CLASS ACTION COMPLAINT

Plaintiff FLO & EDDIE, INC. ("Plaintiff" or "Flo & Eddie") files this class action

Complaint on behalf of itself and on behalf of all other similarly situated owners of sound recordings of musical performances that initially were "fixed" (i.e., recorded) prior to February 15, 1972 (the "Pre-1972 Recordings") against Defendants SIRIUS XM RADIO, INC. ("Defendant" or "SiriusXM") and DOES 1-100, and alleges as follows:

#### NATURE OF THE ACTION

- 1. California Civil Code Section 980 (a)(2) provides that "[t]he author of an original work of authorship consisting of a sound recording initially fixed prior to February 15, 1972, has an exclusive ownership therein until February 15, 2047, as against all persons except one who independently makes or duplicates another sound recording that does not directly or indirectly recapture the actual sounds fixed in such prior sound recording, but consists entirely of an independent fixation of other sounds, even though such sounds imitate or simulate the sounds contained in the prior sound recording." The unauthorized duplication and exploitation of Pre-1972 Recordings in California constitutes misappropriation, unfair competition and conversion.
- 2. The principals of Flo & Eddie, Mark Volman and Howard Kaylan, have been performing together as The Turtles since 1965 and have recorded numerous iconic hits including "Happy Together," "It Ain't Me Babe," "She'd Rather Be With Me," "You Baby," "She's My Girl," "Elenore," and many others. Since approximately 1971, Flo & Eddie has owned the entire catalog of 100 original master recordings by The Turtles, all of which were recorded prior to February 15, 1972. Notwithstanding the absence of any license or authorization from Plaintiff, The Turtles recordings can be heard every hour of every day by subscribers in California to the satellite and Internet services owned by Defendant known as "Sirius Satellite Radio," "XM Satellite Radio" and "SiriusXM Satellite Radio" (individually and collectively, the "Service"). Plaintiff Flo & Eddie brings this class action on its own behalf and on behalf of all other similarly situated owners of Pre-1972 Recordings (the "Class" or "Class Members") to put an end to SiriusXM's wholesale misappropriation of their Pre-1972 Recordings and to obtain damages, including punitive damages.
  - 3. The Service is a highly profitable business which engages in the large-scale

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4. Simply stated, SiriusXM has disregarded the Plaintiff's and other Class Members' "exclusive ownership" of their Pre-1972 Recordings in California, impaired their ability to sell, lawfully exploit, or otherwise control their Pre-1972 Recordings as permitted under California law and misappropriated same for its own financial gain. SiriusXM's conduct is causing, and will continue to cause, enormous and irreparable harm to Plaintiff and the other Class Members unless compensatory and punitive damages are awarded against SiriusXM and it is enjoined and restrained from engaging in further misappropriation of the Pre-1972 Recordings.

#### THE PARTIES, JURISDICTION AND VENUE

- 5. Plaintiff Flo & Eddie is a corporation duly organized and existing under the laws of California, with its principal place of business in Los Angeles, California. Plaintiff is engaged in the business of distributing, selling, and/or licensing the reproduction, distribution, sale, and performance of its Pre-1972 Recordings in phonorecords, in audiovisual works, and for streaming (i.e., performing) and downloading over the Internet. Plaintiff invests substantial money, time, effort, and creative talent in creating, advertising, promoting, selling, and licensing its unique and valuable sound recordings.
- 6. Plaintiff possesses exclusive ownership rights in The Turtles Pre-1972 Recordings, the titles of which are specified on the schedule attached hereto as Exhibit A and incorporated herein by reference ("Plaintiff's Recordings"). The United States Congress expressly has recognized that the states provide exclusive protection through various state law doctrines to recordings "fixed" before February 15, 1972, and that the federal Copyright Act does not "annul[] or limit[]those rights until February 15, 2067." 17 U.S.C. § 301(c). Accordingly, as quoted above, California Civil Code § 980(a)(2) protects the exclusive ownership of Plaintiff and the other Class Members to their Pre-1972 Recordings in California.
- 7. Upon information and belief, Defendant SiriusXM is a corporation duly organized and existing under the laws of Delaware, with its principal place of business in New York, New York, with offices throughout California, including, without limitation, in Glendale, California and Long Beach, California. The Court has personal jurisdiction over Defendant in that Defendant has multiple offices in Los Angeles County, Defendant is engaged in tortious conduct in California, and Defendant's conduct causes injury to Plaintiff and the other Class Members in California. Venue of this action is proper in Los Angeles County in that Defendant maintains offices in Los Angeles County.
- 8. The true names and capacities, whether individual, corporate, associate or otherwise, of defendants named herein as Does 1 through 100, inclusive, are unknown to Plaintiff who therefore sues said defendants by such fictitious names (the "Doe Defendants"). Plaintiff will amend this Complaint to allege their true names and capacities when such have been ascertained.

