II. Applicable Legal Standard

Under Federal Rule of Civil Procedure 12(b)(6), a party may assert by motion that the complaint “fail[s] to state a claim upon which relief can be granted.” To survive a motion to dismiss, “a complaint must contain sufficient factual matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). A claim is facially plausible when the facts pleaded “allow[] the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *Id.*, 556 U.S. at 677 (citing *Twombly*, 550 U.S. at 556). “The plausibility

1 standard ... asks for more than a sheer possibility that a defendant has acted  
2 unlawfully.” *Id.* Factual pleadings “‘merely consistent with’ a defendant’s liability”  
3 fall short. *Id.* (quoting *Twombly*, 550 U.S. at 557). “[W]here the well-pleaded facts  
4 do not permit the court to infer more than the mere possibility of misconduct, the  
5 complaint has alleged—but it has not ‘show[n]’—‘that the pleader is entitled to  
6 relief.’ ” *Id.* (quoting Fed. R. Civ. P. 8(a)(2)). And “on a motion to dismiss, courts  
7 ‘are not bound to accept as true a legal conclusion couched as a factual allegation.’ ”  
8 *Twombly*, 550 U.S. at 555 (quoting *Papasain v. Allain*, 478 U.S. 265, 286 (1986)).

9 “All allegations of material fact are taken as true and construed in the light most  
10 favorable to the nonmoving party. ... The court need not, however, accept as true  
11 allegations that contradict matters properly subject to judicial notice or by exhibit.”  
12 *Sprewell v. Golden State Warriors*, 266 F.3d 979, 988 (9th Cir. 2001). A “court may  
13 consider a writing referenced in a complaint but not explicitly incorporated therein if  
14 the complaint relies on the document and its authenticity is unquestioned.” *Swartz v.*  
15 *KPMG LLP*, 476 F.3d 756, 763 (9th Cir. 2007).

### 16 **III. Statement of Material Facts**

17 The pertinent facts alleged in DSE’s first amended complaint, taken as true for  
18 purposes of this motion, and those drawn from writings subject to judicial notice or  
19 incorporated in the first amended complaint by reference, are as follows.

20 The late Theodor S. Geisel, under the pseudonym Dr. Seuss, wrote and illustrated  
21 children’s books that have sold more than 650 million copies. FAC ¶¶ 1, 12, 14. One  
22 of his best-known Dr. Seuss books is *Oh, the Places You’ll Go!* (“*Go!*”). *Id.* ¶ 15.

23 Plaintiff DSE owns the copyrights and copyright registrations for, and alleged  
24 trademarks in, Dr. Seuss’s books. *Id.* ¶¶ 1, 3, 16. It claims trademark rights in certain  
25 aspects of the books, namely: the title of *Go!*, a stylized font, and the books’  
26 illustration style. *Id.* ¶ 17. DSE’s trademark registrations include one “for OH THE  
27 PLACES YOU’LL GO in connection with downloadable digital children’s books,  
28 among other goods.” *Id.* ¶ 18.

1 DSE produces “new original content, including books, animated and live-action  
 2 television and film adaptations, theatrical and other works and consumer products.”  
 3 *Id.* ¶ 1. DSE oversees the publication of Dr. Seuss reissues, new editions, and  
 4 posthumous releases. *Id.* ¶ 21. It has published books derivative of *Go!*. *Id.* ¶¶ 19,  
 5 22. It publishes authorized “Dr. Seuss works” by other authors and illustrators, some  
 6 with covers that do not mention Dr. Seuss. *Id.* ¶¶ 21, 23. DSE also licenses its  
 7 intellectual property for new works other than books: children’s television series and  
 8 a theme park attraction. *Id.* ¶ 24. DSE oversees licensing and merchandising of its  
 9 intellectual property for consumer products, including “collaborations with other  
 10 rights holders” called “authorized co-branding initiatives.” *Id.* ¶ 25. “DSE’s primary  
 11 focus is to protect the integrity of the Dr. Seuss books while expanding beyond  
 12 books into ancillary areas through this licensing program.” *Id.* ¶ 26.

13 Defendants are comics publisher ComicMix LLC (“ComicMix”), its co-founder  
 14 and vice-president Glenn Hauman (“Hauman”), author David Gerrold (“Gerrold”),  
 15 and illustrator Ty Templeton (“Templeton”). *Id.* ¶¶ 4-7. ComicMix marketed, and  
 16 each Defendant intended “to sell, reproduce, and distribute” a projected book written  
 17 by Gerrold, illustrated by Templeton, and edited by Hauman, entitled *Oh, the Places*  
 18 *You’ll Boldly Go!* (“*Boldly*” or “the book”). *Id.* ¶¶ 2, 4-7, 28-31. Defendants ran a  
 19 Kickstarter campaign to fund printing and distribution of *Boldly*. *Id.* ¶ 48; Doc. 8-5.<sup>1</sup>  
 20 The campaign ran through September 30, 2016, raising nearly \$30,000 in pledges  
 21 for production costs toward a scheduled December 2016 publication. Doc. 8-5 pp. 1,  
 22 6; FAC ¶ 2. The campaign page called *Boldly* a “parody mash-up.” See FAC ¶ 44.

23 ***Oh, The Places You’ll Boldly Go!*** is a parody mash-up from the mind  
 24 that brought you “[The Trouble With Tribbles](#)” that brings together two  
 25 of the most beloved creations in history in a joyous celebration that  
 26 will inspire you to join the high fliers who soar to high heights!

27 <sup>1</sup> The complaint incorporates the Kickstarter campaign page by reference. FAC ¶¶  
 28 44, 48-49. The page is subject to judicial notice. See Doc. 8-1 p. 4 n. 1, Doc. 8-3 ¶ 2,  
 Doc. 33-1 ¶¶ 3-8, 10-11, 15-20.



1 Doc. 8-5 p. 2. A section of the page titled “Risks and challenges” explained:

2 While we firmly believe that our parody, created with love and  
3 affection, fully falls within the boundary of fair use, there may be  
4 some people who believe that this might be in violation of their  
5 intellectual property rights. And we may have to spend time and  
6 money proving it to people in black robes. And we may even lose that.

7 *Id.* p. 5; FAC ¶ 49. DSE’s attorneys sent cease-and-desist letters to Defendants on  
8 September 28 and October 7, 2016. FAC ¶¶ 50, 52. On October 7, 2016, DSE sent a  
9 takedown notice to Kickstarter, which disabled access to the campaign page. *Id.* ¶¶  
10 54, 55. DSE’s attorneys sent Defendants a third cease-and-desist letter on October  
11 25, 2016. *Id.* ¶ 56. On October 28, 2016, ComicMix’s attorney sent a letter in  
12 response, explaining ComicMix’s position that *Boldly* constitutes a parody, a mash-  
13 up, and fair use. *Id.* ¶¶ 44, 57; Doc. 8-8.<sup>2</sup> On October 31, 2016, ComicMix’s attorney  
14 sent Kickstarter a counter-notice. FAC ¶¶ 57-58.

