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9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 SAN JOSE DIVISION

12 STEPHANIE LENZ,

13 Plaintiff,

14 vs.

15 UNIVERSAL MUSIC CORP., UNIVERSAL
MUSIC PUBLISHING, INC. and UNIVERSAL
16 MUSIC PUBLISHING GROUP,

17 Defendants.
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CASE NO. C 07-03783 JF (RS)

**UNIVERSAL'S OBJECTION TO
MAGISTRATE JUDGE SEEBORG'S
AUGUST 25, 2009 ORDER
GRANTING MOTION TO COMPEL
PRODUCTION OF UNIVERSAL-
PRINCE COMMUNICATIONS AS
TO WHICH UNIVERSAL ASSERTS
PRIVILEGE; MEMORANDUM OF
POINTS AND AUTHORITIES IN
SUPPORT THEREOF**

Judge: Honorable Jeremy Fogel

PUBLIC REDACTED VERSION

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8 C. Wright, A. Miller, and R. Marcus, *Federal Practice and Procedure* (2d ed. 1994) 15

1 Paul R. Rice, *Attorney-Client Privilege in the United States* (1999 ed.) 2, 9, 12

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1 **NOTICE OF OBJECTION AND OBJECTION**

2 TO PLAINTIFF AND HER COUNSEL OF RECORD: PLEASE TAKE NOTICE that,
 3 pursuant to Federal Rule of Civil Procedure 72(a) and Civil Local Rule 72-2, Defendants
 4 Universal Music Corp., Universal Music Publishing, and Universal Music Publishing Group
 5 (“Defendants” or “Universal”) will, and hereby do, Object to Section II.C.4 of Magistrate Judge
 6 Seeborg’s August 25, 2009 Order (Doc. No. 150) (“Order”), which orders Universal to produce
 7 communications between Universal and the artist Prince or his representatives that Universal has
 8 withheld on privilege grounds. Universal respectfully requests that the Court set a briefing
 9 schedule and hear this matter (although a hearing is not required under the Local Rules) in the
 10 above-captioned Court, located at 280 South First Street, San Jose, California.

11 This timely Objection is made on the ground that Section II.C.4 of the Order is clearly
 12 erroneous or contrary to law insofar as the Order compels production of confidential, privileged
 13 communications that (1) remain privileged pursuant to the common interest doctrine, (2) concern
 14 matters relating to legal advice and legal services, (3) are protected work product, and (4) are not
 15 relevant to Plaintiff’s claims.¹ This Objection is based on this Notice of Objection and Objection,
 16 the Points and Authorities below, the Declaration of Kelly M. Klaus filed herewith (“Klaus
 17 Declaration”), and the files and records of this case. Proposed Orders (a) setting a briefing
 18 schedule on this Objection and (b) granting this Objection are being lodged concurrently.

19 **MEMORANDUM OF POINTS AND AUTHORITIES**

20 **I. INTRODUCTION AND SUMMARY OF ARGUMENT**

21 The Order erroneously overrules Universal’s privilege claim regarding legal
 22 communications made in confidence with Prince (or his representatives), whose copyrighted
 23 compositions Universal administers. Order Section II.C.4, at 7-8 (Klaus Decl. Ex. A.) The
 24 communications in issue relate to matters in which Universal and Prince have common (indeed,
 25 essentially identical) *legal* interests, namely, the strong protection and enforcement of copyrights

26 _____
 27 ¹ Judge Seeborg entered the Order on August 25, 2009. Federal Rule of Civil Procedure 72(a)
 28 provides Universal a 10-day period to file its Objection. Pursuant to Federal Rule of Civil
 Procedure 6(a)(2), the intervening Saturdays and Sundays, as well as Labor Day, are excluded
 from this 10-day period. Accordingly, this Objection is timely filed on September 9.

1 that Prince owns and that Universal administers and enforces on his behalf. Under firmly
2 established law applying the common interest doctrine, these communications are privileged,
3 notwithstanding that Universal is not Prince's lawyer. The common interest doctrine provides
4 that "individuals with a community of interests 'may communicate among themselves and with
5 the separate attorneys on matters of common legal interest, for the purpose of preparing a joint
6 strategy, and the attorney-client privilege will protect those communications to the same extent as
7 it would communications between each client and his own attorney.'" *Nidec Corp. v. Victor Co.*
8 *of Japan*, 249 F.R.D. 575, 578 (N.D. Cal. 2007) (Chen, Mag. J.) (quoting 1 Paul R. Rice,
9 *Attorney-Client Privilege in the United States* § 4:35, at 192 (1999 ed.) (hereinafter, "Rice,
10 *Attorney-Client Privilege*"). The Order's holding that the privilege is inapplicable because
11 Universal is not Prince's lawyer, Order at 7:28-8:2 (Klaus Decl. Ex. A), is contrary to law.

