

APPENDIX 2

740 F.Supp.2d 1299
United States District Court,
M.D. Florida,
Tampa Division.

Lara Jade COTON, Plaintiff,

v.

TELEVISED VISUAL X-OGRAPHY, INC., and
Robert Augustus Burge, Defendants.

Case No. 8:07-CV-1332-T-TGW. | Sept. 16, 2010.

Synopsis

Background: Photographer brought action against video company for copyright infringement, misappropriation of her image, defamation, and intentional infliction of emotional distress arising from company’s unauthorized use of her self-portrait on packaging of pornographic movie. Following entry of default against company, photographer moved for default final judgment of liability.

Holdings: The United States District Court, Middle District of Florida, Thomas G. Wilson, United States Magistrate Judge, held that:

[1] company’s unauthorized use of photographer’s self-portrait on cover insert and disc art of its pornographic movie was copyright infringement;

[2] photographer was entitled to actual damages of \$3,077 for infringing company’s unauthorized use of self-portrait;

[3] photographer was entitled to company’s profits from its sale of pornographic movie that directly infringed self-portrait;

[4] company was not liable for contributory copyright infringement of photographer’s self-portrait;

[5] photographer was entitled to compensatory damages of \$25,000 for harm to her reputation caused by company’s misappropriation of her self-portrait; and

[6] photographer was entitled to compensatory damages of \$100,000 for company’s defamation by implication under Florida law.

Motion granted.

West Headnotes (29)

[1] **Federal Civil Procedure**
☛By Default

After a default judgment has been entered, a defendant is deemed to have admitted the plaintiff’s well-pleaded allegations of fact for purposes of liability.

Cases that cite this headnote

[2] **Copyrights and Intellectual Property**
☛Nature and elements of injury

To establish a prima facie case of copyright infringement, two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.

Cases that cite this headnote

[3] **Copyrights and Intellectual Property**
☛Pictorial, graphic, and sculptural works

Video company’s unauthorized use of copyright owner’s self-portrait photograph on cover insert and disc art of its pornographic movie was direct copyright infringement.

Cases that cite this headnote

[4] **Copyrights and Intellectual Property**
☛Ownership
Copyrights and Intellectual Property
☛Conditions precedent; registration

Fact that copyright owner did not register her copyright in photograph did not preclude video company from directly infringing copyright, where photograph originated in England, which was signatory to Berne Convention, such that registration was not required for valid ownership.

Cases that cite this headnote

¹⁵¹ **Copyrights and Intellectual Property**

☛Elements, measure, and amount

A “reasonable license fee,” that is, the fair market value of a license authorizing defendants’ use of a copyrighted work, may be awarded as actual damages for infringement under the Copyright Act. 17 U.S.C.A. § 504.

Cases that cite this headnote

¹⁶¹ **Copyrights and Intellectual Property**

☛Elements, measure, and amount

Copyright owner was entitled to actual damages of \$3,077 for infringing video company’s unauthorized use of owner’s original self-portrait photograph on cover insert and disc art of its pornographic movie, given that owner charged licensing fees for use of her photographs, and owner received \$3,077 licensing fee from book publisher to use her photography on its book cover. 17 U.S.C.A. § 504.

Cases that cite this headnote

¹⁷¹ **Copyrights and Intellectual Property**

☛Recovery in general; actual damages and profits

Copyright owner was entitled to video company’s profits from sale of pornographic

movie that directly infringed owner’s original self-portrait photograph, given that owner’s actual damages did not take into account defendant’s profits from movie. 17 U.S.C.A. § 504(b).

Cases that cite this headnote

¹⁸¹ **Copyrights and Intellectual Property**

☛Persons liable

A “contributory copyright infringer” is one who, with knowledge of the infringing activity, induces, causes, or materially contributes to the infringing conduct of another.

2 Cases that cite this headnote

¹⁹¹ **Copyrights and Intellectual Property**

☛Persons liable

Video company was not liable for contributory copyright infringement of copyright owner’s original self-portrait photograph based on video company’s sale of infringing pornographic video to retailers and distributors, where company was unaware of infringement until copyright owner notified it, at which time it immediately took steps to cease use of photograph.

Cases that cite this headnote

¹¹⁰¹ **Copyrights and Intellectual Property**

☛Elements, measure, and amount

Award of damages on copyright owner’s claim of contributory copyright infringement against video company would be impermissible double recovery, where compensatory damages requested under claim mirrored those for which copyright owner received compensation under direct copyright infringement claim. 17 U.S.C.A. § 504.

2 Cases that cite this headnote

111]

Torts

☛Particular cases

Video company misappropriated photographer's image in violation of Florida statute, where company placed photographer's self-portrait, without her permission, on packaging of digital video disc for purpose of marketing pornographic movie with which she had no association. West's F.S.A. § 540.08.

1 Cases that cite this headnote

112]

Torts

☛Picture, Photograph, or Likeness

Florida misappropriation statute requires that the unauthorized use of the person's image directly promote the product. West's F.S.A. § 540.08.

1 Cases that cite this headnote

113]

Damages

☛Nature and theory of compensation

Photographer was not entitled to licensing fee as damages for video company's misappropriation of her self-portrait in violation of Florida statute, where photographer had already been compensated for loss of licensing fee in connection with copyright infringement claim for such image, and photographer did not distinguish licensing fee under misappropriation claim as separate injury. West's F.S.A. § 540.08.

Cases that cite this headnote

114]

Damages

☛Injuries to Property

Photographer was entitled to compensatory damages of \$25,000 for harm to her reputation caused by video company's misappropriation of her self-portrait, in violation of Florida statute, for use on packaging of pornographic movie; photographer had no association with pornographic industry, she suffered harm to her professional reputation due to company's unauthorized use of her image, photographer had to explain situation to potential clients, and camera manufacturer declined to employ photographer pending resolution of case. West's F.S.A. § 540.08.

Cases that cite this headnote

115]

Damages

☛Grounds for Exemplary Damages

Under Florida law, punitive damages are reserved for particular types of behavior which go beyond mere intentional acts.

Cases that cite this headnote

116]

Damages

☛Grounds for Exemplary Damages

Under Florida law, an award of punitive damages requires evidence of intentional, wanton and malicious disregard for a plaintiff's rights.

Cases that cite this headnote

117]

Damages

☛Particular cases in general

Photographer was not entitled to punitive damages for video company's misappropriation of her self-portrait on packaging of pornographic movie, in violation of Florida

statute, where company did not choose image for packaging, rather company employed third party for this purpose, company did not learn of infringement until photographer contacted them ten months after it produced digital video discs, and company changed photograph on packaging and recalled digital video discs from distributors. West's F.S.A. § 540.08(2).

§ 540.08.

Cases that cite this headnote

Cases that cite this headnote

[21]

Damages

☛Nature and theory of compensation

Torts

☛Nature and form of remedy

[18]

Torts

☛Nature and form of remedy

Under Florida law, a plaintiff may assert common law and statutory claims for misappropriation in the same action. West's F.S.A. § 540.08.

The Florida statute providing that remedies for misappropriation shall be in addition to and not in limitation of remedies and rights of a person under the common law against the invasion of her privacy does not authorize a double recovery; rather, this provision allows a plaintiff to assert statutory and common law claims for invasion of privacy in the same action without abridging the types of remedies available under common law. West's F.S.A. § 540.08(7).

Cases that cite this headnote

Cases that cite this headnote

[19]

Torts

☛Elements of the tort in general

Under Florida law, the elements establishing claims for common law misappropriation and statutory misappropriation are substantially identical. West's F.S.A. § 540.08.

[22]

Libel and Slander

☛Matter imputed

Under Florida law, defamation by implication arises, not from what is stated, but from what is implied when a defendant: (1) juxtaposes a series of facts so as to imply a defamatory connection between them, or (2) creates a defamatory implication by omitting facts, such that he may be held responsible for the defamatory implication.

Cases that cite this headnote

Cases that cite this headnote

[20]

Damages

☛Nature and theory of compensation

Under Florida law, photographer was not entitled to compensatory damages for video company's common law misappropriation of her self-portrait on packaging of pornographic movie, where requested damages for common law misappropriation were not distinct from compensatory damages photographer received for harm to her reputation under Florida statutory misappropriation claim. West's F.S.A.

[23]

Libel and Slander

☛Words Tending to Injure in Profession or Business

Movie company's unauthorized use of photographer's self-portrait on packaging of pornographic movie was defamation by implication under Florida law; packaging

improperly suggested photographer's participation in, or willing association with, pornographic industry.

Cases that cite this headnote

[24] **Libel and Slander**
☛Libel

Photographer was entitled to compensatory damages of \$100,000 for video company's defamation by implication, under Florida law, via unauthorized use of her self-portrait on packaging of pornographic movie, where photographer stated that use of photograph was humiliating and distressing, and caused her to become depressed, that she was shocked, disgusted, and ashamed when she saw image being used in association with pornographic movie, that use of photograph caused stress and problems with family and friends, that photographer worried that being associated with pornographic movie would harm her career, that photographer's humiliation and distress was compounded by company president's offensive and belittling email responses to her, that photographer gave up photography for several months, and that she had trouble sleeping and eating.

Cases that cite this headnote

[25] **Libel and Slander**
☛On ground of malice or recklessness

Photographer was not entitled to punitive damages for video company's defamation by implication, under Florida law, via unauthorized use of her self-portrait on packaging of pornographic movie, where company was unaware of violation when it produced infringing packaging.

Cases that cite this headnote

[26] **Damages**
☛Elements in general

Under Florida law, the elements of a claim for infliction of emotional distress are: (1) deliberate or reckless infliction of mental suffering; (2) outrageous conduct; (3) the conduct caused the emotional distress; and (4) the distress was severe.

Cases that cite this headnote

[27] **Damages**
☛Nature of conduct

To sustain a claim for intentional infliction of emotional distress under Florida law, the conduct must be so outrageous in character, and so extreme in degree that it is considered atrocious and utterly intolerable in a civilized community.

Cases that cite this headnote

[28] **Damages**
☛Nature of conduct

To sustain a claim for intentional infliction of emotional distress under Florida law, it is not enough that the intent is tortious or criminal, that the defendant intended to inflict emotional distress, or if the conduct was characterized by malice or aggravation which would entitle the plaintiff to punitive damages for another tort.

Cases that cite this headnote

[29] **Damages**
☛Media and publications

Under Florida law, video company's unauthorized use of photographer's self-portrait on packaging of pornographic movie was not

intentional infliction of emotional distress, where company was unaware that it was violating photographer's rights when photograph was selected for packaging.

Cases that cite this headnote

Attorneys and Law Firms

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Televised Visual X-Ography, Inc. Houston, TX, pro se.

Robert Augustus Burge C/O Tvx Home Video, Inc. Houston, TX, pro se.

John T. Jenkins, Jr., Law Office of John T. Jenkins, Jupiter, FL, Steve T. Skivington Law Office of Steve T. Skivington Las Vegas, NV, for Defendants.

ORDER

THOMAS G. WILSON, United States Magistrate Judge.

The plaintiff seeks damages for copyright infringement, misappropriation of her image, defamation, and intentional infliction of emotional distress arising from the defendants' unauthorized use of her *1303 photograph on the packaging of their pornographic movie DVD "Body Magic" (Doc. 121). The defendants failed to defend this case, and a default was entered against them. The well-pled complaint allegations establish her claims of direct copyright infringement, statutory misappropriation of image, and defamation by implication.

After the plaintiff filed a Motion for Default Final Judgment of Liability against Televised Visual X-Ography, Inc., and Robert Augustus Burge (Doc. 99), a non-jury trial was held to determine the amount of damages to which the plaintiff was entitled. Based upon the evidence adduced at the hearing, judgment will be entered for the plaintiff in the amount of \$129,173.20.

I.

On July 21, 2010, a non-jury trial on the plaintiff's damages was conducted. The plaintiff and her counsel appeared. The plaintiff offered exhibits into evidence, and she testified on her own behalf. No one appeared on behalf of the defendants. A summary of the relevant testimony and other evidence presented at trial follows.

Plaintiff Lara Jade Coton, who was 20 years old at the time of trial, is a professional photographer who was born and raised in England. She also currently resides there. Coton started her own company, Lara Jade Photography, in 2007, at age 17 (*see* Pl.Ex. 1). Her photography has been featured in magazines, and she has been commissioned to photograph, among other things, products for retail sale (*see* Pl. Exs. 2-7). Further, clients have paid the plaintiff licensing fees for the use of her self-portraits.

The photograph at issue in this case is a self-portrait of the plaintiff wearing a formal dress and top-hat while she posed in front of a window (*see* Pl.Ex. 9). The plaintiff photographed this image of herself, one of her first self-portraits, at age 14, while vacationing with her family in England. The plaintiff described the picture as a girl playing dress-up.

The plaintiff placed the photograph, which she titled "No Easy Way Out," on a website named deviantART, which is an on-line artistic community where photographers receive feedback about, and sell, their photographs (*see* Pl.Ex. 16). Through the deviantART website, millions of people have viewed the plaintiff's work, and she has profited thousands of dollars from selling copies of "No Easy Way Out" and other photographs (*see* Pl. Exs. 10, 11).

In January 2007, when the plaintiff was 17 years old, the plaintiff learned that her "No Easy Way Out" photograph was being used without her permission to market a pornographic movie (*see* Pl.Ex. 12). The plaintiff received through the deviantART message system an anonymous note alerting her to the use of her photograph. The message included an internet link to a website that revealed the plaintiff's photograph on the cover insert of the pornographic movie DVD "Body Magic" (*see* Pl.Ex. 14). The plaintiff stated that, based on the movie's description, it was evident that it was pornography.

The plaintiff testified that she was shocked, disgusted, and ashamed when she saw the innocent image that she took of herself at age 14 associated with a pornographic movie. The plaintiff testified that no one sought her permission to use her photograph in this manner, and that, if asked, she

would not have allowed it. Further, the plaintiff stated that she had no involvement with the Body Magic movie, or the adult movie industry in general.

The plaintiff immediately did a Google word search of Body Magic on the computer. The first website that appeared was *1304 titled “Hustler,” and she sent the company on January 29, 2007, an e-mail informing it that the image on the cover insert of the Body Magic DVD was a stolen photograph of herself at age 14 (Pl.Ex. 15). She stated that she was “absolutely disgusted that [they] used [her] artwork for such a subject” and that she “had no clue” that it was being used in such a way (*id.*). She told Hustler to remove all of the DVDs until the movie cover was replaced (*id.*). Hustler responded to the plaintiff that the company who produced Body Magic was TVX Home Video (*id.*).

Consequently, the plaintiff went to the TVX website. The plaintiff stated that the TVX website was graphic, and it was apparent that they produce pornographic movies (*see* Pl.Ex. 27). The plaintiff testified that she was ashamed of having to research this information and look at these websites.

The TVX website listed an e-mail address for “Bob @ tvxfilms.com” (*see id.*). Defendant Robert Burge, TVX’s president, received e-mails sent to this address (Pl.Ex. 46, pp. 16, 186). On January 29, 2007, the plaintiff sent an e-mail, similar to the e-mail she sent Hustler, stating that the photograph on the packaging of the Body Magic DVD is a stolen portrait of herself (Pl.Ex. 17). She included the website link to the original picture on deviantART (*id.*). Additionally, she stated (*id.*):

I am absolutely disgusted that you’ve used my artwork for such a subject—I was fourteen at the time when the picture was taken and I had no clue until today you were using it in such a way. You’re also selling my picture to advertise your film. I want you to remove all of the DVDs out of shops/online etc until you replace the cover, otherwise I will have to press charges against you. My parents are disgusted with this too and will do all they can to help me with this case.

In response to her e-mail, Burge stated (Pl.Ex. 18):

First let me tell you my company does not steal photos.

All of our artwork is outsourced to another company who I have been doing business with for 25 years.

You’re a first. So I doubt they stole it either.

I have sent them your email and have asked them to fully investigate your claim.

To date their have only been a couple hundred dvd’s sold throughout the world so the picture is of little importance so I’ll be glad to have them change the art.

However I must allow the company involved to handle this.

We are sorry for any inconvenience.

Please call me if you have any questions @ 888-877-9993

The plaintiff testified that she was extremely upset when she learned that a couple hundred of these movies had been distributed because it would be harder to remove the images from circulation. She was also insulted by Burge’s comment that her photograph was of “little importance.”

On February 2, 2007, the plaintiff sent Burge two e-mails. One e-mail stated (Pl.Ex. 19):

I’ve been speaking to my solicitor and feel I should be compensated for the use of my photograph in this way, I also want a written confirmation that none of my images will be used again on your videos.

In the other e-mail (*id.*), she requested Burge provide her with “the name of the company that provided you with the image with contact details if any (website, phone number, email etc).” Burge responded by e-mail that day, stating (Pl.Ex. 20):

*1305 Not only will you not be compensated for your photo we have turned this problem over to our attorney it seems the company my graphic company got the photo from on the internet is a public domain operation. You knew this when you originally sent us your scheming letter. Nice try toots. We are still going to remove you from the art, not because of your claim but let’s face it your picture means

very little to the film.

The plaintiff said that this response, which accused her of acting improperly, was threatening and scared her. She replied to Burge that (Pl.Ex. 21):

This is the only place the picture is uploaded—www.larafairie.deviantart.com/gallery (towards the end).

If people decided to steal my work and post it on different sites it's not my problem, your company should do more research into where the image has originally come from.

All of these emails you have replied to will be recorded for my lawyer and I will be in touch.

Burge then responded by e-mail that (Pl.Ex. 22, capitals and typographical errors in original):

MY COMPNAY DOES NOT MAKE THE ART ...

THE COMPANY THAT DOES MY ART DID DO THE RES EARCH. THAT'S WHY THEY KNOW IT'S IN THE PUBLIC DOMAIN....

WE HAVE ALREADY CONFIRMED YOUR FACE AND IMAGE WILL BE TAKEN OF THE DVD INS ERT PAGE AND MY WEBS ITE.

AS SOON AS THE ART HAS BEEN REPRINTED WE WILL THENS END IT TO ALL OUR DISTRIBUTORS AND HAVE THEM RETURN ANY PRODUCT ON THEIR SHELFES SO THAT WE CAN REMOVE THE DVD COVER.

