

IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

NINA RAWLS)
)
v.) No. 3:18-0417
) Judge Holmes
PARADISE ARTISTS, INC. and)
THE ORCHARD ENTERPRISES, INC.)

MEMORANDUM OPINION AND ORDER

Currently pending before the Court is Defendants’ motion to dismiss (Docket Entry (“DE”) 83), to which Plaintiff has filed a response. (DE 86.) Defendants have also filed a reply to Plaintiff’s response. (DE 88.) Also pending is Plaintiff’s related motion requesting that the Court take judicial notice of a copyright registration (DE 87), to which Defendants have filed a response. (DE 89.) This action is before the Magistrate Judge for all further proceedings pursuant to the consent of the parties and referral of the District Judge in accordance with 28 U.S.C. § 636(c). (DE 97.)

For the reasons that follow, Defendants’ motion to dismiss (DE 83) is GRANTED IN PART and Plaintiff’s motion for judicial notice (DE 87) is DENIED AS MOOT. As a result, this action is DISMISSED WITHOUT PREJUDICE.

I. STATEMENT OF THE CASE

Plaintiff Nina Rawls (“Plaintiff” or “Ms. Rawls”) is the widow of recording artist Lou Rawls (“Mr. Rawls”).¹ Plaintiff, as the sole trustee of the Lou and Nina Rawls Trust (“Trust”),

¹ These facts are drawn from Plaintiff’s third amended complaint. (DE 78.) For reasons delineated in the Court’s previous order, the title “third amended complaint” is actually a

has asserted multiple claims against Defendants Paradise Artists, Inc. (“Paradise Artists”) and The Orchard Enterprises NY, Inc. (“Orchard”) (collectively referred to as “Defendants”) for the unauthorized use of three works: (1) *Seasons 4 U*, an album recorded by Mr. Rawls in 1998; (2) *Rawls Sings Sinatra*, an album recorded by Mr. Rawls in 2003; and (3) a collection of photographs taken by photographer Bonnie Schiffman in 2003 in connection with the *Rawls Sings Sinatra* album (“the 2003 photographs”).

The *Seasons 4 U* album was released by Rawls and Brokaw Records (“Rawls and Brokaw”), a company co-owned by Mr. Rawls and his manager. Counsel for Plaintiff obtained copyright registration for the *Seasons 4 U* album in Plaintiff’s name on July 24, 2018, almost three months after the instant lawsuit was commenced, the certificate of which is attached to the third amended complaint. (DE 78 at 17-19.)² Later, on November 5, 2018, counsel for Plaintiff registered the copyright for *Seasons 4 U* in the name of the Trust.

Mr. Rawls registered the copyright for the *Rawls Sings Sinatra* album in 2003. Counsel for Plaintiff obtained copyright registration for this album in the name of the Trust on November 1, 2018, approximately six months after the commencement of the instant lawsuit.

Copyright registration for the 2003 photographs was completed and issued to Mr. Rawls on June 10, 2004.

misnomer. (DE 77 at 1, n.1.) However, because the operative pleading is labeled as the “third amended complaint” (*see* DE 78) and the parties continue to reference the document as such, the Court will similarly do so.

² Plaintiff alleges in the third amended complaint that Mr. Rawls “obtained a copyright registration in the [*Seasons 4 U*] album” in 1998 (DE 78 at ¶ 9), but admits in her response that the copyright was not registered until after commencement of the instant lawsuit. (DE 86 at 6.) As noted by Defendants, Plaintiff’s allegations have been less than consistent throughout the course of this litigation.

The agreement governing the Trust (“Trust agreement”) was executed by Mr. Rawls and Plaintiff on March 10, 2005. That same day, Mr. Rawls and Plaintiff executed a “Grant and Assignment” that assigned all of their “separate and community property” to the Trust.³ The Trust agreement contains an intellectual property rights provision that states in relevant part:

[T]he Trustors hereby declare that they hereby transfer to the Trust all of the Trustors’ right, title and interest in and to either Trustor’s name, sobriquet, voice, signature, photograph, actual or simulated likeness, image and other personal identification, any and all trademarks, trade names, trade dress, service marks and other personal identifiers, all applications and registrations thereof and all goodwill symbolized thereby, all rights of publicity, all copyrights, copyright registrations and rights to renew, extend, cause reversion of or to terminate any grant of such copyright, and all rights arising under or out of any of the foregoing[.]

On May 31, 2005, Paradise Artists entered into a “Music Service Agreement” with Orchard to distribute sound recordings to various digital musical platforms. Pursuant to this agreement, the *Seasons 4 U* album was distributed to 96 digital platforms while *Rawls Sings Sinatra* was distributed to 95 digital platforms.

