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10 **UNITED STATES DISTRICT COURT**  
11 **NORTHERN DISTRICT OF CALIFORNIA**

12 PACIFIC BELL INTERNET SERVICES	)	Case No. C-03-3560 (SI)
	)	
13 Plaintiff,	)	<b>DEFENDANT RECORDING INDUSTRY</b>
	)	<b>ASSOCIATION OF AMERICA'S NOTICE</b>
14 vs.	)	<b>OF MOTION AND MOTION TO DISMISS</b>
	)	
15 RECORDING INDUSTRY ASSOCIATION	)	Date: October 31, 2003
OF AMERICA, INC., MEDIASENTRY, INC.,	)	Time: 9:00 a.m.
16 dba MEDIAFORCE, and IO GROUP, INC.,	)	Dept.: 10, 19th Floor
dba TITANMEDIA, TITANMEDIA.COM,	)	
17 and TITANMEN.COM	)	
	)	
18 Defendant.	)	
	)	

19  
20 TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

21 PLEASE TAKE NOTICE that on October 31, 2003 at 9:00 a.m., or as soon thereafter as the  
22 matter may be heard, in the Courtroom of the Honorable Susan Illston, United States District Judge,  
23 in the United States Courthouse located at 450 Golden Gate Avenue, San Francisco, California,  
24 defendant Recording Industry Association of America will, and hereby does, move the Court to  
25 dismiss all claims against it for lack of subject matter jurisdiction and failure to state a claim, or in  
26 the alternative, to transfer this action to the District Court for the District of Columbia for  
27 consolidation with the pending subpoena enforcement action in that district.  
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1 **STATEMENT OF RELIEF SOUGHT**

2 The Court should enter an order dismissing all claims against defendant Recording Industry  
3 Association of America (“RIAA”) pursuant to Federal Rules of Civil Procedure 12(b)(1), 12(b)(3)  
4 and 12(b)(6).<sup>1</sup> Alternatively, the Court should transfer this case to the District Court for the District  
5 of Columbia pursuant to 28 U.S.C. § 1404(a).

6 **POINTS AND AUTHORITIES IN SUPPORT OF THE MOTION**

7 In this declaratory relief action, Pacific Bell Internet Services (“PBIS”) is attempting an end-  
8 run around the specific subpoena provisions of the Digital Millennium Copyright Act (“DMCA”) that  
9 require it to provide information (in response to subpoenas) identifying PBIS’s subscribers who are  
10 engaged in large-scale online piracy of copyrighted music recordings. PBIS’s suit is wholly obviated  
11 by a motion RIAA has filed to enforce a specific subpoena in the District Court for the District of  
12 Columbia. That motion addresses every single issue raised in PBIS’s Complaint. *See RIAA v. SBC*  
13 *Internet Communications, Inc.*, Misc. Act. No. 03-MC-1220 (D.D.C. filed Aug. 8, 2003). The motion  
14 has already been fully briefed and is currently pending adjudication in the proper forum – the District  
15 of Columbia – which is the court that issued the subpoenas. *See RIAA’s Request for Judicial Notice*  
16 *(“RJN”)* (filed in conjunction with this Motion and attaching the relevant pleadings from the D.C.  
17 District Court action). PBIS’s declaratory relief action is a transparent and inappropriate effort to  
18 avoid a decision in that forum – where the crux of PBIS’s objections on the merits have already been  
19 resolved in RIAA’s favor – by “racing to the courthouse.” As such, this action – filed one day after  
20 PBIS lodged objections to the bulk of the D.C. subpoenas and 9 days before RIAA’s motion, does not  
21 benefit from the so-called “first-filed” rule. Indeed, PBIS filed only after RIAA served the subpoenas  
22 and, in any case, this suit cannot be given precedence because it is no more than an “anticipatory”  
23 declaratory relief action.

24 In an attempt to obscure what it is doing – collaterally attacking a proceeding before another  
25 federal court – PBIS has added to this case two parties (Titan Media and MediaSentry) that have  
26 nothing to do with the subpoena dispute between RIAA and PBIS. In so doing, PBIS attempts to

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27 <sup>1</sup>RIAA is acting in this case as agent of its members, Universal Music Group, EMI Music  
28 North America, Sony Music Entertainment Inc., BMG Music, and Univision Music, Inc. *See* 17  
U.S.C. § 512(h)(1) (authorizing a copyright owner’s agent to seek a subpoena).

1 meld non-existent “claims” against those entities (given that MediaSentry has never served a  
2 subpoena on PBIS and does not intend to do so, and that Titan Media had, prior to the filing of this  
3 lawsuit, withdrawn the only subpoena it had obtained) with claims against RIAA that are already  
4 being litigated elsewhere. PBIS’s Complaint does not present a justiciable controversy, and, even if it  
5 did, it would nonetheless represent an improper use of the Declaratory Judgment Act that this Court  
6 must decline to hear.

7 PBIS’s Complaint should be dismissed for multiple reasons. First, this Court does not have  
8 subject matter jurisdiction to hear this case. Where Congress has provided an express statutory  
9 mechanism for resolution of disputes, as it has under the DMCA, the Declaratory Judgment Act  
10 cannot be used to circumvent such procedures. This limitation on the Act in no way prejudices PBIS,  
11 which will be able to raise – as it already has – all of its arguments in the pending litigation in D.C.

12 Second, it would be an abuse of discretion for the Court to consider PBIS’s claims. PBIS’s  
13 Complaint is exactly the kind of declaratory judgment action that the Court should decline to hear.  
14 Consideration of PBIS’s claims 1) would result in duplicative litigation and possibly conflicting  
15 decisions; 2) would slow, rather than hasten, resolution of the parties’ rights; 3) would violate the  
16 basic principle that declaratory judgments should not be used to anticipate litigation; and 4) would  
17 *not* fully resolve the issues between the parties because they are not susceptible to complete  
18 resolution in a declaratory judgment action.

19 Third, even if the Court were to consider the merits of PBIS’s Complaint, it should be  
20 dismissed for failure to state a claim. PBIS’s claims about whether it has been given sufficient time  
21 to respond to RIAA’s subpoenas and whether PBIS should be compensated at all and, if so, how  
22 much, for complying with its statutory obligations simply cannot be resolved by this Court in the  
23 abstract (unless, as RIAA believes, they are foreclosed as a matter of law). PBIS’s constitutional and  
24 statutory construction arguments are also patently meritless. The statutory and constitutional  
25 arguments that are raised by PBIS’s Complaint have already been resolved in RIAA’s favor in  
26 litigation against another similarly situated Internet Service Provider (ISP). *See In re Verizon*  
27 *Internet Services, Inc.*, 240 F. Supp. 2d 24 (D.D.C. 2003) (“*Verizon I*”) (resolving statutory  
28 interpretation questions); *In re Verizon Internet Services, Inc.*, 257 F. Supp. 2d 244 (D.D.C. 2003)

1 (“*Verizon II*”) (rejecting constitutional challenges). Those thorough opinions reveal the lack of merit  
2 in the arguments PBIS attempts to raise here.

3 Finally, even if the Court were to determine that it would be appropriate for a declaratory  
4 judgment action to proceed, it should nonetheless transfer the action to the District of Columbia, once  
5 MediaSentry and Titan Media are dismissed (as they should be). Transfer under 28 U.S.C. § 1404  
6 would avoid duplicative litigation and inconsistent rulings and be the most efficient way to resolve  
7 the issues between RIAA and PBIS – none of which remotely involve Titan Media or MediaSentry.

8 Thus, all of PBIS’s claims for declaratory relief against RIAA should be dismissed. RIAA  
9 and PBIS disagree on a host of issues, but all of those issues can and will be resolved before the  
10 District Court for the District of Columbia. Interjection of this Court into those disputes will serve  
11 only to delay their resolution in direct conflict with Congress’s “repeated and express direction” that  
12 the DMCA subpoena process be expeditious, *Verizon I*, 240 F. Supp. 2d at 34, and with the policies  
13 underlying the Declaratory Judgment Act.

#### 14 **STATEMENT OF FACTS**

15 Because this declaratory action duplicates claims that are already being addressed in  
16 subpoena-enforcement proceedings in the District Court for the District of Columbia, RIAA will  
17 provide a truncated background of those proceedings, as well as the background of the statute, and is  
18 filing a Request for Judicial Notice attaching the relevant pleadings from the D.C. litigation.

