	Case 2:16-cv-08775 Document 1 Filed 11	/23/16 Page 1 of 26 Page ID #:1					
1 2 3 4 5 6 7 8	rxr@msk.com ELAINE K. KIM (SBN 242066) ekk@msk.com MITCHELL SILBERBERG & KNUPP I 11377 West Olympic Boulevard Los Angeles, California 90064-1683 Telephone: (310) 312-2000 Facsimile: (310) 312-3100 Attorneys for Plaintiffs MGM Television Entertainment Inc., Orion Pictures Corporation, and PFE Library Acquisition Company, Inc.	LLP					
9 10		DISTRICT COURT					
10		CT OF CALIFORNIA					
11		CENTRAL DISTRICT OF CALIFORNIA					
13	MGM TELEVISION	CASE NO. 2:16-cv-8775					
14	ENTERTAINMENT INC.; ORION PICTURES CORPORATION; PFE LIBRARY ACQUISITION						
15	COMPANY, INC.,	COMPLAINT FOR: (1) DECLARATORY JUDGMENT OF COPYRIGHT OWNERSHIP (COUNTS I THROUGH III);					
16	Plaintiffs,						
17		(2) DECLARATORY JUDGMENT					
18		THAT DEFENDANTS' OWNERSHIP CLAIMS ARE BARRED BY THE					
19 20	MAC RAUCH); WÀLTER D.	STATUTE OF LIMITATIONS (COUNT IV); AND					
20	Defendants.	(3) DECLARATORY JUDGMENT THAT DEFENDANTS' OWNERSHIP					
22		CLAIMS ARE BARRED BY ESTOPPEL (COUNT V)					
23							
24		ainmant Inc. Orion Disturgs Correction					
25 Mitchell	Plaintiffs MGM Television Entertainment Inc., Orion Pictures Corporation, and PFE Library Acquisition Company, Inc. allege against Defendants Earl M. Rauch and Walter D. Richter, as follows:						
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8397672.1	COMPLAINT FOR DECLARATORY JUDGMENT						

NATURE OF ACTION

2 1. This action arises out of Defendants' campaign to sabotage Plaintiff 3 MGM Television Entertainment Inc.'s ("MGM") plans to develop, produce, and 4 distribute a television series based upon the screenplay and 1984 motion picture 5 The Adventures of Buckaroo Banzai Across the 8th Dimension, and the characters, 6 plots, themes, dialogue, mood, settings, pace, sequence of events, and other 7 protected elements therein ("Buckaroo Banzai"). Plaintiffs MGM, Orion Pictures 8 Corporation ("Orion"), and PFE Library Acquisition Company, Inc. ("PFE") are 9 the legal and beneficial owners of the copyright to *Buckaroo Banzai*, including the right to adapt the screenplay, motion picture, and elements therein in a new 10 television series. Plaintiffs' predecessor-in-interest registered the copyrights to the 11 Buckaroo Banzai screenplay (Pau 555-142) and motion picture (PA 224-582) with 12 13 the United States Copyright Office in 1983 and 1984, respectively. However, over two decades later, Defendants have now asserted in multiple letters to Plaintiffs 14 15 that they, not Plaintiffs, supposedly own the exclusive right to produce and distribute a Buckaroo Banzai television series. In addition, Defendants' counsel 16 17 has contacted MGM's business associates in the television series endeavor and falsely asserted that Plaintiffs do not have the right to produce the series. Even 18 19 worse, Defendants have taken their bogus story to the press, falsely claiming that 20 Plaintiffs do not own the rights to *Buckaroo Banzai* and trying both to squelch the 21 television series endeavor and to poison the goodwill that fans of Buckaroo Banzai 22 have for MGM's new project.

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2. There is now a substantial controversy between the parties with great immediacy. MGM seeks to develop its new television series without Defendants' interference. Accordingly, Plaintiffs bring this action to seek a declaration of the rights and legal relations of the parties with regard to *Buckaroo Banzai*.

THE PARTIES

3. Plaintiff MGM Television Entertainment Inc. is a Delaware
 corporation with its principal place of business at 245 N. Beverly Dr., Beverly
 Hills, CA 90210. MGM Television Entertainment Inc. is an indirect, wholly owned subsidiary of MGM Holdings Inc., a leading entertainment company
 focused on the global production and distribution of film and television content.

7 4. Plaintiff Orion Pictures Corporation is a Delaware corporation with its
8 principal place of business at 245 N. Beverly Dr., Beverly Hills, CA 90210. Orion
9 Pictures Corporation is an indirect, wholly-owned subsidiary of MGM Holdings
10 Inc.

5. Plaintiff PFE Library Acquisition Company, Inc. is a Delaware
 corporation with its principal place of business at 245 N. Beverly Dr., Beverly
 Hills, CA 90210. PFE Library Acquisition Company, Inc. is an indirect, wholly owned subsidiary of Orion Pictures Corporation.