12 The Order is contrary to law or clearly erroneous in other respects as well. For example,
13 *none* of the privileged communications in issue concern any discussion between Prince or his
14 representatives and Universal concerning *Plaintiff's* "Let's Go Crazy" video prior to Universal's
15 sending its notice. Nevertheless, Section II.C.4 holds these communications relevant to
16 Plaintiff's claim that Universal violated 17 U.S.C. § 512(f). *See* Order at 7. Under the Ninth
17 Circuit's controlling construction of Section 512(f), Plaintiff must show (among other
18 requirements) that Universal made a *knowingly* false, material statement to YouTube concerning
19 *her* video. *Rossi v. MPAA*, 391 F.3d 1000, 1004-05 (9th Cir. 2004). What was said in privileged
20 communications concerning *other people's* uses of Prince's works has no legal relevance to
21 Universal's subjective knowledge when it made its statements to YouTube about *Plaintiff's*
22 posting. Plaintiff's attempt to turn the trial in this case into a series of mini-trials about
23 Universal's knowledge or decisions regarding other uses of other works by people other than
24 Plaintiff seeks to fasten liability on Universal based on the objective reasonableness of its actions.
25 *Rossi* forecloses such an inquiry, and it was contrary to law or clearly erroneous for the Order to
26 hold that such unrelated communications could be relevant.

1 For these and other reasons discussed below, Universal respectfully requests that the
2 Court set aside Section II.C.4 of the Order.²

3 **II. BACKGROUND**

4 **A. Universal's Administration Agreement With Prince**

5 The communications between Prince's representatives and Universal relating to the
6 enforcement of copyrights in his works are made in accordance with the September 1, 2005
7 Administration Agreement between Prince and Defendant Universal Music Corp. Klaus Decl.
8 Ex. B (previously submitted to Judge Seeborg as Ex. E to Klaus Decl. in Opp. to Mot. to Compel
9 (Doc. No. 149)). Administration agreements are common in the music publishing industry. Such
10 agreements allow the owner of copyrights in musical compositions to retain ownership of her or
11 his rights, while appointing the music publisher as the owner's exclusive administrator for
12 exploiting the works, collecting and distributing monies earned from exploitation of the works,
13 and enforcing the owner's copyright in those works. *See* A. Kohn & B. Kohn, *Kohn on Music*
14 *Licensing* at 258-62 (3d ed. 2002). The Administration Agreement between Prince and Universal
15 follows this structure, [REDACTED]

16 [REDACTED] *See* Klaus
17 Decl. Ex. B at §§ 3, 4(a), 4(d).

18 Section 9 of the Administration Agreement deals with legal "Actions" regarding the
19 copyrights that Universal administers. *Id.* § 9. Pursuant to this provision, [REDACTED]

20 [REDACTED]
21 [REDACTED]
22 [REDACTED] *Id.* The Agreement further provides

23
24 ² Because this Objection concerns an Order to produce documents that Universal claims are
25 privileged, Universal has requested, and Plaintiff has agreed, that Section II.C.4 of the Order shall
26 be stayed pending this Court's consideration of Universal's Objection. If the Court overrules the
27 Objection, Plaintiff has agreed that Section II.C.4 shall be stayed for at least an additional 20 days
28 following such overruling (or such longer period as the Court may grant) in order to allow
Universal the opportunity to seek a stay from the Ninth Circuit. Universal has the right to take an
interlocutory appeal challenging an adverse privilege ruling. *See In re Napster, Inc. Copyright*
Litig., 479 F.3d 1078, 1087-88 (9th Cir. 2007). The parties will be filing a stipulation shortly to
memorialize the stay agreement and other matters related to pretrial discovery and scheduling.

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

As provided in Section 9 of the Agreement, Prince or his representatives have contacted Universal in writing to alert Universal to possible instances of copyright infringement and to request that Universal investigate and take legal action if necessary to stop such infringement. Declaration of Robert E. Allen in Opp. to Plaintiff’s Mot. to Compel (Doc. No. 113) ¶¶ 3, 5-6 (submitted herewith at Klaus Decl. Ex. C) (“Allen Decl.”). During the time prior to Plaintiff’s filing of her complaint, Prince or one of his representatives (Kathy Adams, Ruth Arzate or Patrick Cousins) communicated about instances of possible infringement of Prince’s copyrighted works to one of Universal’s in-house attorneys (Robert Allen or Raul Gonzalez) for further investigation and action. Allen Decl. ¶¶ 3-4.³ See also Klaus Decl. Exs. D & E (Universal’s logs of documents withheld or redacted on the basis of privilege objections).⁴

B. Plaintiff’s Motion To Compel

As the Court knows, this case concerns Plaintiff’s claim that Universal violated 17 U.S.C. § 512(f) when, on June 4, 2007, Universal sent YouTube a notice that Plaintiff’s video posting, which she entitled, “Let’s Go Crazy #1,” made an unauthorized use of Prince’s copyrighted composition (the same email also covered more than 200 other YouTube postings). Second Am. Compl. ¶¶ 20-21 & Ex. A (Doc. No. 34) (Klaus Decl. Ex. F). In attempting to state a complaint that would survive dismissal, Plaintiff specifically alleged that “Prince himself demanded that