#### 19 **A. The Digital Millennium Copyright Act**

20 Congress enacted the Digital Millennium Copyright Act in 1998 to encourage development  
21 of the Internet’s potential, while at the same time protecting against the “massive piracy” of  
22 copyrighted works that Internet technology permits. S. Rep. No. 105-190, at 8 (1998) (“S. Rep.”).  
23 The DMCA addressed two problems – (1) the threat of copyright piracy, which could be committed  
24 anonymously over the Internet, and (2) the fear of ISPs that they would be subject to enormous  
25 liability for facilitating illegal conduct over their computer networks.

26 In Title II of the DMCA, codified at 17 U.S.C. § 512, Congress addressed both concerns by  
27 carving out certain limitations on the liability of ISPs, while at the same time requiring ISPs to act  
28 swiftly when they are made aware of copyright infringement. By creating a balanced set of benefits

1 for, and obligations on, ISPs, Congress sought to ensure that copyright owners and ISPs would  
2 “cooperate to detect and deal with copyright infringements that take place in the digital networked  
3 environment.” S. Rep. at 40. Thus, for example, in order to take advantage of the liability  
4 limitations, the DMCA requires ISPs to disable access to infringing material available on their  
5 networks when notified, *see* §§ 512(b)-(d), and to terminate the accounts of subscribers who are  
6 repeat copyright infringers. § 512(i)(1)(A).

7         Critical to Congress’s goals in the DMCA was to stop infringement on the Internet as  
8 expeditiously as possible. *See Verizon I*, 240 F. Supp. 2d at 34 (noting “Congress’s express and  
9 repeated direction to make the subpoena process ‘expeditious’”); S. Rep at 45 (when a service  
10 provider is notified of infringing activity, the limitation on liability is maintained only if “the service  
11 provider acts expeditiously either to remove the infringing material from its system or to prevent  
12 further access to the infringing material”). An individual Internet pirate can cause tens of thousands  
13 of infringing copies to be distributed in a single day. Especially in the case of sound recordings that  
14 have not yet been released publicly, the economic impact of infringement can be devastating.

15         Thus, Congress created streamlined procedures to ensure that the system would operate  
16 smoothly and efficiently. Congress required every ISP desiring the limitations on liability to register  
17 with the United States Copyright Office a DMCA agent to whom all notices of infringement are to  
18 be sent. § 512(c)(2). Congress also formalized a system for “notice and take down,” specifying in  
19 detail the information that copyright owners must provide to ISPs (the notice) in order to trigger the  
20 ISP’s obligation to disable access to infringing material on its network (the take-down).

21         Congress recognized that, in many circumstances, copyright owners cannot determine the  
22 identities of individuals infringing their copyrights over the Internet; only the ISPs that serve such  
23 infringers know their identities. Section 512(h) of the DMCA thus places on ISPs the obligation of  
24 providing the identity of subscribers who use their networks to infringe. Under § 512(h)(1), a  
25 copyright owner or its agent may request that “the clerk of any United States district court” issue a  
26 subpoena requiring an ISP to disclose the identity of such infringers when the copyright owner  
27 comes forward with good faith claims of infringement. § 512(h)(1). By its terms, § 512(h) applies  
28 to all “service providers” regardless of what functions the service provider is performing. Thus, the

1 court in the *Verizon* litigation rejected the argument (adopted by PBIS here) that § 512(h) does not  
2 apply to so-called “conduit” ISPs, holding instead that § 512(h) applies to all ISPs, regardless of the  
3 function they are performing and regardless of whether they are storing infringing material on their  
4 networks that they must also take down. *See Verizon I*, 240 F. Supp. 2d at 32-36. Congress also  
5 made clear that § 512(h) subpoenas were to be issued and complied with expeditiously, using that  
6 word three times in the statute itself and repeatedly in the legislative history. *See, e.g.*, § 512(h)(5)  
7 (requiring the ISP to “expeditiously disclose” the information sought); S. Rep. at 51 (describing the  
8 need for expedition). Congress further specified that this obligation on ISPs is not discretionary or  
9 conditioned on any other duties they might have: an ISP must comply with the subpoena  
10 “notwithstanding any other provision of law.” § 512(h)(5).

11 Finally, Congress carefully built safeguards into § 512(h) to ensure that it is used only to  
12 enforce valid copyright claims. A copyright owner must file with the clerk a notice of the same type  
13 that is routinely sent to the ISP’s DMCA agent, as well as a sworn declaration stating that the  
14 information obtained in response to a DMCA subpoena “will only be used for the purpose of  
15 protecting rights under this title.” § 512(h)(2)(A), (C). In addition, Congress established procedures  
16 for enforcing DMCA subpoenas in federal court, providing that

17 Unless otherwise provided by this section or by applicable rules of the court, the  
18 procedure for issuance and delivery of the subpoena, and the remedies for  
19 noncompliance with the subpoena shall be governed to the greatest extent practicable  
20 by those provisions of the Federal Rules of Civil Procedure governing the issuance,  
21 service, and enforcement of a subpoena duces tecum.

20 § 512(h)(6).

## 21 **B. Internet Piracy**

22 Congress’s prediction when it enacted the DMCA that the Internet would beget massive  
23 piracy of copyrighted works has unquestionably come true. Peer-to-peer networks (P2P), such as the  
24 Napster system which was shut down by an injunction from this Court and affirmed on appeal, *see*  
25 *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001), are havens for copyright piracy.  
26 By downloading P2P software, and logging onto a P2P network, an individual makes music and  
27 video files on a home or office computer available to any Internet user worldwide. Approximately  
28 90% of the content on such P2P networks is copyrighted material disseminated without

1 authorization. *Id.* at 1013. There is no dispute that this uploading and downloading of copyrighted  
2 works is illegal. *Id.* at 1014-15; *In re Aimster Copyright Litigation*, 334 F.3d 643 (7th Cir. 2003).  
3 Nonetheless, more than 2.6 billion infringing music files are downloaded monthly. L. Grossman,  
4 *It's All Free*, Time, May 5, 2003, at 60-69.

5 The propagation of illegal digital copies over the Internet significantly harms copyright  
6 owners, and has had a particularly devastating impact on the music industry. *See Verizon II*, 257 F.  
7 Supp. 2d at 273. CD sales – the principal revenue source for most companies – declined 7% in  
8 2000, 10% in 2001 and 11% last year. *See* <http://www.riaa.com/pdf/2002yrendshipments.pdf>. In  
9 contrast, ISPs such as PBIS and its affiliates operating jointly under the name SBC (collectively,  
10 “SBC”<sup>2</sup>), profit handsomely from this illegal conduct. P2P systems are critical to driving the  
11 growth in demand for high-end broadband services that are lucrative for ISPs. Those who download  
12 music over P2P systems use large amounts of bandwidth and thus tend to subscribe to services such  
13 as DSL service or cable modem service. Between 50% and 70% of the usage of such networks is by  
14 those who are copying files on P2P systems. *See* Alan Brezneck, *Service Control Vendors Vie for*  
15 *MSO Business*, Cable Datacom News (March 1, 2003).

16 Since enactment of the DMCA, RIAA has repeatedly used 17 U.S.C. § 512(h) to obtain  
17 information from ISPs to identify those infringing the copyrights of its members on the Internet.  
18 RIAA regularly obtained such subpoenas from the District Court for the District of Columbia and  
19 served them on ISPs, including PBIS/SBC, at the address of the DMCA agent registered with the  
20 Copyright Office. Until July of this year, no ISP had ever refused to comply with a DMCA  
21 subpoena because issuance from the D.C. court was allegedly improper, because the subpoena was  
22 addressed to the name under which the ISP was doing business (even if that was not the name of the  
23 corporation that maintained the records), or because the subpoena was faxed or mailed to the DMCA  
24 agent the ISP is required to designate pursuant to the statute.

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26  
27 <sup>2</sup>PBIS offers Internet access service under the “assumed business names” of SBC and SBC  
28 Internet Services. *See* RJN, Exh. 3, ¶ 2 & Att. 1. PBIS is wholly owned (through a holding  
company) by SBC Communications, Inc., the ultimate parent company of all companies in the SBC  
conglomerate. *Id.* ¶ 3.

