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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

Nintendo of America, Inc.,  
Plaintiff,  
v.  
Matthew Storman,  
Defendant.

Case No.: CV 19-7818-CBM-(RAOx)  
**ORDER RE: PLAINTIFF’S  
MOTION FOR SUMMARY  
JUDGMENT [52]**

The matter before the Court is Plaintiff Nintendo of America Inc.’s (“Plaintiff’s” or “Nintendo’s”) Motion for Summary Judgment (the “Motion”). (Dkt. No. 52.) The matter is fully briefed.

**I. BACKGROUND**

This action arises from pro se Defendant Matthew Storman’s purported copying, distribution, reproduction, and offering of copies of Plaintiff’s copyrighted video games through a website owned and operated by Defendant. On September 10, 2019, Nintendo filed the Complaint against Defendant Storman asserting three causes of action: (1) copyright infringement, 17 U.S.C. § 501; (2) federal trademark infringement, 15 U.S.C. §§ 1114, 1125(a); and (3) Unfair Competition, Cal. Bus. & Prof. Code § 17200. Nintendo moves for summary judgment on all of its claims and any purported counterclaims asserted by Defendant, and seeks statutory damages, attorneys’ fees, and a permanent

1 injunction: a) enjoining Defendant from engaging in any further infringing  
2 activity and b) ordering Defendant to transfer the websites he used for the  
3 infringing conduct to Nintendo’s control.

4 **II. STATEMENT OF THE LAW**

5 On a motion for summary judgment, the Court must determine whether,  
6 viewing the evidence in the light most favorable to the nonmoving party, there are  
7 any genuine issues of material fact. *Simo v. Union of Needletrades, Indus. &*  
8 *Textile Employees*, 322 F.3d 602, 609-10 (9th Cir. 2003); Fed. R. Civ. P. 56.  
9 Summary judgment against a party is appropriate when the pleadings, depositions,  
10 answers to interrogatories, and admissions on file, together with the affidavits, if  
11 any, show that there is no genuine issue as to any material fact and that the  
12 moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56. A  
13 factual dispute is “material” only if it might affect the outcome of the suit under  
14 governing law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). An  
15 issue is “genuine” only if there is a sufficient evidentiary basis on which a  
16 reasonable jury could find for the non-moving party. *Id.* at 249. The evidence  
17 presented by the parties must be admissible. Fed. R. Civ. P. 56(e). In judging  
18 evidence at the summary judgment stage, the Court does not make credibility  
19 determinations or weigh conflicting evidence. *T.W. Elec. Serv., Inc. v. Pac. Elec.*  
20 *Contractors Ass’n*, 809 F.2d 626, 630 (9th Cir. 1987). Rather, “[t]he evidence of  
21 the nonmovant is to be believed, and all justifiable inferences are to be drawn in  
22 [the nonmovant’s] favor.” *Anderson*, 477 U.S. at 255. But the non-moving party  
23 must come forward with more than “the mere existence of a scintilla of evidence.”  
24 *Id.* at 252.

25 **III. DISCUSSION**

26 **A. Copyright Infringement**

27 **(1) Direct Copyright Infringement**

28 “To establish a successful copyright infringement claim, a plaintiff must

1 show that he . . . owns the copyright and that defendant[s] copied protected  
2 elements of the work.” *Cavalier v. Random House, Inc.*, 297 F.3d 815, 822 (9th  
3 Cir. 2002). “A certificate of registration from the U.S. Copyright Office raises the  
4 presumption of copyright validity and ownership.” *Unicolors, Inc. v. Urb.*  
5 *Outfitters, Inc.*, 853 F.3d 980, 988 (9th Cir. 2017). However, “[t]he presumptive  
6 validity of the certificate may be rebutted and defeated on summary judgment.”  
7 *S.O.S., Inc. v. Payday, Inc.*, 886 F.2d 1081, 1086 (9th Cir. 1989).

8 Nintendo filed copies of the certificates of registration issued by the U.S.  
9 Copyright Office for its works (i.e., video games and box art) (Knudson Decl. ¶ 4,  
10 Exs. 1 and 2), which raises a rebuttable presumption regarding Plaintiff’s  
11 ownership and the validity of the copyrights. *See S.O.S., Inc.*, 886 F.2d at 1085-  
12 86; *Unicolors*, 853 F.3d at 988. Moreover, Defendant testified at his deposition  
13 that he does not dispute Nintendo owns the copyrighted works. (Storman Depo.  
14 63:25-64:11.)

15 As to the element of copying, Defendant responded to written  
16 interrogatories and testified during his deposition that he is the sole owner of the  
17 website romuniverse.com (Marcelo Decl., Ex. 9; Storman Depo. 15: 21-25).  
18 Defendant also testified at his deposition that he and/or his “admin” uploaded  
19 ROMs<sup>1</sup> of Nintendo’s copyrighted works (the video games) onto his  
20 romuniverse.com website and those copies could be downloaded from his website  
21 (Storman Depo. 36:20-39:18, 87:25-89:4). Nintendo filed a declaration from  
22 Alicia Bell, an attorney retained by Nintendo to “gather evidence related to the  
23 distribution of copies of Plaintiff’s video game software from the website located  
24 at www.romuniverse.com” website, who declares her firm went to Defendant’s  
25 www.romuniverse.com website between June 12, 2019 and July 1, 2019 and  
26

27 <sup>1</sup> A “ROM” is a “read-only memory” file or image. Here, Defendant and or his  
28 administrators loaded and distributed copies of ROMs Nintendo’s copyrighted  
video games on Defendant’s website.

