

# 2024 INAUGURAL CARDOZO FAME CENTER INTELLECTUAL PROPERTY LAW MOOT COURT COMPETITION

MARCH 13–15, 2024

HOSTED BY THE CARDOZO MOOT COURT HONOR SOCIETY



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No. 23–969  
IN THE  
**SUPREME COURT OF THE UNITED STATES**

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SCARLET BROADCASTING,

*Petitioner,*

v.

PLUM ENTERPRISES,

*Respondent.*

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ON WRIT OF CERTIORARI  
TO THE UNITED STATES COURT OF APPEALS  
FOR THE THIRTEENTH CIRCUIT

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The United States District Court for the District of Cardozo properly exercised jurisdiction pursuant to 28 U.S.C. §§ 1338 and 1331.

The United States Court of Appeals for the Thirteenth Circuit properly exercised jurisdiction pursuant to 28 U.S.C. § 1291.

The petition for a writ of *certiorari* is GRANTED. This Court exercises jurisdiction pursuant to 28 U.S.C. § 1254. The questions presented are:

1. Whether and to what extent Defendant’s use of Plaintiff’s trademark in an expressive work is entitled to heightened First Amendment protection.
2. Whether alleging a claim for work made-for-hire under 17 U.S.C. § 101 largely, but not independently based on the *Reid* control factor, is sufficient to survive a motion to dismiss under Rule 12(b)(6).
3. Whether a server necessarily must contain a copy of an embedded or framed copyrighted work in order to violate the 17 U.S.C. § 106(5) display right.

CERT. GRANTED 12/30/23

## **Problem Instructions**

1. This problem is frozen as of December 31, 2023. Do not cite any decisions or materials in briefing or oral argument issued after this date.
2. Competitors should assume that the case, and the decisions below, present no questions of jurisdiction, justiciability, or procedure.
3. In your briefs, you may cite to the record in the same manner as you would any other case, according to the 21st edition of the Bluebook. The practitioner's section of the Bluebook (the "bluepages") will be the governing standard for Bluebook citations.
4. During your oral arguments, you may refer to these pages as "Page X of the Record."
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UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF CARDOZO

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SCARLET BROADCASTING,

*Plaintiff, Counter-Defendant,*

-against-

PLUM ENTERPRISES,

*Defendant, Counter-Claimant.*

-----X

**JOHNSON, Senior District Judge:**

On September 4, 2022, Scarlet Broadcasting brought an action against Plum Enterprises for infringement of its word and logo trademarks. On January 10, 2023, Plum Enterprises filed a cross-complaint against Scarlet Broadcasting for violation of its exclusive right to display its copyrighted photograph under § 106(5) of the Copyright Act.

Each party moved to dismiss the other party's complaint for failure to state a claim pursuant to Federal Rule of Civil Procedure 12(b)(6). Plum Enterprises motion to dismiss is GRANTED. Scarlet Broadcasting's motion is DENIED.

**Factual Background**

Scarlet Broadcasting ("Scarlet") is a popular news outlet based in the United States but reporting all around the globe. While Scarlet broadcasts three television news shows, its main means of disseminating the news is through its website "www.ScarletNews.com." In 2023, Scarlet's website had one billion visits worldwide.

Scarlet is well-known for its red and white “SCARLET” logo which features the word written out in a jagged font and the “S” shaped like a lightning bolt. Shortly after its founding in 2009, Scarlet registered the logo as a trademark for its news platform with the United States Patent and Trademark Office. After five years of consistent use, Scarlet filed a Section 15 declaration of incontestability on the mark and has since kept up its registration as an incontestable mark. Doing so constitutes conclusive evidence that the registered trademark is valid. 15 U.S.C. 1115. In March 2013, when Scarlet gained robust popularity worldwide, it registered its wordmark “SCARLET.” After five years it then made the word mark incontestable as well. Scarlet also owns ten other trademarks relating to the company’s name and logo.