15 6. On information and belief, Defendant Earl M. Rauch (a/k/a Earl Mac Rauch) is currently domiciled in the State of Texas. Plaintiffs' predecessor-in-16 17 interest hired Rauch to write the screenplay for *Buckaroo Banzai*. He did so pursuant to a work-for-hire contract through his "loan out" company, Johnny B. 18 19 Good, Inc. ("JBG"). Rauch was at all relevant times the alter ego of JBG. The 20 contract expressly provided that Metro-Goldwyn-Mayer Film Company, Plaintiffs' 21 predecessor-in-interest, was the sole and exclusive owner of the copyright to 22 Buckaroo Banzai, and also contained an assignment of all exclusive rights under 23 copyright to Metro-Goldwyn-Mayer Film Company. On information and belief, at 24 the time that the work-for-hire contract was entered into and Buckaroo Banzai was 25 made, Rauch resided in this District and JBG's principal place of business was in this District. 26

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1 7. On information and belief, Defendant Walter D. Richter is currently 2 domiciled in the State of Vermont. Richter directed the *Buckaroo Banzai* motion 3 picture pursuant to a work-for-hire contract with Plaintiffs' predecessor-in-interest through his "loan out" company, Harry Bailly Productions, Inc. ("HBP"). Richter 4 was at all relevant times the alter ego of HBP. The contract expressly provided 5 6 that Plaintiffs' predecessor-in-interest was the sole and exclusive owner of the 7 copyright to *Buckaroo Banzai*, and also contained an assignment of all exclusive 8 rights under copyright to Plaintiffs' predecessor-in-interest. On information and 9 belief, at the time that the work-for-hire contract was entered into and *Buckaroo* Banzai was made, Richter resided in this District and HBP's principal place of 10 business was in this District. 11

JURISDICTION AND VENUE

14 8. This Court has subject matter jurisdiction under the Copyright Act, 17
15 U.S.C. § 101 *et seq.*, and under 28 U.S.C. §§ 1331, 1338 and 2201. This case
16 involves the interpretation and scope of the Copyright Act of 1976, 17 U.S.C.
17 § 106. In addition, this Court has diversity jurisdiction over the present action
18 pursuant to 28 U.S.C. § 1332(a)(1). There is complete diversity in citizenship
19 between Plaintiffs and Defendants, and the amount in controversy exceeds the sum
20 or value of \$75,000, exclusive of interest and costs.

9. This Court has personal jurisdiction over Defendants in that
 Defendants have engaged in transactions within California, by which they
 purposefully availed themselves of the privilege of conducting activities in
 California, and which conduct gave rise to the claims in this action. Among other
 things, Defendants are bound by contracts entered into in California and containing
 California choice-of-law provisions.

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1 10. Venue is proper in this District pursuant to 28 U.S.C. § 1391 and
 § 1400(a) in that, among other things, a substantial part of the events or omissions
 giving rise to the claims in this lawsuit, as well as substantial injury to Plaintiffs,
 have occurred or will occur in this District as a result of Defendants' acts, as
 alleged in detail below.

FACTUAL BACKGROUND Plaintiffs' Ownership of *Buckaroo Banzai*

The Buckaroo Banzai motion picture, released in 1984, is a comedic 9 11. science-fiction story starring Peter Weller, Ellen Barkin, John Lithgow, Jeff 10 Goldblum, and Christopher Lloyd. The protagonist, Buckaroo Banzai, is a 11 12 scientist, neurosurgeon, and rock-and-roll guitarist/singer. With the help of his 13 bandmates, a group of friendly aliens, and a woman he falls in love with (who turns out to be his dead wife's twin sister), Buckaroo Banzai saves Earth from 14 15 malevolent aliens who are posing as industrialist military contractors. At the end of the film, the screen informs the audience that a sequel will be coming by 16 displaying the following message: "WATCH FOR THE NEXT ADVENTURE 17 OF BUCKAROO BANZAI - BUCKAROO BANZAI AGAINST THE WORLD 18 CRIME LEAGUE." 19

20 12. Defendant Earl Mac Rauch wrote the screenplay for the 1984
21 *Buckaroo Banzai* motion picture. Rauch, and his loan-out company JBG, entered
22 into multiple contracts related to his work on the screenplay.

(a) In a memorandum agreement dated April 9, 1981, a copy of which is attached hereto as Exhibit 1, Rauch and his loan-out company agreed that the "standard terms" of Metro-Goldwyn-Mayer Film Company, Plaintiffs' predecessor, would apply to the *Buckaroo Banzai* project.

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(1	b)	b) In a "long-form" agreement also dated April 9, 1981, a copy of				
		which is attached hereto as Exhibit 2, Rauch and his loan-out				
		company agreed that Rauch would write and deliver a screenplay				
		to Metro-Goldwyn-Mayer Film Company "based upon an original				
		story idea by Writer currently entitled 'Buckaroo Banzai.'" The				
		long-form agreement also incorporated the "Standard Terms" and				
		attached them as Exhibit A.				

(c) Attached to the long-form agreement, behind the Standard Terms, was an "Agreement of Writer," signed personally by Rauch on or about September 9, 1981. In this document, Rauch agreed that JBG had "the right to enter into said agreement and to grant all rights therein granted...." Rauch also agreed "to perform said agreement in all respects...." Rauch also agreed that he was "bound by all of the provisions [of the agreement] related to [Rauch]."

(e) Paragraph 7 of the Standard Terms states that Metro-Goldwyn-Mayer Film Company "shall be the sole and exclusive owner of the work, in whatever stage of completion it may be from time to time, including but not limited to the copyright thereof and all renewals and extensions and rights of renewal and extension of copyright, and of sole and exclusive rights throughout the world perpetually of production, recordation, public performance, broadcasting, television and reproduction by any method, whether such work consists of literary, dramatic, musical, or other material and without obligation to pay any fees, royalties or other amounts except those expressly provided for in this agreement and in the Basic Agreement. [JBG] hereby assigns all such rights to [Metro-

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Goldwyn-Mayer Film Company] without condition, reservation or limitation."

