UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Leander C. Pickett,

Plaintiff,

-against-

Migos Touring, Inc. et al.,

Defendants.

1:18-cv-09775 (AT) (SDA)

REPORT AND RECOMMENDATION

STEWART D. AARON, United States Magistrate Judge.

TO THE HONORABLE ANALISA TORRES, United States District Judge:

Before the Court are two motions filed by Defendants Migos Touring, Inc. ("Migos"), Capitol Records, LLC ("Capitol") and Quality Control Music, LLC ("Quality Control"), as well as Quavious Marshall p/k/a Quavo, Kiari Cephus p/k/a Offset and Kirsnick Ball p/k/a Takeoff (the "Artist Defendants") (collectively "Defendants"): (1) a motion for an Order, pursuant to Federal Rule of Civil Procedure 11(c) and 28 U.S.C. § 1927, awarding Defendants sanctions against Plaintiff Leander Pickett ("Pickett" or "Plaintiff") and Plaintiff's counsel of record, Dana M. Whitfield and her law firm Sacco & Fillas, LLP ("Sacco & Fillas"), jointly and severally, based on signing, filing and refusing to withdraw the Second Amended Complaint ("SAC") and Plaintiff's Memorandum of Law in Opposition to Defendants' Motion to Dismiss the SAC (Sanctions Motion, ECF No. 106); and (2) a motion for an award of attorneys' fees and costs, pursuant to Section 505 of the Copyright Act, 17 U.S.C. § 505, and Federal Rule of Civil Procedure 54(d)(2), against Plaintiff. (Fees Motion, ECF No. 123.)

For the reasons set forth below, I respectfully recommend that Defendants' motions be GRANTED IN PART and DENIED IN PART.

BACKGROUND

This is a copyright infringement action. This action was commenced on October 24, 2018 by the filing of a Complaint against Migos, Capitol and Quality Control. (Compl., ECF No. 1.) Pickett alleged that Defendant Migos' musical composition "Walk It Talk It," infringed on Pickett's musical composition "Walk It Like I Talk It." (*Id*. ¶¶ 6, 11-17.) Pickett further alleged that he had filed an application for copyright registration with the U.S. Copyright Office for his musical composition on March 21, 2018, but that the application still was pending at the time the Complaint was filed.[1] (*See id*. ¶ 12.)

On December 11, 2018, counsel for Capitol sent a letter to Pickett's counsel urging Pickett to withdraw his Complaint. (Dickstein 9/19/19 Decl. Ex. 1, ECF No. 108-1, at 3.) Among the reasons given by Capitol's counsel for withdrawing the Complaint was that, in accordance with the "consensus among courts in the Second Circuit," a claim for infringement cannot be sustained prior to the approval or rejection of a plaintiff's application for copyright registration by the Copyright Office.[2] (*Id*.) Another reason given for withdrawing the Complaint, according to Capitol's counsel, was that Pickett's composition "Walk It Like I Talk It," which also appears in the Migos's composition "Walk It Talk It," represents a textbook example of a commonplace phrase that is not entitled to copyright protection. (*See id*. at 2.) The December 11, 2018 letter warned that, if the Complaint was not withdrawn and Capitol was "forced to move to dismiss," then

[1] The Complaint alleges that a copy of "Plaintiff's electronic submission for copyright registration" was annexed to the Complaint as Exhibit A (Compl. ¶ 12), but no Exhibit A was filed on the ECF docket.

[2] In the December 11, 2018 letter, counsel for Capitol warned Pickett that, if he did not withdraw his copyright claim, they would seek to recover attorneys' fees and costs under 17 U.S.C. § 505. (Dickstein 9/19/19 Decl. Ex. 1 at 4.)

Capitol would seek to recover its attorneys' fees and costs under Section 505 of the Copyright Act, as well as sanctions under Rule 11 of the Federal Rules of Civil Procedure. (*See id*. at 3.)

On December 17, 2018, Pickett filed an Amended Complaint that attached a copyright registration. (Am. Compl., ECF No. 9, ¶ 12 & Ex. A, ECF No. 9-1.) Significantly, the registration is for a sound recording (Am. Compl. Ex. A at 2), even though the Amended Complaint alleged a claim for infringement of a musical composition.[3] (Am. Compl. ¶¶ 6, 11.)

On December 20, 2018, counsel for Capitol sent a letter to Pickett's counsel urging Pickett to withdraw his Amended Complaint. (Dickstein 9/19/19 Decl. Ex. 2, ECF No. 108-2, at 2.) Among the reasons given by Capitol's counsel for withdrawing the Amended Complaint was that the copyright registration attached to the Amended Complaint was for a sound recording, not a musical composition and that registration of a copyright in a sound recording did not constitute registration of a copyright in the underlying musical composition.[4] (*Id*. at 1-2.) Counsel for Capitol also incorporated into their December 20, 2018 letter the same point made in their December 11, 2018 letter that the phrase "Walk It Like I Talk It" was not a protectable expression. (*See id*. at 1.) The December 20, 2018 letter also warned that, if the Complaint was not withdrawn and Capitol was "forced to move to dismiss," then Capitol would seek to recover its attorneys' fees and costs under Section 505 of the Copyright Act. (*See id*. at 3.)

