



Message from the Co-Chairs

The *RMF Litigator* is published by the Litigation Department at Ruskin Moscou Faltischek, P.C. as a service to our fellow members of the Bar. Ruskin Moscou litigators regularly team with area practitioners, out-of-state lawyers and in-house counsel alike, covering all manner of business disputes. The *RMF Litigator* is a courtesy publication addressing legal issues of the day of particular relevance to our colleagues. We encourage your feedback and welcome your ideas for future issues.



Mark S. Mulholland



Douglas J. Good

Ruskin Moscou's Litigation Department is the largest commercial litigation practice on Long Island and for 35 years has represented clients in federal and state courts throughout New York and the country, and before all forums and tribunals, state and federal, international and domestic. We are committed to unswerving focus on our clients and their legal needs. Contact either one of us if we can be of assistance.



INSIDE RMF LITIGATOR

| | |
|---|---|
| Zoning Board's Decision Denying Variance..... | 2 |
| RMF Files Suit Against City of New York..... | 3 |
| Revision To CPLR 3120..... | 4 |

EASTERN DISTRICT ENJOINS COPYRIGHT INFRINGEMENT IN CATALOGUE DISPUTE

On September 3, 2003 U.S. District Judge Edward Hurley enjoined Long Island-based Trophy Depot from infringing the trophy catalogue of Crown Awards, Inc. in *Crown Awards, Inc. v. Trophy Depot*.¹ Crown Awards, Inc. is located in Hawthorne, New York and specializes in the sale of medals, trophies, plaques and related award materials.² The company issues print catalogues, advertisements, email circulars and maintains a Web site.³ The Long Island-based defendant, Trophy Depot, also sells trophies and awards and has its own printed catalogue.⁴ The Court's decision focused on alleged similarities between Crown Awards' 2001 and 2002 catalogues registered with the U.S. Copyright Office, and Trophy Depot's unregistered 2003 catalogue.⁵ The Court also considered claims of copyright infringement, trade dress infringement, unfair competition under New York common law, and injury to business reputation.

A copyright plaintiff needs to show "ownership of a copyright and unauthorized copying by the defendant."⁶ A certificate of registration from the Register of Copyrights constitutes *prima facie* evidence of the valid ownership of a copyright, although that presumption may be rebutted.⁷ Catalogues are generally protectable under the Copyright Act as "literary works."⁸ "Literary works" expressly includes "catalog[ue]s, directories and similar factual, reference or instructional works and compilations of data."⁹

To be protectable, a catalogue must constitute "a work formed by the collection and assembling of pre-existing materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship[.]"¹⁰ The issue invariably in catalogue cases is whether the compilation of unprotectable elements is "original."¹¹ "Original, as the term is used in copyright, means only that the work was independently created by the author. . . and that it possesses at least some minimal degree of creativity."¹² The Second Circuit requires a "more refined analysis,"¹³ demanding "substantial similarity between those elements that provide copyrightability to the allegedly infringed compilation."¹⁴ District courts in New York and Connecticut therefore must identify those elements that actually are protectable as "original compilations" and determine whether that arrangement of elements is substantially similar to that in the purportedly infringing item.

Judge Hurley focused on the layout, coloring, text placement, use of borders, column arrangements, product sequencing and grouping, and product depictions.

continued on page 3

ZONING BOARD'S DECISION DENYING VARIANCE TO HOMEOWNERS STRUCK DOWN BASED ON BOARD'S FAILURE TO FOLLOW VILLAGE LAW

By Lauren Gray



Lauren M. Gray

Supreme Court Justice Anthony L. Parga recently annulled and vacated a decision by the Village of Massapequa Park's Zoning Board of Appeals denying a zoning area variance application by Massapequa Park homeowners, who were seeking to construct a front porch on their property. Similar variances had been granted in connection with neighboring plots.