15 *Boldly* “purports to be an amalgamation of the Dr. Seuss works and certain  
16 characters, imagery, and other elements from *Star Trek*, the well-known science  
17 fiction entertainment franchise created by Gene Roddenberry.” FAC ¶ 27. The  
18 U.S.S. *Enterprise* from the *Star Trek* series occupies most of *Boldly*’s cover. *Id.* p.  
19 12; Doc. 15 (“*Boldly*”) p. 1.<sup>3</sup> The cover, title page, spine, and copyright page each  
20 credit *Boldly* as “by David Gerrold & Ty Templeton.” *Boldly* pp. 1-2. The last page  
21 also credits Gerrold, Templeton, and Hauman. *Id.* p. 13. The copyright page bears a  
22 disclaimer that states, “This is a work of parody, and is not associated with or  
23 endorsed by CBS Studios or Dr. Seuss Enterprises, L.P.” *Id.* p. 2; FAC ¶¶ 44, 77. A  
24 second disclaimer immediately below states, “Copyright Disclaimer under section  
25 107 of the Copyright Act 1976, allowance is made for ‘fair use’ for purposes such as  
26 criticism, comment, news reporting, teaching, scholarship, education, research, and

27 <sup>2</sup> The complaint incorporates counsel’s letter by reference. FAC ¶¶ 44, 57. The letter  
28 is subject to judicial notice. See Doc. 8-1 p. 5 n. 4, Doc. 8-3 ¶ 5.

<sup>3</sup> The Court has taken judicial notice of *Boldly*. Order p. 6 n. 1.

1 parody.” *Boldly* p. 2. DSE alleges that *Boldly* “misappropriates key protected  
2 elements” of *Go!*, including “its title, story arc, characters, and illustrations,” and of  
3 four other Dr. Seuss books, including their characters and illustrations. FAC ¶ 35.<sup>4</sup>

#### 4 **IV. Argument**

5 DSE still fails to state a claim. The Court may dispose of all claims now, at the  
6 pleading stage, because the copyright claim cannot overcome Defendants’ fair use  
7 and the remaining claims cannot overcome the nominative fair use defense. *Boldly* is  
8 neither infringing nor unfair and the action should be dismissed.

##### 9 **A. The Court may find both fair use and nominative fair use at this stage.**

10 The Court should again consider and apply fair use and nominative fair use.  
11 Order pp. 6, 17-18. Both issues are appropriate for resolution under Rule 12(b)(6)  
12 where they appear on the face of the complaint and no material facts are in dispute,  
13 as ComicMix argued when it moved to dismiss the original complaint. Doc. 8-1 p.  
14 13; Doc. 32 pp. 1-2. Defendants hereby incorporate those arguments as if fully stated  
15 herein. The first amended complaint squarely raises both issues, see FAC ¶¶ 44, 49,  
16 and shows that no material factual dispute remains.

##### 17 **B. Defendants’ fair use defeats the copyright infringement claim.**

18 The Court’s fair use analysis left few issues remaining under the copyright claim.  
19 Order pp. 4-13. Congress set forth four non-exclusive statutory factors as especially  
20 relevant to consider in making fair use determinations, and the Court evaluated each:

- 21 (1) the purpose and character of the use, including whether such use is  
22 of a commercial nature or is for nonprofit educational purposes;
- 23 (2) the nature of the copyrighted work;
- 24 (3) the amount and substantiality of the portion used in relation to the  
25 copyrighted work as a whole; and
- 26 (4) the effect of the use upon the potential market for or value of the  
27 copyrighted work.

28 <sup>4</sup> The Court has taken judicial notice of *Go!*. Order p. 6 n. 1. The Court deemed the  
other four Dr. Seuss books incorporated by reference in the complaint. *Id.* The new  
complaint also incorporates those four books by referring to them to the same extent.

1 *Id.* p. 5 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577 (1994);  
2 17 U.S.C. § 107). Briefly, the Court found that “factors one and four ... ‘generally  
3 viewed as the most important factors’ ... currently stand in equipoise.” *Id.* p. 13  
4 (quoting *Seltzer v. Green Day, Inc.*, 725 F.3d 1170, 1179 (9th Cir. 2013)). The first  
5 factor favored Defendants, as the Court found *Boldly* is “a highly transformative  
6 work that takes no more than necessary to accomplish its transformative purpose and  
7 will not impinge on the original market for Plaintiff’s underlying work.” *Id.* p. 12.  
8 Taking the allegations of market harm as true, the Court presumed “a potential harm  
9 to Plaintiff’s licensing opportunities” and weighed the fourth factor for DSE. *Id.* p.  
10 11. “Factor two weighs slightly in favor of Plaintiff, and factor three is neutral.” *Id.*

11 The Court made further findings as it balanced the four factors “‘in light of the  
12 purposes of copyright.’” *Id.* p. 11 (quoting *Mattel, Inc. v. Walking Mountain Prods.*,  
13 353 F.3d 792, 800 (9th Cir. 2003) (quoting *Campbell*, 510 U.S. at 578)). The Court  
14 recognized the significance of this case for “the emerging ‘mash-up’ culture where  
15 artists combine two independent works in a new and unique way.” *Id.* p. 12. “[I]f fair  
16 use was not viable in a case such as this, an entire body of highly creative work  
17 would be effectively foreclosed.” *Id.* The Court also found that “it would appear that  
18 the purposes of copyright favor Defendants, [although] that determination is also a  
19 close and unsettled call.” *Id.* The Court ultimately denied the motion to dismiss,  
20 given its procedural posture and the “near-perfect balancing of the factors.” *Id.* p. 13.  
21 “Specifically, without relevant evidence regarding factor four the Court concludes  
22 that Defendants’ fair use defense currently fails as a matter of law.” *Id.*

23 The Court should now resolve the remaining issues and find that *Boldly* is a fair  
24 use. The allegations in the first amended complaint tilt further toward fair use. Given  
25 the Court’s initial findings, the second factor should not weigh against fair use and  
26 the third factor should weigh in favor. Under the fourth factor, market harm should  
27 not be presumed and cannot be shown. And the purpose of copyright, to foster  
28 creativity, further supports resolving the analysis in favor of fair use.

1           **1. The first factor weighs in favor of fair use.**

2           Under the first factor, which considers “the purpose and character of the use,” the  
3 Court asked “whether and to what extent the new work is ‘transformative.’” Order p.  
4 7 (quoting *Campbell*, 510 U.S. at 579). ComicMix detailed *Boldly*’s transformative  
5 purpose, character, and message at length. Doc. 8-1 pp. 10-16. Defendants hereby  
6 incorporate that analysis and argument about the first factor as if fully stated herein.

7           The Court found that *Boldly* is “a highly transformative work.” Order p. 12.  
8 “Defendants’ work is most appropriately termed a literary and pictorial ‘mash-up.’”  
9 *Id.* p. 7. A mash-up is “‘something created by combining elements from two or more  
10 sources: such as’ underlying-work-specific ‘characters or situations.’” *Id.* pp. 7-8  
11 (quoting *Mash-Up*, Merriam-Webster)). While not concluding that *Boldly* qualifies  
12 as a parody, the Court found it “no doubt transformative. ... the copied elements are  
13 always interspersed with original writing and illustrations that transform *Go!*’s pages  
14 into repurposed, *Star-Trek*–centric ones.” *Id.* p. 8. Though “Defendants created their  
15 work for profit,” this weighed against Defendants only slightly, since *Boldly* is  
16 transformative and “does not supplant the market for *Go!* or the other relevant Dr.  
17 Seuss works.” *Id.* The Court found this factor weighs in favor of finding fair use. *Id.*

18           The latest complaint fails to alter that analysis. DSE adds an allegation that the  
19 cover of *Boldly* exemplifies “slavish copying,” FAC ¶ 37 & p. 12, but the Court has  
20 seen that “*Boldly* changed the cover imagery and title to invoke *Star Trek*[.]” Order  
21 p. 15. DSE also now alleges that Defendants did not “create[] their own unique  
22 content and illustrations,” and contends that “the act of blatantly taking intellectual  
23 property from two rights holders and calling it a parody or ‘mash-up’ does not  
24 transform infringement into parody or any other form of fair use.” FAC ¶ 44.<sup>5</sup> As the

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<sup>5</sup> Before DSE filed suit, Defendants called *Boldly* a “parody” and a “mash-up,” both  
on the Kickstarter campaign page and in their counsel’s October 28, 2016 letter to  
DSE. Doc. 8-5 p. 1; Doc. 8-8 pp. 2, 5. DSE now directly references and relies on  
those statements. FAC ¶ 44. Defendants therefore respectfully renew the request for  
judicial notice, as to both the campaign page and the letter. Doc. 8-2 pp. 2-3, 3-4.

