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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UAB “PLANNER5D”,
Plaintiff,
v.
FACEBOOK, INC., et al.,
Defendants.

Case No. [19-cv-03132-WHO](#)

**ORDER GRANTING MOTIONS TO
DISMISS COPYRIGHT CLAIMS;
DENYING MOTIONS TO DISMISS
TRADE SECRET CLAIMS;
GRANTING MOTIONS TO SEAL**

Re: Dkt. Nos. 68, 69, 70, 75

United States District Court
Northern District of California

UAB Planner 5D (“Planner 5D”) operates a home design website that allows users to create virtual interior design scenes using a library of virtual objects (such as tables, chairs, and sofas) to populate the scenes. It claims that it owns copyrights in these three-dimensional objects and scenes, and in the compilation of objects and scenes, as well as trade secrets in the underlying data files. It filed this suit against defendants Facebook, Inc., Facebook Technologies, LLC (collectively “Facebook”), and The Trustees of Princeton University (“Princeton”) for copyright infringement and trade secret misappropriation.

I granted Princeton’s and Facebook’s motions to dismiss the original Complaint and gave Planner 5D leave to address the deficiencies laid out in my order. *See UAB “Planner 5D” v. Facebook, Inc.*, No. 19-CV-03132-WHO, 2019 WL 6219223 (N.D. Cal. Nov. 21, 2019). Princeton and Facebook now move to dismiss Planner 5D’s amended claims, as alleged in the First Amended Complaint filed in this case and the Copyright Complaint filed in Case No. 3:20-cv-2198-WHO, which has been consolidated with this case. For the reasons set forth below, the motions to dismiss the copyright infringement claims are GRANTED but the motions to dismiss the trade secret misappropriation claims are DENIED. Planner 5D has leave to amend its copyright infringement claims except for its claim in the alleged compilation of objects, which is

Dismissed with prejudice

1 **BACKGROUND**

2 I detailed Planner 5D's allegations in my previous order. *See Planner 5D*, 2019 WL
3 6219223, at *2–4 (N.D. Cal. Nov. 21, 2019). I incorporate that discussion by reference here.

4 I dismissed Planner 5D's copyright infringement claims because it failed to allege that it
5 met the threshold registration requirement of 17 U.S.C. § 411(a). I gave it the choice to either
6 sufficiently allege that its works are non-United States works that are exempt from registration or
7 dismiss this suit and bring another suit after registering with the Copyright Office. *Id.* at *7. I
8 also granted leave to explain “the originality or creativity of the objects, scenes, and compilations
9 of objects and scenes” and “that copyrightable elements were copied.” *Id.* at *1.

10 The trade secret misappropriation claims were dismissed as well. I gave leave to explain
11 “how the structure of its website and the Terms of Service maintained secrecy of the underlying
12 data files of the objects and scenes” and “what improper means Princeton and Facebook took to
13 obtain these files.” *Id.*

14 Planner 5D amended its trade secret misappropriation claims in the First Amended
15 Complaint, realleging its claim concerning the individual object and scene data files, and adding
16 claims for the compilation of object and scene data files. *See* First Amended Complaint (“FAC”)
17 [Dkt. No. 53]. It then submitted two registration applications to the Copyright Office on
18 December 19, 2019. One application related to its objects and the other related to an alleged
19 compilation of scenes. In response, the Copyright Office issued two certificates of registration.
20 *See* Copyright Complaint (“Copyright Compl.”) [Dkt. No. 1] in Case No. 3:20-cv-2198-WHO, Ex.
21 A (Registration No. TX-8-818-101 for work titled “Planner 5D objects” and Registration No. 8-
22 818-102 for work titled “Planner 5D scenes”). Both certificates state that Planner 5D completed
23 and published its works in 2019. *Id.* Planner 5D subsequently filed a new lawsuit with a single
24 count for infringement of those two copyrights. Copyright Compl. ¶¶ 95–105. I designated that
25 lawsuit as related to the first lawsuit and consolidated the two actions. *See* Related Case Order
26 [Dkt. No. 63]; Order Consolidating Cases [Dkt. No. 64].¹