Acting on behalf of the homeowners, Ruskin Moscou persuaded Justice Parga that the Zoning Board's decision was arbitrary, capricious, and not supported

by substantial evidence based on its failure to apply the required statutory criteria to the homeowners' variance application. Specifically, under Village Law 7-712(b), a zoning board is required to consider: "the benefit to the applicant if the variance is granted, as weighed against the health, safety and welfare of the neighborhood or community by such grant..." as well as:

"(1) whether an undesirable change will be produced in the character of the neighborhood...; (2) whether the benefit sought by the applicant can be achieved by some method ... other than an area variance; (3) whether the requested area variance is substantial; (4) whether the requested area variance will have an adverse effect or impact on the physical or environmental conditions in the neighborhood...; and (5) whether the alleged difficulty was self-created...."

None of these factors was considered by the Zoning Board. Justice Parga therefore reversed the Board's decision and ordered another hearing on the variance application. The Court's decision is notable because a zoning board's decision is not easily overturned. A petitioner must meet a high threshold in order to demonstrate that a zoning board acted arbitrarily and capriciously. Here, that threshold was met by demonstrating that the Zoning Board's decision was devoid of any findings pursuant to Village Law 7-712(b).

The decision is also notable because it reflects a distaste by the courts for zoning board decisions that treat similarly situated property owners differently. *Tall Trees Construction Corp. v. Zoning Board of Appeals of the Town of Huntington*, 97 NY2d 86 (2001) is a case in point. In *Tall Trees*, the Court of Appeals struck down the decision of the town zoning board of appeals based on, inter alia,

its failure to treat similarly situated property owners similarly. The petitioner construction company applied to the town zoning board for area variances to divide a parcel of land into two lots. The petitioner intended to make one of the lots a flagstaff lot and to construct a home on each of the lots. Following petitioners' court battles to simply get the zoning board to vote on petitioners' application, the zoning board denied the application.

On appeal, the zoning boards' decision was reversed. Citing the statutory criteria for considering area variances, the Court of Appeals found that there was nothing in the record to support the zoning board's decision. Moreover, the Court found that the board's routine granting of similar variances to others, while denying the petitioner's application, was arbitrary and capricious: "[a] decision of an administrative agency which neither adheres to its own prior precedent or indicates its reasons for reaching a different result on essentially the same facts is arbitrary and capricious." The Court noted that "nearly identical variance applications [had] been approved in the past". In particular, in a decision granting a similar variance to a neighboring property, the board "noted ... that flagstaff lots were traditionally given the Board's imprimatur and that the neighborhood contained at least six other such lots."

In the Massapequa Park decision, Justice Parga cited one of his own previous decisions, *Pecoraro v. Board of Appeals of Town of Hempstead*, 2003 WL 1923792 (2d Dept, April 21, 2003), which annulled the determination of the town's zoning board of appeals denying an area variance application. In the earlier *Pecoraro* decision, Justice Parga had found that the board's denial of the petitioners' area variance application was arbitrary, capricious, and not supported by substantial evidence because, among other things, twelve other neighboring properties had been granted similar variances.

At a minimum, Justice Parga's decision simply requires zoning boards to follow the letter of the law when considering variance applications. Its larger implications, following the rationale of *Tall Trees*, sends the message that a zoning board cannot grant a benefit to some property owners while arbitrarily and unfairly denying it to others.

Lauren M. Gray is an associate at Ruskin Moscou Faltischek, where she is a member of the firm's Litigation Department and Corporate Governance Practice Group. She can be reached at 516-663-6670 or lgray@rmfp.com.



EASTERN DISTRICT ENJOINS COPYRIGHT INFRINGEMENT IN CATALOGUE DISPUTE continued from cover

Based on those protectable characteristics taken as a whole, Judge Hurley "conclude[d] that a reasonable observer would regard their aesthetic appeal as the same."¹⁵ The Court concluded that similarities existed as to the "four by three grid" used in both catalogues; the shape of overlays used to present text; selection of specific product samples; use of opaque rectangular boxes to display ordering information; positioning of key elements relative to one another; and the order in which contents were displayed. Finding these and other similarities throughout 18 of the 64 pages constituting Trophy Depot's 2003 catalogue, the Court found that a *prima facie* case of copyright infringement had been established: "The Court concludes that eighteen of the sixty-four pages from Trophy Depot's 2003 catalogue – pages 4, 5, 11, 15, 23, 24, 28, 44, 45, 46, 48, 49, 50, 51, 52, 53, 55 and 56 – are substantially similar to the protectable arrangement of elements in certain pages from Crown Awards' copyrighted 2002 and 2001 catalogue."¹⁶ Judge Hurley did not require evidence of irreparable harm to conclude that injunctive relief was appropriate in favor of Crown Awards. As the Court observed, "[s]ince a *prima facie* case for copyright infringement had been made out with regard to the 2002 Crown Awards catalogue, irreparable harm is presumed."¹⁷