³ Mr. Gonzalez no longer works for Universal. The in-house attorney who now performs the relevant duties previously performed by Mr. Gonzalez is Alina Moffat, who, as Mr. Gonzalez did, reports to Mr. Allen. Allen Decl. ¶ 4. Information regarding enforcement activities also has been communicated to or on behalf of Mr. Allen by Sean Johnson, who is an assistant to Mr. Allen. *Id.*

⁴ These privilege and redaction logs were revised in accordance with Section II.C.5 of the Order. See Order at 8-9. The privilege and redaction logs produced prior to the Magistrate Judge’s Orders are attached at tabs 1 to Exhibits D and E, respectively; the revised logs are attached behind tab 2 of each of those Exhibits.

1 Universal seek the removal of the [“Let’s Go Crazy”] Video.” *Id.* ¶ 31. This Court cited this
2 allegation in denying Universal’s Motion to Dismiss. *See* Order Denying Mot. to Dismiss (Doc.
3 No. 45) at 8:11-13 (Klaus Decl. Ex. G). *None* of the communications at issue in Plaintiff’s
4 Motion to Compel relate to this allegation or indeed to any discussion about Plaintiff’s posting
5 prior to Universal’s notice. It is undisputed that neither Prince nor any of his representatives
6 contacted Universal regarding Plaintiff’s posting before Universal sent the notice to YouTube on
7 June 4, 2007. Allen Decl. ¶ 9.

8 Notwithstanding the irrelevance of these communications to her allegation, Plaintiff
9 nevertheless asked Judge Seeborg [“overrule Universal’s privilege claim concerning
10 communications with Prince. Plaintiff advanced two arguments in support of her motion.
11 Plaintiff’s primary argument was that “a communication is not privileged unless it is ... made in
12 the course of an attorney-client relationship[.]” Plaintiff Mot. to Compel (Doc. No. 146) at 8:14-
13 15. Plaintiff argued that, because Universal is not Prince’s attorney, any communications
14 between them, regardless of the subject matter, could not be the subject of a valid privilege claim.
15 *Id.* at 8-9. *See also* Plaintiff’s Reply in Support of Mot. to Compel (Doc. No. 155) at 8:4
16 (“Universal has no attorney-client relationship with Prince.”).

17 Second, Plaintiff argued that, whether or not the communications arose in the course of an
18 attorney-client relationship, the communications did not relate to legal advice. Plaintiff Mot. to
19 Compel (Doc. No. 146) at 9:15-16. In making this contention, Plaintiff sidestepped the fact that
20 the communications relate to notices of possible *infringement* (a legal issue), and thus involve
21 whether Universal will act to restrain infringing conduct (*i.e.*, the provision of legal services).
22 Plaintiff asserted that communications reflecting requests to take legal action to enforce Prince’s
23 copyrights do not reflect legal advice, but rather seek to “to implement a business transaction,”
24 namely, Universal’s rights under Section 9 of the Administration Agreement. Plaintiff’s Reply in
25 Support of Mot. to Compel (Doc. No. 155) at 10:9 (internal quotations omitted).

26 Universal opposed Plaintiff’s Motion on both relevance and privilege grounds. Regarding
27 relevance, Universal pointed to the undisputed fact that none of the communications in issue
28 concerns any discussion about *Plaintiff’s* “Let’s Go Crazy” video prior to Universal’s sending its

1 notice. Universal's Opp. to Mot. to Compel (Doc. No. 148) at 11:3-4. By definition, none could
2 be relevant to Plaintiff's allegation that "Prince himself demanded that Universal seek the
3 removal of the ["Let's Go Crazy"] Video." Second Am. Compl. ¶ 31 (Klaus Decl. Ex. F). Nor
4 would any communication regarding other people's postings to YouTube be relevant to
5 Universal's state of mind *regarding Plaintiff's posting*. It is Universal's subjective knowledge
6 about Plaintiff's posting at the time Universal sent its notice that is at issue on a claim under
7 Section 512(f). *Rossi*, 391 F.3d at 1005. Communications about other postings shed no light on
8 what Universal actually knew about its statements concerning Plaintiff's video.

9 Universal also opposed Plaintiff's privilege arguments. Universal pointed out that the
10 communications between Prince and Universal took place pursuant to Section 9 of the
11 Administration Agreement, under which Universal is responsible for investigating instances of
12 possible infringement of Prince's copyrights and making decisions regarding legal actions to
13 enforce those copyrights. Universal's Opp. to Mot. to Compel (Doc. No. 148) at 11-12.
14 Universal and Prince unquestionably have common legal interests concerning enforcement
15 matters. Indeed, Universal serves as "*a necessary intermediary* relating to the provision of legal
16 services related to the enforcement of [Prince's] copyrights." *Id.* at 11:23-12:2.