(f) Paragraph 7 of the Standard Terms also required Rauch to sign,
	upon request, a "certificate in substantially the following form: 'I
	hereby certify that I wrote the work identified as [Buckaroo
	Banzai] as an employee for hire of Metro-Goldwyn-Mayer Film
	Co. pursuant to a certain loanout agreement I acknowledge that
	Metro-Goldwyn-Mayer Film Co., is the owner of all rights in said
	work, and of the copyright thereof and of all renewals and
	extensions and rights of renewal and extension of such copyright,
	and has the right to make such changes therein and such uses
	thereof as it may determine." Further, Paragraph 4 of the Standard
	Terms required Rauch to make "such changes as may have been or
	as may be requested" to the screenplay.
(g) In Paragraph 8 of the Standard Terms, Rauch and JBG represented
	and warrantied that Metro-Goldwyn-Mayer Film Company's use
	of Buckaroo Banzai "in any form, adaptation or version" would
	not "infringe any copyright, literary, dramatic, photo-play or
	common law rights of any person, firm or corporation" Rauch
	and JBG also represented and warrantied "that no incident therein
	or part thereof is or shall be taken or copied from or based upon
	any other source"
(h) Pursuant to this agreement, Rauch signed a "Certificate of
	Authorship," a copy of which is attached as Exhibit 3 . In the
	Certificate of Authorship, Rauch agreed that Metro-Goldwyn-
	Mayer Film Company's successor-in-interest, Days Picture
	Corporation (which was a wholly owned subsidiary of United
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	(f) (g

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	1	Artist Corporation, which was itself a wholly owned subsidiary of
	2	Metro-Goldwyn-Mayer Film Company), owned "all literary
	3	material (the 'Material') submitted, and to be submitted, by
	4	[Rauch] in connection with a motion picture tentatively titled
	5	'SHIELDS AGAINST THE DEVIL' aka 'BUCKAROO
	6	BANZAI" and that all such literary works "were written and/or
	7	will be written by [Rauch] as an employee for hire of [Days Picture
	8	Corporation] and that the Material was written or created and will
	9	be written or created by [Rauch] as a work made for hire specially
	10	ordered or commissioned by [Days Picture Corporation] for use as
	11	part of a motion picture, with [Days Picture Corporation] being
	12	deemed the author of the Material and entitled to the copyrights
	13	(and all extensions and renewals of copyrights) therein and thereto,
	14	with the right to make such changes therein and such uses thereof
	15	as [Days Picture Corporation] may from time to time determine as
	16	such author."
	17	13. Defendant Walter D. Richter directed the 1984 Buckaroo Banzai
	18	motion picture. Richter, and his loan-out company, HBP, entered into multiple
	19	contracts related to his work on the motion picture.
	20	(a) Like Rauch, Richter and his loan-out company entered into a
	21	memorandum agreement regarding Buckaroo Banzai dated April
	22	10, 1981, a copy of which is attached hereto as Exhibit 4 . In that
	23	memorandum agreement, Richter and his loan-out company agreed
	24	to Metro-Goldwyn-Mayer Film Company's "standard terms" for
Mitchell	25	directors. This memorandum agreement states that "[t]he parties
Silberberg & Knupp LLP	26	intend to enter into a formal agreement incorporating the terms
	27	hereof and the parties shall negotiate in good faith with respect to
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the standard terms. However, until such formal agreement is signed, this deal memorandum shall be deemed a binding agreement upon the parties."

(b) Pursuant to the terms of the memorandum agreement, a "long-form" "Director Contract – Loanout (Principal Agreement)," a copy of which is attached hereto as **Exhibit 5**, was prepared. This agreement, which specifically referenced the right to make a "television sequel" based on *Buckaroo Banzai*, was entered into between Sherwood Productions, the successor-in-interest to Metro-Goldwyn-Mayer Film Company, and HBP and Richter. Consistent with the April 10, 1981 memorandum agreement, it incorporated the Standard Terms as Exhibit A.

Paragraph A(1) of the Standard Terms states that Sherwood 13 (c) Productions "shall be the sole and exclusive owner of all the 14 15 results and proceeds of [Richter's] services hereunder, including acts, poses, plays and appearances of [Richter] and all literary, 16 dramatic and musical material, as well as inventions, designs and 17 photographs, drawings, plans, specifications and sound recordings 18 containing all or any part of any of the foregoing written, supplied 19 20 or improvised by [Richter], whether or not in writing. The foregoing shall constitute works prepared by [Richter] as an 21 22 employee of [Sherwood Productions] within the scope of [Richter's] employment hereunder, and accordingly, the parties 23 agree that each and all of the foregoing are and shall be considered 24 25 'works made for hire' for [Sherwood Productions]." Paragraph A(1) of the Standard Terms also states that Sherwood 26 (d)

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Productions "is and shall be considered the author of said material

for all purpose	s and the owner of all of the rights comprised of the
copyright in ar	nd to said material [HBP] hereby grants to
[Sherwood Pro	oductions] all rights which [it] may have in and to all
such materials	as [Richter's] general employer."