[3] "Copyright protection extends to two distinct aspects of music: (1) the musical composition, which is itself usually composed of two distinct aspects—music and lyrics; and (2) the physical embodiment of a particular performance of the musical composition, usually in the form of a master recording." *Ulloa v. Universal Music & Video Distribution Corp*., 303 F. Supp. 2d 409, 412 (S.D.N.Y. 2004) (quotation marks and citation omitted).

[4] In the December 20, 2018 letter, counsel for Capitol once again warned Pickett that, if he did not withdraw his copyright claim, they would seek to recover attorneys' fees and costs under 17 U.S.C. § 505. (Dickstein 9/19/19 Decl. Ex. 2 at 2.)

Pickett declined to withdraw his Amended Complaint, and on January 4, 2019, Capitol, Migos and Quality Control requested leave to move to dismiss the Amended Complaint. (*See* 1/4/19 Ltr. Mot., ECF No. 14.) Thereafter, upon Pickett's motion, he was granted leave to file his SAC. (SAC, ECF No. 42.) The SAC, which was filed on March 26, 2019, added as defendants the Artist Defendants (who are members of the Migos musical group), as well as the co-authors of the "Walk It Talk It" musical composition that Migos performed. (*Id*. ¶¶ 10-14.) The SAC continued to assert infringement of a musical composition copyright (SAC ¶¶ 6, 18), even though the copyright registration that Pickett received was for a sound recording. (*See* SAC Ex. A, ECF No. 42-1.)

On May 28, 2019, Defendants Capitol, Migos and Quality Control moved to dismiss the SAC. (5/28/19 Not. of Mot., ECF No. 65.) In the memorandum of law in support of their motion, Defendants cited to a March 4, 2019 Opinion from the Supreme Court, which held that a plaintiff must obtain a copyright registration certificate from the U.S. Copyright Office, not merely apply for a registration, before filing suit for copyright infringement. (Defs. 5/28/19 Mem., ECF No. 66, at 17 (citing *Fourth Estate Pub. Ben. Corp. v. Wall-Street.com, LLC*, 139 S. Ct. 881, 892 (2019).) Defendants also argued that there was no protectable similarity between the works at issue since the similarity between two works concerned only non-copyrightable elements of the Plaintiff's work. (Defs. 5/28/19 Mem. at 10.)

On May 29, 2019, Pickett testified at his deposition in this case. (*See* Dickstein 9/19/19 Decl. Ex. 3, ECF No. 108-3.) During his deposition, Pickett admitted that he did not create any of the music to "Walk It Like I Talk It." (*See id*. at 95-96.) On June 14, 2019, counsel for Capitol, Migos and Quality Control sent a letter to Pickett's counsel urging Pickett to withdraw the SAC.

(Dickstein 9/19/19 Decl. Ex. 4, ECF No. 108-4, at 1.) Among the reasons given by counsel for withdrawing the SAC was that Pickett's deposition testimony contradicted the allegations in the SAC (*see* SAC ¶ 17) that Pickett was "the author of the music and lyrics" to "Walk It Like I Talk It."[5] (*See* Dickstein 9/19/19 Decl. Ex. 4 at 1.) The June 14, 2019 letter also warned that, if Pickett did not agree to voluntarily dismiss the SAC with prejudice within 21 days, then sanctions would be sought against Pickett's counsel. (*See id*. at 2.)

Pickett's counsel did not withdraw the SAC, but, on June 18, 2019, filed papers in opposition to Defendants' motion to dismiss the SAC. (Pl. 6/18/19 Opp. Mem. & exhibits, ECF Nos. 74-77.) On June 28, 2019, Defendants Capitol, Migos and Quality Control filed a reply memorandum in further support of their motion to dismiss the SAC. (Defs. 6/28/19 Reply Mem. ECF No. 80.) On July 10, 2019, the Artist Defendants joined in the pending motion to dismiss the SAC. (Not. of Joinder, ECF No. 85.)

On July 25, 2019, counsel for Defendants sent a letter to counsel for Pickett stating that, if the SAC was not voluntarily dismissed within 21 days, Defendants would seek sanctions against Pickett, Pickett's counsel and Pickett's counsel's law firm. (Dickstein 9/19/19 Decl. Ex. 8, ECF No. 108-8, at 1-2.) Also, for the first time, Defendants' counsel sent to Pickett's counsel, as an enclosure to the July 25 letter, a notice of motion for sanctions under Federal Rule of Civil Procedure 11. (*See id*. at 2.)