1 Court recognizes, *Boldly* is a highly creative work in its own right: a “mash-up,” “a  
2 completely unique work,” “with original writing and illustrations.” Order pp. 7-8.  
3 DSE’s argumentative responses to the contrary are entitled to no credence. The first  
4 factor weighs strongly in favor of a finding of fair use.

5 **2. The second factor does not weigh against fair use.**

6 Recognizing that the second factor, the nature of the copyrighted work, “typically  
7 has not been terribly significant in the overall fair use balancing,” the Court found it  
8 “weighs only slightly in [Plaintiff’s] favor.” Order p. 9 (quoting *Walking Mountain*,  
9 353 F.3d at 803, and *Seltzer*, 725 F.3d at 1178). The Court should revisit the issue in  
10 light of the Order and find that the second factor should be given no weight.

11 Uses of creative works are less likely to be found fair, and Dr. Seuss’s books are  
12 no doubt creative. *Id.* But transformative use minimizes the weight given creative  
13 works under this factor. See *Walking Mountain*, 353 F.3d at 803 (noting a creative  
14 copyrighted work is “typical of cases where there are infringing parodies”); *Bill*  
15 *Graham Archives v. Dorling Kindersley Ltd.*, 448 F.3d 605, 612 (2d Cir. 2006) (“the  
16 second factor may be of limited usefulness where the creative work of art is being  
17 used for a transformative purpose”). Further minimizing that weight, “a Court must  
18 also ‘consider the extent to which a work has been published.’” Order p. 9 (quoting  
19 *Seltzer*, 725 F.3d at 1178). “Published works are more likely to qualify as fair use  
20 because the first appearance of the artist’s expression has already occurred.” *Kelly v.*  
21 *Arriba Soft Corp.*, 336 F.3d 811, 820 (9th Cir. 2003). *Go!* has been published in  
22 multiple editions, languages, and formats, with *Go!*-derivative works and consumer  
23 goods. FAC ¶¶ 18, 21, 22, 24. Few books have been published to a greater extent.

24 The Court found, under the third factor, that *Boldly* does not “copy more than  
25 necessary to accomplish its transformative purpose.” Order p. 9. That adds weight in  
26 favor of fair use under the second factor. Where a defendant “could not create [its  
27 work] without necessarily making some copies of the [plaintiff’s work] ... this factor  
28 ‘neither supports nor hurts [defendant’s] claim that a fair use defense is appropriate

1 here.” *Sony Computer Entm’t Am., Inc. v. Bleem, LLC*, 214 F.3d 1022, 1028 (9th  
 2 Cir. 2000) (quoting *Triangle Publ’ns, Inc. v. Knight-Ridder Newspapers, Inc.*, 626 F.  
 3 2d 1171, 1176 (5th Cir. 1980)). The Court should find the second factor’s weight is  
 4 neutral or, alternatively, too insignificant to weigh against a finding of fair use.

5 **3. The third factor weighs in favor of fair use.**

6 “The third factor looks to the quantitative amount and qualitative value of the  
 7 original work used in relation to the justification for that use.” *Seltzer*, 725 F.3d at  
 8 1178. The “extent of permissible copying varies with the purpose and character of  
 9 the use.” *Campbell*, 510 U.S. at 586-87. *Boldly* is a mash-up that uses no more than  
 10 needed to conjure up and transform the originals. Order p. 9. “As long as the new  
 11 work does not take more from the original work than is necessary to accomplish its  
 12 purpose, this factor does not weigh against a determination of fair use.” *Williams v.*  
 13 *Columbia Broad. Sys., Inc.*, 57 F. Supp. 2d 961, 969 (C.D. Cal. 1999) (citing *Fisher*  
 14 *v. Dees*, 794 F.2d 432, 439 (9th Cir. 1986)). When such reasonably proportionate use  
 15 is transformative, it weighs in favor of fair use. *Walking Mountain*, 353 F.3d at 804.

16 The original complaint alleged that Defendants’ “slavish copying ... attempt[s] to  
 17 recreate entire pages from the Dr. Seuss Books with meticulous precision.” Doc. 1 ¶  
 18 28; see *id.* ¶ 26 (“wholesale slavish copies”). The Court found to the contrary that  
 19 *Boldly* copied no illustrations “in their entirety,” but transformed each, and never  
 20 copied “more than is necessary to accomplish its transformative purpose.” Order p.  
 21 9. The first amended complaint repeats the allegation of “slavish copying” seven  
 22 times, adding nothing to the Court’s calculus. FAC ¶¶ 35, 37, 40, 42, 43, 76, 85.

23 The Court concluded that, as in *Seltzer*, “this factor does not weigh against  
 24 Defendants.” Order p. 10 (citing *Seltzer*, 725 F.3d at 1178). The Court should revisit  
 25 the issue and find that this factor in fact weighs in favor of fair use. The third factor  
 26 in *Seltzer* involved a distinct issue, the copying of a single drawing, which “unlike  
 27 ... a book manuscript ... is not meaningfully divisible.” 725 F.3d at 1178. DSE’s  
 28 five allegedly infringed books are divisible, page-by-page and book-by-book. *Go!*

1 was the main Dr. Seuss source work; otherwise Defendants drew on only one  
 2 illustration from *How the Grinch Stole Christmas*, and one apiece from two stories  
 3 in *The Sneetches* (“The Zax” and “The Sneetches”). See FAC ¶¶ 35, 37, pp. 13 (top),  
 4 14, (bottom), & 15 (top); Doc. 8-1 pp. 9, 15-16. DSE still has not identified any  
 5 allegedly copied character or illustration from *The Lorax* or *Horton Hears a Who*.  
 6 FAC ¶ 35; see Doc. 8-1 p. 9 n. 7, Doc. 32 p. 3 n. 8. With such limited copying for  
 7 transformative purposes, the third factor is not neutral, but weighs in favor of fair  
 8 use. See *Walking Mountain*, 353 F.3d at 803-04 (copying was not “verbatim” and  
 9 extent was “justifiable in light of his parodic purpose and medium used”); *Blanch v.*  
 10 *Koons*, 467 F.3d 244, 257-58 (2d Cir. 2006) (copying was selective and “reasonable  
 11 when measured in light of his purpose”); *Sandman v. Seajay Soc’y, Inc.*, 142 F.3d  
 12 194, 206 (4th Cir. 1998) (“qualitatively and quantitatively substantial” copying was  
 13 nonetheless “justified” and not more than necessary to accomplish the purposes of  
 14 the uses). The Court should find that the third factor weighs in favor of fair use.