27
28 ¹ Planner 5D had to file a separate suit to reassert its copyright claims after satisfying the

1 Princeton and Facebook now move to dismiss the copyright and trade secret claims for
 2 failure to state a claim. *See* Notice of Motion and Motion to Dismiss by The Trustees of Princeton
 3 University to Dismiss the Complaints (“Princeton MTD”) [Dkt. No. 68]; Facebook Inc. and
 4 Facebook Technologies, LLC’s Notice of Motion and Memorandum of Points and Authorities in
 5 Support of Their Motion to Dismiss Planner 5D’s Amended Complaint (“Facebook MTD”) [Dkt.
 6 No. 69].

7 LEGAL STANDARD

8 Under Federal Rule of Civil Procedure 12(b)(6), a district court must dismiss a complaint
 9 if it fails to state a claim upon which relief can be granted. To survive a Rule 12(b)(6) motion to
 10 dismiss, the plaintiff must allege “enough facts to state a claim to relief that is plausible on its
 11 face.” *See Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). A claim is facially plausible
 12 when the plaintiff pleads facts that “allow the court to draw the reasonable inference that the
 13 defendant is liable for the misconduct alleged.” *See Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009)
 14 (citation omitted). There must be “more than a sheer possibility that a defendant has acted
 15 unlawfully.” *Id.* While courts do not require “heightened fact pleading of specifics,” a
 16 plaintiff must allege facts sufficient to “raise a right to relief above the speculative level.” *See*
 17 *Twombly*, 550 U.S. at 555, 570.

18 In deciding whether the plaintiff has stated a claim upon which relief can be granted, the
 19 court accepts the plaintiff’s allegations as true and draws all reasonable inferences in favor of the
 20 plaintiff. *See Usher v. City of Los Angeles*, 828 F.2d 556, 561 (9th Cir. 1987). However, the court
 21 is not required to accept as true “allegations that are merely conclusory, unwarranted deductions of
 22 fact, or unreasonable inferences.” *See In re Gilead Scis. Sec. Litig.*, 536 F.3d 1049, 1055 (9th Cir.
 23 2008).

24
 25
 26 copyright before suing would undermine the objectives animating the Supreme Court’s decision in
 27 *Fourth Estate*.” *See Izmo, Inc. v. Roadster, Inc.*, No. 18-cv-06092-NC, 2019 WL 2359228, at *2
 (N.D. Cal. Jun. 4, 2019) (citing *Fourth Estate Pub. Benefit Corp. v. Wall-Street.com, LLC*, 139 S.
 Ct. 881, 887 (2019)); *see* Order on Joint Motion for Clarification [Dkt. No. 59] 3 (“Once Planner
 5D has satisfied Section 411(a)’s registration requirement, it can re-assert its copyright claims in a
 new lawsuit, which would then be related to, and consolidated with, the trade secret claims still

1 If the court dismisses the complaint, it “should grant leave to amend even if no request to
 2 amend the pleading was made, unless it determines that the pleading could not possibly be cured
 3 by the allegation of other facts.” *See Lopez v. Smith*, 203 F.3d 1122, 1127 (9th Cir. 2000). In
 4 making this determination, the court should consider factors such as “the presence or absence of
 5 undue delay, bad faith, dilatory motive, repeated failure to cure deficiencies by previous
 6 amendments, undue prejudice to the opposing party and futility of the proposed amendment.” *See*
 7 *Moore v. Kayport Package Express*, 885 F.2d 531, 538 (9th Cir. 1989).