The SAC was not voluntarily dismissed and, on September 19, 2019, Defendants filed their motion for Rule 11 sanctions, as well as sanctions under 28 U.S.C. § 1927 (*see* Sanctions Motion),

[5] In the June 14, 2019 letter, counsel for Capitol, Migos and Quality Control warned Pickett's counsel that, if the SAC was not voluntarily dismissed, they would seek to recover sanctions against Pickett, Pickett's counsel and Pickett's counsel's law firm. (Dickstein 9/19/19 Decl. Ex. 4 at 2.)

which is one of the motions currently pending before the Court.[6] On October 24, 2019, Pickett filed his opposition to the sanctions motion (Pl. Sanctions Opp., ECF No. 117), and on November 12, 2019, Defendants filed their reply. (Def. Sanctions Reply, ECF No. 118.)

On November 12, 2019, Judge Torres issued her Order granting Defendants' motion to dismiss the SAC. (11/12/19 Order, ECF No. 120.) Judge Torres granted Defendants' motion to dismiss for failure to state a claim on two independent grounds. (*See id.*) First, citing the Supreme Court's decision in *Fourth Estate Pub. Benefit Corp*., 139 S. Ct. at 891, she held that Plaintiff failed to satisfy the requirement that he register his musical composition prior to initiating his lawsuit. (11/12/19 Order at 10.) Second, she held that there was no protectable similarity between the two works at issue. (*Id*. at 11-14.) Judge Torres stated: "The only similarity between the two works at issue, the lyrics 'walk it like I talk it,' is not original to the author and is, therefore, not protected by the copyright laws." (*Id*. at 14.)

On December 10, 2019, Defendants filed a motion for attorneys' fees and costs, pursuant to Section 505 of the Copyright Act, 17 U.S.C. § 505, and Federal Rule of Civil Procedure 54(d)(2). (*See* Fees Motion.) This is the second motion currently pending before the Court, and is unopposed.[7]

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[6] The notice of motion in support of the sanctions motion that was filed with the Court on September 19, 2019 differs slightly from the notice of motion that was served on Pickett's counsel on July 25, 2019, in that the version filed with the Court includes a request for sanctions under 28 U.S.C. § 1927 (in addition to Rule 11), whereas the version that was served only seeks sanctions under Rule 11. (*Compare* ECF No. 106 *with* ECF No. 108-8 at 4-7.)

[7] Subsequent to the filing of the fees motion, counsel for Plaintiff moved to withdraw. (Not. of Mot. to Withdraw, ECF No. 127.) The motion to withdraw was granted, except that the Court retained jurisdiction over Plaintiff's counsel of record and her law firm for purposes of the pending sanctions motion. (1/14/20 Order, ECF No. 136.) The January 14, 2020 Order also provided that Plaintiff shall file any opposition to the fees motion by January 31, 2020, and that, if he did not, the motion would be decided as unopposed. (1/14/20 Order ¶ 2.) As of the date of this Report, Plaintiff has not filed any such opposition.

LEGAL STANDARDS

Rule 54(d)(2) of the Federal Rules of Civil Procedure authorizes the filing of a motion, after entry of judgment,[8] for "attorney's fees and related nontaxable expenses." Fed. R. Civ. P. 54(d)(2). Pursuant to Rule 54(d)(2)(D), a district judge "may refer a motion to attorney's fees to a magistrate judge under Rule 72(b) as if it were a dispositive pretrial matter." Fed. R. Civ. P. 54(d)(2). The magistrate judge then enters a recommended disposition of the motion. See Fed. R. Civ. P. 72(b)(1).

I. Section 505 of Copyright Act

Section 505 of the Copyright Act states that "the court may . . . award a reasonable attorney's fee to the prevailing party as part of the costs." 17 U.S.C. § 505. An award of attorneys' fees is a matter committed to the Court's "equitable discretion." *Matthew Bender & Co. v. West Publ'g. Co*., 240 F.3d 116, 121 (2d Cir. 2001) (citations omitted).

In *Fogerty v. Fantasy, Inc*., 510 U.S. 517 (1994), the Supreme Court held that prevailing plaintiffs and prevailing defendants should be held to the same standard in determining an award of attorneys' fees, pointing to "several nonexclusive factors that courts should consider in making awards of attorney's fees to any prevailing party." *Id*. at 535 n.19. These factors include "frivolousness, motivation, objective unreasonableness (both in the factual and legal components of the case) and the need in particular circumstances to advance considerations of compensation and deterrence." *Id*.

[8] Although Judgment was not entered in this case until February 13, 2020 (Judgment, ECF No. 139), Judge Torres had entered her Order granting Defendants' motion to dismiss the SAC on November 12, 2019. (*See* 11/12/19 Order.) Thus, Defendants' motion was timely filed.