1 downloaded copies of Nintendo’s copyrighted works from the website. (Bell  
2 Decl. ¶¶ 1-12, Ex. 2.) As to Nintendo’s copyrighted box art, Bell attaches  
3 screenshots of images of Nintendo’s box art which appeared on Defendant’s  
4 romuniverse.com website on the download page for the Nintendo video games.  
5 (*Id.* ¶ 9, Ex. 3.)

6 Defendant filed a declaration in opposition to the Motion wherein he  
7 declares that he “denies and disputes that he uploaded any files to said website and  
8 at no time did he verify the content of said ROM file” (Storman Decl. ¶ 8), which  
9 is directly contradictory to his sworn deposition testimony wherein he testified  
10 that he uploaded the ROM files onto his website. Under the “sham affidavit rule,”  
11 Defendant “cannot create an issue of fact by an affidavit contradicting his prior  
12 deposition testimony.” *Yeager v. Bowlin*, 693 F.3d 1076, 1080 (9th Cir. 2012).  
13 “This sham affidavit rule prevents a party who has been examined at length on  
14 deposition from raising an issue of fact simply by submitting an affidavit  
15 contradicting his own prior testimony which would greatly diminish the utility of  
16 summary judgment as a procedure for screening out sham issues of fact.” *Id.*  
17 (internal quotation marks and citations omitted). Therefore, the Court strikes  
18 Defendant’s declaration with respect to the copying of Nintendo’s copyrighted  
19 works under the sham affidavit rule. *Id.* at 1081 (“[T]he district court’s  
20 invocation of the sham affidavit rule to disregard the declaration [on summary  
21 judgment] was not an abuse of discretion.”). Accordingly, disregarding  
22 Defendant’s sham declaration which the Court has stricken, it is undisputed  
23 Defendant copied Nintendo’s copyrighted video games by uploading copies onto  
24 his website. *See Columbia Pictures Indus., Inc. v. Fung*, 710 F.3d 1020, 1034 (9th  
25 Cir. 2013) (“Both uploading and downloading copyrighted material are infringing  
26 acts. The former violates the copyright holder’s right to distribution, the latter the  
27 right to reproduction.”).

28 Defendant also declares his website has been recognized by Nintendo as

1 having “service provider status.” (Storman Decl. ¶ 10.) Under the Digital  
2 Millennium Copyright Act (“DMCA”), service providers are immune from  
3 copyright infringement for: (1) transitory digital network communications; (2)  
4 system caching; (3) information residing on systems or networks at the direction  
5 of users; and (4) information location tools. 17 U.S.C. § 512; *Ellison v. Robertson*,  
6 357 F.3d 1072, 1076–77 (9th Cir. 2004). The DMCA defines a service provider  
7 as “an entity offering the transmission, routing, or providing of connections for  
8 digital online communications, between or among points specified by a user, of  
9 material of the user’s choosing, without modification to the content of the material  
10 as sent or received.” 17 U.S.C. § 512(k). Defendant does not mention the DMCA,  
11 nor provide any evidence demonstrating his website constitutes a service provider  
12 under the DMCA. Moreover, the DMCA’s safe harbors for protection from  
13 liability for copyright infringement only apply if the service provider “has adopted  
14 and reasonably implemented, and informs subscribers and account holders of the  
15 service provider’s system or network of, a policy that provides for the termination  
16 in appropriate circumstances of subscribers and account holders of the service  
17 provider’s system or network who are repeat infringers;” and “accommodates and  
18 does not interfere with standard technical measures.” 17 U.S.C. § 512(i).  
19 Defendant provides no evidence to support he has complied with the DMCA’s  
20 notification and policy requirements in order to prove the DMCA’s safe harbors  
21 for protection from liability for copyright infringement apply here. Defendant also  
22 fails to provide evidence showing 1) the infringing material was stored by  
23 Defendant “at the direction of a user,” 2) Defendant did not “receive a financial  
24 benefit directly attributable to the infringing activity”; 3) Defendant had a  
25 designated DMCA agent during the infringement; and 4) the required information  
26 for DMCA notices was displayed on Defendant’s romuniverse.com website, as  
27 required for protection under the DMCA’s safe harbors provisions. 17 U.S.C. §  
28 512(c).

1           Therefore, there is no genuine issue of material fact that Plaintiff owns the  
2 copyrighted works and Defendant copied the works. Accordingly, the Court  
3 grants summary judgment in favor of Plaintiff on its direct copyright infringement  
4 claim.