#### 15 **4. The fourth factor weighs in favor of fair use.**

16 The fourth fair use factor concerns “the effect of the use upon the potential  
 17 market for or value of the copyrighted work.” 17 U.S.C. § 107(4). It “accommodates  
 18 the distinction between the copying of works in order to make independent creative  
 19 expression possible and the simple exploitation of another’s creative efforts.” *Sega*  
 20 *Enters. v. Accolade, Inc.*, 977 F.2d 1510, 1523 (9th Cir. 1992). “It requires courts to  
 21 consider not only the extent of market harm caused by the particular actions of the  
 22 alleged infringer, but also ‘whether unrestricted and widespread conduct of the sort  
 23 engaged in by the defendant ... would result in a substantially adverse impact on the  
 24 potential market’ for the original.” *Campbell*, 510 U.S. at 590 (quoting Melville B.  
 25 Nimmer & David Nimmer, *Nimmer on Copyright* § 13.05[A][4]). “This factor also  
 26 considers any impact on ‘traditional, reasonable, or likely to be developed markets.’”  
 27 *Seltzer*, 725 F.3d at 1179 (quoting *Ringgold v. Black Entm’t Television, Inc.*, 126 F.3d  
 28 70, 81 (2d Cir. 1997)). “Where the allegedly infringing use does not substitute for

1 the original and serves a ‘different market function,’ such factor weighs in favor of  
2 fair use.” *Id.* (quoting *Campbell*, 510 U.S. at 590). “A transformative work is less  
3 likely to have an adverse impact on the market of the original than a work that  
4 merely supersedes the copyrighted work.” *Kelly*, 336 F.3d at 821.

5 *Boldly* is a transformative work, not a mere exploitation. Order p. 8. It “does not  
6 substitute for the original and serves a different market function than *Go!*” *Id.* p. 11.  
7 “Indeed, *Boldly*’s market relies on consumers who have already read and greatly  
8 appreciated *Go!* and Dr. Seuss’s other works, and who simultaneously have a strong  
9 working knowledge of the *Star Trek* series. It is therefore unlikely that *Boldly* would  
10 severely impact the market for Dr. Seuss’s works.” *Id.* Yet the Court did not find that  
11 this factor weighs in favor of fair use at first blush; it took the allegations to be true,  
12 so some “potential harm to Plaintiff’s licensing opportunities is presumed.” *Id.* p. 18.

13 On a motion to dismiss, market harm is not presumed or taken as true unless  
14 plausibly pleaded. See *Konangataa v. ABC*, No. 16-cv-7382 (LAK), 2017 U.S. Dist.  
15 LEXIS 95812, \*3 (S.D.N.Y. June 21, 2017) (granting motion to dismiss on fair use  
16 grounds; “there are no plausible allegations that would permit a conclusion that the  
17 effect of the use on the part of any of the defendants had any effect on any potential  
18 market for or any value of the copyrighted work”). A presumption of market harm  
19 “does not arise when a work is transformative.” *Perfect 10, Inc. v. Amazon.com, Inc.*,  
20 487 F.3d 701, 724 (9th Cir. 2007) (citing *Campbell*, 510 U.S. at 591).

21 *Boldly* cannot cause any relevant market harm, as DSE does not and cannot  
22 plausibly participate in a market for transformative works like *Boldly*. The fourth  
23 factor favors fair use and the copyright claim should be dismissed.

24 The only market effect alleged in the original complaint was that DSE had not  
25 licensed *Boldly*. While DSE licenses new works, including in “collaborations with  
26 other rights holders ... Defendants created [*Boldly*] without license or authorization  
27 from DSE, and thereby usurped DSE’s licensing opportunities.” Doc. 1 ¶¶ 24, 32;  
28 Order pp. 6, 11. The circular logic of terming the defendant’s use a lost license must



1 be rejected as a basis for market harm, or “the fourth fair use factor would always  
 2 favor the copyright holder.” *Am. Geophysical Union v. Texaco Inc.*, 60 F.3d 913, 930  
 3 n. 17 (2d Cir. 1994). “[I]t is a given in every fair use case that plaintiff suffers a loss  
 4 of a *potential* market if that potential is defined as the theoretical market for  
 5 licensing the very use at bar.” *Swatch Group Mgmt. Servs. v. Bloomberg LP*, 742 F.  
 6 3d 17, 34 (2d Cir. 2014) (quoting *Nimmer on Copyright* § 13.05[A][4]). But  
 7 “Plaintiffs may not head off a defense of fair use by complaining that every potential  
 8 licensing opportunity represents a potential market for purposes of the fourth fair use  
 9 factor.” *Cambridge Univ. Press v. Patton*, 769 F.3d 1232, 1278 (11th Cir. 2014)  
 10 (“licensing poses a particular threat that the fair use analysis will become circular”).

11 The new complaint repeats and expands on that circular market-effect allegation.  
 12 FAC ¶¶ 33, 46. The amendments chiefly seek to buttress that allegation and the  
 13 copyright claim, though the Court gave DSE leave to amend only as to the  
 14 trademark claims.<sup>6</sup> *Id.* ¶¶ 19, 21-26, 43, 44, 46. Instead of bolstering the copyright  
 15 claim, DSE pleads itself out of court. DSE enumerates its licensed collaborations,  
 16 and none are “works of *Boldly*’s type.” Order p. 11. That type is a mash-up, “where  
 17 artists combine two independent works in a new and unique way,” specifically a  
 18 transformative work that “combines into a completely unique work the two disparate  
 19 worlds of Dr. Seuss and *Star Trek*.” *Id.* pp. 8, 12. *Boldly* is a complementary work,  
 20 not a substitute for *Go!* or any work DSE could reasonably license. See *Ty, Inc. v.*  
 21 *Publ’ns Int’l, Inc.*, 292 F.3d 512, 517-18 (7th Cir. 2002); *Lewis Galoob Toys, Inc. v.*  
 22 *Nintendo of Am., Inc.*, 964 F.2d 965, 969 (9th Cir. 1992) (“products that enhance, but

23 <sup>6</sup> Some of the market-effect-related amendments ostensibly amplify the complaint’s  
 24 trademark claims, by alleging that DSE’s marks are distinctive source-identifiers,  
 25 FAC ¶¶ 17-19, 23, or that Defendants’ use of the marks misleads as to source or  
 26 confuses consumers, *id.* ¶¶ 40-42, 44-46. These amendments speak to likelihood of  
 27 confusion, so they facially fail to comply with DSE’s leave to amend the complaint  
 28 to cure its “lack of nominative-fair-use-opposition.” Order p. 20. As the Court  
 explained, *Boldly* does not explicitly mislead consumers, and likelihood-of-  
 confusion arguments do not apply against nominative fair use. *Id.* pp. 15-16, 19 n. 4.