(e)	Paragraph A(2) of the Standard Terms states as follows: "Without
	limiting the generality of the foregoing, [HBP] and [Richter]
	expressly acknowledge that [Sherwood Productions] is, and will
	remain, the owner of all now or hereafter existing rights of every
	kind and character whatsoever throughout the world, whether or
	not such rights are now known, recognized or contemplated"
	That Paragraph also states that Sherwood Productions "may add to,
	subtract from, arrange, rearrange, revise and adapt all such material
	in any manner"

(e) Paragraph S(6) of the Standard Terms states that Sherwood Productions "shall have final approval over all artistic and production elements in connection with the pre-production, production and post production of the Picture...."

(f) Paragraph S(7) of the Standard Terms states that Sherwood Productions "reserves the complete and unconditional right to cut, edit, add to, subtract from, arrange, rearrange and revise the Picture in any manner [Sherwood Productions] may, in its sole discretion, determine."

(g) Because Richter also served as a co-producer of the *Buckaroo Banzai* motion picture, he also signed a memorandum agreement dated April 10, 1981 as to those services, a copy of which is attached hereto as **Exhibit 6**. The parties to the agreement were Metro-Goldwyn-Mayer Film Company, Sidney Beckerman

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1	Productions Inc., and Atlantic Films. Richter signed the contract
2	on behalf of himself and Atlantic Films. This contract
3	incorporated Metro-Goldwyn-Mayer Film Company's "standard
4	terms" for producers. This memorandum agreement states that
5	"[t]he parties intend to enter into a formal agreement incorporating
6	the terms hereof and the parties shall negotiate in good faith with
7	respect to the standard terms. However, until such formal
8	agreement is signed, this deal memorandum shall be deemed a
9	binding agreement upon the parties."
10	(h) Pursuant to the terms of the memorandum agreement, a "long-
11	form" "Producer Contract – Loanout (Principal Agreement)," a
12	copy of which is attached hereto as Exhibit 7 , was prepared. This
13	agreement, which specifically referenced the right to make a
14	"television sequel" based on Buckaroo Banzai, was entered into
15	between Sherwood Productions (the successor-in-interest to Metro-
16	Goldwyn-Mayer Film Company), HBP (Richter's loan-out
17	company), and Lakoda Productions, Inc. (the loan-out company of
18	Richter's producing partner, Neil Canton). Consistent with the
19	April 10, 1981 memorandum agreement, it incorporated the
20	Standard Terms as Exhibit A. These terms use the same language
21	quoted above from the Standard Terms for directors.
22	14. The Buckaroo Banzai screenplay was registered on October 28, 1983
23	with the United States Copyright Office in the name of Sherwood Productions, Inc.
24	as the employer for hire of Rauch. The registration certificate is attached hereto as
25	Exhibit 8.
26	15. The <i>Buckaroo Banzai</i> motion picture was registered on September 19,
27	1984 with the United States Copyright Office in the name of Sherwood
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Mitchell Silberberg & Knupp LLP Productions, Inc. as the author. The registration certificate is attached hereto as
 Exhibit 9.

16. Plaintiffs are the successors-in-interest to Metro-Goldwyn-Mayer
Film Company, Sherwood Productions, Inc., and Days Picture Corporation with
respect to all rights in and to *Buckaroo Banzai* and all contracts executed or
entered in relation to *Buckaroo Banzai*, including the contracts referenced above.

7 17. As the successors-in-interest to the contracting parties that hired
8 Rauch and Richter to perform services in connection with *Buckaroo Banzai*,
9 Plaintiffs are the legal and beneficial owners of all exclusive rights under copyright
10 to *Buckaroo Banzai*, including the characters, plots, themes, dialogue, mood,
11 settings, pace, sequence of events, and other protected elements therein.

12 18. At all relevant times, Plaintiffs' predecessors-in-interest and
13 subsequent assignees had creative control over the *Buckaroo Banzai* project. They
14 contributed copyrightable elements directly in addition to authoring the motion
15 picture and screenplay as works made for hire.

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Defendants' Knowledge That Plaintiffs Claimed Copyright Ownership

18 19. As discussed above, Defendants agreed in their contracts that
19 Plaintiffs' predecessors-in-interest owned all rights in *Buckaroo Banzai*, and the
20 copyright registrations were made in the name of Plaintiffs' predecessor-in21 interest, not in the Defendants' names. Defendants did not act at that time or for
22 decades thereafter to claim any ownership of *Buckaroo Banzai*.

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23 20. Consistent with Plaintiffs' ownership of *Buckaroo Banzai*, Defendants
24 were aware no later than 2008 that Plaintiffs were pursuing a television series
25 based on *Buckaroo Banzai*. However, Defendants did not assert any supposed
26 ownership rights or bring any claims. Plaintiffs thereafter justifiably relied on
27 Defendants' silence and inaction.

In August 2011, Defendants' agent, Mark Lichtman, communicated
 with Plaintiffs, asserting that Defendants had ownership rights in *Buckaroo Banzai*.
 Plaintiffs expressly repudiated that claim and specifically informed Mr. Lichtman
 that Plaintiffs possessed all such rights. A copy of certain correspondence from
 2011 is attached hereto as **Exhibit 10**. Defendants did not file any claims.
 Plaintiffs thereafter continued to justifiably rely on Defendants' silence and
 inaction.