5           **(2) Contributory Copyright Infringement**

6           To prevail on a claim for contributory copyright infringement, Plaintiff  
7 must demonstrate Defendant: (1) knew of the direct infringement; and (2) . . .  
8 either induced, caused, or materially contributed to the infringing conduct.”  
9 *Luvdarts, LLC v. AT&T Mobility, LLC*, 710 F.3d 1068, 1072 (9th Cir. 2013); *see*  
10 *also Ellison*, 357 F.3d at 1077. “[P]roviding the site and facilities for known  
11 infringing activity is sufficient to establish contributory liability.” *Fonovisa, Inc.*  
12 *v. Cherry Auction, Inc.*, 76 F.3d 259, 264 (9th Cir. 1996).

13           Here, Bell declares the ROMs uploaded to Defendant’s website were  
14 playable copies of Nintendo’s copyrighted video games. (Bell Decl. ¶ 9, Ex. 2.)  
15 Moreover, Bell attached screenshots of the download pages on Defendant’s  
16 website to her declaration, which showed the number of times the file had been  
17 downloaded from Defendant’s website and demonstrate almost 50,000 downloads  
18 of the copies of Nintendo’s copyrighted works from Defendant’s website occurred  
19 before this lawsuit was filed. (*See id.* Ex. 3 at pp.9-142.) “[D]ownloading  
20 copyrighted material are infringing acts” because it “violates the copyright  
21 holder’s . . . right to reproduction.” *Columbia Pictures Indus., Inc.*, 710 F.3d at  
22 1034. Therefore, there is no genuine issue of material fact that users of  
23 Defendant’s website infringed Nintendo’s copyrights by downloading copies of its  
24 copyrighted video games from Defendant’s website.

25           Furthermore, Defendant testified at his deposition that his website  
26 “indicated” that copies of Nintendo’s copyrighted video games were available for  
27 download on the website. (Storman Depo. 17:13-19.) Nintendo also submits a  
28 copy of a screenshot of Defendant’s website, wherein the website states “best

1 romsite in the universe” and lists copies of ROM files of Nintendo’s copyrighted  
2 video games for download. (Marcelo Decl., Ex. 7.) Moreover, Plaintiff filed a  
3 copy of a promotional advertisement from Defendant’s website for purchase of a  
4 premium unlimited account for his website for access to “1000s of game roms,  
5 movies, isos and ebooks,” “[i]ncluding [Nintendo] Switch, Wii, 3DS/DS, GBA  
6 and more Unlimited downloads for only \$30.” (*Id.* Ex. 16.) Defendant testified at  
7 his deposition that he used the promotional advertisement to promote premium  
8 memberships where users could have unlimited downloads of files, including  
9 copies of Nintendo’s video games. (Storman Depo. 53:18-54:17.) Defendant  
10 further testified at his deposition that he and users of his RomUniverse.com  
11 website would receive notifications when new ROM files were uploaded to his  
12 website. (*Id.* at 73:23-74:2.)

13 Therefore, there is no genuine issue of material fact in dispute that  
14 Defendant knew users of its website were engaging in infringing conduct by  
15 downloading the copyrighted files, and that Defendant induced, caused, or  
16 materially contributed to the infringing conduct by advertising and making the  
17 files available for download on his website. *See Fonovisa*, 76 F.3d at 264  
18 (“[P]roviding the site and facilities for known infringing activity is sufficient to  
19 establish contributory liability.”). Accordingly, the Court grants summary  
20 judgment in favor of Plaintiff on its contributory copyright infringement claim.  
21 *See A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1021 (9th Cir. 2001)  
22 (finding contributory infringement where defendant knew of availability of  
23 infringing files, assisted in accessing the files, and failed to block access to the  
24 files); *Sega Enters. Ltd. v. MAPHIA*, 948 F. Supp. 923, 932-33 (N.D. Cal. 1996)  
25 (granting summary judgment to plaintiff on contributory copyright infringement  
26 claim where it was undisputed the defendant provided the “site and facilities for  
27 the known infringing conduct,” “actively solicited users to upload unauthorized  
28 games, and provided a road map...for easy identification of Sega games available

1 for downloading,” and “had a policy of providing limited free downloading of  
2 games and thereafter selling downloading privileges to customers who had  
3 purchased copiers”).

### 4 (3) Vicarious Copyright Infringement

5 To prevail on a vicarious copyright infringement claim, Nintendo must  
6 prove Defendant: (1) enjoyed a direct financial benefit from the infringing  
7 activity of the direct infringer; and (2) declined to exercise the right and ability to  
8 supervise or control that infringing activity. *Ellison*, 357 F.3d at 1076. A  
9 “[f]inancial benefit exists where the availability of infringing material acts as a  
10 draw for customers.” *Id.* at 1078 (internal quotations and citations omitted). “[A]  
11 defendant exercises control over a direct infringer when he has both a legal right  
12 to stop or limit the directly infringing conduct, as well as the practical ability to do  
13 so.” *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1173 (9th Cir. 2007).

