

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

CHARLES HARNER,

Plaintiff,

v.

Case No. 1:12-cv-00820-KG-ACT

WONG CORPORATION, d/b/a PC MAGIC PRO,
a/k/a PC MAGIC,

Defendant.

MEMORANDUM OPINION AND ORDER

On July 27, 2013, Plaintiff Charles Harner filed a Complaint for Infringement of Copyright (Doc. 1) (Complaint). Defendant Wong Corporation, d/b/a PC Magic Pro, a/k/a PC Magic (Wong) now moves for summary judgment on all of Harner's claims in his Complaint. *See* Wong Corporation's Motion for Summary Judgment (Doc. 17), and Memorandum of Law in Support of Wong Corporation's Motion for Summary Judgment (Doc. 18) (Motion for Summary Judgment), filed Nov. 28, 2012. Harner opposes the Motion for Summary Judgment. *See* Response to Motion for Summary Judgment (Doc. 20) (Response), filed Dec. 12, 2012. Wong filed a reply brief on January 2, 2013. *See* Wong Corporation's Reply Memorandum in Further Support of Its Motion for Summary Judgment (Doc. 21) (Reply). On February 1, 2013, Wong filed a Notice of Supplemental Authority (Doc. 23). Harner responded to the Notice of Supplemental Authority on February 8, 2013. *See* Response to Notice of Supplemental Authority (Doc. 24). For the following reasons, the Motion for Summary Judgment is granted in part and denied in part.

I. Background

A. The Complaint

This is a copyright infringement case that arises from two sets of advertisements. Wong hired Harner to create advertisements for Wong's computer repair business. Subsequently, Wong created its own advertisements for its business. Harner is now suing his former employer, Wong, for copyright infringement. In the Complaint, Harner asserts that Wong violated the Copyright Act of 1976, as amended, 28 U.S.C.A. §§ 1331 and 1338 (Copyright Act), when Wong willfully infringed on Harner's copyrighted materials in five publications: (1) Yellowbook 2008/2009 on pages 256, 261, 264, and 267 (2008/2009 Yellowbook Ads) (Count I)¹; (2) "Use through January 2010" DEX Official Directory on page 347 (2010 DEX Ad) (Count II)²; (3) "Use through January 2011" DEX Official Directory on pages 276 and 280 (2011 DEX Ads) (Count III)³; Yellowbook 2010/2011 on page 238 (2010/2011 Yellowbook Ad) (Count IV)⁴; and (5) online at KRQE.com (KRQE.com Ad) (Count V)⁵. Harner requests actual damages and lost profits, statutory damages, and attorney's fees pursuant to the Copyright Act.

B. The Motion for Summary Judgment

Wong moves for summary judgment on all Counts in the Complaint. Wong argues that: (1) Harner does not own a valid copyright in the advertisements he created for Wong because Harner's advertisements are not copyrightable; or, alternatively, (2) only the selection and

¹ See Def.'s Ex. 2 (Doc. 18-2) for photocopies of the 2008/2009 Yellowbook Ads.

² See Def.'s Ex. 3 (Doc. 18-3) for a photocopy of the 2010 DEX Ad.

³ See Def.'s Ex. 4 (Doc. 18-4) for photocopies of the 2011 DEX Ads.

⁴ See Def.'s Ex. 5 (Doc. 18-5) for a photocopy of the 2010/2011 Yellowbook Ad.

⁵ See Def.'s Ex. 6 (Doc. 18-6) for a printout of KRQE.com Ad.

arrangement of the elements in Harner's advertisements qualify for "thin" copyright protection, and Harner cannot prove the required supersubstantial similarity required in a "thin" copyright infringement case; and (3) Harner does not have a claim for statutory damages or attorney's fees under the Copyright Act because Harner registered the advertisements he created for Wong with the United States Copyright Office after the alleged infringement began.

*C. Summary of the Material Facts*⁶

Between 2000 and 2007, Harner was in the business of creating yellow pages⁷ advertisements. Pl.'s Ex. 2 at ¶ 1 (Doc. 20-3). During that time, Wong operated a computer repair business and employed Sheue Y. Cheng as director of operations. Def.'s Ex. 7 at ¶ 1 (Doc. 18-7). Wong hired Harner to prepare yellow pages advertisements for Wong's business. Complaint at ¶ 5. Harner created at least four yellow pages advertisements for Wong.⁸ Harner gave Wong permission to publish the advertisements in the yellow pages. Pl.'s Ex. 2 at ¶ 7 (Doc. 20-3). Each of the advertisements contained the following copyright notice: ©2002-2007 Charles Harner H.I.T.S., C.K.S. *Id.* Harner asserts that he revoked Wong's permission to use his advertisements in 2007. Complaint ¶ 1. Harner claims that in December 2007, March 2008, and May 2008 he warned Cheng that Wong would be infringing on his copyright if Wong used the advertisements any time after their publication in the "Use through January 2008" DEX Official

⁶ In a motion for summary judgment, the Court must view the facts in the light most favorable to the non-moving party, in this case Harner. *See Applied Genetics Intl, Inc. v. First Affiliated Sec., Inc.*, 912 F.2d 1238, 1241 (10th Cir. 1990). This summary of the material facts reflects the facts Harner presented in his favor.