1           **C.     Subpoena Proceedings in the District of Columbia**

2           On June 25, 2003, RIAA announced a nationwide enforcement effort to identify and  
3 eventually sue individuals committing copyright infringement over P2P networks. As part of its  
4 investigation, RIAA discovered more than two hundred significant copyright infringers who  
5 disseminate copyrighted sound recordings over the network of PBIS and the other ISPs that operate  
6 under the name “SBC.” *See* RJN, Exh. 1, Declaration of Jonathan Whitehead ¶ 22 (“Whitehead  
7 Decl.”). Combined, those individuals were offering *almost 250,000 copyrighted works* without the  
8 authorization of the copyright owners. *Id.* Included among these files were files of copyrighted  
9 sound recordings that had not yet been released. *Id.* RIAA downloaded a representative list of the  
10 files being offered by each of the infringers and ascertained that they were indeed illegal copies of  
11 copyrighted sound recordings. *Id.* ¶ 23.

12           On several days in July of 2003, RIAA obtained from the Clerk of the U.S. District Court for  
13 the District of Columbia 282 subpoenas to identify 282 individuals committing copyright  
14 infringement on SBC’s network. *Id.* ¶ 24. On July 29, PBIS sent a letter objecting to the first 207  
15 subpoenas based on a litany of grounds; PBIS subsequently raised the same objections with respect  
16 to all of the subpoenas. One day later, on July 30, 2003, PBIS filed its Complaint for declaratory  
17 relief in this Court; PBIS’s Complaint duplicates its objections to the subpoenas. On August 8,  
18 2003, RIAA moved to enforce one of the subpoenas at issue in the District Court for the District of  
19 Columbia, recognizing that the issues with respect to all of the subpoenas are virtually identical. *See*  
20 RJN, Exh. 1.

21           Many of the issues currently being litigated in the District of Columbia revolve around  
22 whether RIAA properly served PBIS. RIAA originally attempted to deliver the subpoenas to the  
23 DMCA agent that PBIS had registered with the United States Copyright Office; that agent is located  
24 in San Antonio, TX. RIAA addressed all of the subpoenas to “SBC,” the name under which PBIS  
25 operates when it provides Internet access service. PBIS refused to accept such service, claiming that  
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28

1 it would not accept a subpoena addressed to its “assumed business name” and that the DMCA did  
2 not authorize service by delivery of the subpoenas to its DMCA designated agent.<sup>3</sup>

3 RIAA then sought to determine whether it could serve the subpoenas in another way. In their  
4 registrations with the Copyright Office, PBIS and other SBC-affiliates identified “SBC Internet  
5 Communications, Inc.” (“SBCIC”) as the “Full Legal Name of [the] Service Provider” doing  
6 business as “Pacific Bell Internet Services.” RJN, Exh. 1, Whitehead Decl. ¶ 27 & Att. F.

7 Consistent with that registration, RIAA obtained new subpoenas from the Clerk of the District of  
8 Columbia court addressed to SBCIC. RIAA served those subpoenas at the SBC office in the District  
9 of Columbia that represents all of the SBC companies and on the registered agent of SBCIC in  
10 Delaware, the state where it is incorporated, which is within 100 miles of the District of Columbia.

11 The parties are currently litigating whether these efforts at service were sufficient, including  
12 whether the DMCA authorizes nationwide service of process, whether PBIS has waived any  
13 argument that it is not subject to subpoenas to “SBCIC” given that it has held that name out as its  
14 “Full Legal Name” to copyright owners and the Copyright Office, and whether the close connection  
15 among PBIS and all of the various SBC-entities that offer Internet service as one company, under the  
16 same brand name, using the same employees, DMCA agents, financial statements, and websites  
17 requires PBIS and the other ISPs operating as SBC to comply with subpoenas addressed to “SBC” or  
18 “SBCIC.” The parties are also litigating a host of issues concerning whether a protective order is  
19 necessary, what information the particular subpoenas at issue require, and whether SBC can refuse to  
20 comply unless it is paid for complying with its statutory obligations. These issues have been fully  
21 briefed and are pending before Judge John Bates of the District Court for the District of Columbia.

22 **D. PBIS’s Complaint in This Action**

23 After issuance of the subpoenas and the day after PBIS sent an objection letter in response to  
24 207 of the subpoenas, but before RIAA’s Motion to Enforce, PBIS filed this suit for declaratory  
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26  
27 <sup>3</sup>Each of these represented a change of position by PBIS/SBC. Since enactment of the  
28 DMCA, PBIS has repeatedly accepted delivery of DMCA subpoenas issued from the District of  
Columbia by fax or mail to its DMCA agent and addressed to “SBC Internet Services,” one of its  
assumed business names. RJN, Exh. 1, Whitehead Decl. ¶¶ 19-21.

1 relief against RIAA and two other entities, Titan Media and MediaSentry. Much of PBIS's  
2 Complaint catalogs the subpoenas issued in D.C. and PBIS's objections thereto.

3 PBIS divides its purported claims against RIAA into five counts. Counts One through Three  
4 are broadside statutory and constitutional claims asserting that PBIS has no legal obligation to  
5 respond to RIAA's DMCA subpoenas. PBIS argues that, under the DMCA, an ISP does not have to  
6 respond to a subpoena to identify subscribers engaging in online piracy when the ISP acts only as a  
7 "conduit" for the subscriber's copyright infringement (Count One); that the DMCA's subpoena  
8 provision violates Article III (Count Two); and that the DMCA subpoena provision violates the First  
9 Amendment and Due Process Clause of the Fifth Amendment in some unspecified ways (Count III).  
10 These identical arguments were already rejected in the *Verizon* litigation. In Counts Four and Five,  
11 PBIS seeks declaratory relief based on purported defects specific to the particular subpoenas that  
12 RIAA obtained from the District of Columbia court. Count Four is a hodgepodge of objections to  
13 the place where the subpoenas were delivered and how they were addressed. Count Five asserts  
14 primarily that PBIS must be compensated for responding to the subpoenas.

15 The claims PBIS asserts against Titan Media and MediaSentry do *not* arise out of the same  
16 transactions or occurrences as the claims against RIAA. In its Complaint, PBIS alleges that  
17 defendant Titan Media served PBIS with a DMCA subpoena issued by the Clerk of *this Court* but  
18 later *withdrew* that subpoena. Compl. ¶¶ 28, 33. As to defendant MediaSentry, PBIS does not  
19 allege that MediaSentry has ever served DMCA subpoenas on PBIS or its SBC affiliates; instead, the  
20 Complaint alleges that MediaSentry sent notifications of infringement to PBIS and its affiliates *on*  
21 *behalf of other copyright owners (not RIAA or its members)*. *Id.* ¶ 46. PBIS makes no allegation  
22 that there is any relationship between RIAA and Titan Media or MediaSentry with respect to the  
23 subpoena obtained (and withdrawn) by Titan Media or the notice letters sent by MediaSentry.

## 24 ARGUMENT

### 25 I. This Court Lacks Subject Matter Jurisdiction to Adjudicate Objections to Subpoenas 26 Issued by Another Federal District Court.

27 The Court should dismiss PBIS's claims against RIAA because the Court does not have  
28 subject matter jurisdiction to hear challenges to subpoenas issued by another federal district court.

1 PBIS’s Complaint against RIAA is a thinly veiled attempt to quash subpoenas that have been issued  
2 out of the District Court for the District of Columbia. Courts have made clear time and again that  
3 only the *issuing* court has jurisdiction to enforce or to quash a subpoena. This Court does not have  
4 the power to grant the relief PBIS seeks.

5 In the DMCA, Congress specified how disputes over § 512(h) are to be resolved. The  
6 DMCA specifies that “[u]nless otherwise provided by this section or by applicable rules of the  
7 court,” the issuance and enforcement of DMCA subpoenas shall be governed by the Federal Rules of  
8 Civil Procedure, including Rule 45. § 512(h)(6). Although the DMCA adopts only certain parts of  
9 Rule 45, it clearly adopts those portions relating to the enforcement of subpoenas. Rule 45 spells out  
10 the circumstances under which a respondent party may move to have the subpoena quashed or, if  
11 appropriate, modified. However, the rule does not provide all courts with the authority to quash or  
12 modify a subpoena. To the contrary, it is “the court by which a subpoena was issued” that has the  
13 power to quash or modify a subpoena. Rule 45(c)(3)(A).