Of these factors, objective unreasonableness is the most important. *See Bryant v. Media Right Prods., Inc.*, 603 F.3d 135, 144 (2d Cir. 2010) ("The third factor—objective unreasonableness—should be given substantial weight."). Objective unreasonableness alone is sufficient to grant an award of fees. *See Screenlife Establishment v. Tower Video, Inc.*, 868 F. Supp. 47, 52 (S.D.N.Y. 1994) (Sotomayor, J.) (holding that prevailing party may obtain attorneys' fees "pursuant to 17 U.S.C. § 505, once the court finds that the plaintiff's claim was objectively unreasonable; bad faith or frivolousness is not a prerequisite to an award of fees."); *see also Crown Awards, Inc. v. Disc. Trophy & Co.*, 564 F. Supp. 2d 290, 294 (S.D.N.Y. 2008), *aff'd*, 326 F. App'x 575 (2d Cir. 2009). A party acts in an "objectively unreasonable manner by asserting an utterly meritless claim and a patently frivolous position." *Screenlife Establishment,* 868 F. Supp. at 51-52 (internal quotation marks omitted). To be objectively unreasonable, a claim must be "lacking in basis" or have an "objective lack of merit." *Polsby v. St. Martin's Press, Inc.*, No. 97-CV-00690, 2000 WL 98057, at *2 (S.D.N.Y. Jan. 18, 2000), *aff'd*, 8 F. App'x 90 (2d Cir. 2001).

II. Federal Rule of Civil Procedure 11

A. Rule 11 Generally

Rule 11(b) of the Federal Rules of Civil Procedure provides in relevant part as follows:

> By presenting to the court a pleading, written motion, or other paper—whether by signing, filing, submitting, or later advocating it—an attorney or unrepresented party certifies that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances:
>
> (1) it is not being presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation;
>
> (2) the claims, defenses, and other legal contentions are warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law; [and]

> (3) the factual contentions have evidentiary support or, if specifically so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery[.]

Fed. R. Civ. P. 11(b). "Rule 11 sanctions are designed to deter baseless filings." *Arbor Hill Concerned Citizens Neighborhood Ass'n v. Albany*, 369 F.3d 91, 97 (2d Cir. 2004).

In deciding whether a pleading or other filing violates Rule 11, courts typically apply "'an objective standard of reasonableness[.]'" *Catcove Corp. v. Heaney*, 685 F. Supp. 2d 328, 337 (E.D.N.Y. 2010); *accord*, *e.g.*, *Smith v. Westchester Cnty. Dep't of Corr.*, 577 F. App'x 17, 18 (2d Cir. 2014) (referencing objective standard of reasonableness). "A party advances an objectively unreasonable claim if, at the time the party signed the pleading, 'it is patently clear that [the] claim has absolutely no chance of success under the existing precedents, and where no reasonable argument can be advanced to extend, modify or reverse the law as it stands[.]'" *Catcove Corp.*, 685 F. Supp. 2d at 337. The Court must "resolv[e] all doubts in favor of the part[y] facing sanctions." *Coakley v. Jaffe*, 72 F. Supp. 2d 362, 365 (S.D.N.Y. 1999); *see also K.M.B. Warehouse Distribs., Inc. v. Walker Mfg. Co.*, 61 F.3d 123, 131 (2d Cir. 1995) ("all doubts should be resolved in favor of the signing attorney").

District Courts have "'broad discretion' to 'tailor[ ] appropriate and reasonable sanctions under [R]ule 11.'" *Lawrence v. Wilder Richman Sec. Corp.*, 417 F. App'x 11, 15 (2d Cir. 2010) (quoting *O'Malley v. N.Y.C. Transit Auth.*, 896 F.2d 704, 709 (2d Cir. 1990)); *see also* Fed. R. Civ. P. 11 Advisory Committee Notes to 1993 Amendments ("The court has significant discretion in determining what sanctions, if any, should be imposed for a violation . . .."). Sanctions may include "nonmonetary directives; an order to pay a penalty into court; or, if imposed on motion and warranted for effective deterrence, an order directing payment to the movant of part or all

of the reasonable attorney's fees and other expenses directly resulting from the violation." Fed. R. Civ. P. 11(c)(4).

"Where a district court concludes that a monetary award is appropriate, its broad discretion extends to determining the amount of the award." *Lawrence v. Wilder Richman Sec. Corp*., 417 F. App'x at 15. Any sanction imposed must, however, be "limited to what suffices to deter repetition of the conduct or comparable conduct by others similarly situated." Fed. R. Civ. P. 11(c)(4); *see also Margo v. Weiss*, 213 F.3d 55, 64 (2d Cir. 2000) ("Once a court determines that Rule 11(b) has been violated, it may in its discretion impose sanctions limited to what is 'sufficient to deter repetition of such conduct.'").

B. 21-Day Safe Harbor Provision

Rule 11 contains a safe-harbor provision, which provides as follows:

> A motion for sanctions must be made separately from any other motion and must describe the specific conduct that allegedly violates Rule 11(b). The motion must be served under Rule 5, but it must not be filed or be presented to the court if the challenged paper, claim, defense, contention, or denial is withdrawn or appropriately corrected within 21 days after service or within another time the court sets.