⁷ Yellow pages refer to a telephone directory of businesses, not to be confused with Yellowbook, which is a telephone directory publisher.

⁸ It is unclear from the pleadings the exact number of advertisements that Harner created for Wong or in which yellow pages they were published. However, Wong attached photocopies of four different advertisements created by Harner for Wong's use. *See* Def.'s Exhibit 1 (Doc. 18-1).

Directory. *Id.* After the warnings, Wong created its own advertisements for its computer repair business and printed the advertisements in Yellowbooks, in DEX Official Directories, and online at KRQE.com.

Harner registered the advertisements that he created for Wong with the United States Copyright Office under the title "Charles Harner's collection of yp ads" (herein known collectively as the "Registered Works" or each advertisement individually as a "Registered Work").⁹ *See* Pl.'s Ex. 2 at ¶ 7 (Doc. 1-2). The registration became effective on June 7, 2010. *Id.* The Copyright Office Certificate of Registration (Certificate of Registration) states that Harner created "text, photograph(s), 2-D artwork" completed in 2007 and first published on December 15, 2007. *Id.* The Certificate of Registration lists the material excluded from the claim as "[s]ome photos and artwork" and the new material included in the claim as "[s]ome new photos and artwork, and new text." *Id.*

Neither the Complaint nor the Certificate of Registration lists the advertisements that Harner created for Wong or where the advertisements were printed. Attached to Wong's Motion for Summary Judgment are four photocopied images of advertisements that Wong labels as the advertisements that Harner created for Wong. *See* Def.'s Ex. 1 (Doc. 18-1). In Harner's Response, he does not dispute that the attached advertisements are the works that he created for Wong, and he does not describe any other advertisements as works that he created for Wong. Therefore, these four advertisements are considered all of the advertisements that Harner created for Wong and are collectively referred to as the Registered Works.

The four advertisements in the Registered Works have numerous similarities. First, each advertisement has the phrase "COMPUTER PROBLEMS?" printed in large text at the top of the

⁹ *See* Def.'s Ex. 1 (Doc. 18-1) for photocopies of the Registered Works.

advertisement. *See* Def.'s Ex. 1 (Doc. 18-1). To the right of that phrase, each advertisement has a circle with "\$25" printed inside of it. *Id.* All of the advertisements contain the phrase, "*WE KNOW HOW COMPUTERS WORK!*" near the top of the advertisements. *Id.* The advertisements all display the telephone number, address, website, and hours of Wong's business. *Id.* Finally, each advertisement has a picture of Cheng printed in either the lower right or left corner. *Id.* Although each advertisement contains numerous similarities, each has unique elements and a unique arrangement of these elements. Below is a brief description of the major elements of each advertisement.

*1. Registered Work #1*¹⁰

The first advertisement contained in the Registered Works (Registered Work #1) features a half-page advertisement printed in a DEX Directory on page 352. The advertisement contains the following four lines of large text at the top of the page, each on its own line: "COMPUTER PROBLEMS?"; "*WE KNOW HOW COMPUTERS WORK!*"; "Have our PRO-Techs Help PROTECT your computer!!!"; and "The Original Complete Computer Store! [*sic*] of New Mexico!" Below these phrases are seventeen pictures of computer components. Eleven of the pictures are grouped together in the middle left portion of the advertisement in a clustered arrangement. The other six pictures are organized in two stacked horizontal boxes to the right of the other eleven pictures. In the lower box are two arrows pointing to the computer components. Finally, a photo of Cheng facing slightly to the left is printed in the lower right corner of the advertisement with the phrase "Call Us Today!", the store's telephone number, and the store's hours printed on the lower part of her photograph.

¹⁰ Nowhere in the pleadings are the individual advertisements in the Registered Works labeled. Therefore, the Court has labeled each numerically by reference to the advertisement's placement within the Registered Works. Registered Work #1 is photocopied on page 1 of Def.'s Ex. 1 (Doc. 18-1).

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