

1 Erin R. Ranahan (SBN: 235286)
eranahan@winston.com
2 Diana Hughes Leiden (SBN: 267606)
dhleiden@winston.com
3 Kelly N. Oki (SBN: 304053)
koki@winston.com
4 WINSTON & STRAWN LLP
333 South Grand Avenue
5 Los Angeles, CA 90071
Telephone: (213) 615-1700
6 Facsimile: (213) 615-1750

7 Attorneys for Defendants,
AXANAR PRODUCTIONS, INC.,
8 and ALEC PETERS

9 **UNITED STATES DISTRICT COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**

11
12 PARAMOUNT PICTURES
CORPORATION, a Delaware
13 corporation; and CBS STUDIOS INC., a
Delaware corporation,

14 Plaintiffs,

15 vs.

16 AXANAR PRODUCTIONS, INC., a
17 California corporation; ALEC PETERS,
an individual; and DOES 1-20,

18 Defendants.
19
20
21

Case No. 2:15-cv-09938-RGK-E

Assigned to: Hon. R. Gary Klausner

**DEFENDANTS AXANAR
PRODUCTIONS, INC., AND ALEC
PETERS' OPPOSITION TO
PLAINTIFFS' MOTION *IN LIMINE*
NO. 6 TO EXCLUDE TESTIMONY
AND DOCUMENTS REGARDING
STAR TREK FAN FILMS**

Hearing Date: January 31, 2017
Pretrial Conference: January 9, 2017
Trial Date: January 31, 2017

1 **I. INTRODUCTION**

2 Though Defendants' Works were created or conceived by die-hard Star Trek
3 fans to celebrate their love for Star Trek in the longstanding tradition of Star Trek fan
4 films, Plaintiffs seek to beam out of reality and prevent the jury from hearing about
5 the context in which Defendants' projects were created. Evidence relating to Star
6 Trek fan films, including evidence relating to Plaintiffs' failure to file suit against
7 other creators of fan films, is admissible because it is highly relevant to the issue of
8 innocent intent and willfulness, which have a significant impact on the amount of
9 available statutory damages. The backdrop of the rich fan fiction culture is also
10 highly relevant to various other of Defendants' affirmative defenses, including
11 implied license and waiver. In fact, this Court has acknowledged Star Trek's "long
12 history of fan films" and stated, "[Defendant] Peters' belief that the *Axanar* Works
13 were fan films in light of his understanding from CBS that it would tolerate such fan
14 films creates an issue of his state of mind that must be adjudicated by the jury." Dkt.
15 163 at 14 (Order re Plaintiffs' Motion for Partial Summary Judgment and Defendants'
16 Motion for Summary Judgment ("Order")). Defendants are thus entitled to present
17 evidence relating to Star Trek fan films that permits the jury to reach a conclusion on
18 this issue.

19 **II. FACTUAL BACKGROUND**

20 Gene Roddenberry encouraged the creation of fan fiction, and was honored that
21 fans were so passionate about Star Trek that they were inspired to create their own fan
22 works to celebrate it. Dkt. 77-2 at 48 (Defendants' Statement of Uncontroverted Fact
23 in Support of Motion for Summary Judgment ("SUF")). In the 1976 book *Star Trek:
24 The New Voyages*, Mr. Roddenberry stated in the Foreword that he "realized that there
25 is no more profound way in which people could express what Star Trek has meant to
26 them than by creating their own very personal Star Trek [fan fiction]." *Id.* Since this
27 statement, a substantial number of films have been created by fans without any
28 complaint by Plaintiffs, some using characters from Plaintiffs' Works and exact

1 replicas of Star Trek movie sets. *Id.* at 49. For over 50 years, Plaintiffs have tolerated
2 and even encouraged a community of fandom and fan fiction surrounding Star Trek.
3 *Id.* at 50.