14 Rule 45’s reference to “the court by which a subpoena was issued” was intended to vest  
15 *exclusive* jurisdiction in the issuing court. As Wright & Miller explain, “[t]he 1991 amendments to  
16 Rule 45(c) now make it clear that motions to quash, modify, or condition the subpoena are to be  
17 made to the district court of the district from which the subpoena issued.” 9A Charles Alan Wright  
18 & Arthur R. Miller, *Federal Practice & Procedure* § 2459 at 40-41 (2d ed. 1995). Indeed, this  
19 Court has specifically declined to exercise jurisdiction over the enforcement of a subpoena that it did  
20 not issue. In *VISX, Inc. v. Nidek Co.*, 208 F.R.D. 615 (N.D. Cal. 2002), the plaintiff in multidistrict  
21 litigation pending in the Northern District of California sought enforcement of a subpoena issued by  
22 another court. *VISX* held that this Court did not have jurisdiction to enforce those subpoenas. *Id.* at  
23 615. *VISX* makes clear that the outcome would have been the same had the court been asked to  
24 quash or modify the subpoenas rather than enforce them. *Id.* at 615 n.1.

25 *VISX* is in accord with the holdings of courts in virtually every federal circuit in the Nation,  
26 all of which have concluded on the basis of Rule 45 that it is the exclusive province of the issuing  
27 court to enforce or quash its subpoenas. *See, e.g., In re Sealed Case*, 141 F.3d 337, 341 (D.C. Cir.  
28 1998) (“only the issuing court has the power to act on its subpoenas”); *In re Digital Equip. Corp.*,

1 949 F.2d 228, 230 (8th Cir. 1991) (court that did not issue subpoena “did not have jurisdiction to  
2 rule on the objections”); *Productos Mistolin, S.A. v. Mosquera*, 141 F.R.D. 226, 227 (D.P.R. 1992)  
3 (“there is no mention in Rule 45 in relation to recourse to any court other than the one where the  
4 subpoena was issued”); *Byrnes v. Jetnet Corp.*, 111 F.R.D. 68, 69 (M.D.N.C. 1986) (“Rule 45  
5 specifically provides that objections to subpoenas be considered by the issuing court.”).<sup>4</sup> It makes  
6 no difference that the present action is framed as an action for declaratory relief as opposed to a  
7 motion to quash or modify the underlying subpoenas. “The Declaratory Judgment Act . . . does not  
8 itself confer federal subject matter jurisdiction.” *Fidelity & Cas. Co. v. Reserve Ins. Co.*, 596 F.2d  
9 914, 916 (9th Cir. 1979). PBIS’s Complaint is as defective as if it had filed a motion to quash in this  
10 Court. The Court has no greater subject matter jurisdiction over PBIS’s Complaint than it would  
11 have over a motion to quash improperly filed in this Court. Indeed, the Eleventh Circuit has passed  
12 on this precise question, finding that a declaratory action is not a proper means of challenging a  
13 subpoena that was issued by a different court. *See In re Certain Complaints Under Investigation*,  
14 783 F.2d 1488, 1494-99 (11th Cir. 1986).

15         Such cases embody the principle that a party may not use a declaratory judgment action to  
16 circumvent a statutory mechanism for judicial review where – as here – Congress has specifically  
17 provided such a mechanism. *See Reisman v. Caplin*, 375 U.S. 440, 442 (1964) (rejecting pre-  
18 enforcement challenge to investigative subpoenas); *Belle Fourche Pipeline Co. v. United States*, 751  
19 F.2d 332, 334 (10th Cir. 1984) (same with respect to attempt to use declaratory judgment prior to  
20 enforcement of FERC subpoenas). In the 1937 adoption of Federal Rule of Civil Procedure 57 on  
21 declaratory judgments, the Advisory Committee made clear that “[a] declaration may not be  
22 rendered if a special statutory proceeding has been provided for the adjudication of some special  
23 type of case.” Rule 57 Advisory Committee Notes; *see* 10B Wright & Miller, *Federal Practice &*  
24 *Procedure* § 2758 at 537 (“Declaratory relief . . . ordinarily should not be granted if a special  
25 statutory proceeding has been provided for the determination of particular questions”). Consistent  
26

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27 <sup>4</sup>One judge in Massachusetts quashed two DMCA subpoenas issued out of the District of  
28 Columbia in single sentence orders. *See Boston College v. RIAA*, Misc. Act. No. 1:03-MC-10210-  
JLT; *Massachusetts Inst. of Tech v. RIAA*, Misc. Act. No. 1:03-MC-1-2-9-JLT. Neither of those  
cases provides any analysis to support assertion of jurisdiction in this case.

1 with that language, courts have traditionally declined on jurisdictional grounds to grant declaratory  
2 relief where a statute provides for relief through a different forum. For example, in *LoBue v.*  
3 *Christopher*, 82 F.3d 1081 (D.C. Cir. 1996), individuals wanted for extradition by Canada were  
4 granted declaratory and injunctive relief by the District Court for the District of Columbia, on  
5 grounds that the federal extradition statutes were unconstitutional. The D.C. Circuit reversed. The  
6 court noted that the individuals in custody in Illinois could seek relief from the Northern District of  
7 Illinois pursuant to the federal habeas statute. Because of the availability of this petition in the  
8 district in which they were incarcerated, the court in the District of Columbia lacked subject matter  
9 jurisdiction over the plaintiffs' claims. *Id.* at 1082.

10 If PBIS's suit were allowed to proceed, it would not only represent a misuse of the  
11 Declaratory Judgment Act, but would also undermine Congress's goals in the DMCA. Congress  
12 created a streamlined mechanism in the DMCA designed to ensure that copyright owners could  
13 obtain information needed to enforce their rights expeditiously. *See Verizon I*, 240 F. Supp. 2d at 34  
14 (noting "Congress's express and repeated direction to make the subpoena process 'expeditious'").  
15 To that end, Congress created a clear and specific process for obtaining DMCA subpoenas and  
16 authorized copyright owners to obtain them from "the clerk of any United States district court."  
17 Congress also provided for a specific mechanism for enforcing or challenging such subpoenas. If,  
18 however, an ISP could challenge DMCA subpoenas through a declaratory judgment action in the  
19 forum of its choosing, § 512(h) would cease to function as intended. Rather than an "expeditious"  
20 process to protect the rights of copyright owners, § 512(h) would instead be a burdensome process in  
21 which the ISP chose its preferred forum and would be able to drag out proceedings, during which  
22 time the copyright owner would continue to suffer irreparable harm from infringement on the  
23 Internet. Because the DMCA provides for the issuing court to determine objections to subpoenas,  
24 PBIS has no right to enlist this Court in an evasion of the subpoena enforcement procedures set forth  
25 by Congress. *See, e.g., Morris v. Gressette*, 432 U.S. 491, 504-05 (1977) (holding that a clearly  
26 expressed legislative intention to resolve a matter expeditiously bars litigation that would thwart that  
27 legislative aim).

1 **II. PBIS Has Not Stated a Cognizable Claim for Declaratory Relief.**

2 Even in cases where its literal requirements are satisfied (and they are not here), the  
3 Declaratory Judgment Act confers no “absolute right upon the litigants” to obtain declaratory relief.  
4 *Public Serv. Comm’n of Utah v. Wycoff Co.*, 344 U.S. 237, 241 (1952). Rather, a federal court must  
5 exercise discretion in determining whether or not to hear a claim for declaratory relief and must  
6 decline to exercise jurisdiction when such a claim will not advance the purposes of the Declaratory  
7 Judgment Act.