Last year Scarlet ran into trouble when it was revealed that a top executive at the news company, Blanche White, had been involved in underground gang activity. Mrs. White’s involvement in money laundering schemes and trafficking of illegal weapons was unrelated to her job at Scarlet. Scarlet swiftly terminated Mrs. White and engaged in a successful and extensive campaign to distance the company from White’s activity and largely avoided reputational harm.

Plum Enterprises (“Plum”) was founded in 1999. Starting off as a small television producer, Plum’s television shows quickly gained popularity. By 2010, Plum was the producer of over 40 different television series. Plum exclusively broadcasts its shows on the Plum Network via subscription or pay-per-episode

pricing methods. In order to view any of Plum's offerings, customers must sign up for a Plum account and pay \$17.99 a month or \$0.99 per episode.

In early 2019, Plum unveiled its newest late-night comedy series, *Mustard*, a scripted series that follows a father and his family navigating life. Colonel Mustard is a strict, uptight father raising his two children military style after the Colonel spent most of his life in the United States Army. A recurrent theme running throughout the series is the tension between Colonel Mustard and his troubled teenage son, Green. The show's immediate success resulted largely from the banter between the two, along with references to recent popular culture events.

This litigation grew out of Episode Five of Season Four which aired March 20, 2022, entitled "Green Goes Scarlet." The episode's main storyline involves Green getting into trouble after his father Colonel Mustard discovers Green has been engaging in illicit gang activity. The episode shows Scarlet's logo on Green's backpack several times as he travels around town engaging in gang activity. The logo is shown a total of four times. Colonel Mustard also makes comments about Green's backpack and suggests throughout the show's dialogue that it is a sign of his corruption.

While *Mustard* often makes fun of recent real-life news events, it has never featured a product placement in any of its episodes. This is because the CEO of Plum, Sandra Peacock, hates product placements in television shows and has sworn that her company will not allow such distractions in its productions.

When the episode premiered, the executives at Scarlet were enraged by the use of the company's trademarks. On March 31, 2022, Scarlet sent a letter to Plum advising it that it had used Scarlet's trademarks without authorization, that such use had shown Scarlet in a highly negative light, and that Scarlet intended to enforce its marks through litigation.

Shortly after receiving a threat of legal action from Scarlet, Plum Enterprises found an old news article titled "New Comedy Series *Mustard* Premieres March 19th" on Scarlet's website which dated back to February 2019. In the article, Scarlet embedded an image consisting of a promotional photograph for the *Mustard* series that had been posted on social media accounts for both Plum Enterprises and *Mustard*. Embedding is a process which involves hyperlinking an image through HTML instructions. As a result, the image is shown on the web page such that the user sees the content without having to take affirmative steps to retrieve it or navigate to another website. However, the image is never downloaded from the source, copied from the source, or stored on the webpage's own servers. The article on Scarlet's website links to the image on Plum's social media. To the date of this opinion the article with its original embedding can still be found on Scarlet's website.

The photograph in question ("the *Mustard* Premiere Photograph") grew out of an oral agreement between Plum Enterprises and photographer Brooke Swanson. The agreement between Plum and Ms. Swanson asserted that Swanson was to conduct three photoshoots to produce promotional materials for three different

shows produced by Plum and was to be paid \$5,000 for each. No further terms were specified. The first of these photoshoots took place on January 2, 2019 inside Plum Studios, one of Plum's production studios in Los Angeles, California. The shoot was of the cast of *Mustard*.

Throughout the photoshoot, Plum's executives were present and retained control of the costumes, positioning of the cast, poses, lighting, props, and camera lenses used by Ms. Swanson. Plum's executives alone had the ability to wrap up the photoshoot upon capturing "the" picture. While some of the equipment used during the photoshoot belonged to Plum, other equipment, such as the various cameras and lighting apparatuses, was brought by Brooke Swanson. Though not a party to the oral agreement, Ms. Swanson's assistant also attended the photoshoot. After the photoshoot, Plum paid Ms. Swanson the \$5,000 fee and Ms. Swanson conducted two more photoshoots under the same or similar conditions for which she was paid \$5,000 each.