17 **C. The Order Compelling Universal's Production Of The Privileged Documents**

18 The Order grants Plaintiff's motion to compel the Prince-Universal communications
19 withheld as privileged. Order at 7-8. Regarding relevance, the Order holds that Universal-Prince
20 communications "are reasonably calculated to lead to evidence about the formation of Universal's
21 good faith belief in sending *the letters*." *Id.* at 7:7-13 (emphasis added). In describing as relevant
22 Universal's belief in sending "letters" - plural - the Order is contrary to *Rossi*, which makes clear
23 that Universal's objective reasonableness is not the issue under Section 512(f); rather it is
24 Universal's subjective knowledge *concerning Plaintiff's posting* that is in issue.

25 The Order next holds the communications not privileged on the ground that Universal is
26 not Prince's legal counsel. In particular, the Order states that "Universal argues that ... Universal
27 is acting as Prince's agent or attorney-in-fact[.]" and then states that "[e]stablishing that it acted
28 as Prince's agent or 'attorney-in-fact,' does not satisfy Universal's burden to demonstrate that

1 these communications are protected by the attorney-client privilege.” *Id.* at 7:17-20. In apparent
 2 reference to Plaintiff’s argument that communications regarding legal enforcement of copyrights
 3 are mere “business matters,” the Order states (without elaboration or factual findings) that
 4 “[o]rdinary business advice is not protected.” *Id.* at 7:23-24. The legal-versus-business
 5 distinction does not appear, however, to be dispositive to the Order’s ultimate conclusion. The
 6 Order concludes that: “it appears that the [Administration] agreement simply designates Universal
 7 to act as an agent with respect to Prince’s business interests, *but does not represent retention of*
 8 *Universal in-house counsel to provide him with legal services.*” *Id.* at 7:28-8:2 (emphasis added).

9 **III. ARGUMENT**

10 **A. This Court Reviews *De Novo* Universal’s Objection To The Order’s Legal** 11 **Ruling**

12 Rule 72(a) provides that where, as here, the Magistrate Judge issues a non-dispositive
 13 pretrial ruling, the District Court “must consider timely objections and modify or set aside any
 14 part of the order that is clearly erroneous or is contrary to law.” Fed. R. Civ. P. 72(a). “A ruling
 15 is contrary to law if the magistrate judge has misinterpreted or misapplied applicable law.”
 16 *Kounelis v. Sherrer*, 529 F. Supp. 2d 503, 518 (D.N.J. 2008).⁵ “A district court’s review under
 17 the ‘contrary to law’ standard is plenary, and it may overturn any conclusions of law which
 18 contradict or ignore applicable precepts of law. ... Thus, a district court must exercise its
 19 independent judgment with respect to a Magistrate Judge’s legal conclusions.” *E.E.O.C. v.*
 20 *Burlington N. & Santa Fe Ry. Co.*, 621 F. Supp. 2d 603, 605-06 (W.D. Tenn. 2009) (internal
 21 quotations omitted). “A finding is ‘clearly erroneous’ when although there is evidence to support
 22 it, the reviewing court on the entire evidence is left with the definite and firm conviction that a
 23 mistake has been committed.” *Coleman v. Schwarzenegger*, 2008 WL 4300554 at *1 (E.D. &
 24 N.D. Cal. Sept. 11, 2008) (internal quotations omitted).

25 The issues involved in this objection are almost entirely legal and therefore subject to *de*
 26 *novo* review. The Order resolves the question of privilege based on an erroneous *legal* standard,
 27 namely, that unless Universal is Prince’s lawyer, communications between them relating to the

28 ⁵ As set forth above, this Objection is timely made under Rule 72(a). *See* n.1, *supra*.

1 enforcement of the copyrights in Prince's works cannot be the subject of a privilege claim. This
 2 holding is contrary to the well-established rule that communications do not cease to be privileged
 3 when shared between parties with common legal interests in the communication. Because it
 4 applies the wrong legal standard, the Order is entitled to no deference and must be set aside.

5 The remaining issues that the Order implicates - whether communications concerning
 6 enforcement of legal rights are "business matters," and whether communications regarding
 7 postings other than Plaintiff's are relevant under Section 512(f) - likewise implicate legal rules,
 8 such as the scope of the privilege and the interpretation of Section 512(f) as set forth in *Rossi*.
 9 Such legal issues also are subject to *de novo* review. To the extent there are factual issues
 10 intertwined with these issues, the Order's resolution of them is without any evidentiary
 11 foundation and therefore is clearly erroneous.

