IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

DANIEL MARINO,	:	
Plaintiff,	:	
	:	
v.	:	**Civ. No. 11-6811**
	:	
USHER, et al.,	:	
Defendants.	:	
	:	

O R D E R

Defendants Usher Terry Raymond IV, Sony Music Entertainment, EMI April Music Inc., EMI Blackwood Music Inc., Warner-Tamerlane Publishing Corp., UR-IV Music, Inc., Bystorm Entertainment, Mark Pitts, Issiah Avila, Jr., Bobby Ross Avila, Jr., Sublime Basement Tunez, Defenders of Music, Flyte Tyme Tunes, James Samuel Harris III, Terry Steven Lewis, and IN2N Entertainment Group, LLC have moved for partial judgment on the pleadings in this copyright action, asking me to dismiss Plaintiff's demand for copyright infringement damages and profits that accrued more than three years before the filing of the Complaint, and strike Plaintiff's demand for punitive damages and exemplary damages. (Doc. No. 63, Ex. 1 at 6; Doc. No. 64.) I will grant Defendants' Motion.

I. FACTUAL ALLEGATIONS

In early 2002, Plaintiff Daniel Marino and Defendants Dante Barton and William Guice ("the Trio") collaborated to create the song "Club Girl." This song was "shopped" to Usher Terry Raymond IV through Tommy Van Dell, the Trio's publishing agent, and Mark Pitts, Usher's Artist and Repertoire representative. When Pitts entered into a contract on the Trio's behalf by which "Club Girl" was to be included in Usher's *Confessions* album, the Trio agreed that Barton

would handle the business negotiations with Moving Defendants. The Trio previously agreed that each would share a 1/3 interest in the songwriting credits and Barton and Plaintiff would share a ½ interest in production credits and royalties.

On March 23, 2004, Sony released Usher's *Confessions* album. Plaintiff immediately purchased a copy and discovered that he was not properly credited as a writer or producer of the song. When Plaintiff confronted Barton about the omitted credit, Barton stated that this was a "mistake" that he would correct. (Doc. No. 2 at 49, ¶ 362.) Moving Defendants have never provided Plaintiff with any royalties for his contributions.

Over the ensuing months, Plaintiff repeatedly asked Barton about the credit and royalties. Barton assured him that they were being "dealt [with] and handled by A&R," that the dispute was "tied up at Usher's end," and that "Usher's people are dragging their feet." (Id. at 51, ¶ 375.) In February 2005, Barton again reassured Plaintiff that the credit issue was "being handled by Usher's people." (Id. at 52, ¶ 385.)

In the fall of 2005, Barton told Plaintiff that the problems respecting the credit and royalties had not been resolved because there were "ongoing negotiations with the publisher, legal counsel, RCA/BMG business affairs department (and accounting personnel)." (Id. at 53-54, ¶ 388.) When Plaintiff demanded further proof of these negotiations, Barton showed Plaintiff an invoice dated November 22, 2005 detailing the negotiations between the lawyers for IN2N, EMI, and Barton concerning the release of mechanical royalties. The invoice did not, however, mention Plaintiff or his concerns respecting the credit and royalty issues. The invoice and Barton's statements nonetheless "instilled a renewed faith for [Plaintiff] in Barton" that the issues were being resolved. (Id. at 54, ¶ 392.)

In the fall or summer of 2009, Barton disappeared without explanation. In late October or early November 2009, Plaintiff discovered that Barton had been receiving and hiding royalties from him and realized he had been deceived.

Plaintiff filed this action on October 28, 2011.

II. LEGAL STANDARD

"After the pleadings are closed—but early enough not to delay trial—a party may move for judgment on the pleadings." Fed. R. Civ. P. 12(c). "Judgment [on the pleadings may] not be granted unless the movant clearly establishes there are no material issues of fact, and he is entitled to judgment as a matter of law." Sikirica v. Nationwide Ins. Co., 416 F.3d 214, 220 (3d Cir. 2005). The legal standards applied to a motion for judgment on the pleadings and a motion to dismiss are the same. Spruill v. Gills, 372 F.3d 218, 223 n.2 (3d Cir. 2004). Accordingly, I must accept as true Plaintiff's factual allegations and make all reasonable inferences in his favor. Fed. R. Civ. P. 12(b); Santiago v. Warminster Tp., 629 F.3d 121, 128 (3d Cir. 2010). I may consider any written instruments attached to the pleadings. Fed. R. Civ. P. 10(c) ("A copy of a written instrument that is an exhibit to a pleading is part of the pleading for all purposes."). Plaintiff has not sought to amend his Amended Complaint. See Fed. R. Civ. P. 15(a)(2) (amendments are to be liberally allowed). Rather, in his Response to the instant Motion, Plaintiff appended an affidavit in which he purports to make new factual allegations. (Doc. No. 65 at 20-21). Because the affidavit is not part of the pleadings, I may not consider it under Rule 12(c). Melo v. Hafer, 912 F.2d 628, 634 (3d Cir. 1990).