14 As discussed above, Defendant filed evidence demonstrating almost 50,000  
15 downloads of the copies of Nintendo’s copyrighted works from Defendant’s  
16 website occurred before this lawsuit was filed (*see* Bell Decl. Ex. 3 at pp.9-142),  
17 and users of Defendant’s website infringed on Nintendo’s copyrights by  
18 downloading copies of the ROM files of Nintendo’s copyrighted video games  
19 from Defendant’s website. *See Columbia Pictures Indus., Inc.*, 710 F.3d at 1034  
20 (“[D]ownloading copyrighted material are infringing acts” because it “violates the  
21 copyright holder’s . . . right to reproduction.”). Moreover, Defendant testified at  
22 his deposition that he offered users the ability to purchase a premium membership  
23 and lifetime membership to his website for a fee, which gave those membership  
24 users unlimited access to download ROM files from his website, and testified that  
25 his income was derived solely from his romuniverse.com website. (Storman  
26 Depo. 41:11-43:12, 53:18-54:17, 86:8-12.) Defendant also responded to written  
27 interrogatories and testified during his deposition that he is the sole owner of the  
28 website romuniverse.com (Marcelo Decl., Ex. 9; Storman Depo. 15: 21-25).



1 Defendant further testified at his deposition that he could block users from visiting  
2 his website, he could delete data available on his website, and he could change the  
3 ROM files that were available or not available on his website (Storman Depo.  
4 40:19-41:7). Defendant also testified at his deposition that while he was aware  
5 Plaintiff claimed the majority of the content on Defendant’s website infringed  
6 Nintendo’s copyrights, he did not do anything after receiving the Complaint in this  
7 action to prevent anyone from adding or not adding files onto his website even  
8 though he had the ability to do so. (*Id.* at 95:3-96:13.)

9 Therefore, there is no genuine issue of material fact in dispute that  
10 Defendant received a direct financial benefit from the infringing acts of the users  
11 of his website who downloaded copies of Nintendo’s copyrighted video games,  
12 and Defendant did not stop the infringing activity despite having knowledge of the  
13 infringement. *See Ellison*, 357 F.3d at 1076. Accordingly, the Court grants  
14 summary judgment in favor of Plaintiff on its vicarious copyright infringement  
15 claim.

#### 16 (4) Statutory Damages

17 Nintendo seeks statutory damages for Defendant’s copyright infringement.  
18 Here, Plaintiff seeks \$90,000 in statutory damages for each of the 49 copyrights  
19 infringed by Defendant, totaling \$4,410,000.

20 Section 504(c)(1) of the Copyright Act “limits statutory damages awards to  
21 \$150,000 for willful infringement and \$30,000 for innocent infringement.”<sup>2</sup>  
22 *Desire, LLC v. Manna Textiles, Inc.*, 986 F.3d 1253, 1264 (9th Cir. 2021) (citing  
23 17 U.S.C. § 504(c)(1), (2)). “[T]o prove willfulness under the Copyright Act, the  
24 plaintiff must show (1) that the defendant was actually aware of the infringing  
25 activity, or (2) that the defendant’s actions were the result of reckless disregard  
26 for, or willful blindness to, the copyright holder’s rights.” *Unicolor*, 853 F.3d at

27 \_\_\_\_\_  
28 <sup>2</sup> The minimum statutory damages that must be awarded is \$750. 17 U.S.C. § 504(c)(1).

1 991. Moreover, “[t]he number of awards available under this provision depends  
2 not on the number of separate infringements, but rather on (1) the number of  
3 individual ‘works’ infringed and (2) the number of separate infringers.” *Id.*  
4 (citation omitted). The district court has broad discretion in determining the  
5 amount of statutory damages. *Peer Int’l. Corp. v. Pausa Records, Inc.*, 909 F.2d  
6 1332, 1336 (9th Cir. 1990).

7 Here, Defendant testified at his deposition that he and his “admin” uploaded  
8 copies of Nintendo’s copyrighted videogames onto his website, and he received  
9 notices from Nintendo identifying several infringing ROMs that were uploaded on  
10 his website but failed to remove those files. (Storman Depo. 39:2-18, 67:15-  
11 68:25, 87:25-89:4.) Nintendo also submits undisputed evidence that additional  
12 copies of Nintendo’s copyrighted videogames were uploaded to Defendant’s  
13 website after this lawsuit was filed, as recently as September 2020. (Knudson  
14 Decl. ¶ 7.) Therefore, the Court finds Defendant’s copyright infringement was  
15 willful based on Plaintiff’s evidence. *See Leegin Creative Leather Prod., Inc. v.*  
16 *Belts by Nadim, Inc.*, 316 F. App’x 573, 574-75 (9th Cir. 2009) (concluding the  
17 defendant’s infringement was willful because “the evidence established that [the  
18 defendant] continued to sell infringing watches after receiving notice of [the  
19 plaintiff’s] lawsuit”).

20 Plaintiff contends it suffered lost revenue ranging between approximately  
21 \$1,000,000 to \$3,000,000 from Defendant’s copyright infringement, and offers  
22 evidence that the retail price for its copyrighted video games ranges between \$20  
23 to \$60 per game, and that there were approximately 50,000 downloads of  
24 Plaintiff’s copyrighted video games at the time the lawsuit was filed. (Knudson  
25 Decl. ¶ 8; Bell Decl. Ex. 3.) Defendant testified at his deposition that his income  
26 for 2019 was approximately \$30,000-36,000, his romuniverse.com website was  
27 his main source of income, his monthly income from his website was  
28 approximately \$800 a month before he “shut it off,” and his only source of income

1 at the time of his deposition was unemployment and food stamps. (Storman Depo.  
2 75:14-17, 86:8-25.)