Fed. R. Civ. P. 11(c)(2). "The safe-harbor provision is a strict procedural requirement. . . . An informal warning in the form of a letter without service of a separate Rule 11 motion is not sufficient to trigger the 21-day safe harbor period." *Star Mark Mgmt., Inc. v. Koon Chun Hing Kee Soy & Sauce Factory, Ltd*., 682 F.3d 170, 175 (2d Cir. 2012) (citations omitted).

C. Persons Or Firms Responsible For Paying Sanctions

Rule 11(c)(1) provides: "If, after notice and a reasonable opportunity to respond, the court determines that Rule 11(b) has been violated, the court may impose an appropriate sanction on any attorney, law firm, or party that violated the rule or is responsible for the violation. Absent

exceptional circumstances, a law firm must be held jointly responsible for a violation committed by its partner, associate, or employee." Fed. R. Civ. P. 11(c)(1);[9] *see also Catton v. Defense Technology Systems Inc*., 541 F. App'x 25, 28 (2d Cir. 2013) (citing Fed. R. Civ. P. 11(c)(1)); *Cardona v. Mohabir*, 14-CV-01596 (PKC), 2014 WL 1804793 at *6 (S.D.N.Y. May 6, 2014) ("Imposition of the sanction upon the lawyer's firm is mandatory '[a]bsent exceptional circumstances' and none have been shown.").

III. 28 U.S.C. § 1927

Section 1927 of Title 28 of the United States Code, which is entitled "Counsel's liability of excessive costs," provides as follows:

> Any attorney or other person admitted to conduct cases in any court of the United States or any Territory thereof who so multiplies the proceedings in any case unreasonably and vexatiously may be required by the court to satisfy personally the excess costs, expenses, and attorneys' fees reasonably incurred because of such conduct.

28 U.S.C. § 1927.

Sanctions are appropriate under Section 1927 where "'[an] attorney's actions are so completely without merit as to require the conclusion that they must have been undertaken for some improper purpose such as delay.'" *Matter of Cohoes Indus. Terminal, Inc*., 931 F.2d 222, 230 (2d Cir. 1991) (quoting *Oliveri v. Thompson*, 803 F.2d 1265, 1273 (2d Cir. 1986), *cert. denied sub nom. Cnty. of Suffolk v. Graseck*, 480 U.S. 918 (1987)). In a sanctions motion under Section

[9] Rule 11 was amended in 1993 to require the imposition of sanctions upon the law firm where the offending attorney was employed, unless exceptional circumstances are shown. *See* Fed. R. Civ. P. 11 Advisory Committee's note to 1993 Amendments ("This provision [Rule 11(c)(1)]is designed to remove the restrictions of the former rule," which did "not permit sanctions against law firm of attorney signing groundless complaint.").

1927, the burden of proof is on the moving party. *See Intelli-Check, Inc. v. TriCom Card Techs., Inc*., No. 03-CV-03706 (DLI) (ETB), 2005 WL 3533153, at *12 (E.D.N.Y. Dec. 22, 2005).

Section 1927 applies where an attorney has multiplied proceedings unreasonably and vexatiously, and increased the costs of the proceedings, with bad faith or intentional misconduct. *See Veneziano v. Long Island Pipe Fabrication & Supply Corp*., 238 F. Supp. 2d 683, 693 (D.N.J. 2002), *aff'd in part, appeal dismissed in part*, 79 F. App'x 506 (3d Cir. 2003); *see also Olaf Soot Design, LLC v. Daktronics, Inc*., 325 F. Supp. 3d 456, 461 (S.D.N.Y. 2018) ("A federal District Court has the authority, when an attorney's conduct crosses the line from 'misunderstanding, bad judgment, or well-intentioned zeal,' to frivolousness and harassment, to assess costs, including attorneys' fees, against that attorney." (citing *Veneziano*)). "Unreasonably and vexatiously" sets a high bar for relief, and has been interpreted to mean that the offending conduct must have been both unreasonable and for an improper purpose. *See Ball v. A.O. Smith Corp*., 451 F.3d 66, 70 (2d Cir. 2006). This, in turn, implicates both objective and subjective considerations.

One measure of whether sanctions are warranted is whether the claim at issue is colorable. A claim is colorable "when it has some legal and factual support, considered in light of the reasonable beliefs of the individual making the claim." *Energy Brands Inc. v. Spiritual Brands, Inc*., 571 F. Supp. 2d 458, 473 (S.D.N.Y. 2008) (citing *Nemeroff v. Abelson*, 620 F.2d 339, 348 (2d Cir. 1980)). The inquiry is "whether a reasonable attorney . . . could have concluded that facts supporting the claim might be established, not whether such facts actually had been established." *Schlaifer Nance & Co. v. Estate of Warhol*, 194 F.3d 323, 337 (2d Cir. 1999) (internal quotation omitted). The ability to make a judgment as a matter of law on the claim at issue is "a necessary, but not a sufficient, condition for a finding of a total lack of a colorable basis." *Id.*

Another measure of whether sanctions are warranted under Section 1927 is whether the challenged actions were undertaken in bad faith. The requirement of bad faith is applied strictly in the Second Circuit, and a clear showing with respect to the necessary facts must be made. *See Palagonia v. Sachem Cent. Sch. Dist*., No. 08-CV-00791 (JS) (ETB), 2010 WL 811301, at *2 (E.D.N.Y. Mar. 1, 2010) (contrasting objective standard of Rule 11 sanctions with Section 1927's requirement of clear showing of bad faith). "Bad faith is the touchstone of an award under [Section 1927]." *United States v. Int'l Bhd. of Teamsters, Chauffeurs, Warehousemen & Helpers of Am., AFL-CIO*, 948 F.2d 1338, 1345 (2d Cir. 1991).