8 “There is nothing automatic or obligatory about the assumption of jurisdiction by a federal  
9 court to hear a declaratory judgment action . . . . By the Declaratory Judgment Act, Congress sought  
10 to place a remedial arrow in the district court's quiver; it created an opportunity, rather than a duty, to  
11 grant a new form of relief to qualifying litigants.” *Wilton v. Seven Falls Co.*, 515 U.S. 277, 288  
12 (1995) (internal citations omitted); *see* 28 U.S.C. § 2201 (“In a case of actual controversy within its  
13 jurisdiction . . . any court of the United States . . . *may* declare the rights and other legal relations of  
14 any interested party seeking such declaration”) (emphasis added). “If a district court, in the sound  
15 exercise of its judgment, determines after a complaint is filed that a declaratory judgment will serve  
16 no useful purpose, it cannot be incumbent upon that court to proceed to the merits before staying or  
17 dismissing the action.” *Wilton*, 515 U.S. at 288; *State Farm Fire & Cas. Co. v. Meridian Indus.*  
18 *Corp.*, No. C-95-2479SI, 1995 WL 648423, at \*1 (N.D. Cal. Oct. 31, 1995) (noting that a district  
19 court need not find “exceptional circumstances” to decline to exercise jurisdiction over a declaratory  
20 judgment action).

21 This is a clear case where the Court must exercise its discretion to dismiss a claim for  
22 declaratory relief because it conflicts with the underlying purposes of the Declaratory Judgment Act  
23 itself. As the Ninth Circuit has made clear, the purpose of declaratory relief is to enable a judicial  
24 determination when neither party has sought a form of coercive relief against the other: “A  
25 declaratory judgment offers a means by which rights and obligations may be adjudicated in cases  
26 brought by any interested party involving an actual controversy that has not reached a stage at which  
27 either party may seek a coercive remedy and in cases where a party who could sue for coercive relief  
28 has not yet done so.” *Seattle Audubon Soc. v. Moseley*, 80 F.3d 1401, 1405 (9th Cir. 1996) (internal

1 quotation omitted). As such, the usual purpose behind a declaratory judgment is to *hasten* the  
2 judicial determination of a dispute, not to retard it. *See id.* (“the Act is intended to allow earlier  
3 access to federal courts in order to spare potential defendants from the threat of impending  
4 litigation”). Moreover, a declaratory relief action should reduce, rather than add to, the multiplicity  
5 of legal disputes. *See id.* (“The Act is also intended to help potential defendants avoid a multiplicity  
6 of actions by affording an adequate, expedient, and inexpensive means for declaring in one action  
7 the rights and obligation of the litigants.”).

8 PBIS’s declaratory action ignores all of these basic principles. First, there was absolutely no  
9 need for PBIS to seek declaratory relief in this Court in order to bring about a judicial resolution of  
10 the issues in dispute in this subpoena. At the time that PBIS filed its declaratory action, RIAA had  
11 already caused its subpoenas to be issued out of the District Court for the District of Columbia, and  
12 PBIS had submitted to RIAA a lengthy set of objections to those subpoenas. Indeed, little more than  
13 a week after the service of PBIS’s objections RIAA did what any civil litigant would do when faced  
14 with the plethora of objections PBIS had interposed: it filed a Motion to Enforce in the District Court  
15 in the District of Columbia. If this short delay was too much for PBIS, it could have invoked the  
16 protections of Rule 45 and filed its own motion to quash in the District of Columbia court. PBIS’s  
17 declaratory judgment action in this Court was therefore entirely unnecessary in order to ensure “a  
18 means by which rights and obligations may be adjudicated.” *Moseley*, 80 F.3d at 1405.

19 Second, PBIS’s declaratory action will only serve to slow down, rather than hasten, the  
20 ultimate resolution of these issues in a judicial forum. *See id.* (“the Act is intended to allow *earlier*  
21 access to federal courts”) (emphasis added). As of the date of this Motion, the enforcement  
22 proceedings over these subpoenas have been fully briefed before the District Court for the District of  
23 Columbia. *See* RJN, Exhs. 1, 2, 5. The parties’ briefs in the D.C. court cover the legal issues and  
24 fully address, through the inclusion of documentary exhibits and sworn statements, many of the  
25 disputed factual issues in the case. *See, e.g.*, RJN, Exhs. 1-5. By contrast, there will be at least two  
26 more rounds of briefing on this Motion alone, which deals only with RIAA’s preliminary legal  
27 objections to this action and is incapable of addressing any disputed factual issues.

1           The delay that will be caused by this declaratory action is particularly troubling because  
2 PBIS’s action flies directly in the face of the DMCA’s command that the subpoena process be  
3 “expeditious.” *See* § 512(h)(5) (“the service provider shall expeditiously disclose to the copyright  
4 owner or person authorized by the copyright owner the information required by the subpoena”).  
5 Indeed, Congress used the word “expeditious” no less than three times in the text of § 512(h), *see*  
6 § 512(h)(3); § 512(h)(4), thus leaving no doubt that it intended the courts to hear only a bare  
7 minimum of procedural objections prior to ordering the disclosure of information covered by these  
8 subpoenas. *See Verizon I*, 240 F. Supp. 2d at 34 (noting “Congress’s express and repeated direction  
9 to make the subpoena process ‘expeditious’”); § 512(h)(5) (requiring ISPs to comply  
10 “notwithstanding any other provision of law”). The panoply of procedures implicated by a civil  
11 action for declaratory relief, no matter how streamlined, cannot possibly be resolved as quickly as  
12 the expeditious Rule 45 enforcement proceedings that are presently underway – indeed, the briefing  
13 is complete on all issues – in the District Court for the District of Columbia.

14           Third, the Court should also decline to hear this declaratory action because it is needlessly  
15 duplicative of litigation that is pending in another federal district court. *See Moseley*, 80 F.3d at  
16 1405; *Government Employees Ins. Co. v. Dizol*, 133 F.3d 1220, 1225 (9th Cir. 1998) (en banc)  
17 (avoidance of “duplicative litigation” among “philosophic touchstone[s]” of discretionary analysis).  
18 Time and again the courts in this Circuit have emphasized that declaratory judgment actions should  
19 not be heard where they duplicate actions that are pending in other fora. *See, e.g., McGraw-Edison*  
20 *Co. v. Preformed Line Prods. Co.*, 362 F.2d 339, 343-44 (9th Cir. 1966) (proper to decline to hear  
21 declaratory judgment action that duplicated action pending in another federal court); *Exxon Shipping*  
22 *Co. v. Airport Depot Diner, Inc.*, 120 F.3d 166, 170 (9th Cir. 1997) (abuse of discretion to hear  
23 declaratory judgment action that duplicated action pending in state court). This is especially true  
24 given that Congress has established a specific mechanism for resolving DMCA subpoena disputes,  
25 which should not be undermined by a discretionary exercise of jurisdiction under the Declaratory  
26 Judgment Act. *See supra* Pt. I; Rule 57 Advisory Committee Notes (“[a] declaration may not be  
27 rendered if a special statutory proceeding has been provided for the adjudication of some special  
28 type of case.”).

1 PBIS cannot claim that this Court, rather than the D.C. court, should proceed because this  
2 case was filed before RIAA filed its Motion to Enforce. As an initial matter, this action was not  
3 “first filed” – it arose only after the subpoenas were issued by the D.C. clerk. Thus, although the  
4 District of Columbia court had not yet been called on to enforce the subpoenas issued from it  
5 (because PBIS served its objections to the vast majority of the subpoenas only one day before filing  
6 this suit), that court was already positioned to rule on the validity of the subpoenas. *See EEOC v.*  
7 *University of Pa.*, 850 F.2d 969, 975-79, 976 n.4 (3d Cir. 1988) (where party rushes to courthouse to  
8 file declaratory action in an obvious end run around the enforcing court, court where enforcement  
9 action is filed should proceed, and “earlier-filed” declaratory action should be dismissed, stayed, or  
10 transferred), *aff’d*, *University of Pa. v. EEOC*, 493 U.S. 182 (1990). Moreover, as this Circuit and  
11 others have repeatedly held, declaratory judgment actions may not be used to anticipate litigation in  
12 other courts. *See Alltrade Inc. v. Uniweld Prods., Inc.*, 946 F.2d 622, 627-28 (9th Cir. 1991)  
13 (ordinary “first to file rule” does not apply in the context of anticipatory suits); *Boatmen’s First Nat’l*  
14 *Bank v. KPERS*, 57 F.3d 638, 641 (8th Cir. 1995) (“red flags” that compel disregarding the “first to  
15 file” rule include notice that the other side was considering legal action and the fact that the “first  
16 filed” suit was a declaratory judgment action); *Tempco Elec. Heater Corp. v. Omega Eng’g, Inc.*,  
17 819 F.2d 746, 749-50 (7th Cir. 1987) (“The wholesome purpose of declaratory acts would be aborted  
18 by its use as an instrument of procedural fencing either to secure delay or to choose a forum.”)  
19 (quotation marks and citation omitted); *Mission Ins. Co. v. Puritan Fashions Corp.*, 706 F.2d 599,  
20 602 n.3 (5th Cir. 1983) (“Anticipatory suits are disfavored because they are aspects of forum  
21 shopping.”). Permitting PBIS to benefit from the “first-filed” rule would encourage the kind of  
22 “race to the courthouse” that the Declaratory Judgment Act’s grant of discretion seeks to prevent.