4 Defendants seek to include evidence regarding this history of fan fiction
5 because it is critical to the analysis of the claims and defenses at issue. Specifically,
6 Defendants seek to offer a summary of the history of Star Trek fan films provided by
7 non-party witness Mr. Jonathan Lane based on his extensive knowledge about and
8 following of such works. Dkt. 75-25 (Decl. of Jonathan Lane).

9 Defendants will also present the expert testimony of Mr. Christian Tregillis,
10 CPA, ABV, CFF, CLP, who prepared an expert report with an economic analysis of
11 the damages Plaintiffs are alleged to have suffered as a result of Defendants' Works,
12 including Plaintiffs' lack of actual damages, and the positive impact and lack of harm
13 caused by Star Trek fan films (including Defendants' Works) on Plaintiffs' Works.

14 Additionally, Defendants will present the expert testimony of Dr. Henry
15 Jenkins, the Provost's Professor of Communication, Journalism, Cinematic Art, and
16 Education at the University of Southern California, who prepared a report to shed light
17 on the culture surrounding Star Trek fan fiction, both generally and as applied to
18 Defendants' Works.

19 Though Plaintiffs have attempted to avoid the reality of the tradition and culture
20 surrounding Star Trek fan fiction by pointing to certain public comments made by
21 Defendants that distinguish the quality of their works from other fan films, Plaintiffs
22 ignore the ample evidence in which Plaintiffs, Defendants, and third parties have
23 referred to Defendants' works as fan films. Defendants even went to great lengths to
24 make sure their works fell within the tolerated realm of fan fiction as Defendants
25 understood it at the time. Dkt. 87-1 at 118 (Defendants' Statement of Additional,
26 Material Facts in Opposition to Plaintiffs' Motion for Partial Summary Judgment
27 ("SAMF")). While Defendants communicated an intent to raise the bar with respect
28 to the *quality* of fan films, there is ample evidence, and dozens of communications,

1 that demonstrate that Defendants expressly still considered their works to be fan films.
2 Dkt. 87-1 at 103. (Defendants' Response to Plaintiffs' Statement of Uncontroverted
3 Facts in Opposition to Plaintiffs' Motion for Partial Summary Judgment ("RSUF")).
4 *Plaintiffs*, along with third parties, have also repeatedly referred to Defendants' Works
5 as fan films. Dkt. 87-1 at 103 (RSUF); Dkt. 87-1 at 119 (SAMF). Defendants
6 believed that their works were fan films because they were created by fans and were
7 given away for free. *Id.* at Dkt. 87-1 at 103 (RSUF).¹

8 Additionally, Plaintiffs had previously entered into a deal with James Cawley, a
9 well-known creator of Star Trek fan fiction, permitting him to offer commercial tours
10 of the set of his Star Trek fan film. Dkt. 75-10 at 33:25-42:21 (Deposition of
11 Elizabeth D. Kalodner). Mr. Cawley had invited Defendant Mr. Peters to portray the
12 Star Trek character Garth of Izar in one of Mr. Cawley's fan films, and Plaintiffs'
13 treatment of Mr. Cawley is incompatible with their treatment of Mr. Peters and his
14 understanding of what is acceptable with respect to building out a fan film studio.

15 All of this testimony is therefore highly relevant, and Defendants should be
16 permitted to introduce it to the jury.

17 **III. ARGUMENT**

18 **A. Evidence of Plaintiffs' Encouragement of Star Trek Fan Films and** 19 **Relationship with Other Fan Film Creators is Relevant to the Issue** 20 **of Damages and is Critical to the Analysis of Statutory Damages**

21 Contrary to the Plaintiffs' claims, evidence relating to Star Trek fan films is
22 legally relevant in this case. Evidence is relevant if it has any tendency to make the
23 existence of any fact that is of consequence to the determination of the action more or
24 less probable than it would be without such evidence. Fed. R. Evid. 401. As damages
25 are at issue in this case, any evidence that assists the jury in their analysis of damages
26 is relevant.

