

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

BORIS BEIZER,	:	CIVIL ACTION
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
MOTOROLA, INC.,	:	
	:	
Defendant.	:	NO. 96-2173

MEMORANDUM

Reed, J.

November 13, 1997

Plaintiffs Boris Beizer (“Beizer”) and International Thomson Publishing, Inc. (“Thomson”) brought this action against defendant Motorola, Inc. (“Motorola”) alleging copyright infringement and unfair competition under both federal and state laws. Despite the apparent litigiousity of the parties, settlement was eventually reached. Now, pending before the Court, is the one remaining remnant of this pugnacious imbroglio, that being a petition by Motorola for attorneys’ fees. (Document No. 77). For the following reasons, the petition will be granted but the amount of the fees will be reduced in some areas.

I. FACTUAL AND PROCEDURAL BACKGROUND

Beizer and Thomson filed a complaint against Motorola on March 18, 1996. Once discovery commenced, Motorola realized that the original copyright registrations at issue erroneously identified Thomson as the copyright owner of the allegedly infringed materials, when, in fact, Beizer was the sole owner. Neither Beizer nor Thomson disputed this finding. The copyright registrations were amended to reflect Beizer as the owner of the copyright and copyright claimant. The Copyright Office issued the corrected registrations

on October 30, 1996.

Since then, the parties in this case have flooded this already drenched Court with dispositive motions. Motorola, alone, filed five dispositive motions: (1) motion for partial summary judgment on the copyright claim (Document No. 23); (2) motion for partial summary judgment on the unfair competition claim (Document No. 24); (3) motion to dismiss pursuant to Rule 37(b)(2) (Document No. 37); (4) motion for summary judgment to dismiss claim for damages (Document No. 51); and (5) motion for partial summary judgment on copyright infringement claim due to lack of substantial similarity and fair use (Document No. 54). Beizer and Thomson, in addition to filing responses thereto, filed their own motion for leave to amend the complaint (Document No. 29).

Particularly relevant to the petition fee currently at bar, Motorola filed its motion for partial summary judgment on the copyright claim, which was based on the discovery that Thomson did not own the copyrights in issue, on November 13, 1996. Soon thereafter, Thomson made an offer of voluntary dismissal. On November 15, 1996, Motorola demanded that, in order to dismiss Thomson from the suit, there be a complete release of claims for both Beizer and Thomson, the case be dismissed with prejudice, Thomson pay \$150,000.00 to Motorola for attorneys' fees, and Motorola would pay Beizer \$35,000.00 to settle the matter. (Thomson Mem. in Opp'n to Fee Petition, Ex. B). Thomson rejected this offer on the grounds that it was unreasonable.

On June 16, 1997, the Court issued its own downpour of orders.¹ The one

¹ The Orders include Order No. 2 granting the motion of Beizer and Thomson for leave to file an amended complaint reflecting the dismissal of Thomson, Order No. 3 denying the motion of Motorola to dismiss the complaint pursuant to Federal Rule of Civil Procedure 37(b)(2) for failure to comply with discovery, Order No. 4 denying

most relevant here is Order No. 1, where the Court found that Thomson's copyright registration was invalid and Thomson's conduct in bringing the copyright infringement claim was objectively unreasonable. Based on these findings, the Court dismissed Thomson with prejudice from the lawsuit and awarded attorneys' fees in favor of Motorola. That Order stated, in pertinent part, that "Motorola, Inc. is entitled to reasonable attorney's fees incurred in relation to this motion for partial summary judgment." (6/16/97 Order No. 1 at 3).

Subsequently, Motorola filed yet another motion, this time to clarify the award of attorneys' fees. This Court then ordered that the attorneys' fees be limited to only the reasonable and necessary

work performed to research for and prepare the motion for partial summary judgment to dismiss the copyright infringement claim of Thomson and any reasonably necessary supplementary filings directly connected to that motion, *commencing with work done after the date Motorola confirmed through discovery that Thomson was not the real owner of the copyright.*

(7/24/97 Order No. 1) (Document No. 74) (emphasis added). The Court further admonished Motorola to "submit proofs of *reasonable* attorney's fees, avoiding requests for fees for overstaffing and overlitigating even its meritorious defense." *Id.* at 2 n.2. The Court expressly stated that the motion of Motorola for dismissal based on Rule 37 as well as Motorola's opposition to Beizer's and Thomson's motion for leave to amend were "unnecessary" and "excessive," and therefore Motorola was not entitled to reimbursement of

without prejudice the motion of Motorola for partial summary judgment to dismiss the unfair competition claim, and Order No.5 denying without prejudice the motion of Motorola for partial summary judgment to dismiss copyright infringement claim because of substantial similarity and right to fair use. (Document Nos. 62, 63, 64, 65, and 66).

any fees in connection with these filings. Id. at 2. And, finally, the Court ordered the parties to submit a joint stipulation as to the amount of attorneys' fees to be awarded, and if the parties could not agree as to an amount, Motorola was instructed to submit proofs of attorneys' fees incurred. Id. The parties could not agree on an amount and Motorola then timely filed the instant fee petition.

