

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CODE BLOODED, LLC,
1411 Northfield Park Blvd
Warrensburg, MO 64093

Plaintiff,

v

CLAUSE LOGIC, INC.;
1201 Connecticut Avenue NW, Office 655,
Washington, DC 20036

JULIE SALTMAN
1201 Connecticut Ave NW
Washington DC, USA,

Defendants.

Civil Action No. 1:22-cv-01486-APM
Hon. Amit P. Mehta

**DEFENDANTS' ANSWER TO
PLAINTIFF'S COMPLAINT**

Defendants, Clause Logic, Inc. (“CLI”) and Julie Saltman (“Saltman”) (together “Defendants”), by and through their attorneys, answer Plaintiff, Code Blooded, LLC’s, Complaint and Demand For a Jury Trial, as follows:

PARTIES

1. Plaintiff Code Blooded is a limited liability company registered in Missouri.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 1.

2. Plaintiff is the owner of certain copyrighted software code at issue in this action originally created by Plaintiff’s owner, Dr. Paul Hinker (“Hinker”), who created and owned all copyrights in and to this software code and subsequently assigned all copyrights in and to the software code to Plaintiff, together with all rights to pursue accrued claims of infringement.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 2.

3. Defendant CLI is a corporation registered in Delaware with a principal address located at 1201 Connecticut Avenue NW, Office 655, Washington, DC 20036.

ANSWER: Denied as to the principal address. Otherwise, admitted.

4. Defendant Saltman is the owner and chief executive officer of CLI.

ANSWER: Denied that Ms. Saltman is the sole owner, but otherwise admitted.

5. Upon information and belief, Saltman previously owned and operated a website located at www.clauselogic.com (the “CLI Website”), which now automatically forwards to a website located at www.standd.io.

ANSWER: Denied that Ms. Saltman owned or operated the referenced website in her personal capacity.

6. Upon information and belief Defendants now do business under the name “Standd.”

ANSWER: Admitted as to CLI but denied as to Ms. Saltman.

7. Upon information and belief, Saltman is a resident of the DC metropolitan area.

ANSWER: Admitted.

JURISDICTION AND VENUE

8. This is an action for copyright infringement under Section 501 of the Copyright Act, 17 U.S.C. § 501, based on Defendants’ unauthorized copying, publication, and distribution of Plaintiff’s copyrighted works, as well as related claims under applicable state and common law.

ANSWER: Admitted that this paragraph characterizes the claims plaintiff purports to bring. Denied that plaintiffs have stated a claim or are entitled to any relief.

9. Jurisdiction for Plaintiff's claims lies with the United States District Court for the District of Columbia pursuant to 28 U.S.C. § 1331 (conferring original jurisdiction "of all civil actions arising under the Constitution, laws, or treaties of the United States"), 28 U.S.C. § 1338(a) (conferring original jurisdiction over claims arising under any act of Congress relating to copyrights and unfair competition), and 28 U.S.C. § 1367(a) (conferring supplemental jurisdiction for related state law claims which for part of the same case or controversy).

ANSWER: Defendants do not challenge jurisdiction in this Court.

10. Venue is proper in this Court under 28 U.S.C. §§ 1391(b) since a substantial portion of the alleged misconduct by Defendants giving rise to the claims asserted herein occurred in this District and 28 U.S.C. § 1400(a) because Defendants conduct substantial business in and otherwise may be found in this District.

ANSWER: Defendants do not challenge whether venue is appropriate in this Court.

GENERAL ALLEGATIONS

11. In or about 2019, Hinker created and developed a software application, consisting of various original software programs created by Hinker and other software code, to be used in conjunction with the Microsoft Word document creation/editing program.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 11.

12. Hinker originally planned to license his software code to and/or distribute the software commercially with/through Scripta LLC ("Scripta"), a Colorado limited liability company.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 12.

13. Hinker was never an employee of Scripta and was not compensated or paid anything by Scripta in connection with his own work developing his various original software programs.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 13.

14. Hinker never entered into any licensing agreement with Scripta with respect to the software programs and code that he developed.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 14.

15. Prior to the assignment to Plaintiff Code Blooded, Hinker retained all copyrights, title, and other interests and rights in all of the software programs and code that he developed.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 15.

16. The separate software programs that comprise the software code at issue in this action (collectively, the “Code”) have been registered with the U.S. Copyright Office under Registration Nos. TXu002267664 and TXu002292792.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 16.

17. Scripta agreed and understood that it would need to license any of the Code developed and created by Hinker prior to using it in any software application or products to be marketed commercially.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 17.

18. Neither Scripta nor any of its officers ever obtained or received any license, express or implied, from Hinker related to commercial use or marketing of any products that included any Code created by Hinker.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 18.

19. No individual officers of Scripta – including Defendant Saltman – ever had a license, permission, or authority to copy and use for their own purposes any of the Code created by Hinker, let alone to publish demonstration videos of products that rely on and use illegal copies of Hinker’s software Code to commercially market products through a third-party company, including Defendant CLI.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 19.

20. Defendant Saltman was previously a member of Scripta and, upon information and belief, entered into and was subject to a confidentiality/non-disclosure agreement with respect to the software product that Scripta planned to launch, which would include Plaintiff’s copyrighted Code.

ANSWER: Defendants are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 20 as to “which would include Plaintiff’s copyrighted code.” Otherwise, admitted.

21. In or about July and August 2020, Scripta and Saltman determined that they did not intend to continue their collaboration on the Scripta business.

ANSWER: Denied as untrue.

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