

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE**

JOE HAND PROMOTIONS, INC.,)	
)	Case No. 3:20-cv-382
<i>Plaintiff,</i>)	
)	Judge Travis R. McDonough
v.)	
)	Magistrate Judge H. Bruce Guyton
JAMES H. GRIFFITH, Jr., d/b/a CJ'S)	
SPORTS BAR, and LISA LESLEY)	
)	
<i>Defendants.</i>)	

MEMORANDUM OPINION

Before the Court are Plaintiff Joe Hand Promotions, Inc.'s ("Joe Hand") motion for partial summary judgment (Doc. 39) and Defendants Lisa Lesley and James Griffith, Jr.'s motion for summary judgment (Doc. 41) and motion for sanctions (Doc. 48). Defendants Lesley and Griffith's motions motion for summary judgment is **GRANTED** (Doc. 41). Because the Court grants Defendants' motion for summary judgment, Plaintiff Joe Hand's motion for partial summary judgment (Doc. 39) and Defendants Lesley and Griffith's motion for sanctions (Doc. 48) are **DENIED**.

I. BACKGROUND

James Griffith, Jr. owns and operates CJ's Sports Bar ("the Bar") in Kingsport, Tennessee. (Doc. 40-7, at 17.) Lisa Lesley is an employee of the Bar. (*Id.* at 49.) Joe Hand is a business that licenses sports and entertainment programming to commercial establishments. (Doc. 40, at 1.)

On August 26, 2017, Floyd Mayweather and Conor McGregor engaged in a prizefight that was broadcast live (“the Event”). (Doc. 41-1, at 3.) Showtime, Inc., owned the copyright to the Event and made the Event available for non-commercial streaming from its website. (Doc. 40-2, at 49.) Nearly three months later, on November 21, 2017, Joe Hand entered into an agreement with Showtime (“the Agreement”), in which Showtime purportedly granted Joe Hand “sole and exclusive Commercial Rights” in the Event; however, despite this ostensibly sweeping phrase, the Agreement defined these rights as “[t]he exclusive right to distribute and publicly perform the Event live on August 26, 2017[,] to Commercial Premises in the Territory.” (*Id.* at 46.)¹ The Agreement also contained an “Enforcement of Rights” provision:

Insofar as [Showtime] is concerned, [Joe Hand] shall have the right and standing, as exclusive assignee, to assert independent claims, solely in the name of [Joe Hand], for copyright infringement under the copyright laws of the United States . . . solely relating to the unauthorized exploitation of the Commercial Rights in the Event in the Territory.

(*Id.* at 47.) The Agreement further stated that Joe Hand

has the exclusive right in the Territory to take enforcement measures, prosecute and commence legal actions with respect to any unauthorized exploitation of the Commercial Rights [and that Showtime] hereby assigns and grants to [Joe Hand] such rights, interests or powers in the Event as are held by [Showtime] solely to the extent necessary . . . to enable [Joe Hand] to enforce and to initiate legal proceedings . . . for copyright infringement.

(*Id.* at 46.) Joe Hand purportedly licensed the Event to commercial establishments and based its rates upon the attendance or seating capacity of the commercial establishments sublicensing the Event. (*Id.* at 28.) For an establishment with a seating capacity of 101 to 150 persons, Joe Hand charged \$5,200 to license the Event. (Doc. 40-3, at 1.)

¹ Obviously, by the date of the Agreement, it was impossible for Joe Hand to do anything with the Event “live” on August 26, 2017.

Prior to the Event, the Bar posted or shared multiple posts on its Facebook page promoting the Event and encouraging individuals to buy tickets. (*Id.* at 7–12.) Lesley rented the Bar on the night of August 26, 2021, for \$1,000, collecting six dollars each from patrons at the door, and purchased the program from Showtime’s website for viewing at the Bar. (*Id.* at 18–20; Doc. 41-1, at 3; Doc. 40-2, at 5; Doc. 40-7, at 27.) Lesley did not, however, license the Event for the Bar through Joe Hand. (*See* Doc. 47, at 9.) Instead, Lesley used an HDMI cable to hook up her computer—which she used to buy and stream the Event for \$99—to a television so patrons could watch the Event together on a larger screen. (*Id.*) No one from the Bar contacted Joe Hand about broadcasting the Event. (Doc 41-1, at 3.) Griffith received money from the food and beverages sold during the Event but did not receive any of the door charge collected by Lesley. (*Id.*; Doc. 40, at 5.)