27 _____
28 ¹ There has been no agreed to definition of what a "fan film" is in this case, as
demonstrated by Plaintiffs' own discovery responses, in which Plaintiffs object that
the phrase "fan film" is ambiguous. Dkt. 87-1 at 119 (SAMF).

1 A defendant is entitled to a jury trial to determine the amount of statutory
2 damages in a copyright case. *Feltner v. Columbia Pictures Television, Inc.*, 523 U.S.
3 340, 353 (1998). The Supreme Court has found that in copyright cases, the jury has
4 the power to consider factors that might inform them on what they find fair and “just”
5 when deciding where on the wide scale a plaintiff should be awarded statutory
6 damages in a copyright case. *F.W. Woolworth Co. v. Contemporary Arts, Inc.*, 344
7 U.S. 228, 232 (1952) (quoting *L.A. Westermann Co. v. Dispatch Printing Co.*, 249
8 U.S. 100, 106 (1919)). Under the Copyright Act, the amount of available statutory
9 damages per infringed work increases from a minimum of \$200 where the alleged
10 infringement was “innocent,” to a minimum of \$750 to a maximum of \$30,000 to
11 \$150,000 depending on whether the infringement was “committed willfully.” 17
12 U.S.C. § 504(c)(2). And the jury can award anywhere in between.²

13 Plaintiffs have alleged that Defendants willfully infringed upon their copyrights
14 in creating their works. This allegation is directly tied to the issue of damages.
15 Moreover, the Court has acknowledged that Star Trek fan film culture may have
16 shaped Mr. Peters’ interpretation of any alleged copyright infringement since his
17 “actions demonstrate a respect for Plaintiffs’ intellectual property that makes a finding
18 of willfulness on summary judgment inappropriate.” Dkt. 163 at 14 (Order).

19 Innocent infringement occurs where the infringer “was not aware and had no
20 reason to believe that his or her acts constituted an infringement of copyright.” *United*

21
22 ² Statutory damages must “bear some relation to actual damages suffered.” *Van Der*
23 *Zee v. Greenidge*, 2006 WL 44020, at *2 (S.D.N.Y. 2006). Otherwise, they risk
24 running afoul to constitutional principles of due process. *Parker v. Time Warner*, 331
25 F.3d 13, 22 (2d Cir. 2003) (recognizing that “statutory damages [can expand] so far
26 beyond the actual damages suffered that the statutory damages come to resemble
27 punitive damages” and that, under *BMW* and *State Farm*, “it may be that in a
28 sufficiently serious case the due process clause might be invoked”) (citing *BMW of*
North America, Inc. v. Gore, 517 U.S. 559, 574 (1996) (overturning \$2 million
punitive damages award where the plaintiff obtained a jury award of only \$4,000 in
actual damages, because such punitive damages violated the Due Process Clause of
the Constitution because it was “grossly excessive” compared to the plaintiff’s actual
damages); *State Farm Mut. Auto. Ins. Co. v. Campbell*, 538 U.S. 408, 412 (2003)
(reversing punitive damages award of \$145 million as unconstitutionally excessive
compared to the \$1 million compensatory damages award because there must be some
proportionality of the punitive award to the plaintiff’s actual harm).

1 *Fabrics*, 2013 WL 7853485, at *5 (citing 17 U.S.C. § 504(c)(2)). Innocent
2 infringement *lowers* the floor of statutory damages to \$200 per work. 17 U.S.C. §
3 504(c)(2)).

4 A finding of willful infringement would allow Plaintiffs, within the Court’s
5 discretion, to obtain up to \$150,000 in statutory damages per infringing act. 17 U.S.C.
6 § 504(c)(2). The evidence relating to Star Trek fan films sought to be introduced by
7 Defendants and excluded by Plaintiffs is therefore directly relevant to these
8 allegations of willful infringement and to Defendants’ affirmative defenses, including
9 waiver, acknowledgement, ratification, consent, and acquiescence.