12 **B. The Order Is Contrary To Law: Under The Common Interest Doctrine,**
 13 **Privileged Communications Between Universal And Prince Related To**
 14 **Enforcement Of Prince's Copyrights Remain Privileged**

15 Because jurisdiction in this case is premised on a federal statute, federal law controls the
 16 privilege issue in this case. *Clarke v. American Commerce Nat'l Bank*, 974 F.2d 127, 129 (9th
 17 Cir. 1992). The general privilege standard under federal law is that "confidential communications
 18 made by a client to an attorney to obtain legal services are protected from disclosure." *Id.*

19 A number of the elements for privilege are undisputed on Plaintiff's Motion. First, it is
 20 undisputed that all of the communications that Plaintiff's Motion seeks were transmitted in
 21 confidence and have remained confidential. Second, it is undisputed that the communications
 22 involve lawyers who provide legal advice and services to their client, Universal (either Robert
 23 Allen or (during the time in issue) Raul Gonzalez). It is undisputed that Messrs. Allen and
 24 Gonzalez have an attorney-client relationship with Universal relating to the enforcement of
 25 copyrights that Universal administers.⁶ *See* Allen Decl. ¶¶ 2, 6.

26 ⁶ Plaintiff elsewhere in her motion disputed whether certain of Mr. Allen's communications
 27 concern legal, as opposed to business, advice. *See* Order at 8-9. As discussed in Part C of this
 28 Objection, *infra*, communications relating to the enforcement of copyrights clearly concern
 requests relating to *legal* matters, namely, legal services to restrain infringing conduct. In any
 event, Section II.C.4 of the Order is not based on any finding that Mr. Allen was acting other than
 in his capacity as a lawyer for Universal. Accordingly, Plaintiff may not seek to sustain Section
 II.C.4 on the ground that Mr. Allen was not functioning as a lawyer.

1 The Order holds that the privilege does not apply to the communications in issue on the
2 ground that Universal is not Prince's lawyer. Order at 8:1-2 (no showing of Prince's "retention of
3 Universal in-house counsel to provide him with legal services"). That holding is contrary to law.

4 **1. The Common Interest Doctrine Protects Communications In**
5 **Furtherance Of Common Legal Interests Even Where The Parties**
6 **Communicating Do Not Have An Attorney-Client Relationship With**
7 **Each Other**

8 The "general rule" regarding privilege is that "attorney-client communications made 'in
9 the presence of, or shared with, third parties destroys the confidentiality of the communications
10 and the privilege protection that is dependent upon that confidentiality.'" *Nidec*, 249 F.R.D. at
11 578 (quoting Rice, *Attorney-Client Privilege* § 4:35, at 195).

12 However, there is an exception to the waiver rule. Participants in a joint or
13 common defense or *individuals with a community of interests* "may communicate
14 among themselves and with the separate attorneys on matters of common legal
15 interest, for the purpose of preparing a joint strategy, and the attorney-client
16 privilege will protect those communications to the same extent as it would
17 communications between each client and his own attorney."

18 *Id.* (quoting Rice, *Attorney-Client Privilege* at 192.) (emphasis added).

19 The common interest doctrine has its roots in the joint defense context. However, the
20 common interest doctrine is *not* limited to situations where the same lawyer acts as an attorney
21 for two different clients. Rather, the doctrine "is applicable *whenever parties with common*
22 *interests join forces for the purpose of obtaining more effective legal assistance."* *Id.* (quoting
23 Rice, *Attorney-Client Privilege* at 216.) (emphasis added). Federal courts have repeatedly held
24 that the common interest doctrine will protect from disclosure confidential communications
25 between parties in furtherance of a common legal interest. *See, e.g., In re Regents of the Univ. of*
26 *Calif.*, 101 F.3d 1386, 1390 (Fed. Cir. 1996) (common interest doctrine protected confidential
27 communications between patentee and exclusive licensee); *United States v. Bergonzi*, 216 F.R.D.
28 487, 495-96 (N.D. Cal. 2003) (Jenkins, J.) (recognizing common interest doctrine and articulating
test for same, but finding it inapplicable on facts of case). Closely related to the common interest
doctrine is the principle that the privilege is maintained where counsel's communications with
party outside attorney-client relationship "are necessary to effectuate the client's consultation"

1 with an attorney. *United States v. ChevronTexaco Corp.*, 241 F. Supp. 2d 1065, 1072 (N.D. Cal.
2 2002) (Brazil, Mag. J.).

3 As set forth in the cases, the common interest doctrine protects an otherwise privileged
4 communication “where (1) the communication is made by separate parties in the course of a
5 matter of common interest; (2) the communication is designed to further that effort; and (3) the
6 privilege has not been waived.” *Bergonzi*, 216 F.R.D. at 495. The parties’ common interest must
7 be legal in nature, *Niddec*, 249 F.R.D. at 579, but if it is, then the privilege is not lost simply
8 because the parties to the communication are not in an attorney-client relationship.

9 **2. The Order Is Contrary To Law Because The Communications In Issue**
10 **Are Privileged Common Interest Communications**

11 The communications between Prince (and his representatives) and counsel for Universal
12 are protected under the common interest doctrine. There is no doubt that the communications
13 otherwise are privileged. They all relate to information provided to or by an attorney (Allen or
14 Gonzalez) for a client (Universal) relating to the provision of legal advice or services
15 (investigation or enforcement regarding potential infringement), and all have been maintained in
16 confidence. The question is whether such communications lose their privileged status simply
17 because Universal is not Prince’s lawyer. Under the well-established standards set forth in the
18 case law, it is clear that the privilege is maintained, not lost.

