1 2 3 4 5 6	ANDREW P. BRIDGES, State Bar No. 1 RICHARD NESSARY, State Bar No. 180 JENNIFER A. GOLINVEAUX, State Bar TERRI Y. CHEN, State Bar No. 209854 ALEXANDER D. MACGILLIVRAY, St WILSON SONSINI GOODRICH & ROS Professional Corporation 650 Page Mill Road Palo Alto, CA 94304-1050 Telephone: (650) 493-9300 Facsimile: (650) 493-6811	0682 r No. 203056 ate Bar No. 212770	
7 8 9 10	CINDY A. COHN, State Bar No. 145997 FRED VON LOHMANN, State Bar No. ELECTRONIC FRONTIER FOUNDATI 454 Shotwell Street San Francisco, CA 94110 Telephone: (415) 436-9333 x 123 Facsimile: (415) 436-9993	192657	
11 12 13 14 15 16 17	JOSEPH R. TAYLOR, State Bar No. 129 JEFFREY K. COMPTON, State Bar No. LINER YANKELEVITZ SUNSHINE & 3130 Wilshire Boulevard Suite 200 Santa Monica, CA 90403 Telephone: (310) 881-2192 Facsimile: (310) 453-5901 Attorneys for Defendants MusicCity.com, Inc. (now known as StreamCast Networks, Inc.) and MusicCity Networks, Inc.	933 142969 REGENSTREIF	
18	UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA		
19			
20	WESTERN DIVISION		
222 223 223 224 225 226 227 228 229	Jerry Leiber, et al., Plaintiffs, v. Consumer Empowerment BV, et al., Defendants.	CASE NO.: CV-01-09923 GAF(SHx) ANSWER OF MUSICCITY.COM, INC. (NOW KNOWN AS STREAMCAST NETWORKS, INC.) AND MUSICCITY NETWORKS, INC. TO COMPLAINT DEMAND FOR JURY TRIAL	
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Defendant MusicCity.com, Inc. (now known as StreamCast Networks, Inc.) and defendant MusicCity Networks, Inc. (referred to together below as "the MusicCity Defendants") hereby respond to the complaint as follows:

- The MusicCity Defendants admit that this Court has jurisdiction over the action. The MusicCity Defendants deny the remaining allegations of paragraph 1 of the complaint.
- 2. The MusicCity Defendants deny that they participate in, facilitate, materially contribute to, or encourage any infringements. The MusicCity Defendants lack sufficient knowledge to admit or deny the remaining allegations of paragraph 2 of the complaint and on that basis deny the allegations.
- The MusicCity Defendants deny the allegations of paragraph 3 of the 3. complaint.
- 4. The MusicCity Defendants deny the allegations of paragraph 4 of the complaint.
- **5**. The MusicCity Defendants admit that this Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1338(a). The MusicCity Defendants deny the remaining allegations of paragraph 5.
 - 6. The MusicCity Defendants admit that venue is proper in this district.
- The MusicCity Defendants admit that this Court has personal 7. jurisdiction in this action. The MusicCity Defendants deny the remaining allegations of paragraph 7 of the complaint.
- The MusicCity Defendants lack sufficient knowledge to admit or deny 8. the allegations of paragraph 8 of the complaint and on that basis deny the allegations.
- The MusicCity Defendants lack sufficient knowledge to admit or deny 9. the allegations of paragraph 9 of the complaint and on that basis deny the allegations.

- 10. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 10 of the complaint and on that basis deny the allegations.
- 11. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 11 of the complaint and on that basis deny the allegations.
- 12. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 12 of the complaint and on that basis deny the allegations.
- 13. The MusicCity Defendants deny that MusicCity Networks, Inc. has a place of business in Woodland Hills, California. Except for the fact that Defendant MusicCity.com, Inc. is now formally known as StreamCast Networks, Inc. (which does business as MusicCity.com, Inc.), the MusicCity Defendants admit the remaining allegations of paragraph 13 of the complaint.
- 14. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 14 of the complaint and on that basis deny the allegations.
- 15. The MusicCity Defendants deny the allegations of paragraph 15 of the complaint.
- 16. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 16 of the complaint and on that basis deny the allegations.
- 17. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 17 of the complaint and on that basis deny the allegations.
- 18. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 18 of the complaint and on that basis deny the allegations.