Upon information and belief, each of the Doe Defendants herein is responsible in some manner for the occurrences herein alleged, and Plaintiff's injuries and those of the other Class Members as herein alleged were proximately caused by such defendants' acts or omissions. (All of the Defendants, including the Doe Defendants, collectively are referred to as "Defendants").

#### CLASS ACTION ALLEGATIONS

- 9. Plaintiff brings this action as a class action pursuant to Section 382 of the California Code of Civil Procedure on behalf of itself and the other Class Members defined as the owners of Pre-1972 Recordings reproduced, performed, distributed or otherwise exploited by Defendants in California without a license or authorization to do so during the period from August 1, 2009 to the present. Plaintiff reserves the right to modify this definition of the Class after further discovery; the Court may also be requested to utilize and certify subclasses in the interests of ascertainability, manageability, justice and/or judicial economy.
- 10. This action may be properly brought and maintained as a class action because there is a well-defined community of interest in the litigation and the Class Members are readily ascertainable from Defendant SiriusXM's database files and records. Plaintiff is informed and believes, and on that basis alleges, that Defendants have engaged Rovi Corporation to supply the metadata, including the metadata relating to Pre-1972 Recordings unlawfully streamed to subscribers in California, and that such metadata contains the name and location of the owners thereof. The Class members are further ascertainable through methods typical of class action practice and procedure.
- 11. Plaintiff is informed and believes, and alleges thereon, that the Pre-1972 Recordings misappropriated in California by Defendants number in the millions and are owned by many thousands of Class Members. It is therefore impractical to join all of the Class Members as named Plaintiffs. Further, the claims of the Class Members may range from smaller sums to larger sums. Accordingly, using the class action mechanism is the most economically feasible means of determining and adjudicating the merits of this litigation.
- 12. The claims of Plaintiff are typical of the claims of the Class Members, and Plaintiff's interests are consistent with and not antagonistic to those of the other Class Members it seeks to

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represent. Plaintiff and the other Class Members have all been subject to misappropriation of their Pre-1972 Recordings in California, have sustained actual pecuniary loss and face irreparable harm from Defendants' continued misappropriation of their Pre-1972 Recordings.

- Plaintiff has no interests that are adverse to, or which conflict with, the interests of the other Class Members and is ready and able to fairly and adequately represent and protect the interests of the other Class Members. Plaintiff believes strongly in the protection of artists' rights in connection with their creative work. Plaintiff has raised viable claims for misappropriation, unfair competition and conversion of the type well established in California and reasonably expected to be raised by Class Members. Plaintiff will diligently pursue those claims. If necessary, Plaintiff may seek leave of the Court to amend this Complaint to include additional class representatives to represent the Class or additional claims as may be appropriate. Plaintiff is represented by experienced, qualified and competent counsel who are committed to prosecuting this action.
- Common questions of fact and law exist as to all Class Members that plainly predominate over any questions affecting only individual Class Members. These common legal and factual questions, which do not vary from Class Member to Class member, and which may be determined without reference to the individual circumstances of any Class Member include, without limitation, the following:
  - (A) Whether Defendant SiriusXM reproduced, performed, distributed or otherwise exploited Pre-1972 Recordings in the California;
  - Whether Defendant SiriusXM's reproduction, performance, distribution or (B) other exploitation of Pre-1972 Recordings in California constitutes misappropriation under California Civil Code Section 980(a)(2);
  - Whether Defendant SiriusXM's reproduction, performance, distribution or other exploitation of Pre-1972 Recordings in the California constitutes unlawful or unfair business acts or practices in violation of California Business & Professions Code Section 17200;
    - Whether Defendant Sirius XM's reproduction, performance, distribution or (D)