8 DISCUSSION

9 I. COPYRIGHT CLAIMS

10 A. Registration Requirement under Section 411(a)

11 Section 411(a) of the Copyright Act provides that “no civil action for infringement of the
 12 copyright in any United States work shall be instituted until preregistration or registration of the
 13 copyright claim has been made” with the Copyright Office. 17 U.S.C. § 411(a). For an
 14 infringement action to proceed, it is necessary for the plaintiff to “plausibly plead[] on its face”
 15 copyright registrations covering the works that the defendant allegedly infringed. *Sara Designs,*
 16 *Inc. v. A Classic Time Watch Co. Inc.*, 234 F. Supp. 3d 548, 555 (S.D.N.Y. 2017).

17 Princeton and Facebook argue that Planner 5D did not register the works it alleged were
 18 infringed in this action. Princeton MTD 9; Facebook MTD 8. The Copyright Complaint alleges
 19 that Princeton’s researchers downloaded Planner 5D’s works sometime around 2016, which
 20 Facebook later copied as well. Copyright Compl. ¶¶ 59–61, 77. Yet Planner 5D’s two copyright
 21 registration certificates plainly state that the deposited works were “completed” and “first
 22 published” in 2019. *Id.*, Ex. A at 2, 4 (registration for “Planner 5D objects” states that the work
 23 was created in 2019 and published on December 17, 2019, and registration for “Planner 5D
 24 scenes” states that the collection of scenes was created in 2019 and published on December 19,
 25 2019).

26 Accordingly, defendants argue that Planner 5D cannot sue for alleged infringement that
 27 occurred before it created the works registered with the Copyright Office. Because it failed to

1 copied them around 2016, they contend that the registration requirement has not been met and
 2 warrants dismissal of the copyright infringement claim. *See I.M.S. Inquiry Mgmt. Sys., Ltd. v.*
 3 *Berkshire Info. Sys., Inc.*, 307 F. Supp. 2d 521, 527 (S.D.N.Y. 2004) (dismissing claim where
 4 plaintiff sought to satisfy the registration requirement with a registration for a work created and
 5 published the year after the alleged infringement, because “the registered work is not the same as
 6 the work which was supposedly infringed”).

7 In response, Planner 5D submits its underlying application to the Copyright Office along
 8 with subsequent email communication that it argues make clear that the registration encompasses
 9 the entire body of material created during the periods in question. The original application for its
 10 objects stated that the work was completed in 2011 and first published on February 1, 2012. *See*
 11 *Declaration of Naomi Jane Gray (“Gray Decl.”)* [Dkt. No. 76-1], Ex. A at 1 (copy of application to
 12 register Planner 5D’s objects). Similarly, the original application for its compilation of scenes
 13 stated that the work was completed in 2012 and first published on May 18, 2012. *Id.*, Ex. B at 1
 14 (copy of application to register Planner 5D’s scenes). Each application also included a “note” to
 15 the Copyright Office stating that Planner 5D completed those programs on December 17, 2019.
 16 *Id.*, Ex. A at 3, Ex. B at 3.

17 The Copyright Office responded to these applications, seeking clarification of the
 18 completion date. For the “Planner 5D objects” application, it wrote:

19 Your note to our Office states the work was completed “...December
 20 17, 2019; Planner 5D claims the entire work as it existed on December
 21 17, 2019.” However, the application gives a “year of completion” of
 22 “2011” and a publication date of “2/11/2012.” However, a work
 cannot be completed in 2019 and published in 2012. Please let us
 know the year of completion and complete publication date (month,
 day, year) for this particular version of the work.

23 *Id.*, Ex. C. Similarly, for the “Planner 5D scenes” application, the Copyright Office wrote:

24 Your note to our Office states the work was completed “...December
 25 17, 2019; Planner 5D claims the entire work as it existed on December
 26 17, 2019.” However, the application gives a “year of completion” of
 “2012” and a publication date of “5/18/2012.” However, a work
 cannot be completed in 2019 and published in 2012. Please let us
 know the year of completion and complete publication date (month,
 day, year) for this particular version of the work.

27 *Id.*, Ex. D. In both cases, Planner 5D responded that the year of completion was 2019 and the
 28 publication date was December 17, 2019. *Id.*, Ex. C, D.

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