I'M SURE BY THE END OF THE MONTH YOUR FACE WILL BE HIS TORY. WE HAVS TOPPED SELLING THE DVD UNTIL COVER IS REPLACED. WE HAVE FURTHER CHECKED OUT YOUR NAME AND ITS NOT LIKE IT'S A HOUSE WHOLE NAME. ACTUALLY, REMOVING YOUR IMAGE WILL HELP IMPROVE THE SELL OF THE DVD SO FAR IT BOMBED.

On February 3, 2007, the plaintiff replied (Pl.Ex. 24) (typographical and grammar errors in original):

Then I could I have the companies name & contact details. I did ask you this from the start but you were the one being rude to me.

This isn't about money, I was disgusted that you were using my photograph for such an awful subject.

Burge responded, "You will have to talk to the graphic artist involved I have forwarded your request to him" (Pl.Ex. 25).

In this regard, Burge testified at his deposition that A.J. Cohen, from A.J. Cohen Studios, was hired to select the art for the Body Magic movie packaging (*see* Pl.Ex. 31; Pl.Ex. 46, pp. 53, 74). Burge stated that, after receiving the plaintiff's e-mail, he gave Cohen "48 hours to either change the art or show [him] where he got it from" (Pl.Ex. 46, p. 75). Cohen sent him within days a new photograph to replace the plaintiff's image on cover insert and disc art for Body Magic (*id.*; Pl.Ex. 40).

On March 2, 2007, Burge sent the plaintiff an e-mail stating, "[l]ike we said you have been expurgated from our dvd cover" (Pl.Ex. 23, *see also* Pl.Ex. 40). Furthermore, Burge testified that he recalled from distributors the infringing DVDs and destroyed all of his inventory of infringing *1306 Body Magic DVDs and cover inserts (Pl.Ex. 46, pp. 123–24).

The plaintiff also received on March 2, 2007, an e-mail from A.J. Cohen, who stated (Pl.Ex. 26):

I am the artist who found the image [of you] on the internet.

The image in question was obtained from a free usage pic site last October, which hosts (supposedly) public domain images for all uses. In all sincerity, I do not remember the url of the site but I will be happy to hunt it down for you. On behalf of TVX, I sincerely apologize for any disrespectful usage and intent concerning your image. There was only the only image that was used, one time, for the one cover.

Your image has been immediately removed from any TVX DVD packaging, DVD face art, website as well as having all sales personnel instructed to stop selling it immediately.

Again, my sincerest apologies, it was never my nor TVX's intention to purposefully disgrace nor steal your image whatsoever.

The plaintiff said that Cohen's e-mail—which refers to her photograph on the "DVD face art"—was when she first learned that her photograph was not only on the cover insert of the Body Magic DVD package, but also on the Body Magic disc itself.

The plaintiff testified that this experience has been deeply distressing and humiliating. Thus, the plaintiff stated that she was ashamed that one of her first self-portraits was

used on the packaging of a pornographic movie. This, in addition to the steps she took to stop the defendants' use of her image, i.e., looking at pornographic websites, communicating with strangers, and being insulted by Burge, caused her to become depressed. The situation also caused stress and problems with her family and friends. Consequently, she had trouble sleeping and eating, and she gave up photography for several months.

Furthermore, from a professional standpoint, she was concerned that her association with a pornographic movie would harm her career as a fashion photographer. In fact, the plaintiff testified that there are companies with whom she has had to explain this situation, and Canon camera company will not consider employing her as a model or photographer until this case is resolved.

Moreover, Body Magic DVDs with the plaintiff's photograph remain in circulation. In this connection, evidence was presented that 1,000 copies of the Body Magic DVDs, and 2,000 Body Magic DVD cover inserts, with the plaintiff's image were produced (*see* Pl. Exs. 32, 33; Pl.Ex. 46, pp. 48, 80). Burge's undisputed testimony is that he destroyed 811 of the discs (Pl.Ex. 46, pp. 85, 123–24). Thus, approximately 189 of the Body Magic DVDs with the plaintiff's image remain in circulation. Furthermore, in May and June 2007, the plaintiff's attorney was able to purchase Body Magic DVDs with the plaintiff's photograph on the disc (*see* Pl. Exs. 41–43).

On July 31, 2007, the plaintiff filed this lawsuit against Burge, Televised Visual X-Ography, Inc. ("TVX"), and several other companies that were allegedly distributors or retailers of the Body Magic DVD (Doc. 1; *see also* Docs. 20, 86). The plaintiff alleges in her second amended complaint against TVX and Burge claims of direct, *1307 contributory, and inducement of copyright infringement; statutory and common law misappropriation of her image; defamation by implication; conspiracy to commit defamation and to misappropriate; and intentional infliction of emotional distress (Doc. 86).

The plaintiff moved for entry of defaults against TVX and Burge based on their failure to respond to her Second Amended Complaint and TVX's failure to obtain corporate counsel (Docs. 62, 89). The court granted the motions for entry of default pursuant to Rule 55(a), F.R.Civ.P., and the Clerk accordingly entered defaults against them (Docs. 64, 65, 90, 91). After the parties consented to my jurisdiction (Docs. 76, 77), Burge and TVX filed a Motion to Set Aside the Defaults (Doc. 92). The court heard oral argument on this motion and, after due consideration, denied the motion (Docs. 97, 98).

The plaintiff subsequently filed Motions for Final Default Judgment pursuant to Rule 55(b), F.R.Civ.P., and requested a trial to establish her unliquidated damages (Doc. 99). In a supplemental memorandum on liability, the plaintiff abandoned her claims of inducing copyright infringement, conspiracy to misappropriate, and conspiracy to commit defamation by implication (Doc. 107, pp. 17, 23, 29).

On May 6, 2010, the court issued an Order scheduling a non-jury trial on damages for July 21, 2010 (Doc. 110).⁷ After the trial, the plaintiff, in accordance with the court's order, filed a memorandum of law setting forth her damage calculations (Doc. 121).

II.

The plaintiff has established the defendants' liability on her claims of direct copyright infringement, statutory misappropriation of her image, and defamation by implication. However, the plaintiff has failed to prove contributory infringement, or satisfy the stringent standard necessary to establish a claim of intentional infliction of emotional distress. Furthermore, she affirmatively abandoned her claim for "Conspiracy to Commit Defamation by Implication" (Doc. 107, p. 29).

^[1] With regard to the plaintiff's successful claims, the defendants' "default[s] have] not [been] treated as ... absolute confession[s] by the defendant[s] of [their] liability and of the plaintiff's right to recover." *Nishumatsu Constr. Co., Ltd. v. Houston Nat'l Bank*, 515 F.2d 1200, 1206 (5th Cir.1975). However, by defaulting, the defendants are deemed to have "admit[ted] the plaintiff's well-pleaded allegations of fact" for purposes of liability. *Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir.1987). In this case, the allegations in the second amended complaint, and the plaintiff's trial evidence, satisfy each element of the plaintiff's claims for direct copyright infringement, defamation by implication, and statutory misappropriation of image. Accordingly, final judgment as to liability will be entered on those claims. *See id.*

Furthermore, during the trial, the plaintiff testified in an articulate and convincing manner regarding the events giving rise to this lawsuit, including the emotional distress, humiliation, impaired relationships, and damage to her reputation caused by *1308 the defendants' conduct. I find that the plaintiff's testimony was fully credible; it was presented in a straightforward manner

without embellishment or histrionics. This does not mean, however, that the plaintiff's subjective assessment of the value of her injuries will be accepted uncritically. As discussed below, I therefore find that she is entitled to an award of damages totaling \$129,173.20.

A. Copyright Infringement.

^[2] ^[3] ^[4] “To establish a prima facie case of copyright infringement, two elements must be proven: (1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.” *Latimer v. Roaring Toyz, Inc.*, 601 F.3d 1224, 1232–33 (11th Cir.2010). The defendants' unauthorized use of the plaintiff's original self-portrait “No Easy Way Out” on the cover insert and disc art (“packaging”) of their pornographic movie DVD *Body Magic* constitutes direct copyright infringement.⁵

Pursuant to 17 U.S.C. 504, a copyright infringer is liable for the copyright owner's actual damages and any additional profits of the infringer that are not taken into account in computing the actual damages.⁶ The plaintiff seeks an award of damages for copyright infringement totaling \$4,249, which comprises \$3,077 in actual damages and \$1,172 in infringer's profits (Doc. 121, pp. 2–6).

1. Actual damages

^[5] The plaintiff's actual damages are based upon a licensing fee she charges for use of her photographs (*id.*, pp. 3–5). In appropriate circumstances, a “reasonable license fee,” that is, the fair market value of a license authorizing defendants' use of the copyrighted work, may be awarded as actual damages under the Copyright Act. *See On Davis v. The Gap, Inc.*, 246 F.3d 152, 166–68 (2nd Cir.2001); *McRoberts Software, Inc. v. Media 100, Inc.*, 329 F.3d 557, 566 (7th Cir.2003).

^[6] Although a licensing fee in this case is somewhat hypothetical because the plaintiff would not have licensed her photograph for use in this manner, this measure of damages is appropriate because the defendants used the plaintiff's copyrighted photograph, and she is entitled to be compensated for its use. *See On Davis v. The Gap, Inc.*, *supra*, 246 F.3d at 172 (“The hypothesis of a negotiation between a willing buyer and a willing seller simply seeks to determine the fair market value of a valuable right that the infringer has illegally taken from the owner. The usefulness of the test does not depend on whether the copyright infringer was in fact himself willing to negotiate for a license.”); *McRoberts Software,*

Inc. v. Media 100, Inc., *supra*, 329 F.3d at 567 (a licensing fee is an appropriate measure of damages absent evidence that the parties would have contracted for the plaintiff's products because the plaintiff “is entitled under the Copyright Act to recover actual damages resulting from the infringement of its copyright”).

*1309 In this regard, the plaintiff presented at trial uncontroverted evidence that she charges licensing fees for use of her photographs, including the “No Easy Way Out” photograph. In support of her request for a licensing fee of \$3,077, the plaintiff presented evidence that she received a £2000 licensing fee from book publisher Harper Collins to use her photography on its book cover (*see* Pl.Ex. 8). The plaintiff asserts that this £2000 licensing fee is equivalent to \$3,077 in U.S. dollars⁷ (Doc. 121, p. 4).

The plaintiff's receipt of a £2000 licensing fee to use her photograph on a book cover is analogous to the defendants' use of the plaintiff's photograph on the cover (and disc art) of their DVD movie. Furthermore, there is nothing in the record controverting the reasonableness of this amount. Therefore, the plaintiff will be awarded \$3,077 in actual damages based on the loss of a licensing fee.

2. Infringer's profits

^[7] Additionally, the plaintiff requests an award of the defendants' profits from the sale of the infringing *Body Magic* movie DVD. Since the plaintiff's licensing fee does not take into account the defendants' profits from the movie, she is entitled to these profits as well. *See* 17 U.S.C. 504(b).

In establishing the infringer's profits, the copyright owner is required to present proof of the infringer's gross revenue. *Id.* The infringer is then “required to prove his or her deductible expenses and the elements of profit attributable to factors other than the copyrighted work.” *Id.*

The plaintiff alleges that the defendants' profits totaled \$1,171.97 (Doc. 121, p. 6). This calculation is based on the defendants' sale of 234 *Body Magic* DVDs at a price of \$5 or \$8 each (*id.*, p. 5; *see* Pl. Exs. 35–38). The plaintiff deducted from that sum estimated production costs of 70 cents per DVD (Doc. 121, p. 6), although it was not her obligation to do so. *See* 17 U.S.C. 504(b).

The plaintiff's contention that the defendants sold 234 *Body Magic* DVDs is based upon an unreliable “TVX Home Video Inventory Item Quick Report” (Doc. 121, p.

5, citing Pl.Ex. 39). Thus, the sum of the sales and credits on the inventory report does not equal the 1,000 copies of the movie produced by the defendants (Pl.Ex. 39). Furthermore, the plaintiff's sales figure does not account for movie returns identified in the inventory report (see Pl.Ex. 39; Pl.Ex. 46, pp. 85, 124). Thus, the plaintiff's sales calculation is clearly flawed.

A more reliable computation of sales is to subtract the number of Body Magic DVDs that Burge allegedly destroyed (811) from the number of copies he produced (1,000) (see Pl. Exs. 32, 39; Pl.Ex. 46, pp. 123–24). This calculation reflects sales of 189 Body Magic DVDs. At an average sale price of \$6.50 per disc, the gross profit is \$1,228.50. After deducting the infringer's estimated costs of 70 cents per disc (\$132.30), the compensable infringer's profit is \$1,096.20.⁶

Accordingly, the plaintiff will be awarded on her direct copyright infringement claim damages of \$4,173.20, comprising actual damages of \$3,077, and infringer's profits of \$1,096.20.

*1310 B. Contributory Copyright Infringement

¹⁸¹ The plaintiff has also alleged a claim of contributory infringement. A contributory infringer is “one who, with knowledge of the infringing activity, induces, causes[,] or materially contributes to the infringing conduct of another.” *Cable:Home Communication Corp. v. Network Productions, Inc.*, 902 F.2d 829, 845 (11th Cir.1990). The plaintiff alleges that the defendants are liable for contributory copyright infringement based on their sale of infringing Body Magic DVDs to retailers and distributors (Doc. 86, ¶¶ 36–44, 64–69; Doc. 107, pp. 9–16).

¹⁹¹ However, the plaintiff has not shown that the defendants had knowledge of the infringement when they distributed the infringing Body Magic DVDs to retailers and distributors. See *Cable:Home Communication Corp. v. Network Productions, Inc.*, *supra*. Thus, the plaintiff merely asserts conclusory allegations and legal conclusions that the defendants had “knowledge of the infringing activity” and that their infringing “conduct ... [was] willful and intentional” (Doc. 86, ¶¶ 64, 69). See *Buchanan v. Bowman*, *supra*. 820 F.2d at 361 (upon default, only “well-pleaded allegations of fact” are deemed admitted). Further, these allegations are contradicted by the undisputed evidence that the defendants ordered the infringing Body Magic packaging in November 2006, and they were unaware of the infringement until the plaintiff notified them in January 2007, at which time they immediately took steps to cease use of the plaintiff's photograph (see Pl. Exs. 17, 18, 32,

33, 34).

¹⁰¹ Furthermore, an award of damages on this claim would constitute an impermissible double recovery. Thus, the compensatory damages requested under this claim mirror those for which she is receiving compensation under her direct copyright infringement claim (Doc. 121, p. 2), and the plaintiff has made no attempt to distinguish them as separate injuries. See *Indu Craft, Inc. v. Bank of Baroda*, 47 F.3d 490, 497 (2nd Cir.1995), *cert. denied*, 519 U.S. 1041, 117 S.Ct. 609, 136 L.Ed.2d 535 (1996) (“A plaintiff seeking compensation for the same injury under different legal theories is of course entitled to only one recovery.”). Therefore, the plaintiff failed to establish liability or damages on the contributory infringement claim.

C. Statutory Misappropriation of Image

¹¹¹ ¹¹² The plaintiff also claims that the defendants misappropriated her image, in violation of Fla. Stat. § 540.08. That statute provides, in pertinent part:

No person shall publish, print, display or otherwise publicly use for purposes of trade or for any commercial or advertising purpose the name, portrait, photograph, or other likeness of any natural person without the express written or oral consent to such use given by [such person].

The undisputed evidence shows that the plaintiff's self-portrait was placed, without her permission, prominently on the packaging of the Body Magic DVD for the purpose of marketing a pornographic movie with which she had no association. These facts constitute a violation of this statute. See, e.g., *Gritzke v. M.R.A. Holding, *1311 LLC*, No. 4:01CV495–RH. 2002 WL 32107540 (N.D.Fla.) (unauthorized use of a woman's image on the cover of a “Girls Gone Wild” video violates Fla. Stat. § 540.08).

Fla. Stat. § 540.08(2) provides that a prevailing plaintiff may recover: (1) “damages for any loss or injury sustained by reason ... [of the misappropriation,] including an amount which would have been a reasonable royalty,” and (2) punitive or exemplary damages. The plaintiff requests compensatory damages of \$770 for a “licensing fee,” and \$25,000 for harm to her professional reputation (Doc. 121, pp. 2, 9). Additionally, she seeks \$25,000 in punitive damages (*id.*).

1. Compensatory damages

^[13] The plaintiff's request for a \$770 licensing fee (*id.*, p. 2) is not well-taken because the plaintiff has already been compensated for the loss of a licensing fee in connection with her copyright infringement claim, and the plaintiff has not distinguished this licensing fee as a separate injury. Therefore, because recovery of a licensing fee under this claim would constitute an impermissible double recovery, it is denied. *See Indu Craft, Inc. v. Bank of Baroda, supra.* 47 F.3d at 497 (a plaintiff may not recover damages twice for the same injury simply because she has two legal theories); *see, e.g., Besett v. Basnett,* 437 So.2d 172, 173 (Fla.App.1983).

On the other hand, the plaintiff has shown that she is entitled to \$25,000 for harm to her reputation caused by the defendants' misappropriation of her photograph (Doc. 121, p. 9). Harm to reputation caused by the misappropriation of a plaintiff's likeness is a compensable damage. *See* Restatement Second of Torts, § 652H, pp. 401–02, comment *a*; *see, e.g., Clark v. Celeb Publishing, Inc.,* 530 F.Supp. 979, 983–84 (D.C.N.Y.1981) (damages awarded to a model whose photographs were used in a pornographic magazine without her authorization and resulted in the loss of modeling jobs).

^[14] The plaintiff, a professional photographer and model who has no association with the pornographic industry, has suffered harm to her professional reputation due to the defendants' unauthorized use of her photograph on the packaging of a pornographic movie DVD. Specifically, the plaintiff testified that her photograph has been recognized on the packaging of Body Magic and, consequently, she has had to explain this situation to potential clients. Furthermore, she stated that she has not been hired by at least one major client because her photograph appears on the packaging of a pornographic movie DVD. Thus, the plaintiff testified that Canon, a famous camera manufacturer, has declined to employ her as a model or photographer pending resolution of this case.