1 do not replace, copyrighted works” are not presumptively infringing). If published  
2 (see Doc. 33-1 ¶ 21), *Boldly* would be in a “fair use market”—a market for  
3 transformative uses. *Bill Graham Archives*, 448 F.3d at 615. Relevant market harm  
4 would entail “impairment to a traditional, as opposed to a transformative market.”  
5 *Id.* at 614. *Boldly* can cause no such harm. “A use that ‘falls within a transformative  
6 market’ does not cause the copyright holder to ‘suffer market harm due to the loss of  
7 license fees.’” *Authors Guild, Inc. v. HathiTrust*, 902 F. Supp. 2d 445, 463 (S.D.N.Y.  
8 2012) (quoting *Bill Graham Archives*, 448 F.3d at 615), *aff’d in pertinent part*, 755  
9 F.3d 87 (2d Cir. 2014).

10 DSE identifies no such licensed use, dispelling any hypothetical harm alleged.  
11 DSE does not dispute that *Boldly* is “an amalgamation of the Dr. Seuss works and  
12 certain characters, imagery, and other elements from *Star Trek*, the well-known  
13 science fiction entertainment franchise[.]” FAC ¶ 27. Non-party CBS Studios, Inc.  
14 owns *Star Trek*’s intellectual property. *Id.* ¶¶ 2, 34. DSE alleges that it has licensed  
15 “new works based upon, and incorporating” its copyrights and trademarks. *Id.* ¶ 46.  
16 But DSE does not, and cannot plausibly, allege that it has licensed or would license  
17 any derivative work that creates a hybrid of Dr. Seuss’s books with existing  
18 characters and imagery from works from a third party’s entertainment franchise. The  
19 first amended complaint does not give rise to a plausible claim that *Boldly* would  
20 cause any harm in any transformative market.

21 DSE alleges that it oversees new editions and reissues of Dr. Seuss works. FAC ¶  
22 21. That does not plausibly plead any relevant market harm because “*Boldly* does  
23 not supplant the market for *Go!* or the other relevant works.” Order p. 8; *id.* p. 11.

24 DSE alleges that it has published “books that are derivative of [*Go!*].” FAC ¶¶  
25 19, 22. Those derivatives include works by Dr. Seuss and other authors and illustrators  
26 in his books’ style, and other books based on his intellectual property, such as books  
27 by Tish Rabe featuring Dr. Seuss’s character The Cat in the Hat. *Id.* ¶ 23. Those are  
28 all derivative works as defined in 17 U.S.C. § 101, which, “unlike works of fair use

1 —take expression for purposes that are not ‘transformative.’” *Castle Rock Entm’t,*  
2 *Inc. v. Carol Publ’g Grp.*, 150 F.3d 132, 143 (2d Cir. 1998) (citing 17 U.S.C. § 101).  
3 They are therefore outside the fair use market for Defendants’ mash-up book.

4 DSE further alleges that it licenses its copyrights and trademarks for new works  
5 that feature Dr. Seuss characters: a theme park attraction including a live-action  
6 show, several television series, and merchandise including “co-branding initiatives”  
7 like *Lorax*-themed sneakers and “co-branded collegiate bibs.” FAC ¶¶ 24, 25, 46. A  
8 glut of DSE-branded merchandise includes “toys and games, children’s apparel,  
9 young adult and adult apparel, puzzles and educational kits, home furnishings, cards  
10 and stationery, hats, bags, accessories, party supplies, art, collectibles, classroom  
11 materials, and fabrics.” *Id.* ¶ 25. DSE’s expansive product list notably omits any  
12 licensed transformative literary works. Modestly, DSE calls its publishing program  
13 robust, and its licensing and merchandising program extensive. *Id.* ¶¶ 21, 25. More  
14 than 650 million copies Dr. Seuss books have been sold, with the lion’s share in the  
15 last 20 years, after Mr. Geisel’s death. *Id.* ¶¶ 12, 14; *Dr. Seuss Enters., L.P. v.*  
16 *Penguin Books USA, Inc.*, 109 F.3d 1394, 1396 (9th Cir. 1997) (“approximately 35  
17 million copies ... in print worldwide” in 1997). DSE’s vigorous derivative licensing  
18 work, without any licensing in the *Boldly* fair use market, indicates that DSE cannot  
19 enter that market. Its licensed goods are instead brand extensions in other media.  
20 FAC ¶ 26 (DSE “expanding beyond books into ancillary areas through this licensing  
21 program”). Unlike *Boldly*, none are crossover works that integrate pre-existing  
22 characters or imagery from another entertainment franchise, such as *Star Trek*, with  
23 those of Dr. Seuss. DSE does not allege that any of its “co-branding initiatives” is  
24 for a literary mash-up, combining elements of Dr. Seuss with elements of another  
25 copyright holders’ existing underlying works. See Order pp. 7-8. Instead DSE strives  
26 to maintain Dr. Seuss’s world as a unified, discrete entity: “DSE’s primary focus is  
27 to protect the integrity of the Seuss books[.]” FAC ¶ 26. DSE’s licensed derivatives  
28 are orthodox, sticking to Dr. Seuss canon, while mash-ups are inherently heterodox.

1 DSE’s interest in integrity and setting Dr. Seuss apart prevents its entry into an  
2 aftermarket for licensing reconfigured, hybridized works. Even if hybrid books like  
3 *Boldly* became widespread, they would not harm DSE in that aftermarket.

4 That is the only market in which DSE could claim market harm, since *Boldly*  
5 “will not impinge on the original market for Plaintiff’s underlying work.” Order p.  
6 12. The relevant inquiry about potential licensing does not encompass “the licensing  
7 market for art in general.” *Walking Mountain*, 353 F.3d at 805. Rather, the focus is  
8 on works similar to that of the defendant: “Forsythe’s work could only reasonably  
9 substitute for a work in the market for adult-oriented artistic photographs of Barbie.  
10 *We think it safe to assume* that Mattel will not enter such a market or license others  
11 to do so.” *Id.* at 806 (emphasis added). None of DSE’s licensed works and  
12 collaborations are in the same market as *Boldly*. The only relevant market would be  
13 for licenses to secondary authors like Defendants who wish to use DSE’s works in  
14 transformative combination with third-party works. *Id.* That licensing market for  
15 transformative uses is wholly hypothetical, and not a market DSE “would in general  
16 develop or license others to develop.” *Campbell*, 510 U.S. at 592.

17 The fourth factor favors fair use when the secondary user’s market is one that the  
18 copyright owner “could not possibly take advantage of,” *Pac. & S. Co. v. Duncan*,  
19 744 F.2d 1490, 1496 (11th Cir. 1984); or “simply had no interest in occupying,”  
20 *Twin Peaks Prods. v. Publ’ns Int’l, Ltd.*, 996 F.2d 1366, 1377 (2d Cir. 1993); or  
21 when “the notion that any such market could ever materialize is speculative at best,”  
22 *SOFA Entm’t, Inc. v. Dodger Prods.*, 782 F. Supp. 2d 898, 910 (C.D. Cal. 2010),  
23 *aff’d*, 709 F.3d 1273 (9th Cir. 2013). “Where the allegedly infringing use does not  
24 substitute for the original and serves a ‘different market function,’ such factor  
25 weighs in favor of fair use.” *Seltzer*, 725 F.3d at 1179. The Court found as much:  
26 “*Boldly* does not substitute for the original and serves a different market function  
27 than *Go!*” Order p. 11. No issue of material fact remains. Evidence about DSE’s  
28 derivative markets could not show harm in the Defendants’ fair use market, in which

1 DSE has no plausible share. Defendants’ use of Dr. Seuss’s books “advances its own  
2 original creation without any reasonable threat to [DSE’s] business model. Therefore  
3 the fourth factor also favors a finding of fair use.” *SOFA Entm’t*, 709 F.3d at 1280.