DISCUSSION

The Court first considers Defendants' motion for an award of costs and attorneys' fees against Plaintiff, pursuant to Section 505 of the Copyright Act, since that motion is unopposed. The Court next considers the sanctions motion, pursuant to Rule 11 and 28 U.S.C. § 1927.

I. Award Of Attorneys' Fees And Costs Under Section 505 Of Copyright Act

A. An Award Of Attorneys' Fees As Part Of Costs Is Appropriate Under Section 505

The Court recommends that Defendants, as prevailing parties, be awarded reasonable attorneys' fees as part of costs, pursuant to Section 505 of the Copyright Act. The Court, in its discretion, finds that Plaintiff's copyright claim was objectively unreasonable. As Judge Torres held, it is "clear from the Certificate [that] Plaintiff did not obtain a certificate of registration for his musical composition." (11/12/19 Order at 9.) Moreover, as Judge Torres found, "[e]ven assuming that Plaintiff were able to amend the registration to cover the musical composition aspect of his work, this action would still warrant dismissal." (*Id*. at 10.) And, significantly, Plaintiff

claimed infringement in this case of music that he admitted he did not create (*see* Dickstein 9/19/19 Decl. Ex. 3 at 95-96), and therefore does not own.

B. Amount Of Fees And Costs To Be Awarded

In determining what amount of attorneys' fees is reasonable, courts calculate a "lodestar" figure by multiplying the number of hours reasonably expended on the litigation by a reasonable hourly rate. *See Millea v. Metro-N. R. Co*., 658 F.3d 154, 166 (2d Cir. 2011) ("the lodestar—the product of a reasonable hourly rate and the reasonable number of hours required by the case—creates a 'presumptively reasonable fee.'" (citations omitted)).

> To determine the reasonable hourly rate, the Court's analysis is guided by the market rate "prevailing in the community for similar services by lawyers of reasonably comparable skill, experience and reputation." *Blum v. Stenson*, 465 U.S. 886, 895 n.11 (1984). Generally, the relevant community is the district in which the district court sits. *Arbor Hill Concerned Citizens Neighborhood Ass'n v. Cty. of Albany*, 522 F.3d 182, 190 (2d Cir. 2008). The Court is to evaluate the "evidence proffered by the parties" and may take "judicial notice of the rates awarded in prior cases and the court's own familiarity with the rates prevailing in the district." *Farbotko v. Clinton Cty*., 433 F.3d 204, 209 (2d Cir. 2005).
>
> In making its determination, the Court "examines the particular hours expended by counsel with a view to the value of the work product of the specific expenditures to the client's case." *Luciano v. Olsten Corp*., 109 F.3d 111, 116 (2d Cir. 1997). A court-awarded attorneys' fee must compensate only for "hours reasonably expended on the litigation," not for "hours that are excessive, redundant, or otherwise unnecessary." *Hensley v. Eckerhart*, 461 U.S. 424, 433-34 (1983). If the number of hours recorded by counsel is disproportionate to the work performed, the Court should reduce the stated hours in making its fee award. *See id*. at 433.

PMJ Capital Corp. v. Lady Antoinette, No. 16-CV-06242 (AJN) (SDA), 2019 WL 7500470, at *2 (S.D.N.Y. Nov. 1, 2019), *report and recommendation adopted*, 2020 WL 91562 (S.D.N.Y. Jan. 8, 2020).

Determining reasonable attorneys' fees is not an exact science. "[T]rial courts need not, and indeed should not, become green-eyeshade accountants. . . . So trial courts may take into account their overall sense of a suit, and may use estimates in calculating and allocating an attorney's time." *Fox v. Vice*, 563 U.S. 826, 838 (2011).

The Court carefully has reviewed the time records submitted by Defendants. (Dickstein 12/10/19 Decl. Ex. 9, ECF No. 125-9.) The Court finds the number of hours billed by Loeb & Loeb partner, Tal E. Dickstein, and Loeb & Loeb associate, Nathalie G. Russell, as well as the two paralegals who worked on the case (Antoinette Pepper and Shantanu Alam), to be reasonable. Barry I. Slotnick, a senior, nationally recognized copyright litigator, also billed 23.3 hours to this case. (*See* Dickstein 12/10/19 Decl., ECF No. 125, ¶¶ 14-16.) However, the Court does not credit Slotnick's hours towards the fees awarded. "In determining the reasonableness of hours expended for fee-shifting purposes, there is a balance to be struck between principles of thoroughness and efficiency. Indeed, what one party finds to be thorough may seem to the other party to be excessive." *Errant Gene Therapeutic, LLC v. Sloan-Kettering Institute*, 286 F. Supp. 3d 585, 589 (S.D.N.Y. 2018). While Slotnick's work may have brought value to the clients, the Court finds, in its discretion, that it is not reasonable to pass along the hours he billed to Plaintiff. Slotnick's partner, Dickstein, was the partner in charge and, having reviewed all the time entries, the Court finds that only Dickstein's hours at the partner level should be passed along to Plaintiff.