10 While the Copyright Act does not define the term “willful,” the Ninth Circuit
11 has held that the term means “with knowledge that the defendant’s conduct constitutes
12 copyright infringement.” *United Fabrics Intern., Inc. c. G-III Apparel Group, Ltd.*,
13 No. CV13-00803-ODW (AJWx), 2013 WL 7853485, at *5 (C.D. Cal. Dec. 27, 2013)
14 (citing *Peer Int’l Corp. v. Pausa Records, Inc.*, 909 F.2d 1332, 1335 n.3 (9th Cir.
15 1990); *Columbia Pictures Television v. Krypton Broad.*, 106 F.3d 284, 293 (9th Cir.
16 1997) *rev’d on other grounds sub nom.*; *Feltner v. Columbia Pictures Television*, 523
17 U.S. 340 (1998); *cv. Danjaq LLC v. Sony Corp.*, 263 F.2d 942, 957-58 (9th Cir.
18 2001)).

19 The jury “has wide discretion in determining the amount of statutory damages
20 to be awarded.” *Harris v. Emus Records Corp.*, 734 F.2d 1329, 1335 (9th Cir. 1984)
21 (emphasis added). Neither the statute nor its legislative history provide guidance on
22 the factors the trier of fact is to consider when making an award of statutory damages.
23 *See* 6 Patry on Copyright § 22:174 (2016). In the absence of any statutory or other
24 guidance, courts have employed the following non-exhaustive factors in determining
25 statutory damages: (1) the expenses saved and the profits reaped by the defendant, (2)
26 the revenues lost by the plaintiff, (3) the value of the copyright, (4) the deterrent effect
27 on others besides the defendant, (5) willfulness of the defendant’s conduct, (6)
28 whether the defendant has cooperated in providing records to assess the value of the

1 infringing material, (7) the potential for discouraging the defendant, and (8) the
2 conduct and attitude of the parties; (9) any benefit to Plaintiffs from Defendants'
3 conduct. *See e.g., Coach, Inc. v. Am. Fashion Gift*, CV 12-07647-MWF RZK, 2013
4 WL 950938, at *2 (C.D. Cal. Mar. 12, 2013); *Peer Int'l Corp. v. Luna Records, Inc.*,
5 887 F. Supp. 560, 568 (S.D.N.Y. 1995).

6 Plaintiffs' documents and communications regarding fan films and guidelines
7 demonstrate that Defendants reasonably believed – and actually were – operating
8 within the enduring tradition of Star Trek-inspired works of fan fiction, which have
9 been long tolerated and encouraged by Plaintiffs since the inception of the Star Trek
10 franchise. Dkt. 127-2 (Star Trek Fan Film Guidelines); Dkt. 127-3 (History of Star
11 Trek Fan Films); Dkt. 144-18 (Email from Alec Peters to Elizabeth Kalodner and
12 John Van Citters about Defendants' Works).

13 This evidence also reveals Plaintiffs' tacit acknowledgement that works of fan
14 fiction like Defendants' have no negative impact on the market for Plaintiffs' Works.
15 Although Plaintiffs may be correct that this evidence relating to other fan films, alone,
16 is not determinative as to whether Defendants engaged in copyright infringement, they
17 ignore that this evidence is highly relevant to the damages analysis and Defendants'
18 affirmative defenses.

19 Moreover, Plaintiffs' concern that the introduction of evidence relating to other
20 fan films would be an unnecessary burden on the jury's time and the Court's resources
21 is unwarranted. Defendants do not intend to conduct "dozens of miniature trials" in
22 their introduction of this defense, (Plaintiffs' Motion *in Limine* No. 6, p. 3), but rather
23 will be judicious in introducing the evidence necessary to demonstrate that Plaintiffs'
24 history with Star Trek fan films and their creators contradicts any allegations of
25 willful infringement. Because this evidence of other Star Trek fan films is highly
26 relevant, it should be permitted.