## **Discussion**

### **I. Legal Standard**

In deciding a motion to dismiss pursuant to Federal Rule of Civil Procedure 12(b)(6) for failure to state a claim, the court must accept as true all well-pleaded facts alleged in the complaint that "plausibly give rise to an entitlement for relief." *Ashcroft v. Iqbal*, 556 U.S. 662, 679 (2009). A claim is plausible where the "plaintiff pleads factual content that allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Id.* at 678. The non-moving party



must nudge its claims “across the line from conceivable to plausible” or else the complaint will be dismissed. *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). In ruling, the court must accept as true all of the factual allegations contained in the complaint. *Świerkiewicz v. Sorema N. A.*, 534 U.S. 506, 508 (2002).

## II. Trademark Infringement

Plum concedes that it used Scarlet’s trademarks in the show and in the title of the episode. It concedes that both trademarks are valid. And it concedes that its use of Scarlet’s trademark *may* be likely to confuse consumers that the show was sponsored by Scarlet. However, Plum contends that its expressive use of the trademarks enjoys heightened protections under the First Amendment. This Court agrees. Critically, Plum did not use Scarlet’s mark as a designation of source for its own goods.

The *Rogers* test is a test designed by the Second Circuit for challenging alleged trademark infringement in cases where the use involves an expressive work. *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989). The test provides that where a party’s trademark is allegedly infringed in an expressive work, there is no liability unless complainant can show that the challenged use of the mark “has no artistic relevance to the underlying work” or that it “explicitly misleads as to the source or the content of the work.” *Rogers* at 999.

The Supreme Court recently narrowed the reach of the *Rogers* test in *Jack Daniel’s Prop. v. VIP Products LLC*, 599 U.S. 140 (2023). In *Jack Daniel’s* the Court

held that when an alleged infringer uses a trademark as a designation of source for the infringer's own goods, the *Rogers* test does not apply. 599 U.S. at 153. In that case, there was no dispute between the parties that VIP Products was using Jack Daniel's mark in a source-identifying way. Because of this, the Court had no need to articulate a definitive test for what constitutes using a mark in such a source-identifying way. The *Jack Daniel's* Court instead looked to the way a product is marketed and the defendant's practices with other products in finding that VIP Products was using the marks in a source-identifying way. *Jack Daniel's Prop. v. VIP Products LLC*, 599 U.S. 140, 178-79 (2023).

Turning to the case at hand, the television show episode and the episode's title are expressive works. *See Twentieth Century Fox Television a division of Twentieth Century Fox Film Corp. v. Empire Distribution, Inc.*, 875 F.3d 1192, 1196 (9th Cir. 2017) (finding a series was an "expressive work" under the *Rogers* test); *Mattel, Inc. v. Walking Mountain Productions*, 353 F.3d 792 (9th Cir. 2003) (holding that the title of a song is expressive). Thus, whether *Rogers* applies comes down to whether Plum's use of Scarlet's trademarks were designations of source of Plum's own goods.

This court finds that neither of the uses of Scarlet's marks involved designation of source for Plum's goods, and thus *Rogers* is applicable. Use of a mark occurs where one intends to "identify and distinguish his or her goods, including a unique product, from those manufactured or sold by others and to indicate the source of the goods." 15 U.S.C. §1127. In *Jack Daniel's*, the Supreme Court cited

*Louis Vuitton Malletier S. A. v. Warner Bros. Entertainment Inc.*, 868 F.Supp.2d 172 (S.D.N.Y. 2012), with approval as an example where a trademark was used not to designate the work's source, but to perform some other expressive function. *See Jack Daniel's* at 154. In *Louis Vuitton*, Warner Bros. used a travel bag in the film "The Hangover: Part II," which allegedly infringed on Louis Vuitton's trademarks. In the scene a Louis Vuitton bag is shown along with a character saying, "Careful that is ... a Lewis Vuitton." The Southern District of New York dismissed the complaint after applying the *Rogers* test.

Similarly, Plum's use of Scarlet's mark in Mustard does not designate the work's source, but rather performs an expressive function, parodying the events that took place surrounding former Scarlet executive, Mrs. White, and her run-ins with the law.