Defendants seek hourly rates of $654.50 for Dickstein and $373.17 for Russell.[10] (Dickstein 12/10/19 Decl. ¶ 27.) The Court has reviewed their biographical information and finds

[10] These rates reflect a 15% discount based upon Loeb & Loeb's longstanding representation of Capitol and its affiliates. (Dickstein 12/10/19 Decl. ¶ 26.)

from relevant case law,[11] and from its own experience litigating in this District, that these rates sought by Defendants are reasonable. However, the Court shall reduce the hourly rates sought by Defendants for the paralegals (Pepper and Alam, *i.e.*, $357 and $335.75, respectively) to $200. *See Rock*, 2020 WL 468904, at *6 (reducing Pepper's hourly rate to $200); *We Shall Overcome Found. v. Richmond Org., Inc.*, 330 F. Supp. 3d 960, 973 (S.D.N.Y. 2018) (in copyright case, hourly rate of experienced paralegal reduced from $320 to $200).

Thus, considering all the relevant factors under applicable law, the Court determines, in its discretion, that the following represents the reasonable fees incurred by Defendants in this case:

Timekeeper	**Position**	**Hours Worked**	**Hourly Rate**	**Total Fees**
Tal Dickstein	Partner	409.80	$654.50	$268,214
Nathalie Russell	Associate	428.40	$373.00	$159,793
Antoinette Pepper	Paralegal	52.30	$200.00	$ 10,460
Shantanu Alam	Paralegal	16.10	$200.00	$ 3,220
TOTAL				**$441,687**

Defendants also seek $8,904.60 in costs for deposition transcripts. (*See* Dickstein 12/10/19 Decl. ¶ 30.) These costs are properly recoverable. *See Video-Cinema Films, Inc. v. Cable News Network, Inc.*, No. 98-CV-07128 (BSJ), 2004 WL 213032, at *9 (S.D.N.Y. Feb. 3, 2004).

[11] *See*, *e.g.*, *Rock v. Enfants Riches Deprimes, LLC*, No. 17-CV-02618 (ALC), 2020 WL 468904, at *5 (S.D.N.Y. Jan. 29, 2020) (approving as reasonable $740 hourly rate for Loeb & Loeb partner with 25 years' experience and $400 hourly rate for Loeb & Loeb associate with 5 years' experience).

For these reasons, I recommend that Defendants be awarded against Plaintiff, pursuant to Section 505 of the Copyright Act, costs in the amount of $450,591.60, inclusive of attorneys' fees.

II. Award Of Attorneys' Fees Under Rule 11

A. An Award Of Sanctions Is Appropriate Under Rule 11

As set forth above, Plaintiff's copyright claim was objectively unreasonable. Plaintiff's counsel repeatedly was warned about the lack of merit of such claim, but declined to withdraw it. (*See* Dickstein 9/19/19 Decl. Exs. 1, 2, 4.) In these circumstances, the Court finds in its discretion that imposing Rule 11 sanctions against both Plaintiff and his counsel is appropriate.

B. Nature And Amount Of Sanctions To Be Awarded

Although the purpose of sanctions is deterrence, and not reimbursement, *see*, *e.g.*, *Pavelic & LeFlore v. Marvel Entm't Grp.*, 493 U.S. 120, 126 (1989), sanctions may include "an order directing payment to the movant of part or all of the reasonable attorney's fees and other expenses directly resulting from the violation." Fed. R. Civ. P. 11(c)(4). Here, Defendants incurred significant attorneys' fees in defending against Plaintiff's copyright claim. However, not all of Defendants' attorneys' fees are recoverable under Rule 11 in this case.

Defendants did not serve their Rule 11 motion upon Plaintiff's counsel until July 25, 2019 (*See* Dickstein 9/19/19 Decl. Ex. 8.) Thereafter, pursuant to Rule 11(c)(2), Plaintiff and his counsel had 21 days, *i.e.*, until August 15, 2019, to withdraw Plaintiff's claim. Thus, the attorneys' fees

which Plaintiff and his counsel are required to pay under Rule 11 did not start to accrue until August 15, 2019.[12]

Moreover, the Court finds that it is not appropriate for Plaintiff to include as part of Rule 11 sanctions, the hours spent by Defendants' counsel in preparing its motion under Section 505 of the Copyright Act. Thus, the end date for the attorneys' fees that Plaintiff and his counsel are required to pay under Rule 11 is November 12, 2019, which is the day that Judge Torres issued her Order granting Defendants' motion to dismiss the SAC.