- 19. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 19 of the complaint and on that basis deny the allegations.
- 20. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 20 of the complaint and on that basis deny the allegations.
- 21. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 21 of the complaint and on that basis deny the allegations.
- 22. The MusicCity Defendants admit that the Internet is a worldwide network of millions of computers and that the Internet has created new opportunities for distribution of music. The MusicCity Defendants deny the remaining allegations of paragraph 22 of the complaint.
- 23. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 23 of the complaint and on that basis deny the allegations.
- 24. The MusicCity Defendants deny the allegations of paragraph 24 of the complaint.
- 25. The MusicCity Defendants deny the allegations of paragraph 25 of the complaint.
- 26. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 26 of the complaint and on that basis deny the allegations.
- 27. The MusicCity Defendants admit that Consumer Empowerment BV calls its software "KaZaA." The MusicCity Defendants lack sufficient knowledge to admit or deny whether the alleged quote appears on the www.kazaa.com website and on that basis deny those allegations. The MusicCity Defendants deny the remaining allegations of paragraph 27 of the complaint.

- 28. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 28 of the complaint and on that basis deny the allegations.
- 29. The MusicCity Defendants deny the allegations of paragraph 29 of the complaint.
- 30. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 30 of the complaint and on that basis deny the allegations.
- 31. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 31 of the complaint and on that basis deny the allegations.
- 32. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 32 of the complaint and on that basis deny the allegations.
- 33. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 33 of the complaint and on that basis deny the allegations.
- 34. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 34 of the complaint and on that basis deny the allegations.
- 35. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 35 of the complaint and on that basis deny the allegations.
- 36. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 36 of the complaint and on that basis deny the allegations.

- 37. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 37 of the complaint and on that basis deny the allegations.
- 38. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 38 of the complaint and on that basis deny the allegations.
- 39. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 39 of the complaint and on that basis deny the allegations.
- 40. The MusicCity Defendants deny the allegations of paragraph 40 of the complaint.
- 41. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 41 of the complaint and on that basis deny the allegations.
- 42. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 42 of the complaint and on that basis deny the allegations.
- 43. The MusicCity Defendants admit that MusicCity licensed software from Consumer Empowerment BV. The MusicCity Defendants deny the remaining allegations of paragraph 43 of the complaint.
- 44. The MusicCity Defendants deny that MusicCity launched or offers an infringing service and deny that MusicCity releases software on its website. The MusicCity Defendants admit the remaining allegations of paragraph 44.
- 45. The MusicCity Defendants admit that the Morpheus software provides users with tools to search the user-created network to look for files on other computers. The MusicCity Defendants admit that a user of Morpheus can download a file directly from a fellow user who hosts it. The MusicCity Defendants admit that the following quote appears on the musiccity.com website:

"Where traditional search engines search the World Wide Web, Morpheus searches thousands of computers at once, all connected through MusicCity network of users." The MusicCity Defendants deny the remaining allegations of paragraph 45.

- 46. The MusicCity Defendants admit that a user of the Morpheus software may designate files he or she wishes to share with other users of Morpheus software. The MusicCity Defendants admit that the Morpheus software can specify folders on a user's hard drive that the software program recognizes. The MusicCity Defendants deny the remaining allegations of paragraph 46.
- 47. The MusicCity Defendants deny the allegations of paragraph 47 of the complaint.
- 48. The MusicCity Defendants deny the allegations of paragraph 48 of the complaint.
- 49. The MusicCity Defendants deny the allegations of paragraph 49 of the complaint.
- 50. The MusicCity Defendants admit that MusicCity provides users with on-line chat rooms and message boards. The MusicCity Defendants admit that a user need not take advantage of MusicCity's chat rooms or message boards in order to use the Morpheus software. The MusicCity Defendants deny the remaining allegations of paragraph 50 of the complaint.
- 51. The MusicCity Defendants deny the allegations of paragraph 51 of the complaint.
- 52. The MusicCity Defendants deny that they participate in, facilitate, and materially contribute to any infringement. The MusicCity Defendants lack sufficient knowledge to admit or deny the remaining allegations of paragraph 52 of the complaint and on that basis deny those allegations.
- 53. The MusicCity Defendants deny the allegations of paragraph 53 of the complaint.

- 54. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 54 of the complaint and on that basis deny the allegations.
- 55. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 55 of the complaint and on that basis deny the allegations.
- 56. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 56 of the complaint and on that basis deny the allegations.
- 57. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 57 of the complaint and on that basis deny the allegations.
- 58. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 58 of the complaint and on that basis deny the allegations.
- 59. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 59 of the complaint and on that basis deny the allegations.
- 60. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 60 of the complaint and on that basis deny the allegations.
- 61. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 61 of the complaint and on that basis deny the allegations.
- 62. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 62 the complaint and on that basis deny the allegations.