On January 5, 2006, one day before his death, Mr. Rawls executed his Last Will and Testament, which directed in relevant part that “all of the rest, residue and remainder of my estate” is bequeathed to “the then acting Trustee or Trustees” of the Trust.⁴ On January 9, 2006, Plaintiff executed a “Notice of Acceptance of Trusteeship” that memorialized her status as the successor sole trustee of the Trust.

In February of 2018, Plaintiff discovered that the *Seasons 4 U* and *Rawls Sings Sinatra* albums were available on numerous digital musical platforms, including iTunes and Spotify. The

³ A copy of this agreement is attached to the third amended complaint. (DE 78 at 20-22.)

⁴ A copy of the will is also attached to the third amended complaint. (DE 78 at 32-47.)

Rawls Sings Sinatra album was advertised using one of the 2003 photographs. Paradise Artists and Orchard were responsible for distribution of these albums to the various digital platforms.

Plaintiff asserts four claims against Paradise Artists: (1) copyright infringement for unauthorized licensing of both albums to Orchard for digital distribution; (2) copyright infringement for unauthorized use of the 2003 photographs; (3) violation of section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A), for unauthorized use of Mr. Rawls' name in connection with the unauthorized licensing of both albums; and (4) violation of Tennessee's right of publicity, Tenn. Code Ann. § 47-25-1103, for unauthorized use of Mr. Rawls' name and photographs in connection with the unauthorized licensing of both albums.

Plaintiff asserts five claims against Orchard: (1) copyright infringement for unauthorized digital distribution of *Seasons 4 U*; (2) copyright infringement for unauthorized digital distribution of *Rawls Sings Sinatra*; (3) copyright infringement for unauthorized use of the 2003 photographs; (4) violation of section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)(1)(A), for unauthorized use of Mr. Rawls' name in connection with the unauthorized distribution of both albums; and (5) violation of Tennessee's right of publicity, Tenn. Code Ann. § 47-25-1103, for unauthorized distribution of both albums.

Based on these claims, Plaintiff seeks preliminary and permanent injunctions prohibiting Defendants from further infringement of Plaintiff's intellectual property rights, actual damages pursuant to 17 U.S.C. § 504(b), or, alternatively, statutory damages pursuant to 17 U.S.C. § 504(c), as well as costs and attorney's fees pursuant to 17 U.S.C. § 505.

Defendants seek dismissal on various grounds, including under Rule 12(b)(1) for lack of standing and Rule 12(b)(6) for failure to state a claim. Plaintiff opposes Defendants' motion to dismiss.

II. STANDARD OF REVIEW

A. Dismissal for Lack of Subject Matter Jurisdiction

A motion that alleges lack of standing under Rule 12(b)(1) is properly characterized as a motion seeking dismissal for lack of subject matter jurisdiction. *Hosp. Auth. of Metro. Gov't of Nashville v. Momenta Pharm, Inc.*, 353 F. Supp. 3d 678, 686-87 (M.D. Tenn. 2018). Such a motion can attack the claim of jurisdiction on its face, or, alternatively, attack the factual basis for jurisdiction. *DLX, Inc. v. Kentucky*, 381 F.3d 511, 516 (6th Cir. 2004). A motion representing a facial attack challenges only “the sufficiency of the pleadings” and is treated akin to a Rule 12(b)(6) motion, thus requiring the court to accept as true all allegations made by the plaintiff. *Glob. Tech., Inc. v. Yubei (XinXiang) Power Steering Sys. Co.*, 807 F.3d 806, 810 (6th Cir. 2015) (internal citation omitted).

B. Dismissal for Failure to State a Claim

To survive a motion to dismiss under Rule 12(b)(6), the complaint need only contain “a short and plain statement of the claim showing that the pleader is entitled to relief.” *Carrier Corp. v. Outokumpu Oyj*, 673 F.3d 430, 444 (6th Cir. 2012) (quoting Fed. R. Civ. P. 8(a)(2)). When reviewing a motion to dismiss pursuant to Fed. R. Civ. P. 12(b)(6), the court must “construe the complaint in the light most favorable to the plaintiff[] [and] accept all well-pleaded factual allegations as true[.]” *Matthew N. Fulton, D.D.S., P.C. v. Enclarity, Inc.*, 907 F.3d 948, 951-52 (6th Cir. 2018) (quoting *Hill v. Snyder*, 878 F.3d 193, 203 (6th Cir. 2017)).

Matters outside of the pleadings are generally not considered when ruling on a Rule 12(b)(6) motion to dismiss. *Rondigo, L.L.C. v. Twp. of Richmond*, 641 F.3d 673, 680 (6th Cir. 2011) (citation omitted). However, the court may consider “exhibits attached [to the complaint], public records, items appearing in the record of the case and exhibits attached to

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