During the period August 15, 2019 through November 12, 2019, the reasonable hours spent by Loeb & Loeb timekeepers at the rates the Court finds reasonable are as follows:

Timekeeper	**Position**	**Hours Worked**	**Hourly Rate**	**Total Fees**
Tal Dickstein	Partner	80.50	$654.50	$52,687
Nathalie Russell	Associate	90.70	$373.00	$33,831
Antoinette Pepper	Paralegal	11.50	$200.00	$ 2,300
TOTAL				**$88,818**

The Court, in its discretion, finds that, to deter repetition of the conduct in this case, as well as comparable conduct by others similarly situated, it is appropriate to award sanctions of $88,818 against both Plaintiff and his counsel under Rule 11. Further, since the Court finds that no exceptional circumstances exist, Plaintiff's counsel's law firm, Sacco & Fillas shall be jointly responsible for the sanctions imposed. Thus, I recommend that Rule 11 sanctions in the amount

[12] Fittingly, the time entry by Loeb & Loeb associate Russell for August 15, 2019 reflects time spent by her working on Defendants' Rule 11 motion. (*See* Dickstein 12/10/19 Decl. Ex. 9 at 182.)

of $88,818 be imposed jointly and severally against Plaintiff, his counsel (Whitfield) and her law firm (Sacco & Fillas).[13]

III. No Award Of Sanctions Under 28 U.S.C. § 1927

The Court does not recommend that any sanctions be awarded against Plaintiff's counsel under 28 U.S.C. § 1927. Although the Court finds that the copyright claim asserted in this case was objectively unreasonable, under Section 1927, the Court must look at Plaintiff's counsel's conduct subjectively. Through that lens, it is the Court's view that Plaintiff's counsel exercised bad judgment and unreasonably stuck to her flawed legal theories in order to keep her client's case alive, but did not act in bad faith to vexatiously multiply the proceedings in this case. In that regard, the Court is mindful that it was Plaintiff, and not Plaintiff's counsel, who declined Defendants' offer to forego moving for attorneys' fees and costs if Plaintiff agreed not to appeal Judge Torres' November 12, 2019 Order (which led to Plaintiff's counsel's decision to withdraw from representing Plaintiff in this case). (*See* Whitfield Decl., ECF No. 130, ¶ 4.)

CONCLUSION

For the foregoing reasons, I respectfully recommend, as follows:

1) Defendant's motions (ECF Nos. 106 & 123) shall be GRANTED IN PART and DENIED IN PART;

2) Defendants shall be awarded the sum of $88,818, jointly and severally, against Leander C. Pickett, Dana Whitfield and Sacco & Fillas; and

[13] Since I am recommending that Defendants recover the full amount of their reasonable attorneys' fees from Plaintiff under Section 505 of the Copyright Act (*see* Discussion Section I.B., *supra*), in order to avoid double recovery, the Court adjusts the amount due separately from Plaintiff under Section 505 and Rule 11 in the Conclusion, *infra*.

3) Defendants shall be awarded separately the sum of $361,773.60 from Leander C. Pickett alone.

The Clerk of Court is respectfully requested to mail a copy of this Report and Recommendation to the *pro se* Plaintiff, Leander C. Pickett. A copy of this Report and Recommendation shall be sent by my Chambers to Plaintiff's former counsel, Dana Whitfield, via e-mail and first-class mail, since she no longer is counsel of record and therefore does not receive ECF notifications of court filings in this case.

DATED: February 25, 2020
New York, New York

Stewart D. Aaron

STEWART D. AARON
United States Magistrate Judge

* * *

NOTICE OF PROCEDURE FOR FILING OBJECTIONS TO THIS REPORT AND RECOMMENDATION

The parties shall have fourteen (14) days (including weekends and holidays) from service of this Report and Recommendation to file written objections pursuant to 28 U.S.C. § 636(b)(1) and Rule 72(b) of the Federal Rules of Civil Procedure. *See also* Fed. R. Civ. P. 6(a), (d) (adding three additional days when service is made under Fed. R. Civ. P. 5(b)(2)(C), (D) or (F)). A party may respond to another party's objections within fourteen days after being served with a copy. Fed. R. Civ. P. 72(b)(2). Such objections, and any response to objections, shall be filed with the Clerk of the Court. *See* 28 U.S.C. § 636(b)(1); Fed. R. Civ. P. 6(a), 6(d), 72(b). Any requests for an extension of time for filing objections must be addressed to Judge Torres.

FAILURE TO OBJECT WITHIN FOURTEEN (14) DAYS WILL RESULT IN A WAIVER OF OBJECTIONS AND WILL PRECLUDE APPELLATE REVIEW. *See* 28 U.S.C. § 636(b)(1); Fed. R. Civ. P. 6(a), 6(d), 72(b); *Thomas v. Arn,* 474 U.S. 140 (1985).