1 **B. Evidence of Other Fan Films Is Also Relevant To Defendants’**
2 **Affirmative Defenses Including Waiver and Implied License**

3 The culture of Star Trek fan fiction is highly relevant to Defendants’ affirmative
4 defenses, including waiver and implied license.

5 Evidence of the Star Trek fan film culture is critical to the discussion of these
6 affirmative defenses. The waiver defense requires a showing of Plaintiffs’ intentional
7 relinquishment of a right with knowledge of its existence and the intent to relinquish
8 it. *See A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (2001), *aff’d after remand*,
9 284 F.3d 291 (9th Cir. 2002). With regard to implied license, Defendants must prove
10 that Plaintiffs have given a license or their consent or acquiescence, express or
11 implied, to Defendants to use Plaintiffs’ Works. *See Elvis Presley Enters., Inc. v.*
12 *Elvisly Yours, Inc.*, 936 F.2d 889, 894 (6th Cir. 1991); *Effects Assocs., Inc. v. Cohen*,
13 908 F.2d 555, 558 (9th Cir. 1990).

14 Like other Star Trek fan fiction created over the years and as is embedded
15 within the culture, Defendants’ Works take inspiration from Star Trek to create an
16 original story. Fan stories are not just “extensions,” “continuations” or “extra
17 episodes” of the original series. *Id.* at 6. Rather, fan creations are expressed through
18 the construction of new stories. *Id.* Defendants’ Works are merely a part of and
19 founded on this longstanding culture, and testimony relating this history is relevant to
20 Defendants’ affirmative defenses. Moreover, Defendants have no ambitions of
21 competing against Plaintiffs’ Works in movie theaters, on television, over premium
22 streaming services, or to otherwise sell their Works for profit, all of which aligns with
23 the idea behind Star Trek fan fiction and Defendants’ frame of mind at the time of its
24 creation. Dkt. 75-6 at 4 (Report of Henry Jenkins).

25 Thus, any evidence of Plaintiffs’ previous tolerance and encouragement of fan
26 fiction and the way that it is has been embraced since Gene Roddenberry created the
27 Star Trek franchise is pivotal in proving these defenses and should therefore be
28 permitted.

1 **C. The Probative Value of Evidence Relating to Other Fan Films is not**
2 **Substantially Outweighed by the Danger of Unfair Prejudice and**
3 **Poses No Risk of Confusion for the Jury**

4 Plaintiffs’ claim that any evidence relating to Star Trek fan films should be
5 excluded because its probative value is substantially outweighed by the danger of
6 unfair prejudice to Plaintiffs and the risk of confusing the jury. However, these claims
7 again depend on Plaintiffs’ accusation that Defendants intend to conduct “mini-trials”
8 relating to every work of Star Trek fan fiction. Plaintiffs’ Motion *in Limine* No. 6, p.
9 3. Rather, this evidence is highly relevant to the question of damages and willful
10 infringement, and the jury is capable of distinguishing between the work at issue and
11 evidence of other works introduced to show Plaintiffs’ longstanding acceptance and
12 encouragement of Star Trek fan films.

13 Furthermore, Plaintiffs cannot aim to exclude any evidence of Star Trek fan
14 films by stating that the use of the term fan fiction has no impact on the copyright
15 infringement analysis (Plaintiffs’ Motion *in Limine* No. 6, p. 1) and then arguing only
16 paragraphs later that it is somehow significant that Defendants once declined to refer
17 to their work as a fan film. *Id.* at 3.

18 Regardless, evidence of other fan films risks neither prejudicing Plaintiffs nor
19 confusing the jury and should therefore be permitted.

20 **IV. CONCLUSION**

21 For all of these reasons, the Court should deny Plaintiffs’ Motion *in Limine* No.
22 6 to exclude evidence relating to other Star Trek fan films.

24 Dated: January 6, 2017

WINSTON & STRAWN LLP

26 By: /s/ Erin R. Ranahan
27 Erin R. Ranahan
28 Attorneys for Defendants,
AXANAR PRODUCTIONS, INC.
and ALEC PETERS