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other exploitation of Pre-1972 Recordings in California constitutes conversion under California common law;

- The basis on which restitution and/or damages to all injured members of the Class can be computed;
- Whether Defendant SiriusXM's violation of California Civil Code Section 980(a)(2) entitles the Class Members to recover punitive damages;
- Whether Defendant SiriusXM's violation of California Civil Code Section 980(a)(2) is continuing, thereby entitling Class Members to injunctive or other equitable relief;
- (H) Whether Defendant SiriusXM's violation of California Business & Professions Code § 17200 entitles the Class Members to recover punitive damages;
- (I) Whether Defendant SiriusXM's violation of California Business & Professions Code § 17200 is continuing, thereby entitling Class Members to injunctive or other relief;
- (J) Whether Defendant SiriusXM's violation of California's common law of conversion entitles Class Members to recover punitive damages; and
- (K) Whether Defendant SiriusXM's violation of California's common law of conversion is continuing, thereby entitling Class Members to injunctive or other relief.
- A class action is superior to all other available methods for the fair and efficient adjudication of this controversy, since individual litigation of the claims of all Class Members is highly impractical. Even if every Class Member could afford to pursue individual litigation, the Court system could not. It would be unduly burdensome to the courts in which individual litigation of numerous cases would proceed. Individualized litigation would also present the potential for varying, inconsistent or contradictory judgments and would magnify the delay and expense to all parties and to the court system resulting from multiple trials of the same factual issues. By contrast, maintenance of this action as a class action, with respect to some or all of the issues presented herein, presents few management difficulties, conserves the resources of the parties and of the court system, and protects the rights of each Class Member. Plaintiff anticipates no difficulty in the management of this action as a class action.

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17. Defendants have engaged in misappropriation, unfair competition and conversion which has affected all of the Class Members such that final and injunctive relief on behalf of the Class as a whole is efficient and appropriate.

#### FIRST CAUSE OF ACTION

(For Violation of California Civil Code § 980(a)(2) and Common Law Misappropriation)

- 18. Plaintiff hereby incorporates the allegations set forth in paragraphs 1 through 17, above, as though set forth in full herein.
- 19. Plaintiff and the other Class Members have exclusive ownership of their Pre-1972 Recordings in California pursuant to California Civil Code § 980(a)(2) quoted above and under California common law. By their conduct alleged above, Defendants have violated Plaintiff's and each Class Members' right to exclusive ownership of their Pre-1972 Recordings. The Plaintiff and Class Members have invested substantial time and money in the development of their Pre-1972 Recordings.
- 20. The Defendants have misappropriated the Pre-1972 Recordings at little or no cost and without license or authority. They have copied the Pre-1972 Recordings owned by Plaintiff and the other Class Members and publicly perform these recordings in California for their subscribers as set forth in paragraph 3, above. Defendants have disregarded the Plaintiff's and other Class Members' "exclusive ownership" of their Pre-1972 Recordings, impaired their ability to sell, lawfully exploit, or otherwise control their Pre-1972 Recordings and misappropriated these Pre-1972 Recordings for their own financial gain.
- As a direct and proximate consequence of Defendants' misappropriation of the Pre 1972 Recordings owned by Plaintiff and the Class Members in violation of Civil Code § 980(a)(2)

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as alleged above, Plaintiff and the Class Members have been damaged in an amount that is not as yet fully ascertained but which Plaintiff is informed and believes, and alleges thereon, exceeds \$100,000,000, according to proof.