19 First, the record clearly establishes that the communications were made “in the course of a
20 matter of common [legal] interest,” namely, the strong and effective protection and enforcement
21 of Prince’s copyrights. Prince obviously has a legal interest in such matters: *he owns the*
22 *copyrights*. And Universal, which is responsible for administering and enforcing *the same*
23 *copyrights*, has the same legal interest in the protection and enforcement of those copyrights. To
24 that end, [REDACTED]

25 [REDACTED]. See Klaus Decl., Ex. B § 9.

26 The Agreement further provides that [REDACTED]
27 [REDACTED]
28 [REDACTED]

1 [REDACTED] *Id.* See also Allen Decl. ¶ 6 (“One of Universal’s responsibilities as the
2 administrator for Prince’s copyrighted works is to take legal action regarding the enforcement and
3 protection of Prince’s rights in those works.”). And the Agreement provides that [REDACTED]

4 [REDACTED]
5 Klaus Decl. Ex. B § 9. Given the nature of Universal’s responsibilities concerning Prince’s
6 copyrighted compositions, it is clear that Universal and Prince have common (indeed, essentially
7 identical) legal interests regarding the protection and enforcement of those copyrights. Indeed,
8 given Universal’s primary role in enforcing the copyrights subject to the Administration
9 Agreement, Universal also is a necessary intermediary to effective consultation regarding the
10 legal enforcement of those copyrights. See *ChevronTexaco*, 241 F. Supp. 2d at 1072.

11 Second, the record also clearly establishes that the communications in issue were intended
12 to further the parties’ common legal interest in the protection and enforcement of Prince’s
13 copyrights. The Agreement itself expressly provides that [REDACTED]

14 [REDACTED] See Klaus Decl. Ex. B § 9 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED]

18 [REDACTED] (emphasis added). Universal’s privilege log, while not revealing the substance of the
19 privileged communications, describes the nature of those communications in sufficient detail to
20 demonstrate that the communications concern the enforcement of the copyrights in cases of
21 potential infringement. See, e.g., Klaus Decl. Ex. D.1 at Entry 4 [REDACTED]

22 [REDACTED]
23 [REDACTED]

24 [REDACTED].⁷ Communications concerning the enforcement of Prince’s
25 copyrights further the parties’ common legal interest in that subject.

26 Third, there is no contention that any privilege has been waived.

27 _____
28 ⁷ Similar descriptions revealing the legal nature of the communications appear throughout
Universal’s original and revised logs. See Klaus Decl. Exs. D & E.

1 The facts here are closely analogous to those in the *In re Regents* case, where the Federal
2 Circuit held that the common interest doctrine applied to communications between a patentee
3 (UC) and its exclusive patent licensee (Eli Lilly). The plaintiff in that case (Genentech) argued,
4 and the district court held, that the privilege could not protect legal communications between UC
5 and Lilly concerning the prosecution of a patent covered by their license, because those parties
6 were not in an attorney-client relationship with each other. *In re Regents*, 101 F.3d at 1388.
7 Granting a petition for mandamus, the Federal Circuit disagreed and reversed the privilege ruling.
8 The Federal Circuit held that the common interest doctrine applied because “the legal interest
9 between Lilly and UC was substantially identical because of the potentially and ultimately
10 exclusive nature of the Lilly-UC license agreement. *Both parties had the same interest in*
11 *obtaining strong and enforceable patents.” Id.* at 1390 (emphasis added).⁸

12 The same is true in this case. The communications at issue concern a matter where
13 Universal and Prince have common, indeed essentially identical, *legal* interests, namely, the
14 strong protection and enforcement of Prince’s copyrights, which, under the Administration
15 Agreement, Universal has the responsibility to administer and enforce. The communications are
16 designed to further that interest, and there is no basis for finding waiver. *Bergonzi*, 216 F.R.D. at
17 495. The Order’s conclusion that there is no privilege because Universal is not Prince’s counsel
18 is contrary to the well-established law holding that the privilege is maintained, not lost, in the
19 context of such common interest communications. The Order must be set aside under Rule 72(a).

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24 ⁸ UC also argued that it and Lilly were joint clients of the Lilly lawyers. *In re Regents*, 101 F.3d
25 at 1389. The Federal Circuit, applying Seventh Circuit privilege law, held that both “the joint
26 client doctrine *and* the community of interest doctrine apply to and protect legal advice and
27 communications between the patent applicant or patentee and attorneys of its optionee/licensee.”
28 *Id.* at 1391 (emphasis added). As Magistrate Judge Chen observed in quoting a leading treatise in
Nidec, “[t]he protection of the privilege under the community of interest rationale, however, is
not limited to joint litigation preparation efforts. It is applicable whenever parties with common
interests join forces for the purpose of obtaining more effective legal assistance.” *Nidec*, 249
F.R.D. at 578 (quoting Rice, *Attorney-Client Privilege* § 4:36 at 216).