Crown Awards also sought injunctive relief against Trophy Depot based upon defendants' copying of the "total trade dress" of Crown Awards' catalogue, Web site and print advertisements. The Court was less impressed with these claims and declined to expand the injunction to embrace Trophy Depot's Web site or ad materials.¹⁸ The Court found that Crown Awards had failed to come forward with persuasive evidence establishing the required level of distinctiveness or acquired secondary meaning, and rejected Crown's trade dress claim as well.¹⁹ Crown Awards also sought injunctive relief under New

York common law regarding unfair competition.²⁰ Judge Hurley held that there was insufficient evidence to support an award of injunctive relief under New York unfair competition law.²¹ Crown Awards presented evidence of two actually confused customers, which Judge Hurley viewed as insufficient in the face of the parties' volume of sales.²² The Court has required Crown Awards to post a \$50,000 bond as part of the order enjoining Trophy Depot from further distribution of the 2003 Trophy Depot catalogue. The case remains pending in the Eastern District.

Abridged from NY Law Journal article, December 29, 2003.

¹ Slip Op. *Crown Awards, Inc. v. Trophy Depot* 03 Civ. No. 02448 (E.D.N.Y.)

² *Id.* Another Long Island case involving catalogue infringement is *Independent Living Aids v. Maxi-Aids, Inc.*, 208 F.Supp.2d 387 (E.D.N.Y. 2002)

³ *Id.* The Web site is located at www.crownawards.com

⁴ *Id.*

⁵ *Id.*

⁶ *Hamil America Inc. v. GFI*, 193 F.3d 92, 98 (2d Cir. 1999)

⁷ *Rogers v. Koons*, 960 F.2d 301, 306 (2d Cir. 1992)

⁸ 17 U.S.C. §102(a)(1)

⁹ H.R. Rep. No. 1476, 1976 U.S. Code Cong. & Ad. News at 5667 (emphasis added); see generally *Softel, Inc. v. Dragon Medical and Scientific Communications, Inc.*, 118 F.3d 955, 964 (2d Cir. 1997); Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* §2.04[B], at 2-46 (2002)

¹⁰ 17 U.S.C. §101

¹¹ *Feist Publications, Inc. v. Rural Telephone Service Co.*, 340, 351 (1991)

¹² *Id.*

¹³ *Key Publ'ns, Inc. v. Chinatown Today Publ'g Enterprises, Inc.* 945 F.2d 509, 514 (2d Cir. 1991)

¹⁴ *Id.*; see also 17 U.S.C. §103 ("the copyright in a compilation . . . extends only to the material contributed by the author of such work.")

¹⁵ *Boisson v. Banian, Ltd.*, 273 F.3d 262, 272 (2d Cir. 2001) (quoting *Folio Impressions v. Byer California*, 937 F.2d 759 (2d Cir. 1991))

¹⁶ See *Marisa Christina, Inc. v. Bernard Chau, Inc.* 808 F.Supp. 356, 358 (S.D.N.Y. 1992)

¹⁷ See *ABKCO Music, Inc. v. Stellar Records, Inc.*, 96 F.3d 60, 64 (2d Cir. 1996)

¹⁸ See *Do The Hustle, LLC v. Rogovich*, No. 03 Civ. 3870, 2003 WL 21436215, at §8 (S.D.N.Y. June 19, 2003)

¹⁹ See *L&J.G. Stickley v. Canal Dover Furniture CO., Inc.* 79 F.3d 258, 262 (2d Cir. 1996)