- 63. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 63 of the complaint and on that basis deny the allegations.
- 64. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 64 of the complaint and on that basis deny the allegations.
- 65. The MusicCity Defendants admit that the MusicCity Terms of Service state that "Unauthorized copying, distribution, modification, public display, or public performance of copyrighted works is an infringement of the copyright holders' rights" and that users are "put on notice that you are entirely responsible for your content and for ensuring that it comports with all applicable laws, including all copyright and data-protection laws." The MusicCity Defendants lack sufficient knowledge to admit or deny the allegation that identical language appears on the other defendants' websites. The MusicCity Defendants deny the remaining allegations of paragraph 65.
- 66. The MusicCity Defendants deny that MusicCity operates an infringing service or induces the unauthorized distribution and reproduction of copyrighted works. The MusicCity Defendants lack sufficient knowledge to admit or deny the remaining allegations of paragraph 66 of the complaint and on that basis deny those allegations.
- 67. The MusicCity Defendants admit that MusicCity reserves the right to unilaterally terminate a user's account. The MusicCity Defendants deny the remaining allegations of paragraph 67.
 - 68. The MusicCity Defendants deny the allegations of paragraph 68.
- 69. The MusicCity Defendants admit that the Morpheus software interface displays advertisements from, among other companies, DirecTV-DSL, Multi Technology Equipment LLC, and Iomegadirect. The MusicCity Defendants

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27 28 lack sufficient knowledge to admit or deny the remaining allegations of paragraph 69 of the complaint and on that basis deny those allegations.

- 70. The MusicCity Defendants deny the allegations of paragraph 70.
- 71. The MusicCity Defendants deny the allegations of paragraph 71.
- 72. The MusicCity Defendants admit that plaintiffs purport to bring this action as a class action pursuant to Federal Rule of Civil Procedure 23(a), (b)(2) & (3) on behalf of a Class, which plaintiffs purport to define.
- 73. The MusicCity Defendants deny the allegations in the last sentence of paragraph 73. The MusicCity Defendants lack sufficient knowledge to admit or deny the remaining allegations of paragraph 73 of the complaint and on that basis deny those allegations.
 - 74. The MusicCity Defendants deny the allegations of paragraph 74.
- **75**. The MusicCity Defendants deny that plaintiffs will adequately protect the class and that plaintiffs have no interests that are in conflict with the class. The MusicCity Defendants lack sufficient knowledge to admit or deny the remaining allegations of paragraph 75 and on that basis deny those allegations.
 - **76**. The MusicCity Defendants deny the allegations of paragraph 76.
 - 77. The MusicCity Defendants deny the allegations of paragraph 77.
 - The MusicCity Defendants deny the allegations of paragraph 78. **78**.
- 79. The MusicCity Defendants lack sufficient knowledge to admit or deny the allegations of paragraph 79 and on that basis deny those allegations.

FIRST CAUSE OF ACTION

- 80. The MusicCity Defendants hereby incorporate their responses to paragraphs 1-79 above.
 - 81. The MusicCity Defendants deny the allegations of paragraph 81.
 - 82. The MusicCity Defendants deny the allegations of paragraph 82.
 - The MusicCity Defendants deny the allegations of paragraph 83. 83.
 - The MusicCity Defendants deny the allegations of paragraph 84. 84.

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1	FIFTH AFFIRMATIVE DEFENSE	
2	5. Plaintiffs' claims are barred by license, consent, acquiescence,	
3	waiver, and estoppel.	
4	SIXTH AFFIRMATIVE DEFENSE	
5	6. Plaintiffs' claims are barred by the Digital Millennium	
6	Copyright Act.	
7	SEVENTH AFFIRMATIVE DEFENSE	
8	7. Plaintiffs' claims with respect to sound recordings are barred by	
9	the Audio Home Recording Act.	
10	EIGHTH AFFIRMATIVE DEFENSE	
11	8. Plaintiffs' claims are barred by the doctrine of the privilege of	
12	competition.	
13	NINTH AFFIRMATIVE DEFENSE	

NINTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the doctrine of fair use. 9.

TENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred by the First Amendment to the **10**. **United States Constitution.**

ELEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims for statutory damages are barred by the U.S. 11. Constitution.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred for lack of subject matter 12. jurisdiction to the extent Plaintiffs lack valid registrations of copyrights alleged in the complaint.

THIRTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred to the extent they have caused 13. fraud upon the Copyright Office.