1 **C. The Order Cannot Be Sustained On The Ground That Communications**
 2 **Concerning The Legal Enforcement Of Copyright Is A Business Rather Than**
 3 **A Legal Subject**

4 As discussed, Plaintiff's alternative argument against the privilege was that
 5 communications regarding the legal enforcement of Prince's copyrights involve business, not
 6 legal, advice. Plaintiff Mot. to Compel (Doc. No. 146) at 9:15-16. To the extent that Section
 7 II.C.4 accepts this argument, the Order is contrary to law or clearly erroneous.⁹

8 It is difficult to imagine a category of communications more centrally related to requests
 9 for and the provision of *legal* advice than communications concerning possible infringement and
 10 enforcement actions to restrain the same. The enforcement of legal rights - including takedown
 11 notices, cease-and-desist letters, or other actions that relate to preventing and restraining
 12 infringement - is at the core of what lawyers do in providing legal services to their clients. *See*
 13 *United States v. Chen*, 99 F.3d 1495, 1501 (9th Cir. 1996) (privilege applies "when the lawyers
 14 act in a counseling and planning role, as well as when lawyers represent their clients in
 15 litigation"); *Coastal States Gas Corp. v. Department of Energy*, 617 F.2d 854, 862 (D.C. Cir.
 16 1980) ("The privilege is not limited to communications made in the context of litigation or even a
 17 specific dispute, but extends to all situations in which an attorney's counsel is sought on a legal
 18 matter."). The communications in issue relate to the enforcement of legal rights, which involves
 19 legal services to protect and enforce legal rights. The communications are clearly of the type that
 20 the attorney-client privilege is intended to protect.¹⁰

21 _____
 22 ⁹ As noted in the Background, *supra*, it is unclear whether the Order adopts this rationale. The
 23 Order does state that "[o]rdinary business advice is not protected." Order at 7:23-24. The
 24 Order's ultimate conclusion, however, is that "the agreement simply designates Universal to act
 25 as an agent with respect to Prince's business interests, but does not represent retention of
 26 Universal in-house counsel to provide him with legal services." *Id.* at 7:28-8:2. Thus, it appears
 27 that the Order was based on the no-attorney-client-relationship rationale. To the extent the Order
 28 adopts Plaintiff's business-not-legal-advice argument, the Order is contrary to law or clearly
 erroneous for the reasons discussed in the text.

¹⁰ Section II.C.5 of the Order notes that not all communications with in-house counsel can be
 presumed privileged, and on that basis orders Universal to supplement its logs regarding Mr.
 Allen's communications, which Universal has done. *See* Order at 8-9; Klaus Decl. Exs. D.2 and
 E.2. Section II.C.4 of the Order, however, is not based on any finding that Mr. Allen was acting
 in a business, rather than a legal, capacity. Plaintiff may not defend Section II.C.4 on that basis.

1 Plaintiff's argument for a contrary result is that the communications concern business
2 advice because they "implement a business transaction," *i.e.*, they fulfill Universal's contractual
3 right to take action regarding the enforcement of Prince's copyrights. Plaintiff's Reply in Support
4 of Mot. to Compel (Doc. No. 155) at 10:6-8 (internal quotations omitted). That argument is
5 facile. The fact that a contract gives Universal the right to take legal action to enforce Prince's
6 copyrights does not thereby transform every instance of Universal's considering or taking legal
7 action pursuant to that agreement into the completion of a business transaction. The question
8 under the cases is whether the requests related to the attorney's services arise "because of" or
9 primarily for legal reasons. *See In re Grand Jury Subpoena*, 357 F.3d 900, 908 (9th Cir. 2004)
10 (for work product, test is not whether litigation was "primary or secondary motive behind the
11 creation of a document[,] but rather whether "totality of the circumstances" indicates that the
12 document "was created because of anticipated litigation"); *Visa U.S.A., Inc. v. First Data Corp.*,
13 2004 WL 1878209 at *4 (N.D. Cal. Aug. 23, 2004) (Chen, Mag. J.) (holding that the *In re Grand*
14 *Jury Subpoena* "because of" standard, rather than "primary or secondary" standard stated in some
15 earlier cases, governs the resolution of the attorney-client privilege inquiry of legal
16 communications made in in-house corporate setting). Whether the document that gives rise to the
17 request for the service is a "business" document does not change the legal character of the
18 services that are sought. A request to take action to consider possible infringement and restrain
19 the same is a request that is made because of, or primarily for, the need for legal services. It is a
20 privileged communication.

21 **D. The Communications Also Are Protected Work Product**

22 Although Universal did not argue work product in opposing Plaintiff's Motion to Compel,
23 Universal's revised logs (revised pursuant to the Order, Klaus Decl. Exs. D.2 & E.2) assert work
24 product as well as attorney-client privilege over the communications in issue. The issue also may
25 arise with respect to documents that Judge Seeborg ordered Universal to produce post-dating
26 Plaintiff's original complaint. Order at 5-6. If the Court sustains Section II.C.4's holding with
27 respect to attorney-client privilege, the Court nevertheless should hold that the documents are
28 protected work product.