4 **5. Weighed together in light of the purposes of copyright, the four**  
5 **factors favor fair use.**

6 The four statutory factors are evaluated holistically, not algorithmically. *Ty, Inc.*,  
7 292 F.3d at 522 (“the four factors are a checklist of things to be considered rather  
8 than a formula for decision”). “All are to be explored, and the results weighed  
9 together, in light of the purposes of copyright.” *Campbell*, 510 U.S. at 578.  
10 “Depending on the particular facts, some factors may weigh more heavily than  
11 others.” *Walking Mountain*, 353 F.3d at 800 (citing *Campbell*, 510 U.S. at 577-79).  
12 As shown above, all four factors weigh in favor of finding fair use here, except  
13 perhaps the second, least significant factor. On balance, that should more than  
14 suffice, especially as the purposes of copyright support the same finding.

15 The Court stated, “although it would appear that the purposes of copyright favor  
16 Defendants, that determination is also a close and unsettled call.” Order p. 13. The  
17 Court may make that call now. That purpose is “[t]o promote the Progress of Science  
18 and Useful Arts.” *Id.* p. 11 (quoting U.S. Const. art. I, § 8, cl. 8). “The ultimate test  
19 of fair use ... is whether the copyright law’s goal of promoting the Progress of  
20 Science and useful Arts would be better served by allowing the use than by  
21 preventing it.” *Bill Graham Archives*, 448 F.3d at 608 (quoting *Castle Rock Entm’t*,  
22 150 F.3d at 141). Transformative uses “that build upon, reinterpret, and reconceive  
23 existing works” make such progress manifest. *Walking Mountain*, 353 F.3d at 799.

24 [T]he benefits to the public in allowing such use—allowing artistic  
25 freedom and expression and criticism of a cultural icon—are great.  
26 Allowing [defendants’] use serves the aims of the Copyright Act by  
encouraging the very creativity and criticism that the Act protects.

27 *Id.* at 806. “The fair use doctrine is an integral part of copyright law precisely  
28 because it gives authors ‘breathing space within the confines of copyright’ to build

1 upon their predecessors' works." *SOFA Entm't*, 709 F.3d at 1280 (quoting *Campbell*,  
2 510 U.S. at 579). When "the quoted matter is used as raw material, transformed in  
3 the creation of new information, new aesthetics, new insights and understandings—  
4 this is the very type of activity that the fair use doctrine intends to protect for the  
5 enrichment of society." *Seltzer*, 725 F.3d at 1176 (quoting Pierre N. Leval, *Towards*  
6 *A Fair Use Standard*, 103 Harv. L. Rev. 1105, 1111 (1990)). Fair use "facilitate[s] a  
7 class of uses that would not be possible if users always had to negotiate with  
8 copyright proprietors." *Kienitz v. Sconnie Nation LLC*, 766 F.3d 756, 759 (7th Cir.  
9 2014).

10 Mash-ups are one such class. As the Court recognizes, "if fair use was not viable  
11 in a case such as this, an entire body of highly creative work would be effectively  
12 foreclosed." Order p. 12. DSE's narrow view of fair use "would almost always  
13 preclude a finding of fair use under these circumstances." *Id.* Ultimately that would  
14 deplete entire genres of creative work across a wide range of media: literary/artistic  
15 mash-ups like *Boldly* and other postmodern literature, metafiction, fanfic, and slash  
16 fiction; in music, mash-ups, musique concrète, remixes, and hip-hop; in visual art,  
17 surrealism, dada, pop art, conceptual art, appropriation art, détournement, montage,  
18 and collage; video mash-ups and supercuts; video game mods, fangames, and fan  
19 patches; mashup web applications, open source software, and freeware; and more.

20 Mash-ups are inherently transformative, and *Boldly* is "highly transformative."  
21 *Id.* The fair use market for transformative uses that build on Dr. Seuss's books is not  
22 properly subject to DSE's control and does not require DSE's license. The book-  
23 reading public can sustain and be enriched by Dr. Seuss's original works, authorized  
24 derivatives, and third-party transformative works. In the interests of the market,  
25 artistic freedom, and free expression, that choice must be left up to the public. DSE's  
26 copyright claim "would stifle the very creativity which that law is supposed to  
27 foster." *Penguin Books*, 109 F.3d at 1399. The purposes of copyright strongly  
28 support a finding that *Boldly* is a creative, transformative, non-infringing fair use.

1       **C. Defendants’ nominative fair use defeats all other claims.**

2       DSE’s alleged trademarks, if valid, are not infringed by Defendants’ nominative  
3 use. A “nominative fair use ... is, by definition, not infringement.” *Toyota Motor*  
4 *Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1175 (9th Cir. 2010). “The nominative  
5 fair use analysis is appropriate where a defendant has used the plaintiff’s mark to  
6 describe the plaintiff’s product[.]” *Cairns v. Franklin Mint Co.*, 292 F.3d 1139, 1152  
7 (9th Cir. 2002). The nominative fair use inquiry has three factors: “In cases where a  
8 nominative fair use defense is raised,” a court asks “whether (1) the product was  
9 ‘readily identifiable’ without use of the mark; (2) defendant used more of the mark  
10 than necessary; or (3) defendant falsely suggested he was sponsored or endorsed by  
11 the trademark holder.” *Tabari*, 610 F.3d at 1175–76 (quoting *Playboy Enters, Inc. v.*  
12 *Welles*, 279 F.3d 796, 801 (9th Cir. 2002)).

13       The “nominative fair use analysis ... replaces the likelihood of customer  
14 confusion analysis set forth in *Sleekcraft*.” *Cairns*, 292 F.3d at 1151 (emphasis in  
15 original) (distinguishing *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 348-49 (9th  
16 Cir. 1979)). Since it is a replacement test and not an affirmative defense, the plaintiff  
17 “must bear the burden of establishing that [Defendants’] use of the ... mark was *not*  
18 nominative fair use.” *Tabari*, 610 F.3d at 1182 (emphasis in original). “The Ninth  
19 Circuit has made it clear that a defendant who raises the nominative fair use issue  
20 need only show that it uses the mark to refer to the plaintiff’s trademarked goods or  
21 services. The burden then reverts to the plaintiff to show a likelihood of confusion  
22 under the nominative fair use analysis.” J. Thomas McCarthy, *McCarthy on*  
23 *Trademarks and Unfair Competition* § 23.11 at n. 5 (4th ed. 2017) (citing *Tabari*).

24       Defendants hereby incorporate ComicMix’s arguments related to nominative fair  
25 use, set forth in Doc. 8-1 pp. 2-3, 23-24 and Doc. 32 pp. 6-7, as if fully stated herein.

26       The Court dismissed DSE’s trademark infringement and unfair competition  
27 claims on the basis of nominative fair use. Order p. 18 (citing Doc. 8-1 pp. 23-24).  
28 Despite DSE’s extensive amendments, the new complaint calls for the same result.

1 DSE again alleges that it owns trademark rights in the title of *Go!*, a stylized font,<sup>7</sup>  
 2 and “the unique illustration style of the characters and backgrounds found  
 3 throughout Dr. Seuss books.” Doc. 1 ¶ 17; FAC ¶¶17. DSE raises a new Lanham Act  
 4 claim based on a registered OH THE PLACES YOU’LL GO trademark. FAC ¶¶ 18,  
 5 66-72. DSE also now alleges it has “a family” of trademarks in the titles of its *Go!*-  
 6 derivative books and its “Oh! The Stories You’ll Hear!” theme park show. *Id.* ¶ 19.