Under the totality of these circumstances, \$25,000 compensation for harm to the plaintiff's reputation is reasonable. Although the plaintiff has not established \$25,000 in lost jobs due to this circumstance, it is well-established that "proof of actual harm need not be of pecuniary loss." *See* Restatement Second of Torts, § 652H, p. 402, comment *c*. As summarized in *Lugosi v. Universal Pictures,* 25 Cal.3d 813, 160 Cal.Rptr. 323, 603 P.2d 425 (1979):

Often considerable money, time
and energy are needed to develop

one's prominence in a particular field.... For some, the investment may eventually create considerable commercial value in one's identity.... The loss may well exceed the mere denial of compensation for the use of the individual's identity. The unauthorized use disrupts the individual's effort to control his public image, and may substantially alter that image.

***1312** Here, it is undisputed that the defendants' misuse of her photograph has tarnished the plaintiff's image and disrupted her ability to control that image. Therefore, the plaintiff will be awarded \$25,000 compensation for harm to her reputation caused by the plaintiff's violation of Fla. Stat. § 540.08.

2. Punitive damages

The plaintiff asserts, in a conclusory manner, that she is entitled to \$25,000 in punitive damages pursuant to Fla. Stat. § 540.08(2) (Doc. 121, p. 9). Although the defendants' unauthorized use of her self-portrait clearly violates Fla. Stat. § 540.08, their misconduct does not meet the "high standard" necessary for the imposition of punitive damages. *Weinstein Design Group, Inc. v. Fielder,* 884 So.2d 990, 1001 (Fla.App.2004).

^[15] ^[16] Thus, "punitive damages are reserved for particular types of behavior which go beyond mere intentional acts." *Id.*; *Genesis Publications, Inc. v. Goss,* 437 So.2d 169, 170 (Fla.App.1983). Such an award requires evidence of "intentional, wanton and malicious disregard" for the plaintiff's rights. *Genesis Publications, Inc. v. Goss, supra.* 437 So.2d at 170 (*citing Winn & Lovett Grocery Co. v. Archer,* 126 Fla. 308, 171 So. 214, 221 (1936)). In this context, a significant consideration is whether the defendant knew that it lacked permission to use the plaintiff's image. *See Weinstein Design Group, Inc. v. Fielder, supra.* 884 So.2d at 1001; *Sun Int'l Bahamas, Ltd. v. Wagner,* 758 So.2d 1190, 1191 (Fla.App.2000); *Genesis Publications, Inc. v. Goss, supra.* 437 So.2d at 170–71.

^[17] The plaintiff has not shown that the defendants' conduct warrants punitive damages because there is no evidence that the defendants knowingly infringed the plaintiff's rights. To the contrary, the defendants did not even choose the plaintiff's photograph for the Body Magic DVD packaging; rather, the defendants employed A.J. Cohen Studios for this purpose (Pl. Exs. 18, 22, 31;

Pl.Ex. 46, pp. 52–53, 74).^{*} See *Genesis Publications, Inc. v. Goss*, *supra*. 437 So.2d at 169 (a magazine’s publication of a nude photograph of the plaintiff in an advertisement without her permission did not warrant punitive damages because the defendant had relied on advertising agencies to obtain the necessary permission for use of the photographs). Furthermore, the undisputed evidence is that the defendants did not learn of the infringement until the plaintiff contacted them in January 2007, ten months after they produced the Body Magic DVDs (see Pl. Exs. 18, 33, 34; Pl.Ex. 46, p. 75).

The absence of malicious intent is underscored by Burge’s attempts to remediate the situation when he learned of the infringement. Thus, Burge changed the photograph on the Body Magic packaging and recalled from distributors infringing Body Magic DVDs (see Pl. Exs. 18, 22, 23, 26, 40; Pl.Ex. 46, pp. 75, 85, 123). Furthermore, Burge testified that he destroyed by fire all 811 infringing discs in his possession, and tore up all of the infringing cover inserts (Pl.Ex. 46, pp. 123–24).³

***1313** In sum, punitive damages are not warranted because the evidence does not show that the defendants acted in “intentional, wanton, and malicious disregard” for the plaintiff’s rights when they used her self-portrait on the packaging of their pornographic movie DVD. See *Genesis Publications, Inc. v. Goss*, *supra*. At most, the defendants’ conduct constitutes negligence for failing to confirm that the photograph was in the public domain for free use. Accordingly, the plaintiff’s request for punitive damages is denied.

D. Common Law Misappropriation of Image

^[18] ^[19] The plaintiff’s complaint also alleges common law misappropriation of her image (Doc. 86, pp. 33–35). The plaintiff may assert common law and statutory claims for misappropriation in the same action. *Almeida v. Amazon.com, Inc.*, 456 F.3d 1316, 1320 n. 1 (11th Cir.2006). Furthermore, the elements establishing both claims “are substantially identical.” *Id.* Therefore, based on the analysis of the plaintiff’s statutory claim of misappropriation, *supra*, the defendants are also liable for common law misappropriation of the plaintiff’s image. However, the plaintiff has failed to establish that she is entitled to any damages under this claim.

The plaintiff seeks \$25,000 in compensatory damages for the defendants’ misappropriation of her photograph (Doc. 121, pp. 2, 10). It is unclear, however, whether this compensatory damage is distinct from the compensatory damage she is receiving for harm to her reputation under the statutory misappropriation claim.

Thus, the plaintiff merely asserts in a conclusory manner that “\$25,000 would be reasonable compensation for the misappropriation of her likeness by the Defendants” (*id.*, p. 10). If this claim is distinct from the injury asserted in her statutory misappropriation claim, it is denied because the basis for such an award is not explained.

^[20] To the extent that the plaintiff is seeking damages for harm to her reputation, it is denied as an improper double recovery, as she already has been awarded \$25,000 for that injury. See *Atl. Coast Line R. Co. v. Saffold*, 130 Fla. 598, 178 So. 288, 290 (1938) (“Double damages are not legally recoverable”). Thus, as previously indicated, the plaintiff may not recover damages twice for the same injury simply because she has two legal theories. See, e.g., *Besett v. Basnett*, *supra*, 437 So.2d at 173.

^[21] The plaintiff may be suggesting that she is entitled to a double recovery based upon Fla. Stat. § 540.08(7), which provides that, “[t]he remedies provided for in this section shall be in addition to and not in limitation of the remedies and rights of any person under the common law against the invasion of her ... privacy” (see Doc. 121, p. 10). However, the language of this statute does not authorize a double recovery, and the plaintiff has not cited any legal authority supporting such a construction of this statute. Rather, this statutory provision allows a plaintiff to assert statutory and common law claims for invasion of privacy in the same action without abridging the types of remedies available under the common law. See *Almeida v. Amazon.com, Inc.*, *supra*, 456 F.3d at 1325 (“The Florida legislature enacted section 540.08 in order to expand the remedies available under the common law right against misappropriation”); *Loft v. Fuller*, 408 So.2d 619, 622 (Fla.App.1981) (“By enacting Section 540.08, the Florida Legislature has amplified the remedies available for ... commercial exploitation of the property value of a person’s” likeness). In sum, the plaintiff has failed to show that she is entitled to recover damages under her common law claim for misappropriation ***1314** of her image because she has not stated the basis for this claim, and an award for harm to her reputation would constitute an impermissible double recovery.

E. Defamation by Implication

^[22] ^[23] The plaintiff has also asserted a claim for “defamation by implication,” which is a tort recognized under Florida law. See *Jews for Jesus, Inc. v. Rapp*, 997 So.2d 1098, 1108 (Fla.2008). “Defamation by implication arises, not from what is stated, but from what is implied when a defendant (1) juxtaposes a series of facts so as to imply a defamatory connection between them, or (2)

creates a defamatory implication by omitting facts, such that he may be held responsible for the defamatory implication.” *Id.* at 1106. The defendants’ unauthorized use of the plaintiff’s self-portrait on the packaging of a pornographic movie, which improperly suggests the plaintiff’s participation in, or her willing association with, the pornographic industry, constitutes defamation by implication. *See id.*

The plaintiff alleges that \$100,000 is “fair compensation for the humiliation she suffered as a result of having her photograph used in connection with the ‘Body Magic’ pornographic movie and related marketing materials” (Doc. 121, p. 12). She also seeks \$25,000 punitive damages (*id.*, p. 13).

1. Compensatory damages

A plaintiff who prevails on a defamation claim may recover damages for “shame, humiliation, mental anguish, and hurt feelings experienced in the past or to be experienced in the future.” Florida Standard Jury Instructions, Instruction MI 4.4., p. 1; *see also* Restatement Second of Torts, § 621, p. 320, comment *b* (“actual injury” includes “personal humiliation, and mental anguish and suffering”).

At trial, the plaintiff testified in a credible and convincing manner that the unauthorized use of her photograph on the packaging of Body Magic was humiliating and distressing, and caused her to become depressed. Thus, the plaintiff testified credibly that she was “shocked, disgusted, and ashamed” when she saw the image that she took of herself at age 14, innocently playing dress-up, being used in association with a pornographic movie. Further, she testified with emotion, but without histrionics, to the stress and problems it caused with her family and friends. She also worried that being associated with a pornographic movie would harm her career as a fashion photographer. Moreover, the plaintiff’s humiliation and distress was compounded by Burge’s offensive and belittling e-mail responses to the plaintiff, in which he demeaned her talent and accused her of, among other things, attempting to scam him (Pl. Exs. 18, 20, 22). Consequently, the plaintiff gave up photography for several months, and she had trouble sleeping and eating.

^[24] The plaintiff’s requested award of \$100,000 is reasonable and adequate compensation for this harm. *Compare Fleming v. Gadsden County Times*, 1988 WL 500044 (Fla.Cir.Ct.1988) (jury award of \$865,000 in compensatory damages for a newspaper article linking the plaintiff and his company to a federal criminal

investigation); *Destefano v. Adventist Health System Sunbelt*, 973 So.2d 492 (Fla.App.2007) (upholding a one-million dollar compensatory damage award for defamatory remarks that the plaintiff inappropriately kissed his mother and improperly laid with her on her hospital bed). Thus, the defamation caused the plaintiff personal and professional humiliation, and it was severe enough to harm her career, and impair the *1315 plaintiff’s physical health and relationships with family and friends. Accordingly, the plaintiff will be awarded \$100,000 for the humiliation and mental anguish caused by the defendants’ defamatory use of her self-portrait.

2. Punitive damages

^[25] The plaintiff also seeks an award of \$25,000 in punitive damages for the defamatory use of her photograph (Doc. 121, p. 13). Punitive damages for defamation are compensable upon a showing that the defendants’ “primary purpose” in engaging in the defamatory act “was to indulge ill will, hostility, and an intent to harm.” Florida Standard Jury Instruction MI 4.4., pp. 3–4. However, as discussed in connection with the plaintiff’s request for punitive damages under Fla. Stat. § 540.08, the evidence unquestionably does not support such finding because the defendants were unaware of the violation when they produced the infringing Body Magic packaging. *See* Florida Standard Jury Instruction MI 4.4., pp. 3–4. Therefore, the plaintiff’s request for punitive damages is denied.

F. Conspiracy to Commit Defamation by Implication

The plaintiff has, in her most recent submission, requested damages of \$125,000 for “Conspiracy to Commit Defamation by Implication” (*see* Doc. 121, p. 2). This appears to be an error, because the plaintiff affirmatively abandoned that claim in her supplemental memorandum regarding liability (Doc. 107, p. 29) (“Count VIII—Conspiracy to Commit Defamation by Implication. Plaintiff hereby abandons and drops the claim set forth in Count VIII of the Second Amended Complaint”). Therefore, to the extent that the plaintiff sought a separate award of damages for “Conspiracy to Commit Defamation by Implication,” it is denied.

G. Intentional Infliction of Emotional Distress

^[26] ^[27] ^[28] The plaintiff’s final claim is intentional infliction of emotional distress. The elements of this claim are: “(1) deliberate or reckless infliction of mental suffering; (2) outrageous conduct; (3) the conduct caused

the emotional distress; and (4) the distress was severe.” *Thomas v. Hospital Bd. of Directors of Lee County*, 41 So.3d 246, 256 (Fla.App.2010). The Florida Supreme Court has repeatedly affirmed that, to sustain this claim, the conduct must be “so outrageous in character, and so extreme in degree” that it is considered “atrocious ... and utterly intolerable in a civilized community.” *Metropolitan Life Ins. Co. v. McCarson*, 467 So.2d 277, 278–79 (Fla.1985). Thus, “it is not enough that the intent is tortious or criminal; it is not enough that the defendant intended to inflict emotional distress; and it is not enough if the conduct was characterized by malice or aggravation which would entitle the plaintiff to punitive damages for another tort.” *State Farm Mut. Auto. Ins. Co. v. Novotny*, 657 So.2d 1210, 1213 (Fla.App.1995).

[29] The defendants’ actions unquestionably do not rise to this level of misconduct because the defendants were unaware that they were violating the plaintiff’s rights when her photograph was selected for the Body Magic packaging.⁹ Nonetheless, the plaintiff argues that the defendants’ conduct is sufficiently outrageous because the defendants allegedly “took *1316 what they had to know was a reasonably recent photograph ... of an obviously young woman and used it as the cover art, face art and online marketing material for their pornographic movie” (Doc. 121, p. 14). The defendants’ use of a picture of a “young woman” for the package of a pornographic movie does not, in itself, constitute outrageous conduct.

Furthermore, to the extent the plaintiff insinuates that the defendants knew the photograph was of a minor girl when they selected it for the packaging of Body Magic, that assertion is not supported by any evidence. In this regard, the plaintiff cites to a January 29, 2007, e-mail to Burge, in which she tells him that the photograph is a self-portrait taken when she was 14 years old (*see* Doc. 121, p. 14); however, that e-mail was sent long after the plaintiff’s photograph was reproduced on the packaging of the Body Magic DVD (*see* Pl. Exs. 17, 33, 34). Moreover, it is not apparent from looking at the picture that the female is a minor.

The plaintiff argues further the defendants’ failure to obtain express consent from the plaintiff for the use of her photograph, or attempt to determine her identity, was outrageous (Doc. 121, p. 15). Under the circumstances of this case, these contentions do not amount to more than negligence.

Footnotes

¹ By commencement of the trial, TVX and Burge were the only remaining defendants. The plaintiff had voluntarily dismissed the other defendants (Docs. 18, 34, 44, 54, 57, 115, 118).

Finally, the plaintiff makes the unpersuasive argument that defendant Burge’s e-mail responses, in which he accuses the plaintiff of trying to “scam” him and blames the plaintiff for poor sales of the Body Magic movie, magnifies the defendants’ misconduct and renders it outrageous (*id.*). Burge was indisputably insulting and rude in these e-mails. Further, the defendants’ conduct, in its totality, was morally wrong and tortious. However, the misconduct still does not “go beyond all bounds of decency and ... [cause] an average member of the community ... to exclaim, ‘Outrageous.’ ” *Metropolitan Life Ins. Co. v. McCarson*, *supra*, 467 So.2d at 279; *see, e.g., Williams v. Worldwide Flight SVCS., Inc.*, 877 So.2d 869, 870 (Fla.App.2004) (racial epithets, forcing the plaintiff to work in dangerous conditions, and the creation of a false disciplinary record to justify the plaintiff’s termination is “reprehensible, objectionable, and offensive” behavior, but is not “reasonably regarded as so extreme and outrageous” to state a claim for intentional infliction of emotional distress). The plaintiff, moreover, does not cite any apposite legal authority that this conduct is sufficiently outrageous to state a cognizable claim for intentional infliction of emotional distress. Therefore, the plaintiff failed to prove her claim of intentional infliction of emotional distress.

It is, therefore, upon consideration:

ORDERED:

That the plaintiff’s Motion for Default Final Judgment of Liability against Televised Visual X-Ography, Inc., and Robert Augustus Burge (Doc. 99) is hereby **GRANTED to the extent** that final judgment will be entered for the plaintiff Lara Jade Coton, and against defendants Televised Visual X-Ography, Inc., and Robert Augustus Burge, on the plaintiff’s claims of direct copyright infringement, defamation by implication, and misappropriation of image pursuant to Fla. Stat. § 540.08, in the amount of \$129,173.20, with interest thereon in accordance with 28 U.S.C.1961. The Clerk shall enter judgment accordingly and CLOSE this case.

Parallel Citations

2010 Copr.L.Dec. P 30,007

- 2 Defendants Burge and TVX were sent notice of this Order on May 7, 2010. On July 16, 2010, less than one week before trial, the court received a motion from the defendants to postpone the hearing on damages and for permission to file a written response in lieu of an appearance at trial (Doc. 111). That motion, which was opposed by the plaintiff, was denied because it did not state adequate cause for an indefinite continuance of the trial (*see* Docs. 112, 113).
- 3 The plaintiff did not register her copyright in the photograph “No Easy Way Out” (Doc. 121, p. 3, n. 1). Although copyright registration is generally required for ownership of a valid copyright, it is not necessary for works originating in England, a signatory country to the Berne Convention. *See The Football Assn. Premier League, Ltd. v. YouTube, Inc.*, 633 F.Supp.2d 159, 163–64 (S.D.N.Y.2009).
- 4 The Copyright Act also provides for awards of statutory damages and attorney’s fees. *See* 17 U.S.C. 504(a)(2), 505. However, as the plaintiff acknowledges (Doc. 121, p. 3 n. 1), she is not eligible for this relief because “no award of statutory damages or of attorney’s fees ... shall be made for” unregistered works. 17 U.S.C. 412.
- 5 According to the plaintiff, the conversion rate in 2010 has varied from .61 to .70 (Doc. 114; Doc. 121, p. 4). The plaintiff suggested, reasonably enough, the use of a .65 conversion rate in this case.
- 6 It was the defendants’ burden to show its costs. Therefore, although the plaintiff did not explain how it determined the defendants’ cost of 70 cents per disc, that amount will be accepted.
- 7 The statute is construed as requiring that the unauthorized use of the person’s image “directly promote the product.” *Tyne v. Time Warner Entm’t Co., L.P.*, 901 So.2d 802, 808 (Fla.2005). Therefore, courts have found that merely including the misappropriated image in a publication that is sold for profit is insufficient; rather, the harm emanates from “the way that the use associates the person’s [likeness] with something else.” *Id.*
- 8 Cohen stated that he discovered the plaintiff’s photograph on a free usage picture website which hosts public domain images for all uses (Pl. Ex. 26).
- 9 The plaintiff emphasizes that her counsel was able to purchase in June 2007 Body Magic movie DVDs with her photograph on the disc art. However, the plaintiff has failed to show that the defendants themselves, as opposed to distributors, continued to sell the infringing DVDs after they received notice of their violation since approximately 200 discs remained in circulation.
- 10 For this reason, the defendants’ use of the plaintiff’s photograph also does not satisfy the element of “deliberate or reckless infliction of mental suffering.” *Thomas v. Hospital Bd. of Directors of Lee County*, *supra*.