1 “The work product doctrine, codified in Federal Rule of Civil Procedure 26(b)(3), protects
2 from discovery documents and tangible things prepared by a party or his representative in
3 anticipation of litigation.” *In re Grand Jury Subpoena*, 357 F.3d at 906 (internal quotations
4 omitted). “[A] document should be deemed prepared ‘in anticipation of litigation’ and thus
5 eligible for work product protection under Rule 26(b)(3) if ‘in light of the nature of the document
6 and the factual situation in the particular case, the document can be fairly said to have been
7 prepared or obtained because of *the prospect of litigation.*’” *Id.* at 907 (quoting 8 C. Wright, A.
8 Miller, and R. Marcus, *Federal Practice and Procedure* § 2024 (2d ed. 1994)) (emphasis added).
9 Non-opinion work product “documents may only be ordered produced upon an adverse party’s
10 demonstration of ‘substantial need [for] the materials’ and ‘undue hardship [in obtaining] the
11 substantial equivalent of the materials by other means.’” *Id.* at 906 (quoting Fed. R. Civ. P.
12 26(b)(3)).

13 The communications between Universal and Prince relating to the enforcement of his
14 copyrights are work product documents. While such communications do not necessarily involve
15 plans for probable or imminent litigation, communications regarding possible infringement at
16 least involve “the *prospect of litigation.*” *Id.* at 907 (emphasis added). The prospects for
17 litigation may crystallize into probable legal action, or may be mitigated by actions short of a
18 lawsuit (*e.g.*, the response to a cease-and-desist letter or similar notice). In either case, the
19 communications involve the prospect of litigation, and Rule 26(b)(3) applies.¹¹

20 The application of the work product doctrine means that Plaintiff cannot obtain the
21 documents in issue absent a showing of substantial need for them and undue hardship in obtaining
22 their equivalent by other means. *Id.* at 906; Fed. R. Civ. P. 26(b)(3)(A)(ii). Plaintiff cannot show
23 any substantial need for these communications because, as discussed in the next section, they are
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25

26 ¹¹ The question whether there is an attorney-client relationship between Universal and Prince,
27 which is not controlling for privilege purposes, also does not determine whether work product
28 protection applies. Work product protects communications with a party’s representative, and “[a]
representative of a party includes the party’s attorney, consultant, or agent.” *Visa U.S.A.*, 2004
WL 1878209 at *5.

1 irrelevant to her case. The work product doctrine, in short, is an alternative and independent basis
2 for setting aside Section II.C.4 of the Order.

3 **E. The Order Is Contrary To Law Or Clearly Erroneous In Holding The**
4 **Communications Relevant**

5 Finally, Section II.C.4 of the also is contrary to law or clearly erroneous in holding that
6 communications between Universal and Prince regarding *other people's* postings have any
7 relevance to Plaintiff's case under Section 512(f). As discussed above, and contrary to Plaintiff's
8 allegation about Prince ordering the removal of her "Let's Go Crazy" video, Second Am. Compl.
9 ¶ 31, *none* of the communications in issue concern any discussion of Plaintiff's posting prior to
10 Universal sending its notice. As such, they are irrelevant to Plaintiff's claim under *Rossi*.

11 *Rossi* holds that 17 U.S.C. § 512(f) imposes liability only for *actual, subjective knowledge*
12 of a misrepresentation, not knowledge measured by a standard of what is (or is not) objectively
13 reasonable behavior. *Rossi*, 391 F.3d at 1004-05. "A copyright owner cannot be liable simply
14 because an unknowing mistake is made, *even if the copyright owner acted unreasonably in*
15 *making the mistake. ... [T]here must be a demonstration of some actual knowledge of*
16 *misrepresentation on the part of the copyright owner."* *Id.* at 1005 (emphasis added). Plaintiff's
17 attempt to cobble together a state of mind based on Universal's knowledge concerning numerous
18 other, unrelated video postings is a direct attempt to do what *Rossi* says cannot be done under
19 Section 512(f), namely, impose liability based on a claimed standard of *objective*
20 unreasonableness. *See* Plaintiff's Motion to Compel (Doc. No. 146) at 1:9-10 (asserting,
21 incorrectly, that the standard is what Universal "*could reasonably have concluded*" after watching
22 Plaintiff's video) (emphasis added). What Plaintiff believes Universal should "reasonably have
23 concluded" is irrelevant and never will be relevant under *Rossi*. Plaintiff's claim under Section
24 512(f) may only be based on Universal's knowledge about the statements it made to YouTube
25 concerning *Plaintiff's* video.

26 Hence, what Universal said (or what was said to it) regarding *other people's* postings has
27 no relevance to Plaintiff's claim. The trial in this case cannot and should not include a series of
28 mini-trials concerning Plaintiff's contentions about whether Universal "got it right or got it