23 Fourth, PBIS’s action will not fully resolve the legal dispute between RIAA and PBIS. A  
24 court generally should not exercise its discretion to hear a declaratory judgment action unless such  
25 action will actually settle a dispute between the parties. *See Natural Res. Def. Council, Inc. v.*  
26 *United States*, 966 F.2d 1292, 1299 (9th Cir. 1992) (“The guiding principles are whether the  
27 judgment will clarify and settle the legal relations at issue and whether it will afford relief from the  
28 uncertainty and controversy giving rise to the proceedings.”). It is thus an abuse of discretion to hear

1 a declaratory action where legal standards at issue “will depend for their definition and articulation  
2 upon concrete facts which underlie a dispute in a particular case.” *United States v. Washington*, 759  
3 F.2d 1353, 1358 (9th Cir. 1985); *see also* 26 C.J.S. Declaratory Judgments § 15 (“A declaratory  
4 judgment proceeding is primarily intended to construe the meaning of a law, and not to determine  
5 the existence of controverted facts, and ordinarily a court will refuse a declaratory judgment which  
6 can be made only after a judicial investigation in a regular action.”).

7 That is the case here, especially with respect to Counts Four and Five in PBIS’s Complaint,  
8 which ask this Court to resolve subpoena-specific factual issues.<sup>5</sup> In Count Four, PBIS alleges that  
9 service of the subpoenas on PBIS was improper, that the subpoenas did not give PBIS sufficient time  
10 to respond and that PBIS should be required to provide some, but not all, of the information RIAA  
11 has requested. These claims are factually incorrect and, indeed, have been thoroughly refuted by  
12 RIAA in its briefing presented to the District Court for the District of Columbia. For example, as the  
13 evidence and testimony submitted by RIAA demonstrates, PBIS held out in Copyright Office filings  
14 that its “Full Legal Name” is SBCIC, and RIAA properly served SBCIC. *See* RJN, Exh. 5 at 4-11.

15 But regardless of the merits, it is plain that resolution of PBIS’s claims in Count Four “will  
16 depend for their definition and articulation upon concrete facts” that make a declaratory action  
17 inappropriate. *Washington*, 759 F.2d at 1358. To determine whether service on SBCIC was proper,  
18 and whether PBIS has been given enough time to respond to these subpoenas, this Court would have  
19 to wade through a thicket of factual questions relating to the SBC/PBIS corporate structure, the  
20 significance of PBIS’s filings with the Copyright Office, the time required to respond to a DMCA  
21 subpoena, and others. *See generally* RJN, Exh. 1, 2. These are precisely the kinds of factual  
22 questions that Rule 45 provides a prompt means of resolving by expeditious procedures initiated by  
23 motions to enforce or quash a subpoena.

24  
25  
26 <sup>5</sup>Counts 1-3 of PBIS’s Complaint themselves include a significant fact-specific question –  
27 whether PBIS qualifies for the subsection (a) limitation on liability when it is providing network  
28 access for subscribers using its network to infringe the copyrights of RIAA’s members. As the  
district court in *Verizon I* noted, a copyright owner generally cannot know what function an ISP is  
performing when it obtains a subpoena. 240 F. Supp. 2d at 34-35. RIAA disputes that PBIS falls  
within the subsection (a) limitation on liability in this case.

1           The same is true for Count Five, which alleges that PBIS is entitled to compensation for  
2 responding to RIAA’s subpoenas. RIAA has refuted both the legal and factual basis for this claim in  
3 its briefing to the District Court for the District of Columbia. *See* RJN, Exh. 5 at 19-20 (noting that  
4 Rule 45 compensation provisions are inapplicable under the DMCA and in any event the cost of  
5 compliance is not an “undue burden” nor a “significant expense” for an ISP, such as SBC). But if  
6 PBIS was correct and Rule 45’s cost-shifting principles were to apply, what constitutes an “undue  
7 burden” or a “significant expense” in this particular setting is the type of fact-specific determination  
8 that is an improper subject for a declaratory action – particularly when the same question is capable  
9 of resolution in the Rule 45 enforcement proceeding now pending in the District of Columbia.

10 **III. PBIS’s Sweeping Statutory Construction and Constitutional Claims Are Meritless.**

11           In addition to the subpoena-specific objections raised in Counts Four and Five of PBIS’s  
12 Complaint, in Counts One through Three PBIS makes three sweeping statutory and constitutional  
13 claims that it is exempt from the DMCA’s subpoena requirements when it is a “conduit” for its  
14 subscriber’s copyright infringement. Those arguments are utterly without merit and have already  
15 been rejected by the District of Columbia Court in the *Verizon* litigation – which is why PBIS is  
16 trying to evade the jurisdiction of that Court through this improper declaratory action.

17           *First*, in Count One PBIS asserts that 17 U.S.C. § 512(h) does not apply to an ISP that serves  
18 as a mere “conduit” for copyright infringement, without storing the infringing material on its own  
19 computers. As the court held in *Verizon I*, that argument is meritless because it conflicts with the  
20 text, structure, purpose, and legislative history of the DMCA. 240 F. Supp. 2d at 29-41.

21           Section 512(h), by its terms, applies to all “service providers,” regardless of whether the ISP  
22 is acting as a conduit or in some other capacity. This is clear from the definition of “service  
23 provider” in § 512(k)(1), which expressly provides that as used in most subsections of § 512,  
24 including § 512(h), a “service provider” includes an entity that acts as a conduit. *Verizon I*, 240  
25 F. Supp. 2d at 30-31. “Applying the statutory definition of ‘service provider’ leaves no doubt  
26 whatsoever that the DMCA subpoena authority reaches a [conduit] service provider, such as [PBIS]  
27 contends it is here.” *Id.* at 31.

1 That is confirmed by the purpose and structure of the DMCA. The Internet creates  
2 unparalleled opportunities to distribute works – and thus also to infringe on works – worldwide with  
3 the push of a button. If copyright owners cannot protect their rights against the massive  
4 infringement made possible by the Internet, they would be reluctant to make their works available on  
5 the Internet. *Id.* at 36-38. The DMCA represents a compromise between limiting infringement  
6 liability of ISPs for passive actions and requiring them to cooperate with copyright owners in  
7 enforcing copyrights against an ISP subscriber engaging in online piracy. *See id.* at 36-38; *ALS*  
8 *Scan, Inc. v. RemarQ Communities, Inc.*, 239 F.3d 619, 625 (4th Cir. 2001) (noting that the  
9 limitations on liability “disappear[] at the moment the service provider loses its innocence, i.e., at the  
10 moment it becomes aware that a third party is using its system to infringe.”). While there may be  
11 good reasons for limiting the liability of an ISP that acts as a unwitting conduit for its subscriber’s  
12 copyright infringement, there is no possible reason why the copyright owner’s right to serve a  
13 subpoena to obtain the identity of the infringing subscriber should be limited in that context. Indeed,  
14 regardless of whether the ISP is serving as a conduit or is storing infringing material, the damage to  
15 the copyright owner from the infringement is the same (irreparable), the conduct of the subscriber is  
16 the same (unlawful), and the burden on the ISP to identify the infringer is the same (minimal).

