



The Ray Charles Foundation “Messses Around” and Gets SLAPP’d

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The Expansion of Anti-SLAPP Motions into Copyright and Trademark Cases and the Threat to the Existence of Anti-SLAPP Motions in Federal Courts

California Code of Civil Procedure Section 425.16 (the “anti-SLAPP” provision) is a wide reaching and powerful tool used by defendants to dismiss a “strategic lawsuit against public participation” (“SLAPP”) that seeks to chill a defendant’s constitutionally protected rights before any discovery can be taken and with an award of attorneys’ fees to a prevailing defendant.

Recently, anti-SLAPP motions have been used in the context of copyright and trademark lawsuits, further expanding the reach of this intimidating litigation-defense hammer. The entire existence of anti-SLAPP motions in federal courts, however, is threatened by Judge Alex Kozinski, the Chief Judge for United States Court of Appeals for the Ninth Circuit, who has called for anti-SLAPP motions to be eliminated from federal courts because they are purely procedural tools and conflict with the Federal Rules of Civil Procedure. As a result, the window of opportunity to use anti-SLAPP motions in copyright and trademark actions may be short-lived.

Anti-SLAPP Summary

A “SLAPP” suit “seeks to chill or punish a party’s exercise of constitutional rights to free speech and to petition the government for redress of grievances.”¹ Thus, a lawsuit arising from constitutionally protected speech or petitioning activity is a SLAPP suit if it “lacks even minimal merit.”² SLAPP suits may be disposed of by a special motion to strike under section 425.16, commonly known as an “anti-SLAPP motion,” which is “a procedure where the trial court evaluates the merits of the lawsuit using a summary-judgment-like procedure at an early stage of the litigation.”³

In analyzing an anti-SLAPP motion, the court engages in a two-step process. First, the court decides whether the defendant has made a threshold showing that the challenged cause of action is one arising from protected activity. If the court makes such a finding, it then determines the second prong—whether the plaintiff has demonstrated a probability of prevailing on the merits of the claim under a standard similar to that used in determining a summary judgment motion.⁴

The anti-SLAPP procedure thus operates “like a ... motion for summary judgment in ‘reverse’”—the plaintiff bears the ultimate burden of stating and substantiating a legally sufficient claim in response to the special motion to strike.⁵

Anti-SLAPP Motions in Copyright and Trademark Matters

Over the last three years, federal district and appellate courts have held that some acts involving copyrights and trademarks, such as filing a trademark application or sending a copyright termination notice, are protected acts within the meaning of the anti-SLAPP provision because they attempt to “establish a property right.”⁶

The most recent expansion of the anti-SLAPP statute into intellectual property disputes revolves around the music of the legendary Ray Charles. While Mr. Charles’ music is well-known, the details regarding his legacy have remained somewhat mysterious. Over the course of several decades, Ray Charles had twelve children by nine different women.

In 2002, Charles entered into an agreement with each of his 12 children in which they received \$500,000 in exchange for a full release of any claim to a portion of Charles’ estate. Eighteen months later, Charles passed away and left all of the rights to his musical works to The Ray Charles Foundation (the “Foundation”), a charitable organization dedicated to providing grants to scientific, educational and charitable purposes.

Seven of Charles’ 12 children were not content with the bargain they had struck and sought to reclaim the rights to Charles’ music by sending the Foundation 39 copyright termination notices pursuant to Section 304(c)(5) of the Copyright Act. Predictably, a lawsuit ensued. The Foundation brought an action against the seven children (the “Defendants”) in federal court seeking, among other things, a declaration that they were the proper owners of Charles’ music.⁷ The Defendants responded by filing an anti-SLAPP motion, which was granted by the district court.

In granting the anti-SLAPP motion, the district court relied upon the Ninth Circuit Court of Appeal decision in *Mindys Cosmetics, Inc. v. Dakar*, 611 F.3d 590 (9th Cir. 2010), which held that the act of filing a trademark application was a protected activity under the anti-SLAPP statute because it constituted “an attempt to establish a property right.”⁸ Like the court in *Mindys*, the *Ray Charles* court held that copyright termination notices are protected conduct under the anti-SLAPP statute because, like a trademark application, they seek to establish a property right. Therefore, the district court struck the Foundation’s entire action and entered judgment in favor of the Defendants. The Foundation appealed the decision, which is pending.

Anti-SLAPP Motions are Threatened in Federal Courts

The Foundation may be in luck with its appeal if Judge Alex Kozinski, the Chief Judge for United States Court of Appeals for the Ninth



Circuit, has any say. In *Makaeff v. Trump University LLC*, 2013 DJDAR 4972 (9th Cir. April. 17, 2013), Judge Kozinski issued a concurring opinion directly challenging the Ninth Circuit precedent⁹ that permits anti-SLAPP motions to be filed in federal court that seek to strike federal claims for relief. Judge Kozinski reasoned that “[f]ederal courts have no business applying exotic state procedural rules which, of necessity, disrupt the comprehensive scheme embodied in the Federal Rules, our jurisdictional statutes, and Supreme Court interpretations thereof.”¹⁰ Judge Kozinski further called for an *en banc* panel to “take a fresh look” at the anti-SLAPP issue.¹¹

It remains to be seen whether the Ray Charles Foundation will benefit from Judge Kozinski’s plea to lead federal courts “back out of the wilderness” of anti-SLAPP motions.¹² Until then, seven of Ray Charles’ children and other defendants in copyright and trademark lawsuits will continue to benefit from the force and breadth of California’s anti-SLAPP statute.

1 *Rusheen v. Cohen* (2006) 37 Cal.4th 1048, 1055.

2 *Navellier v. Sletten* (2002) 29 Cal.4th 82, 89.

3 *Varian Medical Systems, Inc. v. Delfino* (2005) 35 Cal.4th 180, 192; *Paiva v. Nichols* (2008) 168 Cal.App.4th 1007, 1015-1016; *Kibler v. No. Inyo County Local Hosp. Dist.* (2006) 39 Cal.4th 192, 197.

4 *Equilon Enterprises, LLC v. Consumer Cause, Inc.* (2002) 29 Cal.4th 53, 67.

5 *Briggs v. Eden Council for Hope & Opportunity* (1999) 19 Cal.4th 1106, 1123.

6 *Mindys Cosmetics, Inc. v. Dakar*, 611 F.3d 590, 597 (9th Cir. 2010)

7 *The Ray Charles Foundation v. Raenee Robinson, et al.*, CV 12-2725-ABC (C.D. Cal. Jan. 25, 2013), Judge Audrey B. Collins.

8 *Mindys Cosmetics, Inc. v. Dakar*, 611 F.3d 590, 597 (9th Cir. 2010)

9 *United States ex rel. Newsham v. Lockheed Missiles & Space Co.*, 190 F.3d 963 (9th Cir. 1999).

10 *Id.* at *40.

11 *Id.*

12 *Id.*



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