3 Therefore, considering Defendant's willful infringement, the Court finds  
4 \$35,000 statutory damages for each infringed copyright (for a total of \$1,715,000  
5 in statutory damages for the 49 infringed copyrights) would compensate Plaintiff  
6 for its lost revenue and deter Defendant who is currently unemployed and has  
7 already shut down the website.

### 8 **B. Unfair Competition under California Bus. & Prof. Code § 17200**

9 Because Plaintiff is entitled to summary judgment on its copyright  
10 infringement claim, the Court grants summary judgment in favor of Plaintiff on its  
11 unfair competition claim under California Bus. & Prof. Code § 17200. *See*  
12 *Brookhaven Typesetting Servs., Inc. v. Adobe Sys., Inc.*, 332 F. App'x 387, 390  
13 (9th Cir. 2009) (“[T]he district court properly granted summary judgment on  
14 Brookhaven's unfair competition . . . claims because they were dependent upon  
15 favorable resolution of the copyright . . . claims.”).

### 16 **C. Trademark Infringement**

17 Plaintiff's trademark infringement claim against Defendant is based on 1)  
18 the display of Nintendo's trademarks when the copies of Nintendo's video games  
19 are played after they are downloaded from Defendant's website (Compl. ¶ 56);  
20 and 2) Defendant's use of Nintendo's trademarks on Defendant's website to  
21 promote the sale of the “pirated games and to encourage visitors to download or  
22 play unauthorized copies of [Nintendo'] copyrighted works” (*id.* ¶ 57).

#### 23 **(1) Plaintiff Has a Cognizable Trademark Infringement Claim**

24 The Court ordered the parties to address whether Plaintiff “has a cognizable  
25 trademark infringement claim in light of *Dastar Corp. v. Twentieth Century Fox*  
26 *Film Corp.*, 539 U.S. 23 (2003), and *Slep-Tone Entm't Corp. v. Wired for Sound*  
27 *Karaoke & DJ Servs., LLC*, 845 F.3d 1246 (9th Cir. 2017).” (Dkt. No. 66.)  
28 Plaintiff filed a response (Dkt. No. 67). Defendant did not respond to the Court's

1 order.

2 Plaintiff's trademark infringement claim based on the display of Nintendo's  
3 trademarks when copies of Nintendo's video games are played after they are  
4 downloaded from Defendant's website is "more accurately conceived of as  
5 attacking unauthorized copying" of Plaintiff's copyrighted works containing  
6 Plaintiff's marks, which is not a cognizable Lanham Act claim under *Dastar* and  
7 *Slep-Tone*. See *Slep-Tone*, 845 F.3d at 1250 (citing *Dastar*, 539 U.S. at 37).  
8 However, the Court finds Plaintiff has a cognizable trademark claim based on  
9 Defendant's use of Nintendo's trademarks on Defendant's website to promote the  
10 sale of the "pirated games and to encourage visitors to download or play  
11 unauthorized copies of [Nintendo's] copyrighted works." Accordingly, the Court  
12 analyzes whether Plaintiff prevails on its trademark infringement claim.

### 13 (2) Ownership and Likelihood of Confusion

14 To prevail on its trademark infringement claim, Plaintiff must demonstrate:  
15 1) ownership of a trademark; and 2) a likelihood of confusion. *Wells Fargo & Co.*  
16 *v. ABD Ins. & Fin. Servs., Inc.*, 758 F.3d 1069, 1072 (9th Cir. 2014), *as amended*  
17 (Mar. 11, 2014). As to ownership, Nintendo filed copies of the trademark  
18 registrations for its trademarks. (Knudson Decl. ¶ 5, Ex. 3.) Defendant testified at  
19 his deposition that he does not dispute Nintendo owns the trademarks. (Storman  
20 Depo. 64:15-20.) In assessing a likelihood of confusion, courts typically analyze  
21 the eight factors set forth in *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 350 (9th  
22 Cir. 1979), *abrogated on other grounds by Mattel, Inc. v. Walking Mountain*  
23 *Prods.*, 353 F.3d 792 (9th Cir. 2003): (1) strength of the mark; (2) proximity of  
24 the goods; (3) similarity of the marks; (4) evidence of actual confusion; (5)  
25 marketing channels used; (6) type of goods and the degree of care likely to be  
26 exercised by the purchaser; (7) defendant's intent in selecting the mark; and (8)  
27 likelihood of expansion of the product lines. However, "in cases involving  
28 counterfeit marks, it is unnecessary to perform the step-by-step examination ...

1 because counterfeit marks are inherently confusing.” *China Cent. Television v.*  
2 *Create New Tech. (HK) Ltd.*, 2015 WL 12732432, at \*13 (C.D. Cal. Dec. 7, 2015).  
3 Here, Defendant’s goods are unauthorized copies of Plaintiff’s video games, and  
4 Plaintiff submits undisputed evidence that Defendant used Plaintiff’s registered  
5 trademarks to display and promote Defendant’s counterfeit goods. (Bell Decl. Ex.  
6 3.) Accordingly, Plaintiff demonstrates a likelihood of confusion.