17 There is absolutely no indication that Congress intended the illogical result advocated by  
18 PBIS here: that anonymous online pirates who use an ISP as a conduit for infringement can escape  
19 scot-free because the copyright owner assertedly cannot subpoena the ISP for information  
20 identifying the infringer. *Id.* at 34. To the contrary, the DMCA “contemplates a rapid subpoena  
21 process designed quickly to identify apparent infringers and then curtail the infringement.” *Id.*

22 PBIS will likely argue that the irrational statutory scheme it proposes is supported by  
23 language in § 512(h) which requires a subpoena to include “a copy of a notification described in  
24 subsection (c)(3)(A).” § 512(h)(1)(A). Verizon argued that this language means that subpoenas are  
25 permitted only when an ISP acts in the manner covered by subsection (c) by storing infringing  
26 material on its computers. *See Verizon I*, 240 F. Supp. 2d at 32. But the *Verizon* court firmly  
27 rejected that “strained reading of the Act.” *Id.* Nothing in § 512(h) limits the application of the  
28 subpoena provision to material stored on the ISP’s network, as opposed to material transmitted along

1 that network. Nor does anything in subsection (c)(3)(A) specify where the material must be stored.  
2 The subsection (c)(3)(A) notification provision serves merely to inform the ISP of the location of the  
3 infringing material so that the ISP can identify the subscriber – which PBIS clearly can do. It  
4 contains no independent requirement that the material be stored on the ISP’s network. *That*  
5 requirement appears in an entirely different subsection (subsection (c)(1)) and applies only to  
6 whether or not the provider has an obligation to take down infringing material. Section 512(h)  
7 makes it clear, however, that the obligation to take down material and the obligation to identify  
8 infringing users are wholly independent because ISPs must respond to DMCA subpoenas  
9 “notwithstanding any other provision of law and regardless of whether the service provider responds  
10 to the notification.” § 512(h)(5).

11 In short, under the plain language, structure, and purpose of the DMCA, PBIS must respond  
12 to subpoenas whether or not it is operating as a passive conduit for infringement.<sup>6</sup>

13 *Second*, contrary to PBIS’s claims in Count Two, enforcement of the DMCA subpoenas at  
14 issue in this litigation is not contrary to Article III of the U.S. Constitution. Even if one conceived of  
15 the ministerial issuance of a subpoena as a judicial act (and it is not), § 512(h) is fully consistent with  
16 Article III because at the time the subpoena issues there is a present “case or controversy” – the  
17 underlying dispute between the copyright owner and the alleged infringer that cannot proceed but for  
18 identification of the infringer in response to the subpoena. The fact that no complaint has yet been  
19 filed in that infringement case is irrelevant. The touchstone of Article III is not the existence of a  
20 complaint, but the existence of a concrete case or controversy. As long as such a controversy exists,  
21 Congress has broad power to define the manner in which such a controversy may be litigated and the  
22 procedures available for parties to vindicate their rights. *See Nashville, Chattanooga & St. Louis Ry*  
23 *v. Wallace*, 288 U.S. 249, 264 (1933) (Congress, not Article III, defines “the particular method” by  
24 which the Judicial power may be invoked). Section 512(h) is indistinguishable from mechanisms,  
25 such as Fed. R. Civ. P. 27, which authorize discovery prior to the filing of a case cognizable under  
26

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27 <sup>6</sup>The Copyright Office agrees with RIAA’s interpretation of § 512(h) on this point. *See*  
28 <http://www.copyright.gov/docs/regstat090903.html>. The Register of Copyrights’ interpretation is  
entitled to deference. *See Batjac Prods. Inc. v. Goodtimes Home Video Corp.*, 160 F.3d 1223, 1230  
(9th Cir. 1998); *Marascalco v. Fantasy, Inc.*, 953 F.2d 469, 473 (9th Cir. 1991).

1 federal law. Such rules have existed since the time of the framers and their validity is beyond  
2 question. *Verizon II*, 257 F. Supp. 2d at 252-54. Indeed, § 512(h) is far narrower and more targeted  
3 than Rule 27 because it allows a copyright owner to obtain only information to identify an infringer,  
4 not wide-ranging pre-litigation discovery, and it authorizes copyright owners to obtain such  
5 information only where they have alleged the equivalent of a prima facie case of infringement.<sup>7</sup>

6         Regardless, as the court pointed out in *Verizon II*, “the clerk’s issuance of a § 512(h)  
7 subpoena does not involve the exercise of judicial power.” 257 F. Supp. 2d at 249. The *Verizon*  
8 court reasoned that the issuance of a DMCA subpoena is merely a ministerial act carried out by the  
9 clerk of the court, without the involvement of a judge in any way. As the Supreme Court has  
10 repeatedly held, such ministerial actions do not constitute the exercise of judicial power. *See id.* at  
11 250 (citing *Custiss v. Georgetown & Alexandria Turnpike Co.*, 10 U.S. 233 (1810) (Marshall, C.J.);  
12 *Elliot v. Lessee of William Peirsol*, 26 U.S. 328 (1828); *Ex parte Virginia*, 100 U.S. 339 (1879);  
13 *Central Loan & Trust Co. v. Campbell Comm'n Co.*, 173 U.S. 84 (1899); *ICC v. Chicago Great W.*  
14 *Ry. Co.*, 209 U.S. 108 (1908); *Wells v. Roper*, 246 U.S. 335 (1918); *District of Columbia Court of*  
15 *Appeals v. Feldman*, 460 U.S. 462 (1983)).

16         The *Verizon* court recognized that “[f]ederal courts and judges have long performed a variety  
17 of functions that . . . do not necessarily or directly involve adversarial proceedings within a trial or  
18 appellate court.” *Verizon II*, 257 F. Supp. 2d at 251 (quoting *Morrison v. Olson*, 487 U.S. 654, 681  
19 n.20 (1988)). Indeed, “judicial process” in the manner at issue here – *i.e.*, a subpoena backed by the  
20 threat of federal court enforcement – is issued every day of the week, in the absence of any pending  
21 judicial case or controversy, by administrative agencies,<sup>8</sup> federal courts themselves,<sup>9</sup> and even

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22  
23 <sup>7</sup>The United States has filed a motion to intervene in this case to defend the constitutionality  
24 of § 512(h), to the extent that it is challenged by PBIS’s Complaint. In the *Verizon* litigation, the  
United States filed briefs arguing that the DMCA was fully consistent with both Article III and the  
First Amendment.

25 <sup>8</sup>*E.g.*, 29 U.S.C. § 654(a)(1) (granting OSHA the power to issue judicially enforceable  
subpoenas); 29 U.S.C. § 161(1) (same for NLRB investigating unfair labor practices).

26 <sup>9</sup>*E.g.*, 35 U.S.C. § 24 (clerk may issue judicially enforceable subpoena at behest of private  
27 party for patent validity proceeding); 7 U.S.C. § 2354(a) (subpoenas related to Plant Variety  
Protection Office proceedings); 45 U.S.C. § 157(h) (subpoenas at request of arbitrator adjudicating  
28 disputes under the Railway Labor Act); 28 U.S.C. § 1782(a) (subpoenas in aid of foreign judicial  
proceedings); 2 U.S.C. § 388 (subpoenas in connection with proceedings in the House of  
Representatives). Article III judges routinely issue grand jury subpoenas, absent a “case” or

1 private parties.<sup>10</sup> Such process is indisputably valid when Congress has authorized it in the exercise  
2 of its Article I powers, and it has been the law for more than a century that such process can be  
3 enforced by Article III courts even absent a pending judicial case or controversy. Indeed, that is the  
4 precise holding of *ICC v. Brimson*, 154 U.S. 447 (1894) (Harlan, J.). There, the Supreme Court  
5 flatly rejected the very claim PBIS makes here, holding that Congress had ample authority under  
6 Article I to provide for the issuance of subpoenas backed by judicial enforcement even if the  
7 subpoenas did not seek evidence for a pending judicial proceeding, and that Article III courts acted  
8 well within their “case or controversy” authority in adjudicating disputes over compliance with such  
9 subpoenas. *Id.* at 485 (“[w]ithout the aid of judicial process of some kind, the regulations that  
10 Congress may establish in respect to interstate commerce cannot be adequately or efficiently  
11 enforced”); *id.* at 478 (subpoena compliance issues “are so presented that the judicial power is  
12 capable of acting on them finally as between the parties before the court”).