8 22. On September 13, 2016, Defendants' counsel implicitly admitted in a
9 letter to Plaintiffs' counsel that his clients had prior knowledge of Plaintiffs'
10 position regarding their ownership of *Buckaroo Banzai* as alleged above. A copy
11 of this letter is attached hereto as **Exhibit 11**.

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Defendants' Attempts to Interfere With MGM's Television Series Project

14 23. On July 25, 2016—following nearly five years of silence after
15 Plaintiffs informed Defendants that Plaintiffs owned all rights in *Buckaroo Banzai*,
16 including the right to create a television series—Defendants' agent, Mark
17 Lichtman, contacted MGM about the new television series, asserting that he
18 thought that Defendants may control certain rights relating to *Buckaroo Banzai*.
19 24. On July 27, 2016, Defendants' counsel sent a letter to MGM, asserting

that "MGM has no significant rights in BUCKAROO" and claiming that
Defendants owned all "underlying rights in the concept, ideas, characters, sequels,
remakes or television [series]" for *Buckaroo Banzai*.

Mitchell Silberberg & Knupp LLP 25. Defendants' counsel sent a follow-up email on August 3, 2016, again
asserting that his clients owned *Buckaroo Banzai* and that they "are moving
forward with their projects regarding Buckaroo Banzai." Plaintiffs responded that
day to inform Defendants' counsel that his assertions were incorrect. Nevertheless,
that same day, Defendants' counsel contacted Amazon Studios, a company that

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MGM planned to work with in connection with MGM's new *Buckaroo Banzai*television series, and WME Entertainment, the talent agency that represents Kevin
Smith, the acclaimed anticipated director of the new television series. Defendants,
through their counsel, engaged in these actions in an attempt to interfere with
MGM's relationships with these key players in the project by falsely claiming that
Defendants, not Plaintiffs, own the rights to create a *Buckaroo Banzai* television
series.

8 26. On August 10, 2016, Plaintiffs wrote a letter to Defendants' counsel 9 to demand that Defendants cease and desist from engaging in such interference. The next day, August 11, 2016, Defendants' counsel replied, once again asserting 10 that Defendants own *Buckaroo Banzai* and that "[w]hile MGM might have been 11 12 entitled to produce a photoplay based upon that screenplay," the agreement did not 13 "give MGM any rights to create any other work based on any other rights, themes, concepts, or characters of BUCKAROO BANZAI." He threatened that "[i]f MGM 14 15 continues with this project, [his] clients will be forced to consider all available legal options and remedies to confirm their rights." 16

17 27. The following day, August 12, 2016, Defendants' counsel sent another letter to MGM admitting that he had sent emails to Amazon Studios and 18 19 WME Entertainment and stating that "[t]o the extent, MGM is attempting to 20 develop a project with Amazon based upon the world of BUCKAROO BANZAI, 21 MGM does not have the rights to do so. I would hope MGM would advise 22 Amazon and anyone else with whom they have been working on such a project of 23 my clients['] rights in BUCKAROO BANZAI. If you do not do so, then we will 24 need to provide WME and Amazon with all of our correspondence on this rights 25 issue."

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26 28. On August 18, 2016, Plaintiffs' outside counsel sent a letter to
27 Defendants' counsel rejecting Defendants' claims, explaining the source of

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MGM's rights, and also reminding Defendants' counsel that his clients had sat on
 their purported rights for at least five years, thereby causing their meritless claims
 to be time-barred.

4 29. On September 13, 2016, Defendants' counsel responded, but rather
5 than acknowledging MGM's rights and agreeing to cease and desist with
6 contacting MGM's business associates, he continued to assert that "Mr. Rauch
7 owns the copyright in the Buckaroo Banzai world and its characters, themes and
8 elements," and that "[i]f MGM continues forward with any such development
9 without my clients' permission, they will be forced to consider all legal options to
10 protect their rights."

30. In this letter, Defendants' counsel also asserted that Rauch had written 11 12 "five stories" involving the *Buckaroo Banzai* character prior to writing the 13 screenplay commissioned by Plaintiffs' predecessor-in-interest. Although he asserted that Rauch owned all of the rights to these stories and the characters 14 described therein, including Buckaroo Banzai, Defendants' counsel admitted that 15 Rauch and Richter had submitted all five of the stories as well as related literary 16 17 materials, in what he referred to as "A Buckaroo Banzai Sampler," to Plaintiffs' predecessor-in-interest at the time they "pitched" the motion picture project in 18 19 1981. Even assuming that is true, as discussed above, Rauch executed a 20 "Certificate of Authorship" in connection with the production of the motion picture, certifying that Plaintiffs' predecessor-in-interest owned "all literary 21 22 material (the "Material") submitted, and to be submitted, by [Rauch] in connection 23 with a motion picture tentatively titled 'Shields Against the Devil' aka 'Buckaroo Banzai."" 24

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Defendants' Statements to the Media

31. Defendants not only sent maligning emails to MGM's business associates, they orchestrated a publicity campaign to intentionally interfere with MGM's *Buckaroo Banzai* project.