On August 22, 1997, Beizer and Motorola entered into a stipulation of dismissal with prejudice of the action. (Document No. 82). However, the agreement between those two parties was completely separate from the matter between Thomson and Motorola. I will now turn to the merits of Motorola's petition for attorneys' fees from Thomson.

II. LEGAL STANDARD

Reasonable attorneys' fees may be awarded to a prevailing party in a copyright infringement claim actions pursuant to 17 U.S.C. § 505.² To determine reasonable attorneys' fees, the number of hours reasonably expended on the litigation should be multiplied by a reasonable hourly rate. Hensley v. Eckerhart, 461 U.S. 424, 433 (1983). This calculation is known as the lodestar figure. The party seeking fees bears the burden of proving that the fee request is reasonable by submitting evidence to support the hours reportedly worked and the amount charged. Id. at 433; see also Rode v. Dellarciprete, 892 F.2d 1177, 1183 (3d Cir. 1990). The opposing party has the burden of challenging the reasonableness of the fee requested with specificity to give the fee applicant notice. Rode,

² Section 505 provides that "the court may also award a reasonable attorney's fee to the prevailing party as part of the costs." 17 U.S.C. § 505.

892 F.2d at 1183. Once the objections are raised, the court has significant discretion in adjusting the fee in light of these objections. Id.

Nimmer on Copyright cautions that an award “should be made sparingly and in a modest amount, and it has been held that a ‘reasonable attorney’s fee’ under the Copyright Act is an amount less than such fee as would be proper between the client and his attorney.” Nimmer on Copyright § 14.10[C] at 14-140 (internal footnotes omitted); see also Hensley, 461 U.S. at 434.

III. DISCUSSION

Motorola has requested attorneys’ fees in the amount of \$30,814.00 for moving for partial summary judgment on the copyright claim and \$4,914.00 for the fee petition, totaling \$35,728.00. I will discuss each seriatim.

A. Motion for Partial Summary Judgment

The attorneys for whose work Motorola is seeking an award are Manny D. Pokotilow (“Pokotilow”), a member of Caesar, Rivise, Bernstein, Cohen & Pokotilow, located in Philadelphia, Pennsylvania (“Caesar firm”), Stanley H. Cohen (“Cohen”), a member of the Caesar firm, Joseph Krause (“Krause”), a senior litigation in-house counsel at Motorola, and Mona Gupta (“Gupta”), an associate at the Caesar firm.

In Pokotilow’s declaration, he sets forth the hourly rate and hours expended for each attorney in preparing the motion for partial summary judgment as follows:

<u>Name</u>	<u>Hours</u>		<u>Rate</u>	<u>Amount</u>
Pokotilow	42	x	\$ 310	\$13,020.00
Cohen	6.8	x	\$ 310	\$ 2,108.00
Gupta	49.4	x	\$ 120	\$ 5,928.00
Krause	62	x	\$ 157.39	<u>\$ 9,758.00</u>

Total \$30,814.00

(Declaration of Pokotilow at ¶ 15). I observe that the total number of hours expended on preparation of the motion is 160.20. Also, the number of pages of the motion for partial summary judgment is 26 and of the reply memorandum in support of the motion for partial summary judgment is 11, totaling 37 pages. The cost per page calculates to \$ 832.81, all purportedly to demonstrate that Thomson's copyright registration was invalid and unenforceable.

Thomson opposes the fee petition on several grounds.³ First, Thomson argues that because there was no factual dispute that Thomson was not the proper owner of the copyright at issue and because Thomson offered a voluntary dismissal, the fees requested are unreasonable and excessive. Second, Thomson challenges the request for fees incurred from the deposition of Friedland taken on October 17, 1996, which was attended by Gupta, Pokotilow, and Krause. Third, Thomson contends that Motorola is not entitled to fees for Krause's work as a client, such as furnishing information or documents to counsel, and that Krause's hours are excessive and unreasonable where outside counsel were purportedly researching and drafting the same motion.