²⁰ *Jeffrey Milstein, Inc. v. Greger, Lawlor, Rath, Inc.*, 58 F.3d 27, 34 (2d Cir. 1995) (internal quotation removed)

²¹ See *Jeffrey Milstein, Inc. v. Greger, Lawlor, Rath, Inc.*, 58 F.3d 27, 34-35 (2d Cir. 1995)

²² Slip Op. (citing *Nara Beverages, Inc. v. Perrier Group of America, Inc.*, 269 F.3d 114 (2d Cir. 2001))

RUSKIN MOSCOU FILES SUIT AGAINST CITY OF NEW YORK ON BEHALF OF BUS COMPANY CONSORTIUM

Suit announced on steps of Queens Borough Hall

On October 2, 2003, Ruskin Moscou Faltishek, P.C. announced that firm partner and senior litigator Douglas A. Cooper filed suit in federal court against the City of New York on behalf of a group of privately owned bus companies known as the Transit Alliance, which serves more than 250,000 bus riders throughout Queens and Brooklyn. The Transit Alliance alleges that the City of New York and its Department of Transportation have engaged in a deliberate pattern and practice intended to financially strangle the bus companies and drive them out of business rather than address the need to upgrade aging city-owned buses. The suit

also alleges the city has failed to provide sufficient buses to eliminate overcrowding problems, and has refused to pay for necessary repairs and fixes. Without those essential upgrades, attorney Cooper says, cuts in service affecting hundreds of thousands of bus riders will be inevitable.

"It's important to remember that the city owns these buses, not the bus companies," said Cooper. "Despite our repeated requests that the City engage in a meaningful discussion of the complex issues involved, it has refused to do so." The bus companies' authority to operate the buses ended on December 31, 2003.

REVISION TO CPLR 3120 NOW IN EFFECT

As of September 1, 2003, CPLR 3120 no longer requires a motion on notice before the issuance of non-party witness document demands. With this change, state-court practitioners no longer need court permission prior to issuing subpoenas duces tecum to non-party witnesses. The revised rule obligates the party issuing the subpoena to issue a notice to all parties within five days of the subpoenaed party's compliance, affording all counsel an opportunity to inspect the materials produced. Parallel changes have been effected for CPLR 3122, and an entirely new provision has been added (CPLR 3122-a) covering certification of business records.



ABOUT THE FIRM

Founded in 1968, Ruskin Moscou Faltiscek, P.C. has grown into one of the most respected and largest multi-practice law firms in the New York metropolitan area and is headquartered in Uniondale, New York. With over 60 attorneys in 18 practice areas, the firm offers innovative legal services, keeping focus on the client's goals, in the areas of corporate & securities, corporate governance, employment, energy, environmental, financial services, banking & bankruptcy, health law, intellectual property, life sciences, litigation, municipal & regulatory affairs, real estate, construction, seniors' housing, technology, trusts & estates, and white collar crime & investigations. Clients include large and mid-sized corporations, privately held businesses, institutions and individuals.

The *RMF Litigator* is published by the Litigation Department at Ruskin Moscou Faltiscek, P.C. to provide clients, colleagues and friends with developments in litigation matters. It is not a substitute for legal advice and should not be construed as imparting legal advice generally or on specific matters.

Winter 2004 Vol. 1 No. 1

RUSKIN MOSCOU FALTISCHEK, P.C.

East Tower, 15th Floor
190 EAB Plaza
Uniondale, New York 11556-0190
(516) 663-6600
www.rmfp.com

RMF Litigation Partners

Mark S. Mulholland
Douglas J. Good
Douglas A. Cooper
John A. DeMaro
Joseph R. Harbeson
Arthur J. Kremer
Christine McInerney

Associates & Of Counsel

Jon Schuyler Brooks
Adam Browser
Megan Carroll
Timothy DiResta
David Ehrlich
Lauren Gray
Stephen Kesselman
Kellie Lagitch
Robert Regan
Jeffrey Schlossberg
Jonathan Sullivan

Copyright © 2004 Ruskin Moscou Faltiscek, P.C.
All Rights Reserved.

EXCELLENCE. PERIOD.