5 32. On or about October 4, 2016, Richter gave an interview to "Film Buff 6 Online." In the interview, he asserted that the "Buckaroo Banzai Sampler" had been submitted to Plaintiffs' predecessor-in-interest. He also made multiple false 7 8 statements. These statements include, without limitation, that "David Begelman 9 [of MGM] basically commissioned a screenplay based on a piece of literary material that MGM didn't own and then David Begelman went off and made and 10 released a movie based on it. It's the equivalent of releasing a movie based on a 11 12 Stephen King book but forgetting to buy the book from Stephen."

13 33. On or about October 13, 2016, Richter and Rauch published more false statements, this time on the "Banzai Institute" Facebook website page. Their 14 15 intent was to poison the relationship between Plaintiffs and fans of the original movie. On the Facebook website page, Defendants admitted that "[f]or over thirty 16 17 years we've sat back and watched the ostensible 'ownership rights' to 'THE ADVENTURES OF BUCKAROO BANZAI ACROSS THE 8TH DIMENSION' 18 19 bounce around the entertainment and financial industries, unloved in libraries thick 20 with more commercially successful films."

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34. All of these statements were made in breach of Defendants' contracts
with Plaintiffs' predecessors-in-interest, which provide that Defendants shall not
circulate, publish or otherwise disseminate any news stories, articles, books, or
other publicity containing their names and relating directly or indirectly to their
employment, the subject matter of those agreements, or the *Buckaroo Banzai*picture, unless first approved in writing by Plaintiffs' predecessors-in-interest.

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CLAIMS FOR RELIEF

<u>COUNT I</u>

(DECLARATORY JUDGMENT OF COPYRIGHT OWNERSHIP)

4 35. Plaintiffs incorporate by reference each and every allegation set forth
5 in paragraphs 1-34.

6 36. An actual and justiciable controversy exists between the parties as to
7 whether Defendants have a right to prevent the production, reproduction,
8 distribution, display, performance, and authorization of a television series based on
9 the *Buckaroo Banzai* screenplay and motion picture, and the characters, plots,
10 themes, dialogue, mood, settings, pace, sequence of events, and other protected
11 elements therein, using any and all media whether now known or hereafter
12 devised, as well as any merchandising rights in connection with any such series.

13 37. Plaintiffs are entitled to a declaratory judgment, pursuant to 28 U.S.C. §§ 2201 and 2202 and Federal Rule of Civil Procedure 57, that under Defendants' 14 15 agreements and the Copyright Act of 1976, Defendants cannot prevent the production, reproduction, distribution, display, performance, and authorization of a 16 17 new television series based on the Buckaroo Banzai screenplay and motion picture, and the characters, plots, themes, dialogue, mood, settings, pace, sequence of 18 19 events, and other protected elements therein, using any and all media whether now 20 known or hereafter devised, as well as any merchandising rights in connection with any such series. 21

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38. Plaintiffs are entitled to their attorney's fees and full costs, including under 17 U.S.C. § 505.

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COUNT II

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(DECLARATORY JUDGMENT OF COPYRIGHT OWNERSHIP)

3 39. Plaintiffs incorporate by reference each and every allegation set forth
4 in paragraphs 1-34.

40. An actual and justiciable controversy exists between the parties as to
whether Plaintiffs are the legal and beneficial owners of all exclusive rights under
copyright to *Buckaroo Banzai*, including the exclusive right to develop, produce,
and distribute a new television series based on *Buckaroo Banzai*.

9 41. Defendants' services on *Buckaroo Banzai* were on a "work-made-for10 hire" basis. Thus, Plaintiffs' predecessor-in-interest—not Defendants—qualifies
11 as the author of the screenplay and motion picture, and the characters, plots,
12 themes, dialogue, mood, settings, pace, sequence of events, and other protected
13 elements therein.

4 42. In the alternative, Defendants assigned to Plaintiffs' predecessors-ininterest all exclusive rights under copyright to the screenplay and motion picture,
and the characters, plots, themes, dialogue, mood, settings, pace, sequence of
events, and other protected elements therein.

43. At all relevant times, Plaintiffs and their predecessors-in-interest had
creative control over the *Buckaroo Banzai* project. They contributed copyrightable
elements directly in addition to authoring the motion picture and screenplay as
works made for hire.

44. Plaintiffs are entitled to a declaratory judgment, pursuant to 28 U.S.C.
§§ 2201 and 2202 and Federal Rule of Civil Procedure 57, that Plaintiffs, and not
Defendants, own all exclusive rights under copyright to *Buckaroo Banzai*,
including without limitation, the right to make derivative works using any and all
media whether now known or hereafter devised.

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45. Plaintiffs are entitled to their attorney's fees and full costs, including
 under 17 U.S.C. § 505.

COUNT III

(DECLARATORY JUDGMENT OF COPYRIGHT OWNERSHIP)

6 46. Plaintiffs incorporate by reference each and every allegation set forth
7 in paragraphs 1-34.

8 47. An actual and justiciable controversy exists between the parties as to
9 whether Defendant Rauch signed away all rights to all literary materials submitted
10 in connection with his services and writing of the *Buckaroo Banzai* screenplay.