884 So.2d 990
District Court of Appeal of Florida,
Fourth District.

WEINSTEIN DESIGN GROUP, INC., a Florida
corporation, and Robert S. Weinstein,
individually, Appellants,
v.
Cecil FIELDER, Appellee.

No. 4D03-3750. | Sept. 29, 2004. | Rehearing
Denied Nov. 16, 2004.

Synopsis

Background: Former professional baseball player brought action against interior design company, seeking injunctive relief and damages based on company's use of baseball player's name for commercial purposes without his authorization and for the common law tort of name misappropriation. The Circuit Court for the Fifteenth Judicial Circuit, Palm Beach County, Catherine M. Brunson and John D. Wessel, JJ., entered judgment on jury verdict for baseball player, and company appealed.

Holdings: The District Court of Appeal, Polen, J., held that:

^[1] prospective jurors who expressly admitted their predisposition toward baseball player should have been excluded for cause; and

^[2] new trial was warranted as remedy for trial court's error in denying interior design company's challenges for cause as to prospective jurors who expressly admitted their predisposition toward baseball player, thereby causing company to waste peremptory challenge to dismiss a juror who should have been dismissed for cause.

Affirmed in part, reversed in part, and remanded.

West Headnotes (21)

^[1] **Jury**
☛ Bias and Prejudice

Prospective jurors who expressly admitted their predisposition toward former professional baseball player should have been excluded for cause in action brought by baseball player against interior design company for allegedly using player's name for commercial and/or advertising purposes without his permission; these jurors manifestly raised reasonable doubts as to their capacity to be impartial, in that each expressed a predisposition for player, and an inability to be certain that the predisposition could be set aside, and jurors were not rehabilitated after making statements that confirmed such bias.

1 Cases that cite this headnote

^[2] **New Trial**
☛ Proceedings Preliminary to Trial

New trial was warranted as remedy for trial court's error in denying interior design company's challenges for cause as to prospective jurors who expressly admitted their predisposition toward former professional baseball player, thereby causing company to waste peremptory challenge to dismiss a juror who should have been dismissed for cause, in player's action against company for allegedly using player's name for commercial and/or advertising purposes without his permission.

Cases that cite this headnote

^[3] **Appeal and Error**
☛ Mixed Questions of Law and Fact
Jury
☛ Trial and Determination

Generally, because a trial court has a unique vantage point to determine juror bias, its determination of whether a challenge for cause is proper is a mixed question of law and fact that will not be overturned on appeal in the absence of manifest error.

1 Cases that cite this headnote

¹⁴¹

Jury

☛Bias and Prejudice

Close cases of juror bias should be resolved in favor of excusing the juror, rather than leaving a doubt as to his or her impartiality.

2 Cases that cite this headnote

¹⁵¹

Jury

☛Bias and Prejudice

A juror is not impartial when one side must overcome a preconceived opinion in order to prevail.

2 Cases that cite this headnote

¹⁶¹

Appeal and Error

☛Overruling Challenge

Any alleged error in failing to dismiss a juror for cause may be cured by granting additional peremptory challenges.

Cases that cite this headnote

¹⁷¹

Jury

☛Peremptory Challenges

It is error for a court to force a party to exhaust his peremptory challenges on persons who should be excused for cause since it has the effect of abridging the right to exercise peremptory challenges.

Cases that cite this headnote

¹⁸¹

Appeal and Error

☛Overruling Challenge

If, because of an erroneous denial of a challenge for cause, a party is forced to exhaust his or her peremptory challenges and, subsequently makes a request for additional peremptory challenges which is denied, an appellate court will reverse and grant a new trial.

Cases that cite this headnote

¹⁹¹

Appeal and Error

☛Cases Triable in Appellate Court

The standard of review of summary judgment orders is de novo.

3 Cases that cite this headnote

¹¹⁰¹

Appeal and Error

☛Judgment

When reviewing a ruling on summary judgment, an appellate court must examine the record and any supporting affidavits in the light most favorable to the non-moving party.

7 Cases that cite this headnote

¹¹¹¹

Appeal and Error

☛Effect of Evidence and Inferences Therefrom on Direction of Verdict

When reviewing a trial court's denial of a motion for directed verdict, an appellate court must view the evidence and all inferences in a light most favorable to the non-movant, and should reverse if no proper view of the evidence could sustain a verdict in favor of the

non-movant.

4 Cases that cite this headnote

^{112]} **Appeal and Error**

☛Submission of Issues or Questions to Jury

The “two-issue rule” provides that, where there is no proper objection to the use of a general verdict, reversal is improper where no error is found as to one of two issues submitted to the jury on the basis that the appellant is unable to establish that he has been prejudiced.

2 Cases that cite this headnote

^{113]} **Appeal and Error**

☛Submission of Issues or Questions to Jury

The “two-issue rule” providing that, where there is no proper objection to the use of a general verdict, reversal is improper where no error is found as to one of two issues submitted to the jury applies, in the case of a losing defendant, only to actions brought on two theories of liability, as to which just a single basis for damages applies, not to claims in which separate damages are recoverable.

1 Cases that cite this headnote

^{114]} **Torts**

☛Matters of Public Interest or Public Record; Newsworthiness

Magazine article about interior designer, in which designer mentioned name of former professional baseball player for whom he was designing house, did not fall within bona fide news report exception to statute prohibiting use of one’s name or likeness for trade, commercial or advertising purposes, and as such, designer was not immune from liability with respect to player’s action for unauthorized publication of

name or likeness; designer sought publication of article, and use of player’s name in article came about exclusively through information supplied by designer, not from any independent research by article’s author. West’s F.S.A. § 540.08(3)(a).

Cases that cite this headnote

^{115]} **Torts**

☛Name

Interior designer’s brochures, which allegedly mentioned that designer was providing services to former professional baseball player, violated statute prohibiting any person from publishing or printing for purposes of trade or for any commercial or advertising purpose the name or other likeness of any natural person without the consent to such use; while designer’s evidence that the brochures were never distributed was relevant to the jury’s determination of damages resulting from printing the brochures, the fact remained that designer printed the brochures for advertising purposes in violation of the statute. West’s F.S.A. § 540.08.

Cases that cite this headnote

^{116]} **Damages**

☛Particular Cases in General

Punitive damages were not warranted against interior designer who allegedly used former professional baseball player’s name for commercial and/or advertising purposes without his permission; designer testified that player’s wife gave him oral permission to use player’s name and that, when he learned of player’s objections, he never used player’s name again, there was no evidence of intentional and malicious misconduct undertaken with knowledge that injury to player would result, and designer testified that he believed that the association of player’s home with designer’s firm would benefit player. West’s F.S.A. §

540.08(2).

1 Cases that cite this headnote

1171

Damages

☛Grounds for Exemplary Damages

The terms recklessness, wantonness and willfulness, when used to justify punitive damages, imply a knowledge and present consciousness not simply that a statute or right will be violated, but that injury will result.

1 Cases that cite this headnote

1181

Damages

☛Nature and Theory of Damages Additional to Compensation

Punitive damages are in a sense explicitly based on juror emotion, in that one function of the award is to express society's collective outrage at unacceptable behavior and to punish and deter such behavior.

2 Cases that cite this headnote

1191

Appeal and Error

☛Review of Specific Questions in General

Interior designer's claim that trial court erred by denying designer's motion for remittitur with respect to compensatory damages awarded to former professional baseball player on his commercial misappropriation claim was moot since appellate court had ordered a new trial for trial court's error in denying designer's challenges for cause as to prospective jurors who expressly admitted their predisposition toward baseball player. West's F.S.A. § 540.08.

1 Cases that cite this headnote

1201

Appeal and Error

☛Inadequate or Excessive Damages

Orders on motions for remittitur are reviewed for abuse of discretion.

2 Cases that cite this headnote

1211

New Trial

☛Unliquidated Damages and Effect of Passion or Prejudice

Remittitur cannot be granted unless the amount of damages is so excessive that it shocks the judicial conscience and indicates that the jury has been influenced by passion or prejudice.

6 Cases that cite this headnote

Attorneys and Law Firms

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Daniel S. Rosenbaum and John R. Sheppard, Jr., of Becker & Poliakoff, P.A., West Palm Beach, for appellee.

Opinion

POLEN, J.

This appeal arises from a final money judgment in a jury trial in favor of Appellee, Cecil Fielder, awarding Fielder compensatory damages of \$300,000 and punitive damages of \$15,000 for using Fielder's name for commercial and/or advertising purposes without his permission. We affirm in part and reverse in part.

Appellant Weinstein Design entered into a contract with Stacey Fielder (wife of former professional baseball player Cecil Fielder) on November 6, 1996 to provide

interior decorating services for the Fielders' home. At some time in 1998, the Fielders stopped paying Weinstein's invoices, leading to a lawsuit that eventually concluded by arbitration. In August of 1999, while the arbitration dispute was pending, Fielder brought the instant suit against Weinstein and the Weinstein Design Group (collectively Weinstein) seeking injunctive relief and damages based on Weinstein's use of Fielder's name for commercial purposes without his authorization, in violation of section 540.08, Florida Statutes, and for the common law tort of name misappropriation.

Pre-trial, Weinstein stipulated to the entry of a permanent injunction, prohibiting Weinstein from future use of Fielder's name and he admitted to using Fielder's name without his consent in violation of section 540.08, Florida Statutes, and to committing common law name appropriation. *994 Therefore, the main issues of fact for trial were (1) whether the article printed in *Florida Design* magazine about Robert Weinstein was an exception to liability under section 540.08(3); (2) whether Weinstein was liable under section 540.08 for a set of allegedly undistributed brochures; (3) the amount of compensatory damages, if any; and (4) the amount of punitive damages, if any.

1. Weinstein's challenges for cause

^[1] ^[2] During jury selection, Weinstein challenged prospective jurors Porcelli, Dagostino, Rendelman, and Kearns for cause, claiming they were predisposed to favor Fielder. The trial judge denied the challenges as to all four, explaining that he believed that the prospective jurors' allegedly biased answers during voir dire merely reflected that they "felt a tinge of injustice" because they were previously read the pretrial stipulation, in which Weinstein admitted to using the name without permission. The trial judge did, however, grant the challenge as to Kearns for other reasons.

The trial judge then turned to peremptory challenges, first allowing three per side. Weinstein used his three peremptory challenges to strike the three jurors who he failed to convince the judge to excuse for cause. Weinstein then renewed his challenges for cause as to those three jurors and requested additional challenges. The trial judge eventually gave each side two more challenges but denied Weinstein's request for a third additional challenge, for which Weinstein stated he wished to strike prospective juror Lizardi. Lizardi was then seated on the jury. Weinstein again renewed his motion for an additional challenge to strike Lizardi, which the trial judge denied. The trial judge then read the jury panel's names into the record, whereupon Weinstein

stated that he did not accept the panel. Weinstein appeals the trial judge's denials of his challenges for cause and refusals to grant sufficient additional peremptory charges.

The first issue Weinstein raises on appeal is that the trial court abused its discretion by denying his challenges for cause as to prospective jurors. We agree, and therefore we reverse the trial court's denial of Weinstein's challenges for cause and remand the case with directions that the judgment entered below be vacated and a new trial conducted.

^[3] ^[4] Generally, because a trial court has a unique vantage point to determine juror bias, its determination of whether a challenge for cause is proper is a mixed question of law and fact that will not be overturned on appeal in the absence of manifest error. *Smith v. State*, 699 So.2d 629, 635-36 (Fla.1997). The Florida Supreme Court set forth the standard for determining juror bias in *Smith*:

The test for determining juror competency is whether the juror can lay aside any bias or prejudice and render a verdict solely on the evidence presented and the instructions on the law given by the court. A juror must be excused for cause if any reasonable doubt exists as to whether the juror possesses an impartial state of mind.

699 So.2d at 635 (citations omitted). "Close cases should be resolved in favor of excusing the juror rather than leaving a doubt as to his or her impartiality." *Bryant v. State*, 765 So.2d 68, 71 (Fla. 4th DCA 2000).

Fielder argues that none of the jurors at issue should have been removed for cause because the trial judge read a stipulation to the jurors, in which Weinstein admitted liability for using Fielder's name without his permission. Fielder argues that the jurors merely expressed a sense of inequity *995 based on Weinstein's admitted liability. In *Rolling v. State*, 695 So.2d 278, 285 (Fla.1997), the Florida Supreme Court held that a juror is not required to be completely devoid of knowledge of the acts or be devoid of preconceived notions:

To hold that the mere existence of any preconceived notion as to the guilt of the accused, without more, is sufficient to rebut the presumption of a prospective juror's impartiality would be to establish an impossible standard. It

is sufficient if the juror can lay aside his impression or opinion and render a verdict based on the evidence presented in court. Thus, if prospective jurors can assure the court during voir dire that they are impartial despite their extrinsic knowledge, they are qualified to serve on the jury, and a change of venue is not necessary. Although such assurances are not dispositive, they support the presumption of a jury's impartiality.

Fielder also argues that because the challenged jurors did not claim to have a pre-judged dollar amount they would award Fielder and would need to hear testimony and evidence to establish an amount, there were no grounds to challenge them for cause.

¹⁵¹ We find Fielder's argument unpersuasive as to the bias of the three challenged prospective jurors who expressly admitted their predisposition toward Fielder (Rendelman, Dagostino, and Porcelli) and hold that they should have been excluded for cause. These three jurors manifestly raised reasonable doubts as to their capacity to be impartial, in that each expressed a predisposition for Fielder, and an inability to be certain that the predisposition could be set aside. "A juror is not impartial when one side must overcome a preconceived opinion in order to prevail." *Carratelli v. State*, 832 So.2d 850, 854 (Fla. 4th DCA 2003). During voir dire, these three panel members confirmed that they could not set aside "the edge" they would give to Fielder. Each of their final answers to Weinstein's counsel's line of questioning on that issue appears below:

[Counsel]: There's some doubt in your mind as to whether you could be fair to both sides starting out even, correct?

[Prospective Juror Rendelman]: I would like to think that I could put it aside and just look at it on an even scale, but it is something that I would be, it would be in my mind, yes.

[Counsel]: Is there some reasonable doubt in your mind about that?

[Prospective Juror Rendelman]: Yes

[Counsel]: Ms. Dagostino, how do you feel about that, are we starting out even or-

[Prospective Juror Dagostino]: I said that there would

be an edge and that you would have to catch up to them, but they would go in with the edge.

[Counsel]: Mr., Porcelli, going back to you, edge versus even Steven, is one side starting out ahead of the other in your mind here?

[Prospective Juror Porcelli]: According to what I have heard so far, yeah. I believe the Plaintiff does have a little bit of an edge because of the fact it seems someone has admitted he used his name without his permission.

In *Imbumbo v. State*, 555 So.2d 954, 955 (Fla. 4th DCA 1990), this court reversed a denial of a challenge for cause, after a juror admitted during voir dire that she "probably" would be prejudiced but "probably" could follow the judge's instructions. Similarly, in *Jaffe v. Applebaum*, 830 So.2d 136 (Fla. 4th DCA 2002), this court held that it was error not to grant a challenge for cause as to a prospective juror who admitted that plaintiff would be starting out with "a half strike" against her.

*996 Here, the three jurors all had difficulties similar to those described above. Furthermore, no further questioning rehabilitated them in any way. This case is similar to *Franco v. State*, in which a "juror never stated that she could follow the law after expressing her problems with the burden of proof and presumption of innocence. There was no attempt to rehabilitate the juror. Even if she had, it would not have necessarily made her acceptable." 777 So.2d 1138, 1139 (Fla. 4th DCA 2001). Moreover, "[w]here, as in this case, a juror expresses views on [an issue of bias], and there is no subsequent change in those views, the trial court's superior vantage point and discretion are of little consequence." *Id.*

¹⁶¹ ¹⁷¹ ¹⁸¹ Finally, we note that any alleged error in failing to dismiss a juror for cause may be cured by granting additional peremptory challenges. *Curtis v. State*, 767 So.2d 627, 628 (Fla. 3d DCA 2000). However, "it is error for a court to force a party to exhaust his peremptory challenges on persons who should be excused for cause since it has the effect of abridging the right to exercise peremptory challenges." *Street v. State*, 592 So.2d 369, 370 (Fla. 4th DCA 1992). Therefore, "[i]f, because of an erroneous denial of a challenge for cause, a party is forced to exhaust his or her peremptory challenges and, subsequently makes a request for additional peremptory challenges which is denied ... an appellate court will reverse and grant a new trial." *Imbumbo*, 555 So.2d at 955.

In the present case, when the trial court denied these challenges for cause, Weinstein had to exhaust his peremptory challenges to remove the three from the

panel. The trial court thereafter granted Weinstein two additional peremptory challenges, but denied his third requested peremptory, which was necessary to compensate for the three peremptories Weinstein used to dismiss jurors that should have been dismissed for cause. Consequently, Weinstein was unable to use a peremptory to remove juror Lizardi, as he sought to do, and the case was consequently tried to a jury that Weinstein did not accept.

Because (1) the three challenged jurors expressly admitted their predisposition toward Fielder; (2) the jurors were not rehabilitated after making statements that confirmed such bias; and (3) Weinstein, in effect, had to waste a peremptory challenge to dismiss a juror who should have been dismissed for cause, we reverse the trial court's denial of Weinstein's challenges for cause and remand the case with directions that the judgment entered below be vacated and a new trial conducted.