- Plaintiff is informed and believes, and alleges thereon, that in engaging in the conduct described above, the Defendants acted with oppression, fraud and/or malice. The conduct of the Defendants has been despicable and undertaken in conscious disregard of the Plaintiff's and each Class Member's rights. Accordingly, Plaintiff and the Class members are entitled to an award of punitive damages against Defendants in an amount sufficient to punish and make an example of them according to proof.
- Defendants' conduct is causing, and unless enjoined and restrained by this Court, will continue to cause, Plaintiff and each Class Member great and irreparable injury that cannot fully be compensated or measured in money. Plaintiff and the other Class Members are entitled to temporary, preliminary and permanent injunctions, prohibiting further violation of Plaintiff's and Class Members' exclusive ownership of their Pre-1972 Recordings in California.

#### SECOND CAUSE OF ACTION

# (For Statutory and Common Law Unfair Competition)

- 24. Plaintiff hereby incorporates the allegations set forth in paragraphs 1 through 23, above, as though set forth herein.
- 25. The acts and conduct of Defendants alleged above constitute an appropriation and invasion of the property rights of Plaintiff and each Class Member to their Pre-1972 Recordings in California, and constitute unfair competition under California Business & Professions Code § 17200 and common law. Defendants have engaged in unfair competitive business practices forbidden by law.
- As a direct and proximate result of Defendants' conduct, Plaintiff and the Class Members are entitled to recover all proceeds and other compensation received or to be received by Defendants from their misappropriation of the Pre-1972 Recordings. Plaintiff and the members of the Class have been damaged, and Defendants have been unjustly enriched, in an amount that is not as yet fully ascertained but which Plaintiff is informed and believes, and alleges thereon,

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exceeds \$100,000,000, according to proof at trial. Such damages and/or restitution and disgorgement should include a declaration by this Court that Defendants are constructive trustees for the benefit of Plaintiff and the other Class Members, and an order that Defendants convey to Plaintiff and Class Members the gross receipts received or to be received that are attributable to Defendants misappropriation of the Pre-1972 Recordings.

- Plaintiff is informed and believes, and alleges thereon, that in engaging in the conduct as described above, the Defendants acted with oppression, fraud and/or malice. The conduct of the Defendants has been despicable and undertaken in conscious disregard of Plaintiff's rights. Accordingly, Plaintiff and the Class Members are entitled to an award of punitive damages against Defendants, and each of them, in an amount sufficient to punish and make an example of them according to proof at trial.
- 28. Defendants' conduct is causing, and unless enjoined and restrained by this Court, will continue to cause, Plaintiff and the Class Members great and irreparable injury that cannot fully be compensated or measured in money. Plaintiff and the other Class Members are entitled to temporary, preliminary and permanent injunctions, prohibiting further violation of Plaintiff's and the other Class Members right to exclusive ownership of their Pre-1972 Recordings and further acts of unfair competition pursuant to California Business & Professions Code § 17203.

#### THIRD CAUSE OF ACTION

#### (For Conversion)

- 29. Plaintiff hereby incorporates the allegations set forth in paragraphs 1 through 28, above, as though set forth in full herein.
- Plaintiff and each Class Member are, and at relevant times were, the exclusive 30. owner of all right, title and interest in and to their Pre-1972 Recordings and possession thereof in California.
- By their acts and conduct alleged above, Defendants have converted Plaintiff's and 31. the Class Members' property rights in their Pre-1972 Recordings for Defendants' own use and wrongful disposition for financial gain.
  - As a direct and proximate result of Defendants' conversion, Plaintiff and the 32.