The use of the Scarlet word mark in the episode title "Green Goes Scarlet" is similarly not source identifying. Consumers do not expect a title to identify a source, but to communicate a message about the book, movie, song, or show. Rather, "a title is designed to catch the eye and to promote the value of the underlying work."

*Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 902 (9th Cir. 2002).

Additionally, looking at the marketing of the product and defendant's practices with its other products as the Court in *Jack Daniel's* did, neither of these factors point to Plum's uses as source-identifying. Plum does not use Scarlet's mark in any promotional or marketing materials of the show, nor does Plum use Scarlet's

mark in any other shows or episodes of *Mustard* that it produces. In fact, Plum does not feature product placements at all in any of its television series.

Applying *Rogers* to Plum’s allegedly infringing uses, each has minimum artistic relevance and does not explicitly mislead as to the source or the content of the work. The test for “artistic relevance” has a very low bar – “the level of relevance merely must be above zero.” *E.S.S. Entertainment 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 1100 (9th Cir. 2008). Plum’s use of Scarlet’s mark in the episode to parody Scarlet’s recent scandal was relevant to the show *Mustard* because the show was well known for containing cheeky commentary on current events. Similarly, the title “Green Goes Scarlet” is artistically relevant because it describes the plotline of the episode which in turn is the target of the parody. *See Mattel, Inc.*, 296 F.3d at 902 (ruling that an artist’s use of the Barbie mark in a song title is clearly relevant to the underlying work – the song about Barbie).

[Sentence deleted].

Under the second prong of the *Rogers* test, Plum’s uses do not explicitly mislead as to the source or sponsorship of *Mustard*. The “explicitly mislead” test is not the same as likelihood of confusion for normal trademark infringement. The Ninth Circuit has held that explicitly misleading is a high bar requiring the use to be “an explicit indication, overt claim, or explicit misstatement about the source of the work.” *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*, 983 F.3d 443 (9th Cir. 2020). Plum’s uses are not explicitly misleading because there is no evidence of an

explicit indication, overt claim, or explicit misstatement about the source of the show *Mustard* [deleted].

Because, even taking all of the plaintiff's factual allegations as true, each of Plum's uses of Scarlet's trademarks have satisfied the *Rogers* test, we grant Plum's motion to dismiss.

### **III. Copyright Infringement**

Scarlet's motion to dismiss Plum's counter-complaint for copyright infringement offers two independent theories under which it should not be liable: *Ms. Swanson*, not Plum, owned the photograph's copyright and Scarlet did not make or possess a "copy" of the photograph because the photo was not on its server. This Court rejects both, finding that plaintiff's allegations stated are sufficient to support a conclusion that the photograph is a work made for hire under Section 101(1) of the Copyright Act and that the "server test" on which Scarlet relies is legally incorrect.

#### **A. Work for Hire**

Scarlet Broadcasting claimed that it did not infringe Plum's copyright because Plum was not the actual "author" of the copyrighted image, and thus cannot assert copyright infringement of the image.

Under the work made for hire doctrine, "the employer or person for whom a work was prepared is considered the author . . . *and* unless the parties have expressly agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright." 17 U.S.C. §201. A work qualifies as a work made

for hire when it was prepared by an employee within the scope of his or her employment. The initial step in this analysis requires determining whether the preparer was an employee under general agency law. *Cnty. for Creative Non-Violence v. Reid*, 490 U.S. 730 (1989).

In *Reid*, the Supreme Court laid out many factors for courts to consider in determining whether someone is an “employee” for the work made for hire analysis. Although no one factor is dispositive, it does not necessarily follow that all factors are equally important in each case. *Aymes v. Bonelli*, 980 F.2d 857, 861 (2d Cir. 1992).

In the context of agency law, “the most important factor in determining the existence of an employment relationship is that control or right of control by the employer which characterizes the relation of employer and employee.” *Salamon v. Our Lady of Victory Hosp.*, 514 F.3d 217, 228 (2d Cir. 2008). Where the hiring party controls the hired party’s work down to the smallest detail, this factor weighs strongly in favor of the existence of an employment relationship. *Langman Fabrics, Inc. v. Graff Californiawear, Inc.*, 160 F.3d 106 (2d Cir. 1998). Here, Plum exercised an extremely high level of control by maintaining authority over nearly every artistic decision that went into the making of the *Mustard* Premiere Photograph, such as costumes, lighting, props, and even which camera lenses Ms. Swanson used for each shot.