7 None of DSE’s new allegations save its trademark and unfair competition claims.  
 8 Nominative fair use can be made with images and visual references, not just names  
 9 or descriptions. *Walking Mountain*, 353 F.3d at 810-11; *Cairns*, 292 F.3d at 1153-54.  
 10 The analysis of nominative fair use does not differ for registered and unregistered  
 11 marks. *See Playboy Enters. v. Teri Welles, Inc.*, 78 F. Supp. 2d 1066, 1077 (S.D. Cal.  
 12 1999), *aff’d in part, rev’d on other grounds in Welles*, 279 F.3d 796. Where a  
 13 Lanham Act claim fails, so must an unfair competition claim under California  
 14 Business and Professions Code § 17200 based on the same conduct. Order p. 38  
 15 (citing cases). DSE’s allegation that it owns a family of marks deriving from the title  
 16 of *Go!* speaks to the strength of the mark, which is a factor in the *Sleekcraft* test, but  
 17 not in the nominative fair use test. DSE again alleges no use of its marks other than  
 18 nominative fair uses, and it gives no new basis to avoid dismissal. *Boldly* uses the  
 19 alleged marks to refer to Dr. Seuss’s books as needed, and DSE cannot carry its  
 20 burden to defeat any element of the nominative fair use test.

21 **1. DSE’s books are not readily identifiable without its alleged marks.**

22 “To satisfy the first part of the test for nominative use, ‘the product or service in  
 23 question must be one not readily identifiable without use of the trademark.’” *Welles*,

24 \_\_\_\_\_  
 25 <sup>7</sup> DSE now claims rights in a font “used consistently” on the books’ covers, spines,  
 26 and title pages. FAC ¶¶ 17, 40. Yet its trademark causes of action seem based instead  
 27 on a typeface font for text employed *within* the books. *Id.* ¶¶ 76, 85 (alleging  
 28 Defendants misappropriated the “font that DSE uses consistently *throughout* the Dr.  
 Seuss books”) (emphasis added). If so, to the extent that any cause of action is based  
 on a font in which DSE does not allege trademark protection, it must be dismissed.



1 279 F.3d at 802 (quoting *New Kids on the Block v. News Am. Publ'g, Inc.*, 971 F.2d  
 2 302, 308 (9th Cir. 1992)). The test asks “whether the [Defendants’] use of the mark  
 3 was ‘necessary’ to describe their business.” *Tabari*, 610 F.3d at 1180. It is satisfied  
 4 when defendants “needed to communicate” their relationship with the plaintiff’s  
 5 goods, “and using the [plaintiff’s] mark ... accomplished this goal.” *Id.*<sup>8</sup>

6 According to the first amended complaint, Dr. Seuss’s books consist almost  
 7 entirely of source-identifying DSE trademarks, from the title and font on the cover to  
 8 the prose style and illustration style “found throughout” their contents. FAC ¶¶ 17,  
 9 23 (alleging DSE publishes books “by Dr. Seuss and other authors and illustrators  
 10 whose works reflect the same source-indicating whimsical, lyrical style of Dr.  
 11 Seuss’s books”). That is not the law; trademarks are specific words and symbols in  
 12 consistent form used to identify the source of goods, not the goods themselves, and  
 13 not mutable “styles” of writing or drawing or freehand lettering. *See* Doc. 8-1 pp.  
 14 20-21; *McCarthy on Trademarks* § 6.14 at n. 21 (4th ed. 2017) (“Is there such a  
 15 thing as trademark protection for the ‘style’ of an artist? Most courts have said no.”)  
 16 (collecting cases). And “the title of a single book cannot serve as a source identifier.”  
 17 *Herbko Int’l, Inc. v. Kappa Books, Inc.*, 308 F.3d 1156, 1162 (Fed. Cir. 2002).  
 18 Despite DSE’s registration, a title is a presumptively invalid mark for books. *See Tie*  
 19 *Tech, Inc. v. Kinedyne Corp.*, 296 F.3d 778, 782-84 (9th Cir. 2002).

20 In any event, Defendants had no reasonable substitute for employing the aspects  
 21 of the books in which DSE claims rights. *Boldly* is a transformative work that

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22 <sup>8</sup> See also *New Kids*, 971 F.2d at 306 (“[M]any goods and services are effectively  
 23 identifiable only by their trademarks. ... Indeed, it is often virtually impossible to  
 24 refer to a particular product for purposes of comparison, criticism, point of reference  
 25 or any other such purpose without using the mark.”); *Walking Mountain*, 353 F.3d at  
 26 812 (“Barbie would not be readily identifiable in a photographic work without use of  
 27 the Barbie likeness and figure.”); *Cairns*, 292 F.3d at 1153 (“Princess Diana’s person  
 28 is not readily identifiable without use of her *name*. ... There is no substitute for  
 Franklin Mint’s use of Princess Diana’s *likeness* on its Diana-related products.”)  
 (emphasis in original).

1 “combines into a completely unique work the two disparate worlds of Dr. Seuss and  
2 *Star Trek*.” Order p. 8. That combination requires substantial identifiable elements  
3 from both worlds. *Boldly* cannot readily call *Go!* to mind without employing the  
4 most recognized terms and designs that identify it, from its title and font to aspects  
5 of its illustrations. Books are most readily identified by their titles—the function of a  
6 title is to “identif[y] a specific literary work.” *Mattel, Inc. v. MCA Records*, 296 F.  
7 3d 894, 902 (9th Cir. 2002) (quoting *Application of Cooper*, 45 C.C.P.A. 923, 254 F.  
8 2d 611, 615 (C.C.P.A. 1958)). Dr. Seuss’s stylized font and illustration style, if  
9 protectable as trademarks, are also only readily identified by depiction. By necessity,  
10 to make transformative use of *Go!* and other Dr. Seuss works, *Boldly* treats Dr.  
11 Seuss’s illustration style and the irregular, freehand lettering on the cover of *Go!* as  
12 visual points of reference.

13 **2. Defendants’ use of the alleged marks was reasonably necessary.**

14 The second question in the nominative fair use test is whether more of the mark  
15 was used than “reasonably necessary to identify the product.” *New Kids*, 971 F.2d at  
16 308. “[W]hat is ‘reasonably necessary to identify the plaintiff’s product’ differs from  
17 case to case.” *Cairns*, 292 F.3d at 1154. “Where, as in the present case, the  
18 description of the defendant’s product depends on the description of the plaintiff’s  
19 product, more use of the plaintiff’s trademark is ‘reasonably necessary to identify  
20 the plaintiff’s product’ than in cases where the description of the defendant’s product  
21 does *not* depend on the description of the plaintiff’s product.” *Id.* Whether the  
22 amount of a stylized font used is more than reasonably necessary is judged in light  
23 of the purpose of the work. *Aviva United States Corp. v. Vazirani*, 902 F. Supp. 2d  
24 1246, 1265 (D. Ariz. 2012), *aff’d*, 632 Fed. Appx. 885 (9th Cir. 2015).