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- 33. Plaintiff is informed and believes, and based thereon alleges, that in engaging in the conduct as described above, the Defendants acted with oppression, fraud and/or malice. The conduct of the Defendants has been despicable and undertaken in conscious disregard of Plaintiff's rights. Accordingly, Plaintiff and each member of the Class is entitled to an award of punitive damages against defendants, and each of them, in an amount sufficient to punish and make an example of them according to proof at trial.
- 34. Defendants' conduct is causing, and unless enjoined and restrained by this Court will continue to cause, Plaintiff and the Class Members great and irreparable injury that cannot fully be compensated or measured in money. Plaintiff and each Class Member are entitled to temporary, preliminary and permanent injunctions prohibiting further acts of conversion of their Pre-1972 Recordings.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of itself and the other Class Members, prays for Judgment against Defendants, and each of them, as follows:

### Regarding the Class Action:

- That this is a proper class action maintainable pursuant to the applicable provisions of the California Code of Civil Procedure; and
- That the named Plaintiff is appropriate to be appointed representative of the respective Class.

# On The First Cause of Action For Misappropriation against all Defendants:

- 1. For compensatory damages in excess of \$100,000,000 according to proof at trial;
- 2. Punitive and exemplary damages according to proof trial; and

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3. A temporary, preliminary, and permanent injunction enjoining and restraining Defendants, and their respective agents, servants, directors, officers, principals, employees, representatives, subsidiaries and affiliated companies, successors, assigns, and those acting in concert with them or at their direction, from directly or indirectly misappropriating in any manner the Pre-1972 Recordings in California, including without limitation by directly or indirectly copying, reproducing, downloading, distributing, communicating to the public, uploading, linking to, transmitting, publicly performing, or otherwise exploiting in any manner any of the Pre-1972 Recordings.

#### On The Second Cause of Action For Unfair Competition against all Defendants:

- 1. For compensatory damages in excess of \$ 100,000,000 according to proof at trial;
- Punitive and exemplary damages according to proof at trial;
- Imposition of a constructive trust;
- 4. Restitution of Defendants' unlawful proceeds, including Defendants' gross profits; and
- 5. A temporary, preliminary, and permanent injunction enjoining and restraining Defendants, and their respective agents, servants, directors, officers, principals, employees, representatives, subsidiaries and affiliated companies, successors, assigns, and those acting in concert with them or at their direction, from directly or indirectly misappropriating in any manner the Pre-1972 Recordings, including without limitation by directly or indirectly copying, reproducing, downloading, distributing, communicating to the public, uploading, linking to, transmitting, publicly performing, or otherwise exploiting in any manner any of the Pre-1972 Recordings.

# On The Third Cause of Action For Conversion against all Defendants:

- 1. For compensatory damages in excess of \$100,000,000 according to proof at trial;
- Punitive and exemplary damages according to proof at trial;
- Imposition of a constructive trust;
- 4. Restitution of Defendants' unlawful proceeds, including Defendants' gross profits; and
- 5. A temporary, preliminary, and permanent injunction enjoining and restraining Defendants, and their respective agents, servants, directors, officers, principals, employees,

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representatives, subsidiaries and affiliated companies, successors, assigns, and those acting in concert with them or at their direction, from directly or indirectly infringing in any manner any right in any and all of the Pre-1972 Recordings, including without limitation by directly or indirectly copying, reproducing, downloading, distributing, communicating to the public, uploading, linking to, transmitting, publicly performing, or otherwise exploiting in any manner any of the Pre-1972 Recordings. On All Causes of Action: 1. For reasonable attorneys' fees and costs as permitted by law; 2. For prejudgement interest at the legal rate; and For such other and further relief as the Court deems just and proper. DATED: July 31, 2013 GRADSTEIN & MARZANO, P.C. HENRY GRADSTEIN MARYANN R. MARZANO ROBERT E. ALLEN -and-EVAN S. COHEN By:

Henry Gradstein Attorneys for Plaintiff FLO & EDDIE, INC.

