IN THE UNITED STATES COURT OF FEDERAL CLAIMS

HEALTHeSTATE, LLC, Plaintiff, v. THE UNITED STATES, Defendant, and ASM RESEARCH, LLC, Third-Party Defendant.	No. 18-cv-34C Filed Under Seal: April 15, 2022 Reissued: May 5, 2022*

OPINION AND ORDER

Chronicling what it contends are knowing inaccuracies in Plaintiff HealtheState's applications for copyright registration, Third-Party Defendant ASM Research, LLC ("ASM") requests pursuant to 17 U.S.C. § 411(b)(2) that the Court seek the opinion of the Register of Copyrights ("Register") on whether it would have refused registration had it known of the inaccurate information. The Government separately filed a notice joining ASM's motion.

A spate of litigation has since ensued. The Government moved for leave to file a reply to address the judicial estoppel arguments raised in Plaintiff's opposition brief. Plaintiff later moved for leave to file attorney-client privileged communications *in camera* and to file a sur-reply to rebut arguments raised in ASM's briefing. These ancillary motions were opposed by Plaintiff and ASM, respectively. While the parties were briefing Plaintiff's motion, the Government submitted a Notice of Supplemental Authority advising the Court of the Supreme Court's recent decision in *Unicolors, Inc. v. H&M Hennes & Mauritz, LP*, 142 S. Ct. 941 (2022)—a case that featured prominently in Plaintiff's judicial estoppel claim. Plaintiff, of course, filed a response to the

Government's notice. All in all, the parties have submitted 13 filings related to ASM's referral request, totaling 6,491 pages (including exhibits).[1] Most of the information is not material to the narrow legal question presently before the Court: that is, whether the Court must refer the matter to the Register in light of the allegations that Plaintiff provided knowingly inaccurate information when registering the copyright at issue in this infringement action.

For the reasons that follow, the Court **GRANTS** ASM's Motion to Refer Questions to the Register of Copyrights and **DENIES AS MOOT** the ancillary motions filed by the Government and Plaintiff.

BACKGROUND

At issue in ASM's motion are two sets of software source code registered by Plaintiff with the United States Copyright Office ("USCO"), titled HEALTHeSTATE and HeVEMR (also referred to as ROVR). ASM's Mot. at 5, ECF No. 146. Plaintiff submitted applications to register HEALTHeSTATE on February 28, 2018, and HeVEMR on March 1, 2018. *Id.* at 8. They were given registration numbers TX-8-498-425 ("'425 Registration") and TX-8-498-391 ("'391 Registration"), respectively. *Id.* at 5, 8. ASM's motion alleges that Plaintiff provided four types of knowingly inaccurate information on its applications for the '425 and '391 Registrations.

The first and second types of knowingly inaccurate information concern the date of publication of the software and its year of completion. On its applications, Plaintiff indicated that the relevant software was published and completed in 2013 for the '425 Registration and 2006 for

[1] ASM also filed a Motion to Exclude Portions of the January 20, 2022, and February 11, 2022, Declarations of Barry R. Greene as Improper Expert Testimony. *See* ECF No. 161. That motion is related in part to evidence Plaintiff submitted with its opposition to ASM's referral motion but also concerns additional, unrelated evidence submitted in the course of the parties exchanging expert reports. The Court need not address the substance of these declarations when determining whether ASM has met its burden to refer questions to the Register. Accordingly, the Court will rule on that request separately.

the '391 Registration. *Id.* at 5. ASM, however, avers that Plaintiff admitted in sworn interrogatory responses that the only copyrighted software at issue in this litigation is "HEALTHeSTATE Version 5.2 Iteration 11 (2011)" and that the same was completed and published in 2011. *Id.* It argues that Plaintiff's contemporaneous internal reports and documentation, among other evidence, show that Plaintiff knew this software was completed and released in 2011 but chose to list different dates on its applications to the USCO in February and March 2018. ASM's Reply at 7, 10, ECF No. 151; *see* ECF No. 146 at 5–6.

The third type of knowingly inaccurate information involves Plaintiff's alleged failure to identify and disclaim previously published works of authorship on which the software at issue was allegedly based. ASM argues that Plaintiff's applications indicate that the software was not based on any pre-existing material; however, testimony and documents received in discovery show Plaintiff developed and published "numerous versions of its software to Government and commercial contractual counterparties well before 2011." ECF No. 146 at 6; *see id.* at 23–32. Among other things, ASM points to evidence that Plaintiff repeatedly touted the close relationship between HEALTHeSTATE and HEALTHeFORCES—an earlier Government software—"in promotional materials, plainly demonstrating [its] knowledge of the underlying work." ECF No. 151 at 15.