2. Weinstein's motions for judgment as a matter of law on the *Florida Design* magazine article and allegedly undistributed brochures

Because the other issues on appeal are likely to recur upon a new trial, we address them as well. The parties dispute which of the four printed materials containing Fielder's name give rise to Weinstein's admitted liability for unauthorized use of Fielder's name. The parties agree that Weinstein is liable for (1) *The Florida Design Source Book* (hereinafter *Sourcebook*)—a trade magazine consisting solely of advertisements (“advertorials”) and (2) the company's one-time newsletter to existing clients. However, the parties disagree over whether Weinstein is also liable for (3) the *Florida Design* magazine article and (4) the allegedly undistributed brochures of copies of the *Florida Design* article.

Weinstein's second argument is that the trial court erred by denying Weinstein's motions for summary judgment and directed verdict as to the *Florida Design* magazine article and the brochures, thus allowing *997 the jury to consider these in their deliberations. We disagree and affirm.

[9] [10] [11] The standard of review of summary judgment orders is de novo. See *The Florida Bar v. Rapoport*, 845 So.2d 874, 877 (Fla.2003). “When reviewing a ruling on summary judgment, an appellate court must examine the record and any supporting affidavits in the light most favorable to the non-moving party.” *City of Lauderdale v. Rhames*, 864 So.2d 432, 434 n. 1 (Fla. 4th DCA 2003). Similarly, when reviewing a trial court's denial of a motion for directed verdict, an appellate court must view

the evidence and all inferences in a light most favorable to the non-movant, and should reverse if no proper view of the evidence could sustain a verdict in favor of the non-movant. *Anesthesiology Critical Care & Pain Management Consultants, P.A. v. Kretzer*, 802 So.2d 346, 351 (Fla. 4th DCA 2001).

2.A. The two-issue rule

[12] As a preliminary matter, Fielder argues that the “two-issue rule” precludes consideration of the trial court's denial of a directed verdict as to the *Florida Design* article and the brochures. The two-issue rule was adopted by the Florida Supreme Court in *Colonial Stores, Inc. v. Scarbrough*, 355 So.2d 1181, 1186 (Fla.1977). As this court explained in *Zimmer, Inc. v. Birnbaum*, 758 So.2d 714, 715 (Fla. 4th DCA 2000), the two-issue rule provides: “where there is no proper objection to the use of a general verdict, reversal is improper where no error is found as to one of two issues submitted to the jury on the basis that the appellant is unable to establish that he has been prejudiced.”

[13] The two-issue rule is inapplicable here because the rule applies—in the case of a losing defendant—only to actions brought on two theories of liability, as to which just a single basis for damages applies, not to claims in which separate damages are recoverable. The Florida Supreme Court's holding in *First Interstate Development Corp. v. Ablanedo*, 511 So.2d 536, 538 (Fla.1987), supports this distinction: “the two-issue rule does not apply when two distinct claims for liability result in separate claims for damages in the same action.”

2.B. *Florida Design* magazine

[14] Weinstein argues that the article published in the *Florida Design* magazine constitutes, as a matter of law, an exception to section 540.08, Florida Statutes, and therefore should not have been submitted to the jury for consideration. Section 540.08, entitled “Unauthorized publication of name or likeness,” provides, in pertinent part: “No person shall publish, print, display or otherwise publicly use for purposes of trade or for any commercial or advertising purpose the name, portrait, photograph, or other likeness of any natural person without the express written or oral consent to such use.” The statute does *not* apply to:

The publication, printing, display, or use of the name or likeness of any person in any newspaper, magazine, book, news broadcast or

telecast, or other news medium or publication as part of any bona fide news report or presentation having a current and legitimate public interest and where such name or likeness is not used for advertising purposes;

§ 540.08(3)(a), Fla. Stat.

This court has given an expansive interpretation to this exception. In *Loft v. Fuller*, 408 So.2d 619, 622-23 (Fla. 4th DCA 1981), this court stated:

In our view, Section 540.08, by prohibiting the use of one's name or likeness for trade, commercial or advertising purposes, is designed to prevent the *998 unauthorized use of a name to directly promote the product or service of the publisher. Thus, the publication is harmful not simply because it is included in a publication that is sold for a profit, but rather because of the way it associates the individual's name or his personality with something else. Such is not the case here. While we agree that at least one of the purposes of the author and publisher in releasing the publication in question was to make money through sales of copies of the book and that such a publication is commercial in that sense, this in no way distinguishes this book from almost all other books, magazines or newspapers and simply does not amount to the kind of commercial exploitation prohibited by the statute.... We simply do not believe that the term "commercial," as employed in Section 540.08, was meant to be construed to bar the use of people's names in such a sweeping fashion. We also believe that acceptance of appellants' view of the statute would result in a substantial confrontation between this statute and the first amendment to the United States Constitution guaranteeing freedom of the press and of speech.

In the present case, Weinstein argues that the *Florida Design* article should not have been considered by the jury because, as the magazine's associate editor Galbo testified, the article was of current legitimate public interest, and was an editorial which the magazine paid a reporter to write for the magazine-as opposed to an advertisement paid for by Weinstein. Galbo stated, "*Florida Design* is a quarterly publication and when they do an editorial, it's a story written through a designer about a home that we would feature." Galbo also testified that this article was an editorial about Robert Weinstein's own home, which was of interest "from the magazine's point of view, [because] the layout of the home was special ... so the home is of interest."

Weinstein asserts that the editor of a magazine is best situated to determine what items are of current legitimate interest to the members of the public who are likely purchasers of the magazine-or the magazine will not attract purchasers. He argues that Galbo's testimony was un rebutted and was the only record evidence on this issue, which he claims should have compelled the trial court to hold that the magazine falls within the statutory exception to section 540.08 because (1) the article was of current legitimate interest; (2) the magazine published the article as an editorial; and (3) it was not an advertisement paid for by Weinstein.

On the other hand, Fielder argues that whether the *Florida Magazine* article is exempt under section 540.08(3) was properly a factual issue for the jury. Fielder argues that multiple instances of undisputed testimony at trial could have allowed the jury to conclude that the *Florida Design* magazine article was being used for advertising purposes: (1) Maxine Adler, Weinstein's publicist, testified that it was her intention to get Weinstein profiled in as many articles in as many different publications as possible, to generate business for Weinstein; (2) Weinstein sought publication of the article, submitted the photographs used in the article, and was given a copy of the article pre-publication for approval; and (3) use of Fielder's name in the article came about exclusively through information supplied by Weinstein, not from any independent research by the article's author. Fielder contends, therefore, that a fair inference to be drawn from the *Florida Design* article is that the article was published to advertise Weinstein and his services. Additionally, the fact that Weinstein paid about five thousand dollars *999 to produce one thousand brochures of the article for distributing to prospective clients does indicate that the article itself may have had some advertising value.

While it is a close call, we hold that the standard for

reversal under *Anesthesiology Critical Care*, 802 So.2d at 351. is not met here. In deciding whether section 540.08 is applicable to the *Florida Design* article, we examine the evidence in the light most favorable to Fielder, the non-moving party. Even considering this court's expansive application of the exception in section 540.08(3), we cannot say that the record would support the holding that "no proper view of the evidence could sustain a verdict in favor of the non-movant." *Id.* Therefore, based on the evidence presented at trial, we affirm the trial court's denials of Weinstein's motions for summary judgment and directed verdict as to the *Florida Design* magazine article.

2.C. The brochures

^[15] Weinstein also argues that the allegedly undistributed brochures should not have been submitted to the jury for consideration. It is undisputed that the brochures constitute advertisement. Weinstein argues, however, that the brochures provide no legal basis for liability because the record shows that Weinstein (1) brought the box of brochures to the court room; (2) testified that he had hand-counted them (as could Fielder if he wished); (3) testified that he had 982 out of 1000; (4) testified that he had given the remaining 18 to attorneys in both this litigation and in the arbitration matter and that his staff had taken some; (5) testified that he did not disseminate the brochures; and (6) testified that he was not aware of any brochures that were ever published to the public.

On the other hand, Fielder contends that the brochures nevertheless provide liability under section 540.08 because the language of the statute provides that "No person shall publish, *print*, display or otherwise publicly use for purposes of trade or for any commercial or advertising purpose...." § 540.08, Fla. Stat. (emphasis added). It is undisputed that Weinstein did print the brochures for advertising purposes. Therefore, we hold that, while Weinstein's evidence that the brochures were never distributed is relevant to the jury's determination of damages resulting from printing the brochures, the trial court correctly denied Weinstein's summary judgment and directed verdict motions as to the brochures, allowing the jury to consider them in determining any damage award.

3. Punitive damage claim

^[16] The parties disagree as to whether the trial judge correctly allowed a punitive damages claim to be submitted to the jury. During trial, Weinstein admitted to (1) using Fielder's name for advertising purposes for

approximately two years; (2) knowing he needed Fielder's consent prior to using his name in advertisements; and (3) not receiving Cecil Fielder's consent to use his name for commercial purposes.

The parties also disagree as to whether Stacy Fielder had given Weinstein oral permission.¹ While Weinstein testified that she gave him oral permission, Stacey Fielder testified that she never gave him such permission. Weinstein also testified that he believed Stacey Fielder had the authority to give him permission to use *1000 Cecil Fielder's name and that he did not know that the statute required *written authorization*² for a third party to give permission on behalf of the person whose name is to be used. Finally, it is undisputed that, when Weinstein learned of Fielder's objections, he never used Fielder's name again.

Weinstein argues that the trial court erred by denying his motion for directed verdict on the punitive damages claim, thus submitting the punitive damages claim to the jury. We agree.

Section 540.08(2), Florida Statutes, provides, in part,

In the event the consent required in subsection (1) is not obtained, the person whose ... photograph, or other likeness is so used ... may bring an action to enjoin such unauthorized publication, printing, display or other public use, and to recover damages for any loss or injury sustained by reason thereof, including an amount which would have been a reasonable royalty, and punitive or exemplary damages.

(Emphasis added.) However, the statute does not clarify for the court the standard for determining when instructions regarding punitive damages are appropriate. This court recently summarized the principles governing appellate review regarding whether evidence was sufficient to permit submission of a punitive damage claim to the jury in *Air Ambulance Professionals, Inc. v. Thin Air*, 809 So.2d 28 (Fla. 4th DCA 2002):

We therefore reiterate our observations in *White* urging restraint upon the courts in ensuring that the defendant's behavior represents more than even gross negligence prior to allowing the imposition of punitive damages, in order to ensure that the damages serve their proper function. While we remain hesitant to have trial courts routinely remove the question from the

jury's consideration, we note that a directed verdict may properly be granted unless the evidence establishes that the behavior in question involves the following type of misconduct:

The character of negligence necessary to sustain an award of punitive damages must be of a "gross and flagrant character, evincing reckless disregard of human life, or of the safety of persons exposed to its dangerous effects, or there is that entire want of care which would raise the presumption of a conscious indifference to consequences, or which shows wantonness or recklessness, or a grossly careless disregard of the safety and welfare of the public, or that reckless indifference to the rights of others which is equivalent to an intentional violation of them."

Id. at 31. Applying this standard in *Air Ambulance Professionals*, this court reversed the trial court's denial of a directed verdict on a punitive damages claim because there was no evidence "of an illicit scheme to put [plaintiff] out of business. Likewise, there was no evidence of fraud or malice ..., of any other type of behavior which would justify punitive damages." *Id.* at 31.

¹⁷ In *Genesis Publications, Inc. v. Goss*, 437 So.2d 169 (Fla. 3rd DCA 1983), an invasion of privacy action arising from the publication by a magazine publisher of a nude photograph of the plaintiff in an advertisement without her permission, the *1001 court held that punitive damages were inappropriate. *Id.* at 171. The defendant argued at trial that it had relied on advertising agencies to obtain the necessary permission for use of the photographs, pursuant to industry practice. Finding insufficient evidence to support punitive damages, the court reversed the trial court's decision to allow the jury to consider punitive damages. *Id.* at 170. The court held that the record evidence was sufficient to sustain a finding of intentional conduct by publisher, but not a wanton disregard of plaintiff's rights. *Id.* "The terms 'recklessness, wantonness and willfulness,' when used to justify punitive damages implies a knowledge and present consciousness not simply that a statute or right will be violated but that injury will result." *Id.* at 170-71.

On the other hand, in *Sun International Bahamas, Ltd. v. Wagner*, 758 So.2d 1190 (Fla. 3d DCA 2000), the court found that, because the defendant knew that its contract to use the plaintiff's likeness in advertisements had expired and did so anyway, punitive damages were appropriate. *Id.* at 1191-92. The court distinguished *Genesis Publications* "because there is substantial evidence in the record that, unlike the defendant in *Genesis*, [defendant] had direct knowledge ... that it had no permission to use

[plaintiff]'s photographs."

In the present case, there is no evidence of intentional, malicious misconduct, undertaken with knowledge that injury to Fielder would result. In fact, Weinstein testified that he believed that he had permission from Stacey Fielder and that the association of Fielder's home with Weinstein's firm would benefit Fielder—"[i]t's very prestigious."

¹⁸ We do not find the *Sun International* holding to be persuasive in this case. This court has made it clear that punitive damages are reserved for particular types of behavior which go beyond mere intentional acts. *See, e.g., Air Ambulance Professionals*, 809 So.2d at 30. ("Record evidence may support an intentional tort, but not necessarily an award of punitive damages.") Furthermore, "[p]unitive damages are in a sense explicitly based on juror emotion, in that one function of the award is to express society's collective outrage at unacceptable behavior punish and deter." *Id.* at 30-31. We hold that, even when viewing the record evidence in the light most favorable to Fielder, the non-movant, the evidence is insufficient to meet the high standards set forth above that this court has applied in "limiting punitive damages to truly culpable behavior." *Id.* at 30. Therefore, we reverse the denial of a directed verdict on the punitive damages claim and remand with instructions to vacate the punitive damages award and to grant Weinstein's motion for directed verdict as to punitive damages.

4. Compensatory damages claim

¹⁹ Finally, Weinstein argues on appeal that the trial court's refusal to deny his motions for remittitur and a new trial based on the jury verdict of \$300,000 in compensatory damages for the statutory claim were error because such award was excessive. We disagree and affirm.

Fielder's damage expert, Cliff Courtney, testified at trial: "Based on my experience dealing with celebrities, baseball players, and the world of advertising endorsements, I would guess at least a million dollars for this type of usage." He later stated, "I think based on my experience, my opinion is at least a million dollars. I think that's in the deposition, five hundred thousand to a million." Courtney explained that the two main considerations in his valuation were "first of all, what is *1002 Cecil's name worth and only Cecil can decide that ultimately and no one else deserves the right to decide that" and "also what potentially could he have lost in terms of potential for future endorsements." Courtney also testified that he believed Fielder is a unique commodity.

On the other hand, Weinstein argues that Courtney's testimony is unsupported because evidence from Fielder's testimony and tax returns showed that the most Fielder had ever been paid was \$250,000 for a Reebok contract of over five years. Fielder's tax returns show that uses of his name for endorsements actually yielded an average of \$7500 per endorsement.

Annette Galbo, the corporate representative of *Florida Design*, testified regarding the *Source Book* and *Florida Design* magazine. She stated that the *Source Book* is published twice a year, although she was unaware of its circulation figures. Galbo testified that *Florida Design* magazine has an approximate circulation of 200,000 per issue and is read in 57 countries. She also testified that readers keep *Florida Design* magazine for some time after publication, and she believed the same was true of the *Source Book*.

On the other hand, Weinstein's expert Daniel Muggio testified that the value to Weinstein of using Fielder's name was "maybe five to ten thousand dollars." He testified that Fielder's past endorsement contracts were mostly for five to ten thousand dollars.

Muggio testified that the *Florida Design* magazine is circulated predominately in Florida and is only published in English. He also testified that the magazine "is skew[ed] towards more female head of houses" and that "[f]rom being involved in aspects of marketing, I would say men would be more likely to know a baseball figure."

[20] [21] Orders on motions for remittitur are reviewed for abuse of discretion. *See, e.g., Hernandez v. Gisonni*, 657 So.2d 33 (Fla. 4th DCA 1995). Remittitur cannot be granted unless the amount of damages is so excessive that it shocks the judicial conscience and indicates that the jury has been influenced by passion or prejudice. *See Bartholf v. Baker*, 71 So.2d 480, 484 (Fla.1954):

We have repeatedly held that we will not reverse a case for a new trial on the ground that the verdict is excessive, unless it appears upon a consideration of all the testimony that the verdict was so much greater than it should have been as to shock the judicial conscience. We have also held that the burden is upon the appellant to establish the fact that the verdict is wholly unsupported by the evidence or was the result of passion, prejudice or

other improper motive.

Section 540.08(2) provides that "damages for any loss or injury sustained by reason thereof, including an amount which would have been a reasonable royalty, and punitive or exemplary damages."

At trial, each side put on damage experts, whose testimonies created a significant disparity in the royalty value of Fielder's name for Weinstein's uses, as discussed above. Weinstein argues that Courtney's testimony estimating a wide-ranging "five hundred thousand to a million" is incompetent as evidence of damages. However, Weinstein did not seek at trial to strike Courtney's testimony as speculative. Weinstein asserts that the jury's verdict should have corresponded with evidence provided by Fielder's tax returns that his average endorsement contract was about \$7,500 and that the most Fielder had ever been paid for the use of his name was \$250,000 for a five-year Reebok contract.

As this court held in *Gordon v. Smith*, 615 So.2d 843, 844 (Fla. 4th DCA 1993):

It is axiomatic that a finder of fact may judge the persuasiveness and credibility *1003 of an expert's testimony and apply his own knowledge and experience when weighing opinion evidence. When that expert has been hired and called to testify by one of the adversaries to a contested proceeding, there is nothing unreasonable or improper with the fact finder declining to accept the testimony of such an expert.

In the present case, the jury heard testimony from the experts not only on the value of Fielder's name but, significantly, in context of Weinstein's present argument about the unsupported nature of Courtney's testimony, the jurors also heard testimony on the considerations which went into the experts' valuations. The jury, when presented with expert testimony with competing opinions on the amount of damages, was free to accept or reject all or part of the testimony as it saw fit. *See id.* The jury returned a verdict of damages between the ranges proposed by the two experts, and actually closer to the testimony of Weinstein's expert than Fielder's expert. However, since we have ordered a new trial the issue of remittitur is moot.