25 *Boldly* uses any valid DSE trademarks only to the extent necessary for its  
26 transformative purpose. Transformative uses must draw from their sources, often  
27 substantially. *Boldly*’s creative effects legitimately depend on employing the terms  
28 and designs by which its subject is recognized. It was reasonably necessary to use

1 *Go!*'s full title and illustrations and fonts from Dr. Seuss's books to facilitate  
2 Defendants' transformative use.

3 DSE alleges that Defendants' use its alleged trademarks "in their entirety,"  
4 particularly on *Boldly*'s front cover, back cover, spine, and title page, and that the  
5 use "exceeds any legitimate referential purpose for such use." *Id.* ¶ 42. DSE is  
6 contradicted by exhibits, and states a mere "legal conclusion couched as a factual  
7 allegation." *Twombly*, 550 U.S. at 555. Courts evaluating this second factor of  
8 nominative fair use may draw on the related, third factor of a copyright fair use  
9 analysis, which also considers the amount used or taken. See *Teri Welles, Inc.*, 78 F.  
10 Supp. 2d at 1089. The Court should apply its own fair use analysis to again find that  
11 *Boldly* "does not copy [the Dr. Seuss illustrations] in their entirety," and not "more  
12 than is necessary to accomplish its transformative purpose." Order p. 9. The Court  
13 should further find that including the full title of *Go!* in the title *Oh, the Places*  
14 *You'll Boldly Go!* was essential to the comic effect of combining it with *Star Trek*'s  
15 "famous, split-infinitive opening line." *Id.* p. 15. *Boldly* uses its hybrid title on its  
16 cover, spine, title page, and in the text, just one time apiece. *Boldly* pp. 1, 4. Its  
17 artwork and font uses were also reasonably necessary to its reformulation and  
18 recombination. *Boldly* could not clearly identify and transform *Go!* and other  
19 illustrated Dr. Seuss works without using aspects of their look. Defendants' use of  
20 the alleged trademarks was referential, not gratuitous, and was reasonably necessary.

21 **3. Nothing else suggests DSE sponsors or endorses *Boldly*.**

22 A nominative fair use "says nothing that expressly or by fair implication connotes  
23 endorsement or joint sponsorship." *New Kids*, 971 F.2d at 309. The last requirement  
24 of the test is that the defendant "must do nothing that would, in conjunction with the  
25 mark, suggest sponsorship or endorsement by the trademark holder." *Id.* at 302. The  
26 "in conjunction" element requires something more than just the underlying use of  
27 the mark. See *McCarthy on Trademarks* § 23.11 at n. 23 (4th ed. 2017) ("in the  
28 author's view, the third factor should be viewed as asking whether, in addition to

1 mere use of the mark, defendant has engaged in some additional conduct that  
 2 affirmatively suggests sponsorship or endorsement by the plaintiff”). DSE points to  
 3 nothing but *Boldly* itself that could suggest DSE endorsed or sponsored Defendants.  
 4 FAC ¶ 2 (alleging “Defendants, *via the Infringing Work* ... mislead and deceive ...  
 5 as to DSE’s approval, sponsorship, endorsement, or licensing of the Infringing  
 6 Work.”) (emphasis added); *id.* ¶¶ 39-40, 42, 46, 47. Use of the alleged marks alone  
 7 underpins each trademark and unfair competition cause of action. *Id.* ¶¶ 69, 76, 85.

8 DSE alleges that *Boldly* does not by itself sufficiently deter any potential  
 9 consumer confusion. FAC ¶¶ 41, 44. That inverts the test: “This element does not  
 10 require that the defendant make an affirmative statement that their product is not  
 11 sponsored by the plaintiff.” *Walking Mountain*, 353 F.3d at 811. “Speakers are under  
 12 no obligation to provide a disclaimer as a condition for engaging in truthful, non-  
 13 misleading speech.” *Tabari*, 610 F.3d at 1177. And the Court has already found that  
 14 *Boldly* is not explicitly misleading as to source or content. Order pp. 15-16.

15 DSE cannot plead away its burden to show some additional act by Defendants  
 16 that would suggest sponsorship or endorsement, and cannot satisfy its burden where  
 17 Defendants took several affirmative steps to avoid such confusion. Though the third  
 18 element requires no disclaimers, the suppressed book includes *two*, which make up  
 19 more than half the text on the copyright page, and include the book’s only mention  
 20 of “Dr. Seuss” or DSE: “This is a work of parody, and is not associated with or  
 21 endorsed by CBS Studios or Dr. Seuss Enterprises, L.P.” *Boldly* p. 2.

22 DSE belittles that express disclaimer as “ineffective.” FAC ¶¶ 44, 77. Yet  
 23 Defendants did more. The terminated Kickstarter campaign connoted the opposite of  
 24 endorsement. It characterized *Boldly* as “within the boundary of fair use” while  
 25 alerting backers that intellectual property owners might disagree and sue: “While we  
 26 firmly believe that our parody, created with love and affection, fully falls within the  
 27 boundary of fair use, there may be some people who believe that this might be in  
 28 violation of their intellectual property rights.” *Id.* ¶ 49. DSE maintains that this

1 statement is an admission to “blatant and willful infringement.” *Id.*; Doc. 1 ¶ 35;  
2 Doc. 22 p. 10. It was the opposite, and DSE’s erroneous legal conclusion is not  
3 entitled to be taken as true. *See Twombly*, 550 U.S. at 555.

4 More to the point, the erroneous allegation contradicts any DSE argument that  
5 the campaign suggested sponsorship. Beyond the stated premonition that the book  
6 could be sued out of existence, the fact of the Kickstarter campaign indicated DSE  
7 was not backing Defendants. ComicMix turned to crowdfunding with a goal of  
8 raising \$20,000 for an initial print run. FAC ¶¶ 48-49; Doc. 8-5 pp. 1, 5. Sponsorship  
9 from a publishing behemoth like DSE would have left no need to pass the hat online.  
10 DSE owns the copyrights in dozens of “iconic” books, “among the most popular  
11 children’s books of all time,” which have “sold over 650 million copies worldwide.”  
12 FAC ¶¶ 14, 16. DSE produces television shows, motion pictures, and theatrical  
13 works, and oversees “a robust publishing program” and “an extensive licensing and  
14 merchandising program.” *Id.* ¶¶ 1, 21, 25. DSE is simply out of Defendants’ league,  
15 and they did nothing to suggest any affiliation.

16 First Amendment concerns weigh heaviest when such a literary powerhouse sues  
17 to suppress critical creative speech. DSE failed to state a trademark or unfair  
18 competition claim, and its unfair use of the law should proceed no further.

## 19 **V. Conclusion**

20 Therefore, ComicMix respectfully requests that the Court dismiss this action  
21 pursuant to Fed. R. Civ. P. 12(b)(6).  
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28

1 Respectfully submitted,

2 DATED: July 14, 2017

3  
4 BOOTH SWEET LLP

D'EGIDIO LICARI & TOWNSEND, APC

5  
6 /s/ Dan Booth

/s/ Michael Licari

7 Dan Booth  
8 *Admitted Pro Hac Vice*

Michael Licari  
*Local Counsel*

9 *Attorneys for Defendant ComicMix LLC*

10  
11 **CERTIFICATE OF SERVICE**

12  
13 I hereby certify that on this July 14, 2017 I electronically filed the foregoing  
14 document by using the Court's ECF system, thereby causing a true copy thereof to  
15 be served upon counsel of record for each party to have appeared to date, as  
16 identified on the Notice of Electronic Filing.  
17

18 /s/ Dan Booth