On August 26, 2020, Joe Hand instituted the present action for copyright infringement and internet piracy. The Court previously dismissed Joe Hand’s claim for internet piracy, (*see* Doc. 31), and a single count of copyright infringement remains. The parties have fully briefed their cross-motions for summary judgment (Docs. 40, 41, 47, 49), and the motions are ripe for adjudication.

II. STANDARD OF REVIEW

Summary judgment is proper when “the movant shows that there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law.” Fed. R. Civ. P. 56(a). The Court views the evidence in the light most favorable to the nonmoving party and makes all reasonable inferences in favor of the nonmoving party. *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 587 (1986); *Nat’l Satellite Sports, Inc. v. Eliadis Inc.*, 253 F.3d 900, 907 (6th Cir. 2001).

The moving party bears the burden of demonstrating that there is no genuine dispute as to any material fact. *Celotex Corp. v. Catrett*, 477 U.S. 317, 323 (1986); *Leary v. Daeschner*, 349 F.3d 888, 897 (6th Cir. 2003). The moving party may meet this burden either by affirmatively producing evidence establishing that there is no genuine issue of material fact or by pointing out the absence of support in the record for the nonmoving party's case. *Celotex*, 477 U.S. at 325. Once the movant has discharged this burden, the nonmoving party can no longer rest upon the allegations in the pleadings; rather, it must point to specific facts supported by evidence in the record demonstrating that there is a genuine issue for trial. *Chao v. Hall Holding Co., Inc.*, 285 F.3d 415, 424 (6th Cir. 2002).

At summary judgment, the Court may not weigh the evidence; its role is limited to determining whether the record contains sufficient evidence from which a jury could reasonably find for the non-movant. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248–49 (1986). A mere scintilla of evidence is not enough; the Court must determine whether a fair-minded jury could return a verdict in favor of the non-movant based on the record. *Id.* at 251–52; *Lansing Dairy, Inc. v. Espy*, 39 F.3d 1339, 1347 (6th Cir. 1994). If not, the Court must grant summary judgment. *Celotex*, 477 U.S. at 323.

The standard of review when parties file cross-motions for summary judgment is the same as when only one party moves for summary judgment. *Taft Broad. Co. v. United States*, 929 F.2d 240, 248 (6th Cir. 1991). When there are cross-motions for summary judgment, the court must “evaluate each party’s motion on its own merits, taking care in each instance to draw all reasonable inferences against the party whose motion is under consideration.” *Id.* In considering cross motions for summary judgment, the court is “not require[d] . . . to rule that no fact issue exists.” *Begnaud v. White*, 170 F.2d 323, 327 (6th Cir. 1948).

III. ANALYSIS

Lesley and Griffith assert they are entitled to summary judgment on Joe Hand's copyright-infringement claim because Joe Hand did not own the copyright to the Event when it was displayed at the Bar. (Doc. 41, at 1.) Further, Griffith asserts that he did not benefit financially from the infringement and, therefore, cannot be held vicariously liable. (*Id.* at 9.) In evaluating Lesley and Griffith's motion, the Court draws all inferences in favor of the nonmovant, Joe Hand. *See Matsushita Elec. Indus.*, 475 U.S. at 587.

Lesley and Griffith contend that Joe Hand did not own the copyright at the time the Bar broadcasted the Event, and, therefore, it lacks standing to bring an action for copyright infringement. Lesley and Griffith claim that either (1) the Agreement between Joe Hand and Showtime, the copyright owner, was merely an assignment of a right to sue, or, alternatively, that (2) the Agreement was not retroactive to the date of the Event. (Doc. 41-1, at 7.)

To succeed on a claim for copyright infringement, the party alleging infringement must prove ownership of a valid copyright. *Bridgeport Music v. WM Music Corp.*, 508 F.3d 394, 398 (6th Cir. 2007); *see also* 17 U.S.C. § 201(d)(2). Ownership can be transferred through "an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright." 17 U.S.C. § 101. Once ownership is established, section 201(d) provides that "[t]he owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner." 17 U.S.C. § 201(d)(2). This includes the right to bring an action for infringement. *See* 17 U.S.C. § 501.

The Sixth Circuit has stated that even though federal law governs copyrights generally, "state law is not displaced merely because [a] contract relates to intellectual property." *Cincom*

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