The final type of knowingly inaccurate information relates to the deposit copies that Plaintiff submitted to the Register, which allegedly did not correspond to the software that Plaintiff attempted to register. According to ASM, "[t]he deposit copies reflect software dated no earlier than ***2016***." ECF No. 146 at 6 (emphasis in original). Further, citing to analysis by its expert and testimony of Plaintiff's CEO (Barry Greene), ASM alleges that a comparison of the deposit copies and the 2011 source code indicates that the deposit copies had lines of code edited to remove

copyright references to third parties. *Id.* at 7; *see* ECF No. 151 at 17. Because Plaintiff made the alterations, ASM suggests that the deposit copies provided were knowingly inaccurate. *Id.*

According to ASM, because it has sufficiently alleged (and demonstrated) that Plaintiff knowingly provided inaccurate information in its registration applications, the Court must refer this matter to the Register pursuant to § 411(b)(2). It proposes the following questions on which the Court should seek the Register's opinion:

> 1. Would the Register of Copyrights have rejected the '425 Registration had it known any one or any combination of the following:
>
> a. The claimed software was not first published on February 28, 2013;
> b. The claimed software was not completed in 2013;
> c. The claimed software is derived from undisclosed other works, including prior published versions of Plaintiff's own software; and
> d. The source code submitted as the deposit copy included material added after February 28, 2013, and was altered to remove third-party copyright notices and insert notices attributing rights to Plaintiff.
>
> 2. Would the Register of Copyrights have rejected the '391 Registration had it known any one or any combination of the following:
>
> a. The claimed software was not first published on January 1, 2006;
> b. The claimed software was not completed in 2006;
> c. The claimed software is derived from undisclosed other works, including prior published versions of Plaintiff's own software; and
> d. The source code submitted as the deposit copy included material added after January 1, 2006, and was altered to remove third-party copyright notices and insert notices attributing rights to Plaintiff.

ECF No. 146 at 7–8.

In response, Plaintiff does not meaningfully dispute that some information in the '425 and '391 registration applications at issue in ASM's motion was, in fact, inaccurate. Instead, Plaintiff

posits that any such information was not "submitted as *knowingly* inaccurate." Pl.'s Resp. to AMS's Mot. at 13, ECF 149 (emphasis in original). It submits a declaration by Mr. Greene, among other evidence, to support its contention that any inaccuracies were attributable to either (1) a good faith misunderstanding on Mr. Greene's part as to the information the applications sought, (2) Plaintiff's inability to access critical facts about the source code due to ASM blocking it from the development environment, (3) disputed questions of law at issue in this case, or (4) harmless errors that occurred when converting the deposit copies to a .docx format. *See id.* at 13–14, 16–18, 21–23. It also argues that ASM's motion is both untimely, as fact discovery has closed, and ineffectual, given Plaintiff's ability to cure any inaccuracies. *Id.* at 24.

DISCUSSION

The statute at issue is clear. As a prerequisite to bringing a copyright infringement suit, a copyright holder must register its works. 17 U.S.C. § 411(a). A copyright registration certificate provides sufficient grounds to bring an infringement action "regardless of whether the certificate contains any inaccurate information, unless—(A) the inaccurate information was included on the application for copyright registration with knowledge that it was inaccurate; and (B) the inaccuracy of the information, if known, would have caused the Register of Copyrights to refuse registration." *Id.* § 411(b)(1). In a case where such inaccurate information "is alleged," a court "shall request the [Register] to advise the court whether the inaccurate information, if known, would have caused the [Register] to refuse registration." *Id.* § 411(b)(2). There is not ample case law discussing this statutory referral procedure, but courts appear to be in consensus that § 411(b)(2) imposes a mandatory obligation to refer questions if the statutory criteria are met. *See, e.g.*, *Palmer/Kane LLC v. Rosen Book Works LLC*, 188 F. Supp. 3d 347, 348 (S.D.N.Y. 2016) (collecting cases); *Tecnoglass, LLC v. RC Home Showcase, Inc.*, No. 16-24328, 2018 WL 11353287, at *4 (S.D. Fla.

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