This Court finds that the factors of control, location, and extent of hired party’s discretion over when and how long to work all favor Plum. For the purposes

of *Reid* factor two, photographers are often found by courts to be “highly-skilled independent contractors.” *Aymes*, 980 F.2d at 862. However, we find this factor to be neutral since Ms. Swanson was not able to exercise much of her artistic abilities over Plum’s decisions. This Court additionally finds that the source of instrumentalities, whether the work is part of the regular business of the hiring party, and whether the hiring party is in business are neutral or have very little weight. The remaining factors tend to weigh towards finding Ms. Swanson was an independent contractor.

While most, but not all, of the remaining factors do favor Ms. Swanson, “the factors should not merely be tallied but should be weighed according to their significance in the case.” *Aymes*, 980 F.2d at 862. Given the importance and extent of the control exercised by Plum, at this early stage in litigation dismissal is inappropriate since the work plausibly could be found as a work made for hire. Finally, both parties stipulated that there was no intention of joint authorship.

### **B. The Server Test**

Copyright owners have the exclusive right to publicly display copies of their copyrighted work. 17 U.S.C. § 106(5). Section 501 gives copyright owners a cause of action against infringers that violate this exclusive right.

In *Perfect 10 v. Google*, 508 F.3d 1146 (9th Cir. 2007), the Ninth Circuit established what is known as the “Server Test.” The court held that “a person displays a photographic image by using a computer to fill a computer screen with a copy of the photographic image fixed in the computer’s memory.” *Id.* at 1160. Where

Google had in-line linked images that appeared on a user's screen but were never stored on Google's computers, the *Perfect 10* court found that Google had not made or displayed a copy for the purpose of the Copyright Act. *Id.*

We respectfully disagree with the Ninth Circuit's holding in *Perfect 10* to the extent that it requires actual possession of a copy in order for a copyright owner's exclusive right to display the copyrighted work to be violated. As observed in *Nicklen v. Sinclair Broadcast Group, Inc.*, 551 F.Supp.3d 188, 195 (S.D.N.Y. 2021), the server rule is unsupported by the text and legislative history of the Copyright Act. "The text of the Copyright Act does not make actual possession of a copy of a work a prerequisite for infringement." *Leader's Institute, LLC v. Jackson*, 2017 WL 5629514 (2017). Rather, § 101 of the Copyright Act states that to display a work, someone need only show a copy of the work; and to display a work publicly, "a person need only transmit or communicate a display to the public." *Leader's Institute*, 2017 WL 5629514 at \*11.

We agree with the *Nicklen* court that *Perfect 10* should be limited in light of two specific facts of that case: (1) the defendant operated a search engine, and (2) the copyrighted images were displayed only if a user clicked on a link. *Nicklen*, 551 F.Supp.3d at 195. Neither are present here.

We find that a server need not contain a copy of an embedded or framed copyrighted work in order to violate the display right. Scarlet's article displayed Plum's copyrighted image as if it were its own (the user did not have to engage in any affirmative steps to show it). Whatever the mechanism used, the impact,



perception, and effective use of the photograph was exactly the same as it would have been had the photograph been located on Scarlet's server. Scarlet's motion to dismiss is denied.

**SO ORDERED.**

/S/ Meredith Johnson  
MEREDITH JOHNSON  
Senior United States District Judge

UNITED STATES COURT OF APPEALS  
FOR THE THIRTEENTH CIRCUIT

August Term, 2023

(Argued: April 12, 2023                      Decided: December 26, 2023)

Docket No. 23-442

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SCARLET BROADCASTING,

*Plaintiff-Appellant,*

-v.-

PLUM ENTERPRISES,

*Defendant-Appellee.*

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Before:                      GARCIA, MILLER, and THOMPSON, *Circuit Judges.*

Appellant Scarlet Broadcasting brings this appeal from the ruling of the United States District Court for the District of Cardozo granting Appellee's motion to dismiss Appellant's trademark infringement claim and denying Appellant's motion to dismiss Appellee's copyright infringement counter-claim.