48. Rauch and his counsel have asserted that Rauch submitted and relied 11 on preexisting written works involving Buckaroo Banzai in connection with the 12 13 motion picture project. Rauch and his counsel have also asserted that Plaintiffs do not own the copyrights to said works, even though he signed a "Certificate of 14 15 Authorship" agreeing that Days Picture Corporation (at that time the successor to Metro-Goldwyn-Mayer Film Company) owned all literary materials submitted in 16 17 connection with Buckaroo Banzai. Specifically, the "Certificate of Authorship" that Rauch signed provided that Days Picture Corporation owned "all literary 18 19 material (the 'Material') submitted, and to be submitted, by Artist in connection 20 with a motion picture tentatively titled 'SHIELDS AGAINST THE DEVIL' aka 'BUCKAROO BANZAI'" and that all such literary works "were written and/or 21 22 will be written by [Rauch] as an employee for hire of [Days Picture Corporation] and that the Material was written or created and will be written or created by 23 24 [Rauch] as a work made for hire specially ordered or commissioned by [Days 25 Picture Corporation] for use as part of a motion picture, with [Days Picture Corporation] being deemed the author of the Material and entitled to the copyrights 26 27 (and all extensions and renewals of copyrights) therein and thereto, with the right

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Silberberg & Knupp LLP to make such changes therein and such uses thereof as [Days Picture Corporation]
 may from time to time determine as such author."

49. As Rauch and his counsel have stated, Rauch submitted in connection
with the motion picture project all of the materials he had previously written
relating to *Buckaroo Banzai*. Accordingly, as agreed by Rauch, all such materials
were works for hire authored and owned by Days Picture Corporation, Plaintiffs'
predecessor-in-interest.

8 50. Furthermore, in Paragraph 8 of Exhibit A to the April 9, 1981 long-9 form agreement signed by Rauch, between JBG, which was the alter ego of Rauch, and Metro-Goldwyn-Mayer Film Company, Rauch represented and warrantied that 10 use of *Buckaroo Banzai* "in any form, adaptation or version" would not "infringe 11 12 any copyright, literary, dramatic, photo-play or common law rights of any person, firm or corporation...." Rauch also represented and warrantied "that no incident 13 therein or part thereof is or shall be taken or copied from or based upon any other 14 15 source...." Rauch further "agree[d] to indemnify [Metro-Goldwyn Mayer Film] Company], its successors, assigns, licensees, officers and employees, and hold 16 17 them harmless from and against any and all liability, losses, damages, costs, expenses (including but not limited to attorneys' fees), judgments and penalties 18 19 arising out of, resulting from, based upon or incurred because of the breach of any 20 warranty made by [JBG] or [Rauch]."

Mitchell Silberberg & Knupp LLP 51. In the memorandum agreement of that same date, Rauch personally
agreed that the deal would include Metro-Goldwyn-Mayer-Film Company's
Standard Terms (i.e., Exhibit A to the long-form agreement). Furthermore,
attached to the long-form agreement, behind the Standard Terms, was an
"Agreement of Writer" signed personally by Rauch on or about September 9,
1981. In this document, Rauch agreed that JBG had "the right to enter into said
agreement and to grant all rights therein granted..." Rauch also agreed "to

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perform said agreement in all respects...." Rauch also agreed that he was "bound 1 2 by all of the provisions [of the agreement] related to [Rauch]."

3 52. Plaintiffs own the copyrights to all literary materials written by Rauch related to Buckaroo Banzai and relied on by Rauch to create the screenplay for the 4 motion picture. In the alternative, if Rauch relied on preexisting works to which 5 6 Plaintiffs do not own the rights, Rauch did so in breach of his warranties, and must indemnify Plaintiffs from and against all liability, losses, damages, costs, expenses 7 8 (including but not limited to attorney's fees), judgments and penalties arising out of, resulting from, based upon or incurred because of such breaches. 9

10 53. Plaintiffs are entitled to a declaratory judgment, pursuant to 28 U.S.C. §§ 2201 and 2202 and Federal Rule of Civil Procedure 57, that: 11

12	a.	Rauch signed away all rights to all literary materials submitted
13		in connection with his services and the Buckaroo Banzai
14		screenplay and motion picture, and Plaintiffs own the
15		copyrights to all such literary materials; or

b. in the alternative, Rauch breached his warranties in Paragraph 8 of the Standard Terms, and must indemnify Plaintiffs from and against all liability, losses, damages, costs, expenses (including but not limited to attorney's fees), judgments and penalties arising out of, resulting from, based upon or incurred because of such breaches.

Plaintiffs are entitled to their attorney's fees and full costs, including

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under 17 U.S.C. § 505.

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COMPLAINT FOR DECLARATORY JUDGMENT

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1 COUNT IV 2 (DECLARATORY JUDGMENT THAT THE STATUTE OF LIMITATIONS 3 **BARS DEFENDANTS' OWNERSHIP CLAIMS)** 55. Plaintiffs incorporate by reference each and every allegation set forth 4 5 in paragraphs 1-34. 6 56. Plaintiffs and their predecessors-in-interest openly asserted ownership 7 of the copyrights at issue, including the right to make derivative works of 8 Buckaroo Banzai, and Defendants were aware that Plaintiffs and their 9 predecessors-in-interest were making such works more than three years before the filing of this lawsuit. 10 57. Accordingly, the statute of limitations, 17 U.S.C. § 507(b), bars 11 12 Defendants from asserting that Plaintiffs do not own the copyright to the *Buckaroo* 13 *Banzai* motion picture and screenplay, and the characters, plots, themes, dialogue,

mood, settings, pace, sequence of events, and other protected elements therein, and
from asserting that Plaintiffs do not own all rights to exploit the same or to make
derivative works, including without limitation, a television series and merchandise.