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1	FOURTEENTH AFFIRMATIVE DEFENSE	
2	14. Plaintiffs' claims are barred by the first sale doctrine.	
3	FIFTEENTH AFFIRMATIVE DEFENSE	
4	15. Plaintiffs' claims are barred by their failure to mitigate	
5	damages.	
6	SIXTEENTH AFFIRMATIVE DEFENSE	
7	16. Plaintiffs' claims are barred to the extent they have forfeited or	
8	abandoned copyright.	
9	SEVENTEENTH AFFIRMATIVE DEFENSE	
10	17. Plaintiffs' claims are barred to the extent they claim copyright	
11	in works that are immoral, illegal, or libelous.	
12	EIGHTEENTH AFFIRMATIVE DEFENSE	
13	18. Plaintiffs' claims are barred because of deceptive and	
14	misleading advertising in connection with distribution of the copyrighted works.	
15	NINETEENTH AFFIRMATIVE DEFENSE	
16	19. Plaintiffs' claims are barred to the extent any persons, based on	
17	whose behavior Plaintiffs seek to hold Defendants liable, are innocent infringers.	
18	TWENTIETH AFFIRMATIVE DEFENSE	
19	20. Plaintiffs' claims are barred because they are preempted by	
20	patent law.	
21	TWENTY-FIRST AFFIRMATIVE DEFENSE	
22	21. Plaintiffs' claims are barred because they are asserted in	
23	violation of Article I, Section 8, Clause 8 of the U.S. Constitution and the doctrine	
24	of separation of powers.	

TWENTY-SECOND AFFIRMATIVE DEFENSE

22. Plaintiffs' claims are barred to the extent they lack standing to assert claims for each claimed copyright.

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Dated: December 17, 2001

Dated: December 17, 2001

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PRAYER FOR RELIEF

WHEREFORE, the MusicCity Defendants ask the Court for judgment as follows:

- That Plaintiffs take nothing by their complaint; A.
- B. That the MusicCity Defendants be awarded their costs and attorneys fees with respect to this action; and
 - C. For other relief as the Court determines to be just and equitable.

Respectfully submitted,

WILSON SONSINI GOODRICH & ROSATI **Professional Corporation**

By: _

Andrew P. Bridges

Attorneys for Defendants MusicCity.com, Inc. (now known as StreamCast

Networks, Inc.) and MusicCity Networks, Inc.

DEMAND FOR JURY TRIAL

The MusicCity Defendants hereby demand trial by jury of all issues that may be tried by jury.

Respectfully Submitted,

WILSON SONSINI GOODRICH & ROSATI

By:

Andrew P. Bridges

Attorneys for Defendants MusicCity.com, Inc. (now known as StreamCast Networks, Inc.) and MusicCity Networks, Inc.

Answer to Complaint

PROOF OF SERVICE

2 I am employed in the County of Los Angeles, State of California, over the age of eighteen years, and not a party to this action. My business address is Liner Yankelevitz Sunshine & Regenstreif 3 LLP, 3130 Wilshire Boulevard, Suite 200, Santa Monica, California 90403. On December 17, 2001, I served the within document: **ANSWER OF MUSICCITY.COM, INC. (NOW** KNOWN AS STREAMCAST NETWORKS, INC.) AND MUSICCITY NETWORKS, 4 **INC. TO COMPLAINT** in this action, by placing a true copy thereof enclosed in a sealed 5 envelope as follows: 6 * by transmitting via facsimile the document(s) listed above to the fax number(s) set forth below on this date between the hours of 8:00 a.m. and 6:00 p.m. The 7 facsimile transmission was reported as complete and without error by the transmitting facsimile machine. 8 by Mail; I am readily familiar with the firm's practice of collection and * 9 processing correspondence for mailing with the U.S. Postal Service. Under that practice it would be deposited with the U.S. Postal Service on that same 10 day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service by mail is presumed invalid if 11 the postal cancellation date or postage meter date on the envelope is more than one day after date of deposit for mailing contained in this affidavit. 12 * by Federal Express, or other express service carrier providing for overnight 13 delivery, by depositing the document in a box or other facility regularly maintained by the express service carrier, in an envelope or package designated by the express service carrier with delivery fees paid or provided for, addressed 14 to the person on whom it is to be served, at the address(es) set forth below. 15 by causing the document(s) listed above to be personally delivered to the * address(es) set forth below. 16 17 David E. Kendall Jan B. Norman Robert J. Shaughnessy 18 15503 Ventura Boulevard Laura H. Parsky Encino, California WILLIAMS & CONNOLLY LLP 19 91436-3103 725 Twelfth Street 20 N.W. Washington, DC 20005 21 Cindy Cohn **Andrew Bridges Electronic Frontier Foundation** Wilson Sonsini Goodrich & Rosati, P.C. 22 454 Shotwell Street 650 Page Mill Road San Francisco, CA 94110 Palo Alto, CA 94304 23 24 I declare under penalty of perjury under the laws of the United States and the State of California that the above is true and correct. I declare that I am employed in the office 25 of a member of the bar of this court at whose direction the service was made. 26 Executed on December 17, 2001, at Santa Monica, California. 27 28 Natalia Speer

Answer to Complaint

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	-16- Answer to Complaint
	Answer to Complaint