We find that (1) Plum's use of Scarlet's trademark was not source identifying and falls under the *Rogers* test, (2) Plum is entitled to dismissal of the trademark

infringement claim under *Rogers*, (3) Plum stated a claim for relief as the *Mustard* Premiere Photograph plausibly could be a work made for hire, and (4) a server need not contain a copy of an embedded or framed copyrighted work in order to violate the 17 U.S.C. § 106(5) display right. Accordingly, the ruling of the District Court is affirmed.

**MILLER**, *Circuit Judge*, dissenting:

**I. Application of the *Rogers* Test**

Both the District Court and the majority here misinterpret the *Jack Daniel's* decision. The *Jack Daniel's* Court did not hold that *Rogers* applies where an expressive work uses another's trademark in a non-source-identifying manner. Rather, the Court merely held that *Rogers*'s heightened protection does *not* apply to the use of another's trademark to designate source of the alleged infringer's goods.

The Supreme Court has never spoken definitively on when *Rogers* does apply. The First Amendment is silent about its effect on trademarks and *Rogers* has no footing in the language of the Lanham Act itself. Instead, it is judge-made law. *Stouffer v. Nat'l Geographic Partners, LLC*, 460 F. Supp. 3d 1133, 1142 (D. Colo. 2020). "A major premise of the common-law tradition is that judges will adapt their tests and rules as unexpected situations arise." *Id.* In the thirty-plus-years since *Rogers*, it has proven to serve as a fist, rather than a thumb, on the scale in favor of unauthorized use of trademarks.

Because I would find *Rogers* inapplicable here, Plum's uses of Scarlet's trademark should be subject to the typical trademark likelihood of confusion test. In

order to be confused, a consumer need not believe that the owner of the mark is the actual producer of the item. The public's belief that the owner of the mark sponsored or otherwise approved the trademark's use satisfies the confusion requirement for the purposes of the Lanham Act. *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 205 (2d Cir. 1979). Because Scarlet has surely stated a sufficient claim for relief under this theory, the District Court's grant of dismissal was inappropriate.

## **II. Work Made for Hire Analysis**

The counter-complaint for copyright infringement should be dismissed because Plum does not own the copyright for the *Mustard* Premiere Photograph as it was not a work made for hire. The facts fall squarely within the Supreme Court's opinion in *Comty. for Creative Non-Violence v. Reid*, 490 U.S. 730 (1989). There, the Court stated that "the extent of control the hiring party exercises over the details of the product is not dispositive." *Reid*, 490 U.S. at 752. Just as in *Reid* where the Court found the hired individual was an independent contractor, the other factors weigh against a finding of an employment relationship.

Further, "every case since *Reid* that has applied the test has found the hired party to be an independent contractor where the hiring party failed to extend benefits or pay social security taxes." *Clancy v. Jack Ryan Enterprises, Ltd.*, 2021 WL 488683 at \*27 (D. Md. 2021). Plum failed to allege any facts relating to whether it extended benefits to or paid social security taxes on behalf of Ms. Swanson. While

there are some marginal differences between the case at hand and *Reid*, they do not suffice to change an otherwise implausible claim to a plausible one.

### III. Server Test

In the alternative, Plum’s copyright infringement claim should be dismissed under the Ninth Circuit’s server test. This test holds that “a person displays a photographic image by using a computer to fill a computer screen with a copy of the photographic image fixed in the computer's memory.” *Perfect 10, Inc. v. Amazon.com, Inc.*, 487 F.3d 701, 716 (9th Cir. 2007). Embedding a photo does not display a copy of the underlying image and the holding in *Perfect 10* is not limited to a specific type of website. *Hunley v. Instagram*, 73 F.4th 1060 (9th Cir. 2023). Because Scarlet’s servers never themselves contained the copyrighted image, Scarlet did not violate Plum’s display right under 17 U.S.C. § 106(5) and the claim should be dismissed.