17 58. Plaintiffs are entitled to a declaratory judgment, pursuant to 28 U.S.C. §§ 2201 and 2202 and Federal Rule of Civil Procedure 57, that Defendants are 18 barred by the statute of limitations, 17 U.S.C. § 507(b), from asserting that 19 20 Plaintiffs do not own the copyright to the *Buckaroo Banzai* motion picture and 21 screenplay, and the characters, plots, themes, dialogue, mood, settings, pace, 22 sequence of events, and other protected elements therein, and from asserting that 23 Plaintiffs do not own all rights to exploit the same or make derivative works, 24 including without limitation, a television series and merchandise.

Mitchell Silberberg & Knupp LLP 25 59. Plaintiffs are entitled to their attorney's fees and costs, including
26 under 17 U.S.C. § 505.

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COUNT V

(DECLARATORY JUDGMENT THAT ESTOPPEL BARS DEFENDANTS' OWNERSHIP CLAIMS)

60. Plaintiffs incorporate by reference each and every allegation set forth
in paragraphs 1-34.

6 61. Plaintiffs and their predecessors-in-interest openly asserted ownership
7 of the copyrights at issue, including the right to make derivative works of
8 *Buckaroo Banzai*, and Defendants were aware that Plaintiffs and their
9 predecessors-in-interest were making such works more than three years before the
10 filing of this lawsuit.

62. Plaintiffs justifiably relied on Defendants' silence and inaction in the 11 face of Defendants' actual knowledge of Plaintiffs' position that they owned all 12 13 rights to *Buckaroo Banzai*. As a result, Defendants are estopped from asserting any ownership rights to the Buckaroo Banzai motion picture and screenplay, or the 14 15 characters, plots, themes, dialogue, mood, settings, pace, sequence of events, and other protected elements therein, and from asserting that Plaintiffs do not own all 16 17 rights to exploit the same or to make derivative works, including without 18 limitation, a television series and merchandise.

19 63. Plaintiffs are entitled to a declaratory judgment, pursuant to 28 U.S.C.
20 §§ 2201 and 2202 and Federal Rule of Civil Procedure 57, that Defendants are
21 estopped from asserting any ownership rights to *Buckaroo Banzai* motion picture
22 and screenplay, or the characters, plots, themes, dialogue, mood, settings, pace,
23 sequence of events, and other protected elements therein, and from asserting that
24 Plaintiffs do not own all rights to exploit the same or to make derivative works,
25 including without limitation, a television series and merchandise.

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64. Plaintiffs are entitled to their attorney's fees and costs, including under 17 U.S.C. § 505.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that this Court enter judgment in their favor
and against Defendants, and each of them, as follows:

5 1. On Count I, issuing a declaration that under Defendants' agreements 6 and the Copyright Act of 1976, Defendants cannot prevent the production, reproduction, distribution, display, performance, and authorization of a new 7 8 television series based on the Buckaroo Banzai screenplay and motion picture, and 9 the characters, plots, themes, dialogue, mood, settings, pace, sequence of events, and other protected elements therein, using any and all media whether now known 10 or hereafter devised, as well as any merchandising rights in connection with any 11 such series; 12

2. On Count II, issuing a declaration that Plaintiffs, not Defendants, own
 all exclusive rights under copyright to the *Buckaroo Banzai* screenplay, the
 Buckaroo Banzai motion picture, and all characters, plots, themes, dialogue, mood,
 settings, pace, sequence of events, and other protected elements therein, including
 without limitation, the right to make derivative works using any and all media
 whether now known or hereafter devised;

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3. On Count III, issuing a declaration that:

a. Rauch signed away all rights to all literary materials submitted in connection with his services and the *Buckaroo Banzai* screenplay and motion picture, and Plaintiffs own the copyrights to all such literary materials; or

b. in the alternative, Rauch breached his warranties in Paragraph 8
 of the Standard Terms, and must indemnify Plaintiffs from and
 against all liability, losses, damages, costs, expenses (including
 but not limited to attorney's fees), judgments and penalties

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arising out of, resulting from, based upon or incurred because of such breaches;

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4. On Count IV, issuing a declaration that Defendants are barred by the
statute of limitations, 17 U.S.C. § 507(b), from asserting that Plaintiffs do not own
the copyright to the *Buckaroo Banzai* motion picture and screenplay, and the
characters, plots, themes, dialogue, mood, settings, pace, sequence of events, and
other protected elements therein, and from asserting that Plaintiffs do not own all
rights to exploit the same or make derivative works, including without limitation, a
television series and merchandise;

5. On Count V, issuing a declaration that Defendants are estopped from
 asserting any ownership rights to *Buckaroo Banzai* motion picture and screenplay,
 or the characters, plots, themes, dialogue, mood, settings, pace, sequence of events,
 and other protected elements therein, and from asserting that Plaintiffs do not own
 all rights to exploit the same or to make derivative works, including without
 limitation, a television series and merchandise; and

	16	6.	On all Counts:			
	17		a.	an award to Plaintiffs of their attorney's fees and full costs,		
	18			including pursuant to 17 U.S.C. § 505;		
	19		b.	a speedy hearing pursuant to Federal Rule of Civil Procedure		
	20			57; and		
	21		c.	all such further relief as the Court may deem just and proper.		
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