III. ANALYSIS

Defendants argue that because Plaintiff discovered the alleged infringement in 2004, but did not sue until October 28, 2011, the applicable statute of limitations allows him to recover only those damages that accrued after October 28, 2008. (Doc. No. 63, Ex. 1 at 15.) Plaintiff responds that the running of the limitations clock was equitably tolled. (Doc. No. 65 at 4.)

Defendants also argue that Plaintiff's claims for punitive or exemplary damages are not available under the Copyright Act. (Doc. No. 63, Ex. 1 at 19.)

A. Statute of Limitations

The limitations period governing copyright infringement is three years. 17 U.S.C. § 507(b). This period begins to run "when the plaintiff discovers, or with due diligence should have discovered, the injury that forms the basis for the claim." William A. Graham Co. v. Haughey, 568 F.3d 425, 433 (3d Cir. 2009) (applying discovery rule to copyright claims).

Where, as here, the infringement is continuous—*i.e.* the album is still in circulation—"[e]ach act of infringement is a distinct harm giving rise to an independent claim for relief." Id. at 433 (quoting Stone v. Williams, 970 F.2d 1043, 1049 (2d Cir. 1992)). Damages are limited, however, to those accrued during the three years preceding the filing of the suit. Gloster v. Relios, Inc., No.02-7140, 2006 WL 1737800, at *1 n.1 (E.D. Pa. June 26, 2006).

Equitable tolling applies only when a plaintiff is *unaware* of his legal rights because the defendant wrongfully deceived or misled him. In re Asbestos Sch. Litig., No.83-0268, 1990 WL 20221, at *3 (E.D. Pa. Feb. 28, 1990); see also Netzer v. Continuity Graphic Assocs., Inc., 963 F. Supp. 1308, 1316 (S.D.N.Y. 1997). Here, Plaintiff's Amended Complaint makes clear that he

has been aware of his legal rights since "the Trio" agreed to share songwriting credits and royalties. Plaintiff has alleged that he knew his legal rights were abrogated when he discovered the omitted credit after he purchased the *Confessions* album in March 2004; he also was aware at that time that he had received no royalties. Because Plaintiff thus knew of the infringement in March 2004, the limitations clock began to run (and was not equitably tolled) as of that date.

Because there is no allegation in Plaintiff's Amended Complaint that any of the Moving Defendants misled Plaintiff or directed Barton to mislead him into sitting on his rights, even if Plaintiff had asked me to apply the doctrine of equitable estoppel (which he has not), I would be compelled to reject his request. See Lutz v. Philips Elecs. N. Am. Corp., 347 F. App'x 773, 777 (3d Cir. 2009) (equitable estoppel applies when the plaintiff can show that he sat on his rights because he reasonably relied on the defendant's material misrepresentations; and the plaintiff otherwise establishes extraordinary circumstances).

In these circumstances, the three year limitations period began to run in March 2004. Because Plaintiff filed his Complaint on October 28, 2011, his damages are limited to damages accrued after October 28, 2008.

B. Punitive and Exemplary Damages

Plaintiff seeks punitive and exemplary damages from all Defendants on his direct and vicarious copyright infringement claims. (Doc. No. 2 at 76, ¶¶ 501; 502.) The Third Circuit has held that punitive and exemplary damages are not recoverable in copyright actions. See, e.g., Mon Cheri Bridals, Inc. v. Wu, 383 F. App'x 228, 241 (3d Cir. 2010) (affirming lower court's decision that punitive damages are not recoverable in copyright actions); Epcon Grp., Inc. v. Danburry Farms, Inc., 28 F. App'x 127, 131 (3d Cir. 2002) (trial court correctly instructed the

jury that it could "not award damages with respect to plaintiffs' copyright claim"); see also Warren Pub. Co. v. Spurlock, No.08-3399, 2010 WL 760311, at *5 (E.D. Pa. Mar. 3, 2010) (punitive damages not recoverable in federal copyright action); Sullivan Assocs., Inc. v. Dellots, Inc., No.97-5457, 1997 WL 778976, at *7 (E.D. Pa. Dec. 17, 1997) (same).

Accordingly, I will strike from the Amended Complaint Plaintiff's demand for punitive and exemplary damages against Moving Defendants under Counts I and III.

IV. CONCLUSION

AND NOW, this 24th day of April, 2013, upon consideration of Defendants' Motion for Judgment on the Pleadings (Doc. No. 63), it is hereby **ORDERED** as follows:

1. Defendants' Motion for Partial Judgment on the Pleadings is **GRANTED**;

2. Plaintiff's claims for copyright infringement damages and profits under Counts I and III against Moving Defendants that accrued before October 28, 2008 are **DISMISSED**; and

3. Plaintiff's demands for punitive and exemplary damages under Counts I and III against Moving Defendants are **STRIKEN** from the Amended Complaint and from this action.

This Order is without prejudice to Plaintiff's right to seek to amend his Amended Complaint.

AND IT IS SO ORDERED.

/s/ Paul S. Diamond

Paul S. Diamond, J.