Accordingly, for these reasons we reverse the denial of

Weinstein's challenges for cause and remand for new trial, affirm the denial of Weinstein's motions for summary judgment and directed verdict on the *Florida Design* magazine article and allegedly undistributed brochures, reverse the punitive damage award, and the denial of remittitur for the compensatory damage award is moot.

AFFIRMED IN PART, REVERSED IN PART, AND REMANDED FOR NEW TRIAL.

MAY, J., and GOLD, MARC H., Associate Judge, concur.

Parallel Citations

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Footnotes

- ¹ Although the question of whether Stacey Fielder gave Weinstein oral permission to use Cecil Fielder's name is irrelevant to liability under section 540.08, Florida Statutes (which would require permission by Cecil Fielder), it is arguably relevant to the contested issue on appeal of whether the issue of punitive damages should have gone to the jury.
- ² The statute allows either oral or written permission from the person whose name is used, but in a case where a third party gives consent on behalf of the person whose name is to be used, the statute requires a written authorization from the person whose name is used to the consenting third party. § 540.08(1)(b), Fla. Stat.

2009 WL 8634834

Only the Westlaw citation is currently available.
United States District Court,
S.D. Florida.

Curtis James JACKSON, p/k/a 50 Cent, Plaintiff,
v.
GRUPO INDUSTRIAL HOTELERO, S.A., a
Mexican Corporation d/b/a "Coco Bongo"
nightclub, Roberto Noble, Sr., and Isaac Halabe,
Defendants.

No. 07-22046-CIV. | April 29, 2009.

Attorneys and Law Firms

Karen Linda Stetson, Grayrobinson P.A., Miami, FL, for Plaintiff.

Michael Ingrassi Santucci, S. Tracy Long, Santucci Priore & Long LLP, Fort Lauderdale, FL, for Defendants.

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND FINAL JUDGMENT

HUCK, J.

*1 This case involves an action by Plaintiff, Curtis James Jackson ("Jackson") a/k/a 50 Cent, against Defendants, Grupo Industrial Hotelero, S.A. ("Grupo"), Roberto Noble, Sr. ("Noble"), and Isaac Halabe ("Halabe") for damages for violations of the Lanham Act, 15 U.S.C. § 1051 *et seq.*; Florida Statutes § 540.08; and common law unfair competition and trademark infringement. On January 29, 2009, Magistrate Judge John J. O'Sullivan, upon the parties' stipulation, entered an Agreed Order on Defendants' Violation of Judge O'Sullivan's January 22, 2009 Order (D.E.# 138), striking all of the Defendants' pleadings related to liability. By operation of the Agreed Order, all of Plaintiff's well-plead allegations in his Complaint related to liability are established as true. This meant that Defendants' liability for willful infringement was no longer at issue, leaving only the question of Plaintiff's damages, if any, for determination at trial.

The case came before the Court for a non-jury trial on the issue of damages on March 2, 3, and 20 of 2009. The Court considered the testimony of seven witnesses (both in court and through deposition transcripts), reviewed the

exhibits admitted into evidence, the multiple memoranda of law submitted by the parties, the joint pretrial stipulations, and the parties' respective findings of fact and conclusions of law. Having considered the evidence and being otherwise fully advised in the premises, the Court hereby enters the following findings of fact and conclusions of law pursuant to Federal Rule of Civil Procedure 52.

FINDING OF FACTS

The Parties:

1. Plaintiff Jackson is a United States citizen and a well-known entertainer.
2. Defendant Grupo is a Mexican corporation with its principal place of business in Cancun, Mexico. Grupo owns and manages the Coco Bongo nightclub in Cancun, Mexico.
3. Defendant Noble is an individual residing in Cancun, Mexico. Noble owns the Coco Bongo nightclub and is shareholder of Defendant Grupo.
4. Defendant Halabe, a resident of Cancun, Mexico, is the Director Generale of Grupo. Defendant Halabe receives a fixed salary for his services to Grupo, and does not receive any profits from Grupo as compensation.

Jackson's Likeness and the G-Unit Trademark:¹

5. Jackson enjoys world-wide notoriety and fame. As a result of his fame, Jackson's image and likeness³ are widely recognized, giving them substantial monetary value in the marketplace.
6. In addition to being a solo recording artist, Jackson is a member of the rap and hip-hop group known as "G-Unit." In 2003, Jackson created the G-Unit Clothing Company, which is marketed and promoted under his trademark G-Unit.
7. Jackson owns various federal trademark registrations for the G-Unit mark including: U.S. Registration No. 2787451 for entertainment services in the nature of live

performances by the musical group in International Class 041; for pre-recorded phonograph records, compact discs, audio and video cassettes, and DVDs featuring music in International Class No. 09; and clothing, namely, hats, t-shirts, jackets, shirts, sweatshirts and sweat pants, and jerseys in International Class No. 25. Jackson also owns U.S. Registration No. 2992615 for the G–Unit mark for printed matter and publications, namely, newsletters relating to entertainment; photographs; posters; and pressure sensitive stickers in International Class No. 16.

*2 8. Jackson has successfully parlayed his fame as a musical artist into a significant revenue stream endorsing others' products and services through use of his likeness and G–Unit mark.

9. Jackson has not been a passive participant in the cultivation of his image and G–Unit mark. Jackson has been active in developing and protecting his image and trademarks from early in his career. In fact, Jackson used the proceeds of his first advance from a major record company to register his trademarks, and has continued to emphasized branding and the growth of his trademarks and endorsement opportunities as part of a long-term business plan. The Court finds that Jackson has been very careful to develop his image and career in a manner which maximizes the value of Curtis James Jackson as 50 Cent and his associated trademarks. To put it another way, the high value of Jackson's image and likeness, as well as the G–Unit trademark, is not by accident. Jackson has consciously worked to expand and protect the value of his brand.

10. Jackson has established by testimony and documentary proof that his image and the G–Unit trademark are highly sought after for licensing deals because of the value of their association. Plaintiff and the G–Unit trademark have been licensed to endorse several products and services, including, clothing, sneakers, cars, beverages, video games, satellite radio, and body fragrances.

11. A substantial portion of Jackson's income is derived from commercial endorsements. By 2007, he had earned cumulatively in excess of \$150 million from endorsement deals. In 2007, he was commanding his strongest deals in the marketplace up to that point in time. Jackson has shown that by 2007, one third to one half of his income was derived through branding ventures as opposed to recorded music, music publishing, live touring, and movies and television.³

12. Jackson's likeness and his G–Unit trademark have immense commercial value. However, although Jackson's

G–Unit mark is very valuable, the Court finds that his image and likeness are far more sought after and have a far greater value than the G–Unit mark, particularly in the context presented here. The Plaintiff, himself, stated that his image was of greater value than his G–Unit mark, and the Court finds that the infringing advertisement corroborates this. In the infringing advertisement, the likeness of 50 Cent is far more prominent, with the G–Unit trademark generally only partially displayed. In fact, in some places, such as the use of the infringing advertisement in the video, the G–Unit mark is barely noticeable. The Court finds that it is Jackson's likeness as 50 Cent that the Defendants were most eager to exploit, and that the G–Unit trademark, if anything, merely enhanced the likeness of 50 Cent.

13. Jackson has been selective as to the products on services he chooses to endorse. To date, he has not endorsed a nightclub, but indicated that he may in the future.

Defendants' Infringement:⁴

*3 14. Defendants, knowingly and without the authorization, permission, or consent of Jackson, have appropriated and used his likeness and the G–Unit mark to deliberately advertise, promote, endorse and draw attention to the Coco Bongo nightclub without regard for the rights of Plaintiff, including his federal trademark rights and the right to control and direct the use of his image and likeness.

15. Specifically, Defendants knowingly and intentionally advertised a promotion for Spring Break 2007 using Jackson's likeness and the G–Unit mark ("Infringing Advertisement").

16. The image of the Plaintiff's G–Unit mark and his likeness were used as part of a cross-promotion with Microsoft promoting its XBOX gaming systems on Friday nights called, "Friday Action Night," which was held at the Coco Bongo nightclub in Cancun on six nights, March 2, 2007, March 9, 2007, March 16, 2007, March 23, 2007, March 30, 2007 and April 6, 2007.

17. The Infringing Advertisement appeared on Defendants' official internet website www.cocobongo.com.mx through at least the 2007 Spring Break season (from February 22, 2007 through at least April 6, 2007).

18. The Infringing Advertisement contains a likeness of

Jackson wearing a hat and t-shirt with the G-Unit mark along with the words "Action Night, XBOX 360 Spring Break 2007." The Infringing Advertisement also appeared under the section of the website entitled "calendar."

19. In some parts of the website where the Infringing Advertisement appears, Jackson's likeness and mark are only partially visible. In every case, the likeness of Jackson is featured far more prominently than his G-Unit mark.

20. The Infringing Advertisement appears as part of a scrolling advertisement. The Infringing Advertisement is one of seven unique panels, each advertising a Coco Bongo event on a particular night of the week. This scrolling advertisement changes approximately once every five seconds, transitioning from one panel to another. Each panel promotes a certain product or theme on a specific night of the week. The advertisement includes three panels promoting Microsoft's XBOX 360 (Wednesday, Friday, and Sunday nights), one panel promoting a theme captioned "Next" (Monday night), one panel promoting "Dos Equis XX in the Wild" (Tuesday night), one panel promoting a Mardi Gras theme (Thursday night), and one panel promoting something called "Bling Bling" (Saturday night). The sequence of these promotional panels repeats indefinitely.

21. In addition to incorporating the Infringing Advertisement into the scrolling advertisement, Defendants have utilized the Infringing Advertisement in a video entitled "Spring Break 2007 in Cocobongo" ("Infringing Video") to promote the nightclub, which Defendants have distributed and made available on its official internet website www.cocobongo.com.mx and on various popular third-party websites such as youtube.com and google.com.

22. Much like the scrolling advertisement, the Infringing Video consists of seven panels, each promoting a different night. The Friday panel is a copy of the Infringing Advertisement, showing Jackson's likeness and the G-Unit mark on his t-shirt and hat. Like the scrolling advertisement the likeness of Jackson and the G-Unit mark is on screen for approximately five seconds. Unlike the scrolling advertisement, however, the Infringing Video does not automatically repeat.

*4 23. The Infringing Video appeared, through at least August 9, 2007, on the YouTube.com website, which was also accessible by clicking a link on Defendants' website, "Click On You Tube," which takes the user to www.youtube.com/cocobongovip, Defendants' exclusive account (cocobongovip) on youtube.com.

24. The Infringing Video also appeared, through at least August 9, 2007, on the AOL Video website, and during the 2007 spring break season, on Video.google.com.

25. Hundreds of millions of people have access to the content posted on Coco Bongo's website as well as there third-party websites. However, the actual number of visitors to these websites is unknown. Also unknown is how many visitors to these websites actually viewed Plaintiff's likeness or his G-Unit mark.

The Effect of the Infringement:

26. Defendants' Infringing Advertisement and Infringing Video containing Jackson's likeness and the G-Unit mark are false representations to the public that Jackson and G-Unit endorse, are employed, sponsored, associated or affiliated with, or otherwise approve of Defendants, the Coco Bongo nightclub and business activities.

27. During the period when Plaintiff's likeness and trademark were displayed, Defendants received the benefit of creating an association between Plaintiff and Defendants' nightclub to attract customers to the club, without compensating Plaintiff and without his approval.

28. Defendants gained pecuniary benefit from the unauthorized use of 50 Cent's likeness to advertise the Coco Bongo nightclub.

29. Plaintiff has suffered a loss by the Defendants' use of his likeness and trademark to endorse the Coco Bongo nightclub. Plaintiff has been denied the right to control the commercial use of his identity and his G-Unit mark. Further, Defendants have forced Plaintiff into an endorsement in a commercial sector where Plaintiff has not yet entered.

The Value of the Infringement: Plaintiff's Likeness and the G-Unit Mark:

30. As stated above, Jackson's image and likeness are significantly more valuable than his G-Unit mark.

31. Here, the G-Unit mark and Jackson's likeness are always displayed together. Jackson appears in the Infringing Advertisement wearing the G-Unit mark on his clothing. Although the G-Unit mark has value on its own,

Jackson's likeness is always present with the G-Unit mark which diminishes the importance of the G-Unit mark in the advertisement.

32. Spring Break is the busiest and most profitable time at the Coco Bongo nightclub.

33. The value of Defendants' use of the Plaintiff's likeness and the G-Unit mark diminished after April 6, 2007 when Spring Break and the Action Night promotion ended, having only diminishing, residual value thereafter.

34. To aid the Court in determining the value of Defendants' infringing use of Plaintiff's likeness and mark, Plaintiff presented evidence of various endorsement agreements that are generally more sophisticated and extensive, and substantially more complex and detailed regarding the use of Plaintiff's likeness and mark than the use to which Defendants put Plaintiff's likeness and mark. Here, Plaintiff does not provide a close, analogous template agreement for the Defendants' use of Plaintiff's likeness and mark. However, these agreements do have elements or factors which provide the Court with some guidance in arriving at a reasonable license fee here.

*5 35. Many of the endorsement agreements provided by Plaintiff relate to the sale of specific products based largely on the association or branding by Jackson's likeness or his G-Unit trademark, with Plaintiff receiving a percentage of the product sales. For example, in one commercial endorsement deal presented by Plaintiff for the use of his G-Unit mark, the royalty rate was 10% of net sales of the product. The product was branded with the G-Unit symbol and one could reasonably attribute the sales of that product in large part to the association with and the branding of the G-Unit mark. In the present case, no specific products were sold bearing Jackson's likeness or the G-Unit mark, making a royalty based on a percentage of direct sales problematic.

36. To counter the examples of the commercial endorsement agreement submitted by Plaintiff, Defendants presented evidence of a license to use a copyrighted cartoon characters, widely known in Mexico but admittedly largely unknown in the United States, for use on their website and on merchandise sold at the Coco Bongo nightclub. That agreement provided for a 12% royalty based on net sales of products bearing the licensed cartoon characters. Again, no products bearing Jackson's likeness or the G-Unit trademark were sold in this case, thus limiting the unusefulness of Defendants' evidence.

37. Defendants also presented evidence of a license that was entered into by Grupo as a result of its prior

infringement and of a digital transmission license, neither of which the Court considers to be particularly relevant to the issue of the value of a licensing fee in this case.

38. Plaintiff's transactional attorney, Theodore Sedlmayr, testified that, based on his knowledge and experience in representing entertainers, the amount Plaintiff seeks in this case is lower than the endorsement fees generally granted in the nightclub industry.

39. Sedlmayr detailed several factors he considered when determining what is a reasonable licensing fee for the use of Plaintiff's likeness and the G-Unit mark in this case. Those factors included, among others:

The capacity of the venue, the advertising budget for Coco Bongo in connection with the time period of the promotion, the profit margins of the Coco Bongo nightclub, the demographics of the venue's patrons, the venue's financial records over the previous three years, the ability in an equity stake in the company, the value of the Plaintiff's likeness and the G-Unit trademark to the company, the value of Plaintiff's goodwill, the geographic scope of Defendants' use of Plaintiff's likeness and the G-Unit mark, previous uses in the same market, the geographic location of the Coco Bongo nightclub, exclusivity of the use, the length of use, Plaintiff's business philosophy (including obtaining an equity interest in the company), the sustainability of the product or service for which the license is being used, the quality of the brand being endorsed, the timing of the endorsement, whether the endorsement of the product or service helps to promote other ventures, what Plaintiff normally charges for similar endorsements, the terms of payment (an advance with continuing payments versus a flat fee), the ability of competitive bidding, and what deliverables would be required of Plaintiff.

*6 40. In his proposed valuation, Plaintiff claims that he seeks in this case a relatively lower license fees for the

use of his likeness and trademark than he has shown he was capable of commanding by 2007. In arriving at his proposed valuation, Plaintiff took into consideration the differences between the Defendants' use of Plaintiff's likeness and mark here and the uses in his larger, more sophisticated endorsement agreements. Plaintiff, for example, does not anticipate receiving any sort of equity stake in this case, whereas such equity shares are generally included in the commercial endorsement agreement he has entered into since approximately 2007. However, as stated above, these more extensive, more sophisticated endorsement agreements are so unlike the situation here that they are of limited assistance in valuing Defendants' unauthorized use of Plaintiff's likeness and his G-Unit mark in this case. The Defendants' infringing use of Plaintiff's property was such that Jackson's likeness and the G-Unit mark were not the predominant focus of any marketing campaign. Rather, unlike the endorsement agreements submitted by Plaintiff, here the Plaintiff's likeness and G-Unit mark were used as a small part of a broader advertisement campaign promoting Spring Break 2007 at the Coco Bongo nightclub, which, in turn, was only part of Coco Bongo's larger advertising efforts.

41. As a matter of practical commercial reality, the Court finds that an internet advertising campaign cannot be restricted to one state. In light of this practical reality, the endorsement fees charged for the use of Plaintiff's likeness and the G-Unit mark on the internet do not vary based on the geographic area. In other words, had Plaintiff had the opportunity to negotiate an agreement with Defendants for an internet advertisement, Plaintiff would have negotiated a deal giving Defendants a nationwide, if not a worldwide license.

42. Plaintiff's transactional attorney testified that, in his opinion, Plaintiff could have commanded a license fee in the range of \$750,000 to \$1,250,000 for the use of his Plaintiff's likeness and \$500,000 to \$750,000 for the use of Plaintiff's G-Unit mark as used by Defendants.

Profits Under the Lanham Act for Infringement of the G-Unit Mark:⁵

43. The Coco Bongo nightclub is located in the most densely populated and most visited tourist and entertainment areas in Cancun. Both before and after Spring Break 2007, Coco Bongo was ranked as one of, if not the most popular entertainment tourist spots in Cancun, and has been for many years. Coco Bongo owes much of its popularity to its location, longevity,

reputation, and unique concept of combining a nightclub with a cabaret.