7 Therefore, there is no genuine dispute of material fact that Plaintiff owns  
8 the trademark and there is a likelihood of confusion. Accordingly, the Court  
9 grants summary judgment in favor of Plaintiff on its trademark infringement claim  
10 as to Defendant’s use of Nintendo’s trademarks on Defendant’s website to  
11 promote the sale of unauthorized copies of Nintendo’s copyrighted games.

### 12 (3) Statutory Damages

13 Plaintiff seeks \$400,000 in statutory damages under the Lanham Act based  
14 on Defendant’s infringement of 28 of Plaintiff’s trademarks. The Lanham Act  
15 provides an award of statutory damages in cases involving the use of a counterfeit  
16 mark in connection with the sale or distribution of goods or services in an amount  
17 of “not less than \$1,000 or more than \$200,000 per counterfeit mark per type of  
18 goods or services sold, offered for sale, or distributed, as the court considers just,”  
19 or “if the court finds that the use of the counterfeit mark was willful, not more  
20 than \$2,000,000 per counterfeit mark per type of goods or services sold, offered  
21 for sale, or distributed, as the court considers just.” 15 U.S.C. § 1117.

22 Here, Plaintiff offers evidence Defendant displayed 28 of Plaintiff’s marks  
23 on its website in offering illegal downloads of Nintendo’s copyrighted games.  
24 (See Bell Decl. Ex. 3; Storman Depo. 86:19-22 (testifying Defendant agreed that  
25 Plaintiff’s registered trademarks appeared on Defendant’s website).) Therefore,  
26 Defendant used counterfeit marks of Plaintiff’s registered trademarks. See 15  
27 U.S.C. § 1116(d). As to willfulness, Plaintiff submits evidence demonstrating  
28 copies of Plaintiff’s trademarks were displayed on Defendant’s website to promote

1 the download of unauthorized copies of Plaintiff's games during this litigation.  
2 (Knudson Decl. ¶ 7.) Therefore, the evidence demonstrates Defendant's  
3 trademark infringement was willful. *See SAS v. Sawabeh Info. Servs. Co.*, 2015  
4 WL 12763541, at \*6 (C.D. Cal. June 22, 2015) (trademark infringement was  
5 willful because the defendant "permit[ed] counterfeiting activities to continue on  
6 the websites even after the commencement of the litigation").

7 While 15 U.S.C. § 1117 authorizes a maximum of \$2,000,000 per  
8 counterfeit mark based on willful infringement of Plaintiff's trademarks, Plaintiff  
9 only requests \$400,000 total in statutory damages for Defendant's willful  
10 trademark infringement. The Court finds the requested \$400,000 in statutory  
11 damages, which equals approximately \$14,286 in statutory damages for each of  
12 the 28 counterfeit marks, is appropriate. Accordingly, the Court awards Plaintiff  
13 \$400,000 in statutory damages for Defendant's willful infringement of 28 of  
14 Plaintiff's trademarks.

#### 15 **D. Attorneys' Fees and Costs**

16 Plaintiff requests attorneys' fees and costs under the Copyright Act and  
17 Lanham Act, and states it will submit a declaration in support of its fee request  
18 upon a "favorable ruling" on the instant Motion.

19 The Copyright Act permits the Court to award reasonable attorneys' fees  
20 and costs to the prevailing party. 17 U.S.C. § 505. Because the Court grants  
21 summary judgment in favor of Plaintiff on its copyright infringement claim,  
22 Plaintiff is entitled to reasonable attorneys' fees and costs under the Copyright  
23 Act. The Court therefore finds Plaintiff is the prevailing party for its copyright  
24 infringement claim. Plaintiff shall file a separate noticed motion for attorneys'  
25 fees supported by evidence of the fees necessarily and reasonably incurred in  
26 connection with Plaintiff's copyright infringement claim. Plaintiff shall file an  
27 application to tax costs with the clerk pursuant to Local Rule 54-2.

28 The Lanham Act authorizes an award of reasonable attorneys' fees to the

1 prevailing party in “exceptional cases.” 15 U.S.C. § 1117(a). The Court finds  
2 Plaintiff is the prevailing party under the Lanham Act. To the extent Plaintiff  
3 seeks attorneys’ fees under the Lanham Act, Plaintiff shall file a noticed motion  
4 demonstrating this is an “exceptional case” warranting fees under the Lanham Act,  
5 supported by evidence of the fees necessarily and reasonably incurred in  
6 connection with Plaintiff’s trademark infringement claim.

### 7 **E. Permanent Injunction**

8 Plaintiff seeks a permanent injunction to enjoin Defendant from “future  
9 infringement” of Plaintiff’s intellectual property rights. To obtain a permanent  
10 injunction, Plaintiff must demonstrate (1) irreparable injury; (2) an inadequate  
11 remedy at law; (3) the balance of hardships favors Plaintiff; and (4) it is in the  
12 public’s interest to issue the injunction. *eBay, Inc. v. MercExchange, LLC*, 547  
13 U.S. 388, 391 (2006).