13 *Third*, PBIS is not entitled to declaratory relief under the First and Fifth Amendments, as it  
14 asserts in Count Three. As an initial matter, there is no First Amendment right to steal copyrighted  
15 sound recordings, anonymously or otherwise. *See Harper & Row Publishers, Inc. v. Nation Enters.*,  
16 471 U.S. 539, 555-60 (1985). “The Supreme Court has made it unmistakably clear that the First  
17 Amendment does not shield copyright infringement.” *Verizon II*, 257 F. Supp. 2d at 260 (citing  
18 *Harper & Row*; *Zacchini v. Scripps-Howard*, 433 U.S. 562 (1977)). Thus, the individual subscribers  
19 whose identity RIAA has subpoenaed – and who are distributing unlawful copies of pirated music  
20 every hour – simply have no constitutional interest at stake.

21 Moreover, § 512(h) does not penalize or suppress any speech. It merely authorizes  
22 disclosure of information when there is a good faith allegation that unlawful conduct has occurred.  
23 The Supreme Court has made clear that prior restraints that require speakers to identify themselves  
24 as a precondition to speaking are unlawful, but that disclosure of business records after the speech  
25 has occurred, such as through a subpoena, is wholly permissible even where First Amendments  
26 interests are claimed. *See Buckley v. American Constitutional Law Found.*, 525 U.S. 182, 197-200

27 “controversy,” and such subpoenas are obtained by prosecutors *ex parte*. *See In re Gren*, 633 F.2d  
28 825, 827 (9th Cir. 1980) (holding that Grand Jury subpoenas are not court orders).

<sup>10</sup> *E.g.*, 9 U.S.C. § 7 (judicial enforcement of subpoenas issued by private arbitrators).

1 (1999) (contrasting invalid requirement that petitioners wear identification badges with valid  
2 requirement that petitioners sign an affidavit attesting signatures obtained while petitioning); *see*  
3 *also University of Pa. v. EEOC*, 493 U.S. 182, 199-200 (possibility of case-by-case adjudication is  
4 sufficient to resolve any possible threat to First Amendment interests); *Oklahoma Press Publ'g Co.*  
5 *v. Walling*, 327 U.S. 186 (1946).

6 Ultimately, the only argument that PBIS can make is an overbreadth claim – that a  
7 substantial number of Internet users who are engaged in wholly protected speech under the First  
8 Amendment on P2P networks will refrain from such speech out of fear that a DMCA subpoena will  
9 mistakenly issue to identify them. PBIS has not alleged this, nor could it prove it. “[T]o prevail in a  
10 facial challenge . . . it is not enough for a plaintiff to show ‘some’ overbreadth. Rather, the  
11 overbreadth of a statute must not only be real, but substantial as well.” *Verizon II*, 257 F. Supp. 2d  
12 at 264 (quoting *Ashcroft v. ACLU*, 535 U.S. 564, 584 (2002)). Even a full five years after the  
13 enactment of the DMCA, Verizon was unable to come up with even the slightest evidence of such  
14 overbreadth. *Id.* There is little reason to think that PBIS will be able to meet that standard here.

15 Moreover, as the *Verizon* court recognized,<sup>11</sup> the DMCA’s subpoena provision “contains a  
16 number of substantial procedural requirements aimed at preventing abuse, fraud, and mistakes,  
17 without chilling expressive or associational rights.” *Verizon II*, 257 F. Supp. 2d at 43. For one, a  
18 copyright owner must have a “good faith belief” that the use of the copyrighted material is  
19 unauthorized, § 512(h)(3)(A)(v), and must allege the equivalent of a prima facie case of copyright  
20 infringement. *Verizon II*, 257 F. Supp. 2d at 252. The copyright owner or its agent must also  
21 declare on penalty of perjury that the information is being sought solely to enforce the party’s  
22 copyright. § 512(h)(2)(c); *see also* § 512(c)(3)(A)(v); § 512(f). These are “precisely the type of  
23 procedural requirements other courts have imposed – in non-copyright cases – to compel a service  
24 provider to reveal the identity of anonymous Internet users.” *Verizon II*, 257 F. Supp. 2d at 263  
25 n.22.

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26  
27 <sup>11</sup>As the Court in *Verizon* noted, there is no legitimate expectation of privacy here, where a  
28 subscriber has opened up his or her computer to the entire world to offer copyrighted material to  
anyone who wants it. Subscribers are on notice that ISPs will produce their names in response to  
DMCA subpoenas. *See* RJN, Exh. 3, Att A (SBC Terms of Service).

1 Finally, even to the extent that PBIS’s contorted Count III claim purports to raise a  
2 procedural Due Process claim that is distinguishable from its First Amendment claim, the above  
3 analysis utterly disposes of such a claim. The subscriber’s only “liberty interests” at stake in the  
4 context of a DMCA subpoena are his free expression rights – and those interests are at a nadir when  
5 the subscriber is engaged in the unlawful distribution of copyrighted material. *See Eldred v.*  
6 *Ashcroft*, 123 S. Ct. 769, 789 (2003) (noting that the First Amendment “bears less heavily when  
7 speakers assert the right to make other people’s speeches”). In any event, the requirement of a  
8 copyright holder’s good faith belief and the need for a sworn statement to that effect are more than  
9 enough to ensure that the subscriber’s interests are adequately safeguarded under traditional due  
10 process balancing. *See Mathews v. Eldridge*, 424 U.S. 319 (1976). And the subscriber would still  
11 be able to present whatever defense he or she wanted (such as fair use) in the infringement action  
12 that will eventually be brought by the copyright owner.

13 **IV. Even If the Court Has Jurisdiction to Hear this Action, It Should Transfer Venue to the**  
14 **District Court for the District of Columbia.**

15 If the Court finds that it has jurisdiction to hear this action, it should transfer venue to the  
16 District Court for the District of Columbia so that it can be consolidated with the proceedings now  
17 underway on RIAA’s Motion to Enforce. Under 28 U.S.C. § 1404(a), the Court has discretion to  
18 transfer a civil action “[f]or the convenience of parties and witnesses [and] in the interest of justice”  
19 to any other district where it might have been brought. The Supreme Court has described § 1404(a)  
20 as “a federal housekeeping measure, allowing easy change of venue within a unified federal system.”  
21 *Piper Aircraft Co. v. Reyno*, 454 U.S. 235, 254 (1981).

22  
23 The D.C. court is presently hearing RIAA’s Motion to Enforce, which raises precisely the  
24 same legal and factual issues as this declaratory action. The consolidation of these actions in D.C.  
25 will reduce the litigation costs for both PBIS and RIAA. And it will also be in the interests of justice  
26 as it will free this Court’s docket to hear other cases that cannot be heard elsewhere and that are  
27 surely of equal importance to residents of this District. For these reasons courts routinely transfer  
28

1 venue over declaratory actions so that they can be consolidated with related federal litigation  
2 pending elsewhere. *See, e.g., A. J. Indus., Inc. v. United States Dist. Court for Cent. Dist. of*  
3 *California*, 503 F.2d 384, 389 (9th Cir. 1974) (“The feasibility of consolidation is a significant factor  
4 in a transfer decision, although even the pendency of an action in another district is important  
5 because of the positive effects it might have in possible consolidation of discovery and convenience  
6 to witnesses and parties.”); *see also U.S. Aluminum Corp. v. Kawneer Co.*, 694 F.2d 193 (9th Cir.  
7 1982) (approving transfer of declaratory action to federal district where related claim was pending).

8  
9 The only thing to prevent such a transfer is PBIS’s improper joinder of Titan Media and  
10 MediaSentry. As is clearly discussed in their accompanying motions to dismiss, PBIS has included  
11 them in this lawsuit solely to avoid such a transfer. There is no allegation of collusion among the  
12 parties, nor would there be any basis in fact for such a claim. The subpoenas obtained by RIAA are  
13 in no way connected to Titan Media, and Titan Media’s single withdrawn subpoena related to wholly  
14 different copyrighted material, owned by different entities, and involving different acts of copyright  
15 infringement. MediaSentry, the third defendant here, is not even alleged to have served subpoenas  
16 *at all*. Once these improper parties are dismissed from the case, there will no longer be any reason  
17 not to transfer this case to the District Court of the District of Columbia.  
18

### 19 CONCLUSION

20 For all of these reasons, the Court should dismiss all of PBIS’s claims against RIAA.  
21

22 Respectfully Submitted,

23  
24 September 24, 2003

/s/ Howard A. Slavitt

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28