44. Defendants advertise the Coco Bongo nightclub extensively in and around Cancun, Mexico. Advertisements include brochures at hotels, billboards and signs at the airport, and advertisements inside taxicabs.

45. Defendants also advertise and promote the Coco Bongo nightclub by distributing advertisements within the United States, including through its official internet website www.cocobongo.com.mx.

*7 46. The presence and distribution of the Coco Bongo nightclub website on the internet is extensive and sophisticated through both its appearance on various search engines and its having been directly linked to numerous other websites, including travel-oriented websites and social networking sites.

47. Coco Bongo has contractual relationships with Google and Yahoo pursuant to which Coco Bongo pays money in order to obtain a high placement on those search engines.

48. Being one of the largest tourist draws in Cancun, many of the different travel agencies and travel-related websites describe Coco Bongo as a premier destination in Cancun. Many of these travel-related websites refer their website visitors to Coco Bongo's official website.

49. During the period of Defendants' use of Plaintiff's G-Unit mark, Defendant Grupo earned revenues through sales of admission passes to its Coco Bongo nightclub, sales of liquor in the nightclub, and other revenue associated with the operation of a busy nightclub.

50. Many factors attributed to the net profits earned by Defendant Grupo, including Coco Bongo's reputation and goodwill; its location among other nightclubs on the Cancun strip; its unique concept as not only a nightclub, but also as a cabaret; and its extensive advertising efforts unrelated to Plaintiff.

51. The Court finds that the above factors, including the infringing use of Plaintiff's likeness, contributed far more to the profits of the Coco Bongo nightclub during the period from February 22, 2007 to September 1, 2007 than did the infringing use of Plaintiff's G-Unit trademark.

52. More than half of Coco Bongo's customers are United States tourists. The record in this case does not support any exact percentage, however the parties agree that the percentage of tourists from the United States is less than

100%. Defendant Halabe, testifying on behalf of Grupo, stated that although he did not know the exact percentage of Coco Bongo's customers from the United States, the percentage of tourists from the United States at Coco Bongo's main competitors was anywhere from 60 to 70 percent. The Court determines that the mid-range of 65% is a fair percentage of United States tourists to which Coco Bongo's profits can be attributed.

53. Based on the information provided by Defendants and utilizing the conversion rate for each month of the period, the Court finds that the Coco Bongo nightclub generated a total of \$4,654,846.53 in sales for the period of February 22, 2007 through September 1, 2007.

54. After deducting the ordinary expenses incurred in the operation of the Coco Bongo nightclub, the Court conclude that the nightclub's profits during the period from February 22, 2007 through September 1, 2007 was \$410,010.70.⁶

55. As stated above, the Court find that 65% of the profits made by Coco Bongo during the infringing period can be attributed to patrons from the United States, therefore, the Court finds that \$266,506.96 represents profits attributable to United States tourists in this case. However, as stated above, the Court finds that many other factors other than the Infringing Advertisement contributed to the profits earned during the period of infringement.

*8 56. The Court also finds credible evidence that Defendant Halabe has not earned any revenues or profits from the unauthorized use of Plaintiff's G-Unit mark. The Court further finds that Defendant Noble did share in profits received by Defendant Grupo through its operation of the Coco Bongo nightclub.

CONCLUSIONS OF LAW

Jurisdiction:

The court has subject-matter jurisdiction under 28 U.S.C. § 1338 (trademarks and unfair competition) and supplemental jurisdiction under 28 U.S.C. § 1367. The Court has personal jurisdiction pursuant to Federal Rule of Civil Procedure 4.⁷

Liability for Infringements:

As established by the striking of Defendants' pleadings as

to liability, the Defendants intentionally, knowingly, and without authorization used Plaintiff's likeness and trademark to purposely create a false association between Plaintiff and Defendants' nightclub without regard for Plaintiff's rights. See *Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir.1987); *Monsanto Co. v. Ralph*, 382 F.3d 1374, 1379 (Fed.Cir.2004).

The Defendants are liable to the Plaintiff for trademark infringement under the Lanham Act. (On the facts of this case, there is no distinction between Count I trademark infringement, 15 U.S.C. § 1114(1), and Count II, false designation of origin, 15 U.S.C. § 1125(a). See *Chanel, Inc. v. Italian Activewear of Florida, Inc.*, 931 F.2d 1472, 1475 (11th Cir.Fla.1991) ("if there is no genuine issue of fact as to trademark infringement, there is none as to unfair competition, either.")). The Defendants are liable to the Plaintiff for the infringement of his right of publicity and the unauthorized publication of his likeness in violation of Florida Statutes § 540.08. Defendants are liable to Plaintiff for common law unfair competition and trademark infringement in their use of Plaintiff's G-Unit mark. See, e.g., *American Heritage Life Ins. Co. v. Heritage Life Ins. Co.*, 494 F.2d 3, 14 (5th Cir.1974) ("The law of unfair competition is the umbrella for all statutory and nonstatutory causes of action arising out of business conduct which is contrary to honest practice in industrial or commercial matters.").

Damages Available for the Infringements:

As detailed in the Court's Findings of Fact above, Plaintiff brings his claims for infringement of the G-Unit trademark under the Lanham Act, and his claims for the unauthorized publication of his likeness pursuant to Florida Statutes, section 540.08. Each statute provides for certain types of damage awards. Under both statutes, actual damages for unauthorized uses are appropriate. However, disgorgement of the Defendants' profits gained through their infringing actions are only available for the unauthorized use of Plaintiff's G-Unit trademark under the Lanham Act.

The Lanham Act provides that a successful plaintiff is entitled, "subject to the principles of equity, to recover (1) defendant's profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action." 15 U.S.C. § 1117.⁸ This recovery is cumulative, that is, the Court may award Plaintiff both its damages and Defendants' profits. *Babbitt Electronics, Inc. v. Dynascan Corp.*, 38 F.3d 1161, 1182 (11th Cir.1994). The Lanham Act "vests considerable discretion in the district court. Guided by the principles of equity, the court may award the defendant's profits. Additional extraordinary relief such as treble

damages and attorney's fees are available under the statute if the district court believes that such an assessment would be just. The statute also provides for the adjustment of any profits award if it is inadequate or excessive. This remedial accommodation clearly envisions the exercise of the trial judge's discretion." *Burger King Corp. v. Mason*, 710 F.2d 1480, 1495 (11th Cir.Fla.1983). "[N]o hard and fast rules dictate the form or quantum of relief." *Id.* at 1495 n. 11.

*9 Under the Lanham Act, royalties normally received for the use of a mark are the proper measure of actual damages for misuse of the mark. *Boston Professional Hockey Asso. v. Dallas Cap & Emblem Mfg., Inc.*, 597 F.2d 71, 75 (5th Cir.1979). "The reasonable royalty measure recognizes that, separate from the more traditional damages such as lost sales or declining reputation, trademark infringement deprives the mark's owner of the economic benefit of controlling and licensing the right to use the mark." *American Farm Bureau Fed'n v. Alabama Farmers Fed'n*, 935 F.Supp. 1533, 1549 (M.D.Ala.1996); *Boston Professional Hockey Asso.*, 597 F.2d at 75. As to an award of the infringer's profits, although a plaintiff may not have suffered any diversion of sales from a defendant's infringing conduct, if the "defendant had wilfully and deliberately infringed ... awarding an accounting [of the infringer's profits] would further Congress' purpose in enacting 15 U.S.C. Section 1117 of making infringement unprofitable." *Maltina Corp. v. Cawy Bottling Co.*, 613 F.2d 582, 585 (5th Cir.1980) (approving the reasoning of *Maier Brewing Co. v. Fleischman Distilling Corp.*, 390 F.2d 117, 121 (9th Cir.1968)). The Lanham Act requires only that the infringer has acted deliberately or purposely, and the infringer will not be excused for mistake, because "whether he believed himself to be within the law or not, he was knowingly and deliberately cashing in upon the good will of [the registrant]." *Burger King Corp. v. Mason*, 855 F.2d 779, 781 (11th Cir.1988) (quoting with approval, as did the Fifth Circuit, *Maier Brewing Co.*). Further, recognizing that a trademark is a protected property right, the *Maltina* Court found that "an accounting is proper even if the defendant and plaintiff are not in direct competition, and the defendants' infringement has not diverted sales from the plaintiff." *Maltina*, 613 F.2d at 585. Such accounting forces the wilful infringer who makes a profit from his conduct to disgorge its unjust enrichment. *Id.*

With regard to the violation of his right of publicity, the Plaintiff is entitled to recover damages for any loss or injury sustained by reason thereof, including an amount which would have been a reasonable licensing fee for the use made of Plaintiff's likeness. Section 540.08, Fla.

Stat.; *Weinstein v. Fielder*, 884 So.2d 990 (Fla. 4th DCA 2004).⁹ The proper measure of Plaintiff's actual damages with respect to the right of publicity claim involving Plaintiff's image is the value of what was used based upon all relevant information. In this context, the terms "royalty" and "license fee" are used interchangeably. *See e.g., Weinstein v. Fielder*, 884 So.2d 990 (Fla. 4th DCA 2004) (awarding license fee to celebrity for use of his image under the "reasonable royalty" provision of § 540.08, Fla. Stat.). "As the term is presently understood, the 'reasonable royalty' measure of damages is taken to mean more than simply a percentage of actual profits. The measure now, very simply, means 'the actual value of what has been appropriated.'" *University Computing Co. v. Lykes Youngstown Corp.*, 504 F.2d 518, 537 (5th Cir.1974).

Liability for Damages:

*10 Each of the Defendants is jointly and severally liable to the Plaintiff for the actual damages Plaintiff suffered due to the wilful infringements by the Defendants, including damages based upon reasonable license fees for the use of the Plaintiff's likeness and his G-Unit mark. *See, e.g., Babbit Elecs. v. Dynascan Corp.*, 38 F.3d 1161, 1184 (11th Cir.1994) ("If an individual actively and knowingly caused the trademark infringement, he is personally responsible.") (quoting *Chanel, Inc. v. Italian Activewear of Florida, Inc.*, 931 F.2d 1472, 1477 (11th Cir.1991)); *Monsanto Co. v. Campuzano*, 206 F.Supp.2d 1239, 1247 (S.D.Fla.2002) ("Trademark infringement is a tort, and any member of the distribution chain is liable as a joint tort-feasor.").

As discussed above, an award of profits is proper when a defendant's actions are wilful. *Maltina Corp.*, 613 F.2d at 585 (5th Cir.1980). Here, Plaintiff has alleged that Defendants' actions "were done knowingly and intentionally without regard for the rights of 50 Cent..." (Compl., ¶ 35.) Under such facts, now admitted by virtue of the Agreed Order striking Defendants' pleadings as to liability, Plaintiff's recovery of Defendants' profits is proper in order to disgorge the Defendants' unjust enrichment gained through the intentional and unauthorized exploitation of Plaintiff's property rights.

However, consistent with the Lanham Act's cautioning that any damages awarded shall "constitute compensation and not a penalty," 15 U.S.C. § 1117(a), the Court must be careful to fashion an equitable award that is "just, according to the circumstances of the case." *Id.* With this in mind, the Court is persuaded by the reasoning in *Sammons v. Colonial Press*, 126 F.2d 341 (1st Cir.1942).¹⁰ There, considering whether to award profits

jointly for a patent infringement, the court stated that

[a]ccountability for profits is therefore peculiarly personal, as equity acts on the conscience of the infringer. The presupposition is that the infringer has gotten something which it is unconscionable for him to keep; and hence it logically follows that the infringer is accountable only for the profits he received, not for the profits which may have been received by a co-infringer. Of course, when the infringement is by a partnership, the partners are jointly accountable for the whole profit made by the partnership on ordinary principles of partnership law. *Id.* at 345. The question, therefore, becomes one of partnership or “practical partnership”¹¹ between the Defendants. If an individual Defendant in this case shared in the profits gained by infringing on the G–Unit mark, then that Defendant should be jointly liable for those profits. However, if a Defendant received no such profits, it would be inequitable to hold that Defendant liable.

Whether the Defendants here were partners sharing in profits “is a fact question for the district court to consider ... The court should consider whether [the individual defendant] was an employee or an independent contractor rather than a partner. Relevant to this determination, among others, are such factors as whether [the defendant] received a fixed salary or a percentage of profits and whether he bore any of the risk of loss....” *Frank Music Corp. v. Metro Goldwyn Mayer, Inc.*, 772 F.2d 505, 519 (9th Cir.1985). The Court has considered all the evidence presented by the parties in this action and, as stated above, finds that Halabe did not share in any of the profits attributable to Defendants’ infringement of the G–Unit mark. Halabe received a fixed salary as an employee of Grupo. While Halabe is the Director Generale (CEO) of Grupo, his uncontradicted testimony is that he did not share Coco Bongo’s profits, nor did he share any of the risks associated with the operation of the nightclub. As to Noble and Grupo, the Court finds that they shared in the profits generated through the operation of the Coco Bongo. Therefore, liability for profits awarded Plaintiff will be joint and several as to Grupo and Noble, but not as to Halabe.

Royalty/License Fee Damages:

*11 There is no specific formula to establish the value of an intangible property interest such as name and likeness. *King v. Ames*, 179 F.3d 370, 376 (5th Cir.Tex.1999). “[L]ike ‘goodwill’ in a business, one’s name and likeness is an intangible property interest which is not susceptible of proof with mathematical exactitude.” *Id.* “In general,

an owner is competent to give his opinion on the value of his property. However, such testimony cannot be based on naked conjecture or solely speculative factors.” *Id.* (internal quotation and citation omitted).

“Where the wrong is of such a nature as to preclude exact ascertainment of the amount of damages, plaintiff may recover upon a showing of the extent of damages as a matter of just and reasonable inference, although the result may be only an approximation.” *Ramada Inns, Inc. v. Gadsden Motel Co.*, 804 F.2d 1562, 1565 (11th Cir.1986) (quoting *Story Parchment Company v. Paterson Parchment Paper Company*, 282 U.S. 555, 563, 51 S.Ct. 248, 75 L.Ed. 544 (1981)). “The fundamental principle of the law of damages is that the person injured by breach of contract or by wrongful or negligent act or omission shall have fair and just compensation commensurate with the loss sustained in consequence of the defendant’s act which gives rise to the action.” *MCI WorldCom Network Servs. v. Mastec, Inc.*, 995 So.2d 221, 224 (Fla.2008) (citation and quotation omitted). To that end, “[g]reat latitude is given the trial judge in awarding damages, and his judgment will not be set aside unless the award is clearly inadequate.” *Drake v. E.I. Du Pont de Nemours & Co.*, 432 F.2d 276, 279 (5th Cir.1970).

In the present case, the Court heard testimony from both the Plaintiff and from his attorney, Sedlmayr, as to the value of Plaintiff’s likeness and his G–Unit mark. Sedlmayr has represented Plaintiff for over eight years, and testified that he has negotiated upwards of twenty-five consummated agreements on Jackson’s behalf involving personal endorsements, branding, and licensing. Plaintiff and his transactional attorney did not offer any agreement of similar use to that of the Defendants’ infringing use in this case. However, they did give reasoned estimations of what they would require in an agreement involving uses similar to Defendants’ infringing uses here, if they had been given an opportunity to negotiate such an agreement. Sedlmayr testified at length as to the various factors that he and Plaintiff consider when entering into endorsement/branding deals (these factors are detailed in the Findings of Facts above). He then testified about how he compared the factors present in Plaintiff’s various agreements to the factors present in the involuntary “deal” foisted upon Plaintiff in this case. The Court finds that the testimony of both Jackson and Sedlmayr as to the value of Plaintiff’s mark and image, though not conclusive, is credible and informative, and not based on pure conjecture or speculation. Accordingly, contrary to Defendants’ objections, this testimony evidence, coupled with the other documentary evidence provided by Plaintiff, including the infringing advertisements

themselves, is sufficient for the Court to determine the value of Plaintiff's property.

*12 Based on the evidence presented at trial, the Court concludes that all Defendants are jointly and severally liable to Plaintiff for two hundred thousand dollars (\$200,000.00) as a reasonable royalty for their infringing use of his likeness. Additionally, all Defendants are jointly and severally liable to Plaintiff for twenty-five thousand dollars (\$25,000.00) as a reasonable royalty for their infringing use of his G-Unit trademark.

The Court has considered all the evidence when arriving at this damage award, however there are several specific factors the Court wishes to address to help the parties better understand how it came to the values above.

As stated in the Findings of Fact, Plaintiff's likeness and the G-Unit mark are both valuable. However, Jackson's likeness is significantly more valuable than the G-Unit symbol. In this case, although Defendants have infringed on both Jackson's likeness and his G-Unit mark, the likeness of Jackson as 50 Cent was the primary focus of their infringing use. Indeed, in many places where Jackson's misappropriated likeness and the G-Unit mark are used, the G-Unit mark is only partially visible. The Court also notes the limited scope of Defendants' use of Plaintiff's likeness and G-Unit mark. The Court, on its own request, viewed the Infringing Advertisement and Infringing Video. When the scrolling advertisement begins, Jackson's likeness and the G-Unit mark are not the first panel to appear, but rather the fifth. The same is true of the Infringing Video. In both the Infringing Advertisement and the Infringing Video, the G-Unit symbol is not predominantly displayed, and Plaintiff's likeness and the G-Unit mark are shown for only a few seconds. Additionally, as far as the Infringing Video is concerned, the website users are not presented with the video upon accessing the Coco Bongo website, but instead have to navigate to a third-party website, where they then have to select the video from a list.

Plaintiff's transactional attorney testified about many factors used in arriving at his proposed valuation for the use of Jackson's image and the G-Unit mark. One of these significant factors is the "deliverables" required of Jackson in any agreement. Here, as just described, the deliverables were minimal. The Defendant's use of Plaintiff's likeness and his G-Unit mark was limited to a static image of Plaintiff wearing the G-Unit mark, appearing for five-seconds, in one panel of a seven-panel scrolling advertisement and video. Were Plaintiff to have negotiated the substantial licensing fee he seeks in this case with Defendants, the Court finds that the use of

Plaintiff's likeness and G-Unit mark would have been far broader than it was here. Further, Plaintiff's valuation of the use of his image and the G-Unit mark does not adequately account for the fact that the Infringing Advertisement was of limited duration and had its greatest value when being used during the Spring Break 2007 promotion. Once the promotion was finished, the value of the infringing advertisement had diminished, residual value. Significantly, Plaintiff's mark, unlike in many infringement cases, was not placed on a specific product for sale.