#### 14 **(1) Irreparable Harm**

15 As to irreparable harm, Nintendo’s Senior Program Manager for  
16 Enforcement IP Jacqueline Knudson declares the retail price for Nintendo’s  
17 videogames range between approximately \$20-\$60, and Defendant Storman’s  
18 actions “have caused irreparable harm to Nintendo” because “Nintendo had no  
19 control over the content or quality of the Infringing ROMs distributed by Mr.  
20 Storman,” “many of those Infringing ROMs . . . were unauthorized copies of the  
21 Nintendo Games,” and “their distribution undoubtedly caused Nintendo to lose  
22 profits, and damaged Nintendo’s goodwill and business reputation.” (Knudson  
23 Decl. ¶¶ 1, 8, 9.) Knudson further declares because Defendant Storman did not  
24 produce information during discovery regarding the total number of downloads of  
25 unauthorized copies of the Nintendo videogames and appears to have destroyed  
26 such data, “Nintendo cannot determine with certainty the number of customers it  
27 lost or its potential lost profits therefrom.” (*Id.* ¶ 9.) However, as discussed  
28 above, Nintendo submits evidence there were approximately 50,000 downloads of

1 the infringing copies of Nintendo’s copyrighted videogames from Defendant’s  
2 romuniverse.com website at the time the Complaint in this action was filed. (Bell  
3 Decl. Ex. 3.) Plaintiff thus contends its lost revenue from users downloading  
4 copies of Nintendo’s video games from Defendant’s website instead of purchasing  
5 them from Nintendo is approximately \$1,000,000 to \$3,000,000. Lost revenue,  
6 however, is insufficient to show irreparable harm. *See Sampson v. Murray*, 415  
7 U.S. 61, 90 (1974) (loss of income “does not usually constitute irreparable  
8 injury”); *American Passage Media Corp. v. Cass Communs., Inc.* 750 F.2d 1470,  
9 1473 (9th Cir. 1985) (lost revenue or lost customers insufficient to show  
10 irreparable harm); *Comedymx Inc. v. St. Clair*, 2018 WL 9782503, at \*2 (C.D.  
11 Cal. Oct. 11, 2018) (rejecting plaintiff’s contention that damages such as lost  
12 revenue or customers constitutes irreparable harm).

13 Accordingly, Plaintiff fails to demonstrate irreparable injury necessary for a  
14 permanent injunction.

## 15 (2) Inadequate Remedy at Law

16 Plaintiff argues because Defendant Storman’s copyright and trademark  
17 infringement was willful, there is no assurance that he will refrain from further  
18 infringement absent a permanent injunction. However, the evidence before the  
19 Court demonstrates Defendant “shut” down his romuniverse.com website.  
20 (Storman Depo. 86:8-18.) Moreover, Plaintiff’s counsel declares the parties met  
21 and conferred on September 30, 2020, during which Storman “agreed to take  
22 down the romuniverse website.” (Marcelo Decl. ¶ 3.) *See MAI Sys. Corp. v. Peak*  
23 *Computer, Inc.*, 991 F.2d 511, 520 (9th Cir. 1993) (“As a general rule, a  
24 permanent injunction will be granted when liability has been established and there  
25 is a threat of continuing violations.”); *Affinity Grp., Inc. V. Balseer Wealth Mgmt.,*  
26 *LLC*, 2007 WL 1111239, at \*4 (S.D. Cal. Apr. 10, 2007) (denying request for  
27 permanent injunction to enjoin the defendant from using the plaintiff’s  
28 copyrighted materials where the plaintiff failed to show any threat of future



1 infringement and the evidence demonstrated the defendant “Has abandoned his  
2 business”). Furthermore, the Court awards statutory damages in this Order to  
3 compensate Plaintiff for the lost revenue from the illegal downloads of Nintendo’s  
4 videogames from Defendant’s website. *See Berry v. Dillon*, 291 F. App’x 792,  
5 795–96 (9th Cir. 2008) (concluding the district court did not abuse its discretion in  
6 denying the plaintiff’s request for a permanent injunction, reasoning the plaintiff  
7 “failed to show any threat of continuing infringement, and monetary damages  
8 would adequately compensate any past injury.”).

9 Accordingly, Plaintiff fails to demonstrate an inadequate remedy at law  
10 exists.

### 11 **(3) Balance of Hardships**

12 As to the balance of hardships, any hardship from enjoining Defendant from  
13 infringing Plaintiff’s copyrights and trademark rights is irrelevant in determining  
14 whether to issue an injunction. *See Cadence Design Sys., Inc. v. Avant! Corp.*,  
15 125 F.3d 824, 829 (9th Cir. 1997) (“[A] defendant who knowingly infringes  
16 another’s copyright cannot complain of the harm that will befall it when properly  
17 forced to desist from its infringing activities.”) (internal quotations and citations  
18 omitted). On the other hand, because Defendant has also “disabled”/“shut” down  
19 his website, there is no evidence that Plaintiff will suffer hardship absent a  
20 permanent injunction. Therefore, this factor neither weighs in favor or against  
21 issuance of a permanent injunction.