# GRADSTEIN & MARZANO, P.C. 6310 SAN VICENTE BLVD. SUITE 510 LOS ANGELES, CALIFORNIA 90048 TELEPHONE: 323-776-3100

# **DEMAND FOR JURY TRIAL**

Plaintiff, individually and on behalf of the Class Members, demands a trial by jury of the causes of action alleged in this Complaint.

DATED: July 31, 2013

GRADSTEIN & MARZANO, P.C. HENRY GRADSTEIN

MARYANN R. MARZANO ROBERT E. ALLEN

-and-

EVAN S. COHEN

By:

Henry Gradstein

Attorneys for Plaintiff FLO & EDDIE, INC.

# **EXHIBIT A**

(56) Love In The City
(57) Love Minus Zero
(58) Makin' My Mind Up
(59) Me About You
(60) Oh, Daddy
(61) On A Summer's Day
(62) Person Without A Care
(63) Rugs Of Woods & Flowers
(64) Say Girl
(65) Scottish Song
(66) She Always Leaves Me
Laughing All My Problems Almost There (2) Bachelor Mother Ball Bearing, Pall Bearing World (5) (6) Battle Of The Bands Buzz Saw Can I Go On Can't I Get To Know You Better 1(9) Can't You Hear The Cows (9) Can't You Hear The Cows
(10) Cat In The Window
(11) Chicken Little Was Right
(12) Chief Kamanawanalea
(13) Christmas Is My Time Of Year
(14) Come Back
(15) Come Over Laughing (67) She Cried Wrong From The Start The Start

(68) She'd Rather Be With
(69) She'll Come Back
(70) She's My Girl
(71) So Goes Love
(72) So You Want To Be A She'd Rather Be With Me (15) (16) Dance This Dance With Me (17) Down In Suburbia Woman

(73) Somewhere Friday Night
(74) Song For You
(75) Sound Asleep
(76) Strangers Are Our Brothers
(77) Strangers Are Our Friends
(78) Story Of Rock & Roll
(79) Surfer Dan
(80) Teardrops
(81) Think I'll Run Away
(82) There You Sit Lonely
(83) Tie Me Down
(84) Too Wuch Heartsick Feelin'
(85) Too Young To Be One
(86) Torn Between Temptations
(87) Umbassa And The Dragon
(88) Walk In The Sun
(89) Walkin' Song
(90) War Of Germany
(91) We Ain't Gonna Party
No More Barth Anthem Woman (19)Elenore Eve Of Destruction Flyin' High (20) (21) (22) Foggy (23) Food (24) Gas M (25) Get A Foggy Water Gas Money (25) (26) (27) Get Away Give Love A Trial Glitter and Gold (28) (29) Good Bye Surprise The Grim Reaper of Love Guide For A Married Man Happy Together Hot Little Hands (30) (31) (32) (33) (34) House Of Pain House On The Hill House on the (35) How You Loved me
(36) I Can't Stop
(37) I Get Out Of Breath
(38) I Know That You'll Be There
(39) I Need Someone
(39) I Had The Time No More (92) We Both Were Young (93) We'll Meet Again (94) Who Would Ever Think If Only I Had The Time I'm The Man 41) (42) Is It Any Wonder It Ain't Me Babe That I Would Marry (43) Margaret It Was A Very Good Year John & Julie Just A Room (95) Wrong From The Start (96) You Baby (97) You Don't Have To Walk (44) (45) (46) (47) (48) Lady-O Last Laugh In The Rain (98) You Know What I Me (99) You Showed Me (100) Your Maw Said You You Know What I Mean Last Thing I Remember 3 (49) (50) Let Me Be (51) Let The Co (52) Let's Pack Let The Cold Winds Blow Let's Pack & Beat It Like A Rolling Stone Like It Or Not Cried (53) (54)

(55) Like The Seasons