*13 Additionally, although Plaintiff and Defendants could have negotiated for the extent to which Plaintiff's image and his G-Unit mark could have been used on the Coco Bongo website, the evidence presented at trial shows that it is not practicable to restrain access to the Coco Bongo website only to internet users within the state of Florida. The Court therefore finds that had the Plaintiff been given an opportunity to negotiate a licensing agreement with Defendants to use his image and G-Unit mark in an online advertisement, any such deal would have been for the nationwide use of Plaintiff likeness and G-Unit mark. Accordingly, the damage award above is for a reasonable royalty for the use of Plaintiff's image and G-Unit mark across the whole of the United States.¹²

Profit Damages:

Plaintiff is entitled to an award of profits for the infringing use of his trademark only. *Compare* 15 U.S.C. § 1117, with Section 540.08, Fla. Stat. The entitlement to profits under the Lanham Act, however, is "subject to the principles of equity...." *Maltina Corp. v. Cawy Bottling Co.*, 613 F.2d 582, 584 (5th Cir.1980); 15 U.S.C. § 1117(a) ("If the court shall find that the amount of the recovery based on profits is either inadequate or excessive the court may in its discretion enter judgment for such sum as the court shall find to be just, according to the circumstances of the case."). As stated above, the Lanham Act provides that any damages awarded shall "constitute compensation and not a penalty," 15 U.S.C. § 1117(a), the Court, therefore, must be careful to fashion an equitable award that is "just, according to the circumstances of the case." *Id.*

For an award of profits, Plaintiff need only "prove the infringer's sales. The burden then shifts to the defendant, which must prove its expenses and other deductions from gross sales." *Wesco Mfg., Inc. v. Tropical Attractions of Palm Beach, Inc.*, 833 F.2d 1484, 1488 (11th Cir.1987). When interpreting section 19 of the Trade-Mark Act of 1905 (substantially identical to that of the succeeding Lanham Act), the Supreme Court refused to place the

burden of apportionment on the plaintiff. *Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203, 206–07, 62 S.Ct. 1022, 86 L.Ed. 1381 (1942). The Supreme Court stated that

[i]f it can be shown that the infringement had no relation to profits made by the defendant, that some purchasers bought goods bearing the infringing mark because of the defendant's recommendation or his reputation or for any reason other than a response to the diffused appeal of the plaintiff's symbol, the burden of showing this is upon the poacher. The plaintiff of course is not entitled to profits demonstrably not attributable to the unlawful use of his mark. The burden is the infringer's to prove that his infringement had no cash value in sales made by him.

Id. (internal citations omitted). The Supreme Court recognized that under such a rule “[t]here may well be a windfall to the trade-mark owner where it is impossible to isolate the profits which are attributable to the use of the infringing mark. But to hold otherwise would give the windfall to the wrongdoer.” *Id.* at 207. Accordingly, a court may award all profits made during the infringing period, unless the infringer can prove that at least some of these profits flow from his own merit rather than from infringement of the plaintiff's mark.

*14 Plaintiff takes the position in this case that all profits should be awarded to him because Defendants' concede, via Halabe's trial testimony, that it is virtually impossible to apportion the profits attributable to Coco Bongo's own merit, such as Coco Bongo's reputation, location, unique concept, and other legitimate advertising campaigns, from those attributable to the infringement of Plaintiff's trademark. While the Court might have the discretion under the Lanham Act to award Plaintiff all of the Coco Bongo nightclub's profits earned during the infringing period, in the exercise of its discretion, given that the profits are overwhelmingly attributable to factors other than the limited use of Plaintiff's G-Unit mark, the Court finds that such an award would be inequitable.

The Coco Bongo nightclub is one of Cancun's top tourist attractions and is located in the heart of Cancun's tourist entertainment zone. The nightclub is widely known throughout the tourist industry as a top attraction, with

many travel-related websites referring visitors to the Coco Bongo nightclub. The nightclub was profitable before the infringing use of the G-Unit mark, and increased in profitability well after the G-Unit mark was removed from the Coco Bongo website. The nightclub advertises extensively in Mexico and on the internet, independent of any infringing uses of Plaintiff's G-Unit mark. Add to these factors that the infringing use of the G-Unit mark was limited to an internet advertisement with the G-Unit mark only partially visible in most cases, and it is certain that the Coco Bongo nightclub's profits significantly flow from the club's own merit rather than from the infringement of Plaintiff's mark.

Furthermore, an equitable apportionment of profits is especially required here given the unique circumstances of this case. Here, the G-Unit mark was not used in connection with the sale of any specific infringing product bearing Plaintiff's mark, unlike the more common trademark infringement cases where, for example, infringing clothing, watches, or shoes are sold. In the more common trademark infringement cases, not only is the infringer unjustly enriched, the infringing sales directly detract from the market for the licensed products—accordingly, every infringing product sold may be a legitimate sale lost. In such cases it is therefore reasonable to attribute the infringer's profits to the sale of the infringing products, thus “further[ing] Congress' purpose in enacting 15 U.S.C. Section 1117 of making infringement unprofitable” *Maltina Corp. v. Cawy Bottling Co.*, 613 F.2d 582, 585 (5th Cir.1980). Here, however, there is no correlation between the infringing use of Plaintiff's G-Unit mark and the sales at the Coco Bongo nightclub.¹³ Rather, there is the limited use of Plaintiff's mark, coupled with the substantial factors overwhelmingly contributing to Coco Bongo's profits independent of the Infringing Advertisement, making disgorgement of all of Coco Bongo's profits inequitable.

*15 In sum, the Court concludes that the limited use of the G-Unit trademark, in the rather unusual situation presented here, had minimal effect on the generation of profits at the Coco Bongo nightclub. *See, e.g., Frank Music Corp. v. Metro Goldwyn Mayer, Inc.*, 886 F.2d 1545, 1549 (9th Cir.1989) (in copyright case, district court properly considered whether “costumes, scenery or performers” outweighed the use of the copyrighted materials as the reason for the infringers' profits.). The Court is conscious that any profits received by Defendants Grupo and Noble through their wilful infringement of the G-Unit mark should be disgorged, and that, generally, when a precise accounting is not possible, any uncertainty should be determined in the innocent party's favor rather than the infringer's. However, here, the profits are

overwhelmingly attributable to factors other than the Defendants' infringing use of Plaintiff's G-Unit mark. The Court therefore concludes that it would be unjust and punitive to award the total of Coco Bongo's profits to Plaintiff when the G-Unit mark minimally contributed to the generation of those profits. The facts are that Coco Bongo was and is a very popular and profitable business irrespective of the Defendants' infringement of Plaintiff's G-Unit mark. Taking all this into account, the Court finds that the amount of profits directly attributable to the infringing use of Plaintiff's G-Unit mark to be, at most, one percent of the profits attributable to patrons from the United States. Accordingly, considering all the evidence and the factors contributing to the profits generated at the Coco Bongo nightclub from February 22, 2007 through September 1, 2007, the Court concludes that Defendants Grupo and Noble are jointly and severally liable to Plaintiff for two thousand six hundred sixty-five dollars and seven cents (\$2,665.07) as the amount of profits attributable to the wilful infringement of the G-Unit mark.¹⁴

Attorney's Fees and Costs:

Plaintiff seeks an award of attorney's fees pursuant to 15 U.S.C. § 1117(a), which specifies that a court may award attorney's fees "in exceptional cases." The Eleventh Circuit has defined an exceptional case as a case "where the infringing party acts in a malicious, fraudulent, deliberate, or willful manner." *Burger King Corp. v. Pilgrim's Pride Corp.*, 15 F.3d 166, 168 (11th Cir.1994) (internal quotations omitted). "Although a case may rise to the level of exceptionality, the decision to grant attorney fees remains within the discretion of the trial court." *Id.* As previously discussed, the striking of Defendants' pleadings as to liability established that Defendants acted willfully when infringing Plaintiff's G-Unit trademark. The striking of the pleadings also established that Defendants' actions were done "knowingly and intentionally without regard for the rights of [Plaintiff]...." (Compl.¶ 35.) Given this intentional infringement without regard for the rights of Plaintiff, the Court finds it appropriate to award attorney's fees to Plaintiff, who would not have incurred the legal fees in bringing this suit to protect his property rights were it not for the wilful conduct of Defendants. Accordingly,

considering the facts of this case, the Court determines that an award of attorney's fees pursuant to the Lanham Act is warranted.

CONCLUSION AND FINAL JUDGMENT

*16 For the foregoing reasons, its hereby ORDERED and ADJUDGED that

FINAL JUDGMENT is entered in favor of Plaintiff and against Defendants as follows:

a. Defendants, Grupo Industrial Hotelero, S.A., Roberto Noble, Sr., and Isaac Halabe are jointly and severally liable to Plaintiff, Curtis James Jackson, in the amount of two hundred twenty-five thousand dollars (\$225,000.00) as a reasonable royalty/license fee for the infringing use of Plaintiff's likeness and his G-Unit trademark, for which let execution issue.

b. Defendants, Grupo Industrial Hotelero, S.A. and Roberto Noble, Sr. are jointly and severally liable to Plaintiff, Curtis James Jackson, in the amount of two thousand six hundred sixty-five dollars and seven cents (\$2,665.07) as a disgorgement of profits earned from the infringing use of Plaintiff's GUnit trademark, for which let execution issue.

c. Defendants, Grupo Industrial Hotelero S.A., Roberto Noble, Sr., and Isaac Halabe are jointly and severally liable to Plaintiff, Curtis James Jackson, for the payment of his reasonable attorney's fees. The Court retains jurisdiction over this action in order to determine the reasonable attorney's fees in this case at a later date by appropriate motion of Plaintiff.

The Clerk shall close this case, and all pending motions are denied as moot.

DONE AND ORDERED in Chambers, Miami, Florida, April 28, 2009.

Footnotes

¹ The Court notes here, and more fully discusses below in the Conclusions of Law section, that Jackson brings his claims for infringement of the G-Unit trademark under the Lanham Act, and brings his claims for the unauthorized publication of his likeness pursuant to Florida Statutes, section 540.08. This distinction is important in this case because the Lanham Act, unlike Florida Statutes, section 540.08, provides for an award of the Defendants' profits under certain circumstances which are present here. This award of profits, therefore, is limited to only the profits arising from the unauthorized use by Defendants of the G-Unit mark, and

not from the unauthorized use of Jackson's likeness. As the Court discusses below, the Court finds that Jackson's image and likeness have a value far exceeding the value of the G-Unit trademark. The Court is mindful that any award of profits must be constrained to the unjust enrichment received by Defendants through the unauthorized use of the G-Unit mark alone. Accordingly, when awarding damages in this case, the Court has been aware of the need to differentiate between those awarded for the infringing use of Plaintiff's likeness and those for the infringing use of the G-Unit trademark.

2 Throughout this Order Memorandum, the Court uses, as have the parties, the terms "likeness" and "image" interchangeably. The infringing advertisement was not a photorealistic image of Jackson, but a likeness created, in part, with the aid of a computer. In this case, however, it makes no difference as the likeness is unmistakably that of Jackson as 50 Cent.

3 Jackson appeared on the cover of Forbes Magazine's July, 2004 "Celebrity 100" issue, containing an article ranking the top-100 "hottest movie stars, musicians, and athletes" in which Jackson was ranked number eight. Jackson also testified that in the current year's issue he is listed as number two on the top-100 list.

4 As noted above, Defendants' pleadings as to liability were stricken pursuant to the Agreed Order entered by Judge O'Sullivan. Accordingly, all related well-pled factual allegations of the Complaint are established as true. *See Buchanan v. Bowman*, 820 F.2d 359, 361 (11th Cir 1987).

5 The Court again notes that Jackson's likeness has far greater value than the G-Unit mark. As explained in footnote 1 above and in the Court's conclusions of law below, profits in this case are only available for the infringing use of the G-Unit mark and not for the use of Plaintiff's likeness. This creates tension in this case because the infringing use of Plaintiff's likeness, to the extent that it contributes to the profits generated at the Coco Bongo nightclub, is a greater contributing factor than is the use of the G-Unit mark. Ironically, this means that the infringing use of Jackson's likeness actually reduces the profits attributable to the use of the G-Unit mark alone. The Court acknowledges the difficulty in separating the effects of each infringement, and is conscious that where it is impossible to isolate the profits which are attributable to the use of the infringing mark it is the infringer, rather than the innocent party, who must shoulder the loss. *See Mishawaka Rubber & Woolen Mfg. Co. v. S.S. Kresge Co.*, 316 U.S. 203, 206-07, 62 S.Ct. 1022, 86 L.Ed. 1381 (1942). The Court is equally aware, however, that the Lanham Act provides for an equitable approach to the award of damages, and the Court must always fashion an award that serves the equitable purpose of the statute given the particular circumstances of each case. 15 U.S.C. § 1117(a) ("If the court shall find that the amount of the recovery based on profits is either inadequate or excessive the court may in its discretion enter judgment for such sum as the court shall find to be just, according to the circumstances of the case.").

6 Plaintiff argues that certain of Defendants' deductions should not be allowed. One such expense is the salary of Defendant Halabe who oversees the day-to-day operations of the Coco Bong nightclub. The Court finds his salary to be reasonable and an ordinary expense incurred in the operation of the nightclub. While Halabe may be liable for infringement in this case, Plaintiff has not shown a legal basis for a disgorgement of Halabe's salary simply because he is liable for Plaintiff's actual damages.

7 For a detailed analysis of the Court's jurisdiction over this matter, *see* the Court's Order on Defendants' Motion to Dismiss and Motion to Strike (D.E.# 36).

8 The damages provision of the Lanham Act, 15 U.S.C. § 1117(a), states:
When a violation of any right of the registrant of a mark registered in the Patent and Trademark Office, a violation under section 1125(a) or (d) of this title, or a willful violation under section 1125(c) of this title, shall have been established in any civil action arising under this chapter, the plaintiff shall be entitled, subject to the provisions of sections 1111 and 1114 of this title, and subject to the principles of equity, to recover (1) defendant's profits, (2) any damages sustained by the plaintiff, and (3) the costs of the action. The court shall assess such profits and damages or cause the same to be assessed under its direction. In assessing profits the plaintiff shall be required to prove defendant's sales only; defendant must prove all elements of cost or deduction claimed. In assessing damages the court may enter judgment, according to the circumstances of the case, for any sum above the amount found as actual damages, not exceeding three times such amount. If the court shall find that the amount of the recovery based on profits is either inadequate or excessive the court may in its discretion enter judgment for such sum as the court shall find to be just, according to the circumstances of the case. Such sum in either of the above circumstances shall constitute compensation and not a penalty. The court in exceptional cases may award reasonable attorney fees to the prevailing party.

9 Florida Statute, section 540.08 also provides for an award of punitive damages, however Plaintiff is not seeking any punitive damages in this case.

10 The Court recognizes that *Sammons* concerned an award of profits for patent infringement. However, in *Sheldon v. Metro Goldwyn Pictures Corporation*, 309 U.S. 390, 60 S.Ct. 681, 84 L.Ed. 825 (1940), the Supreme Court discussed how profit awards in both patent law and copyright law developed from notions of equity. The same equitable considerations are present in the Lanham Act.

- 11 *See Belford, Clarke & Co. v. Scribner*, 144 U.S. 488, 12 S.Ct. 734, 36 L.Ed. 514 (1892), which established the practically partners’ doctrine when considering an award of shared profits.
- 12 **Note on Licensing Fee or Reasonable Royalty Limited to Florida Only:**
As discussed, when determining the proper damage award, the Court considered the particular facts and circumstances of this case, including the practicalities of the commercial setting in which Plaintiff’s likeness and mark was used. *See, e.g., University Computing Co. v. LykesYoungstown Corp.*, 504 F.2d 518, 538 (5th Cir.1974). Here, the infringing use by Defendants occurred via advertisements posted on the internet. The internet is a medium which does not lend itself to geographic compartmentalization, unlike, for example, an advertisement in a local newspaper. What this means is that on the unique facts of this case Plaintiff would have negotiated a deal for nationwide use of his image. Accordingly, as stated above, the damages awarded are for a reasonable royalty for the use of Plaintiff’s image and the G–Unit mark across the whole of the United States. However, should it be subsequently determined that an award for damages should be limited to the boundaries of Florida, the Court approximates that such damages within Florida only to be thirty-three thousand dollars (\$33,000.00) for the infringing use of Plaintiff’s likeness, and four thousand one hundred twenty-five dollars (\$4,125.00) for the infringing use of the G–Unit trademark.
The Court arrived at these values by taking the ratio of Florida’s population to that of the total population of the United States (approximately 16.5%), and discounting the damages award accordingly. The Court used the population numbers for the year 2007 as provided by the U.S. Census Bureau located at: <http://factfinder.census.gov/>.
- 13 The Court is aware that “an accounting is proper even if the defendant and plaintiff are not in direct competition, and the defendants’ infringement has not diverted sales from the plaintiff.” *Maltina Corp. v. Cawv Bottling Co.*, 613 F.2d 582, 585 (5th Cir.1980). As stated above, however, the Court is equally aware that the Lanham Act provides for an equitable approach to the award of damages. 15 U.S.C. § 1117(a). To the extent that the Court’s discussion relates to the lack of direct competition between the parties, it does so only to underscore the unique circumstances in the present case, which require the Court to exercise its discretion in order to fashion a just and non-punitive award. In some cases, disgorgement of all the infringer’s profits may be proper, however such is not the case here.
- 14 The Court arrives at this value by taking the total of the Coco Bongo nightclub’s profits during the infringing period from February 22, 2007 through September 1, 2007 of \$410,010.70, and then discounting this value by thirty-five percent in order to account for those profits received from non-United States tourists. This leaves a value of \$266,506.96, representing the Coco Bongo nightclub’s profits attributable to United States tourists during the period of infringement. One percent of this value is \$2,665.07.

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