### 22 **(4) Public Interest**

23 The public interest is served by upholding rights under the Copyright Act  
24 and Lanham Act. *See Internet Specialties W., Inc. v. Milon-DiGiorgio Enters.,*  
25 *Inc.*, 559 F.3d 985, 993 n. 5 (9th Cir. 2009) (“The public has an interest in  
26 avoiding confusion between two companies’ products.”); *State of Idaho Potato*  
27 *Comm’n v. G & T Terminal Packaging, Inc.*, 425 F.3d 708, 715 (9th Cir. 2005)  
28 (“[t]rademarks protect the public from confusion by accurately indicating the

1 source of a product.”); *Charter Sch. Cap., Inc. v. Charter Asset Mgmt. Fund, LP*,  
2 2014 WL 12560776, at \*11 (C.D. Cal. July 21, 2014) (“As for public interest, it is  
3 of course in the public’s interest that copyright rights . . . are enforced and not  
4 made meaningless.”). Therefore, the public interest factor weigh in favor of a  
5 permanent injunction.

6 \* \* \*

7 Plaintiff thus fails to demonstrate irreparable harm and an inadequate  
8 remedy at law exists for a permanent injunction. Accordingly, the Court denies  
9 Plaintiff’s request for a permanent injunction.

#### 10 **F. Defendant’s Counterclaim(s)**

11 Plaintiff also seeks dismissal of Defendant Storman’s counterclaim(s). In  
12 Defendant’s Answer to the Complaint (Dkt. No. 33), Defendant stated it was  
13 asserting a counterclaim against Nintendo. The nature of the counterclaim is  
14 unclear. Defendant pled that its counterclaim is “Plaintiff misrepresented their  
15 copyright, trademark and unfair competition claims against Defendant” based on  
16 Plaintiff’s claim “that all material on Defendant’s website was infringing in  
17 violation of 17 U.S.C. § 512 (f) and others,” and “DOE, Nintendo German  
18 representative, may have acted contrary to Nintendo.” (Dkt. No. 33 at 6-7.)  
19 These statements in Defendant’s pleading do not state a counterclaim against  
20 Nintendo, but instead plead an alleged defense to Plaintiff’s copyright, trademark  
21 and unfair competition claims. Plaintiff also submits deposition testimony from  
22 Defendant Storman, who testified he asserted counterclaims against Nintendo and  
23 that the “basis” for his counterclaims was “Nintendo has to prove that the actual  
24 files were theirs and actually – and the actual validity of the files were what  
25 Nintendo said that they were. Meaning that just because somebody uploaded a  
26 file and listed it as say, for example, Mario, doesn’t necessarily mean that that file  
27 was playable. I think that was the basis.” (Storman Depo. 90:16- 91:3.)  
28 Defendant’s deposition testimony therefore demonstrates his purported

1 “counterclaims” are his alleged defenses to Plaintiff’s claims. Therefore, the  
2 Court dismisses any alleged counterclaims asserted by Defendant against  
3 Nintendo in his Answer (Dkt. No. 33) for failure to state a claim.

4 **G. Spoliation**

5 Plaintiff argues that it seeks an “adverse inference” based on Defendant’s  
6 failure to preserve evidence consisting of (1) data from RomUniverse showing the  
7 number of times each Infringing ROM was downloaded, and (2) Mr. Storman’s  
8 communications regarding Nintendo, RomUniverse, or this litigation.  
9 Specifically, Plaintiff requests that the Court “make an adverse inference that the  
10 destroyed evidence was unfavorable to Mr. Storman.” The Court, however, need  
11 not make an adverse inference regarding such evidence because such evidence is  
12 unnecessary for the Court to rule on the instant Motion.

13 Alternatively, Nintendo argues awarding \$9,300 in attorneys’ fees expended  
14 in connection with Defendant’s discovery violations as sanctions for Defendant’s  
15 spoliation would be appropriate. However, Nintendo already filed a request for  
16 monetary sanctions of \$9,300 in attorneys’ fees expended in connection with  
17 Defendant’s discovery violations before the Magistrate Judge, and the Magistrate  
18 Judge ordered Defendant to pay monetary sanctions of \$3,100 pursuant to the  
19 parties’ stipulation. (*See* Dkt. Nos. 51, 72.) Therefore, Nintendo’s request for  
20 additional attorneys’ fees as sanctions against Defendant in the instant Motion is  
21 denied.

22 **IV. CONCLUSION**

23 Accordingly, the Court:

- 24 (1) **GRANTS** Plaintiff’s Motion for Summary Judgment as to  
25 Plaintiff’s copyright infringement, unfair competition and  
26 Lanham Act claims, and awards Plaintiff \$1,715,000 in  
27 statutory damages under the Copyright Act and \$400,000 in  
28 statutory damages under the Lanham Act for a total of  
\$2,115,000 in statutory damages;
- (2) **DENIES** Plaintiff’s request for a permanent injunction;

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(3) **DISMISSES** Defendant’s unspecified counterclaims for failure to state a claim; and

(4) **DENIES** Plaintiff’s request for sanctions in the form of an “adverse inference and attorneys’ fees” for Defendant’s discovery violations.

**IT IS SO ORDERED.**

DATED: May 26, 2021.



CONSUELO B. MARSHALL  
UNITED STATES DISTRICT JUDGE