Thomson's first argument is only somewhat persuasive. At the outset, I note that, while copyright expertise was necessary in this litigation, it was not of special

³ Thomson does not challenge, however, the hourly rates asserted by Motorola. Prevailing market rates in the community are the basis for determining reasonable hourly rates. See Blum v. Stenson, 465 U.S. 886, 895 (1984); Gulfstream III Assocs. v. Gulfstream Aerospace Corp., 995 F.2d 414, 422 (3d Cir. 1993). In his declaration, Pokotilow asserts that the hourly rates are "in accordance with customary attorney hourly rates in Philadelphia, Pennsylvania for litigation dealing with complex and technical issues relating to intellectual property law matters" and "take into account the substantial experience, standing in the bar and expertise of the firm of Caesar, Rivise, Bernstein, Cohen & Pokotilow, Ltd. in general." (Declaration of Pokotilow at ¶ 11). Therefore, I find that Motorola has met its burden in proving that the hourly rates are reasonable.

magnitude, novelty or complexity. The factual issue pertaining to the motion, *i.e.*, whether Thomson had a valid copyright registration, was not disputed. Thus, I find that the preparation of the motion for summary judgment on the copyright claim constituted a straightforward task. However, this does not mean that the preparation for summary judgment was not necessary and was not time-consuming, and that Motorola cannot recover reasonable fees for its preparation. The Court is mystified by Thomson's lack of action to seek amendment of the lawsuit from October 16, 1996 to November 15, 1996. While Thomson promptly corrected the copyright registration with the Copyright Office, Thomson did not make an offer of voluntary dismissal until *after* the motion for partial summary judgment on the copyright claim was filed. Thus, Thomson's first argument will not prevent Motorola from recovering reasonable fees.

I find, however, that significant portions of the briefing of Motorola in its motion and reply briefs were devoted to alternative arguments pertaining to the exclusive right to sell and distribute to the public. These alternative arguments are exactly that, alternative. They did not have any bearing on and were not necessary in demonstrating Thomson's incorrect copyright registration which was virtually uncontested and as to which Motorola could reliably have concluded would be successful in victory for Motorola.⁴ Considering the total pages of these briefs and the total hours expended on their preparation, I have assigned a value to the alternative arguments presented therein. I find twenty-four

⁴ The record does not show that this Court requested or approved of the filing of a reply memorandum by Motorola in support of its motion for partial summary judgment. See Local Rule of Civil Procedure 7.1(c) ("The Court may require or permit further briefs if appropriate."). While a decision to dismiss all fees claimed for work on the reply brief may be permissible, I utilized the reply brief in reaching my final decision and preparing my earlier Memorandum Order. Thus, I will not disallow this part of the claim.

(24) hours to be a reasonable expenditure of time performed on researching and drafting the alternative arguments. As such, I will reduce the hours expended by Motorola in preparation for its motion for partial summary judgment as well as its reply brief by a total of twenty-four (24) hours, specifically twelve hours (12) for Gupta and twelve hours (12) for Pokotilow.

Thomson's second argument has merit. Motorola asserts that it confirmed that Thomson was not the owner of the copyright registration on October 16, 1996 during the deposition of Jim DeWolf, a Vice President of a division of Thomson. DeWolf testified that there was no agreement conveying copyright ownership to Thomson. Motorola accordingly argues that the relevant time period for preparing the partial summary judgment motion began on the next day, October 17, 1996. I disagree. I find that the relevant time period began on October 18, 1996 and extended through Motorola's filing of its reply memorandum in support of its motion for partial summary judgment on December 23, 1996.

On October 18, 1996, Motorola took the deposition of Edward Friedland, in-house counsel of Thomson. Like DeWolf, Friedland also testified that there was no written assignment of the copyright from Beizer to Thomson. Motorola's motion for partial summary judgment on the copyright claim heavily relied on and quoted extensively from the depositions of both Friedland and DeWolf to show that Thomson did not have a valid copyright. Thus, I conclude that Motorola confirmed not only through the deposition of DeWolf, but also through the deposition of Friedland that Thomson was not the real owner

of the copyright at issue.⁵ Because my previous Order limits attorneys' fees to "work done after the date Motorola confirmed through discovery that Thomson was not the real owner of the copyright at issue," I will not award fees to Motorola for the deposition of DeWolf. Specifically, I will reduce the total hours of Gupta, of Krause, and of Pokotilow each by seven, which is the number of hours they each respectively expended on October 17, 1997 for preparation and attendance of the Friedland deposition.⁶

Thomson's third challenge to the fee petition also has merit. Motorola seeks attorney's fees for work performed by its in-house counsel, Krause. In support of this request, Motorola cites Zacharias v. Shell Oil Co. for the proposition that compensating in-house counsel as well as outside counsel is permissible. 627 F. Supp. 31, 34 (E.D.N.Y. 1984) (citing Pittsburgh Plate Glass Co. v. Fidelity & Cas. Co. of N.Y., 281 F.2d 538 (3d Cir. 1960)). While I accept the validity of the principle that in-house counsel are entitled to attorneys' fees award, I am mindful that a district court should "exclude from this initial fee calculation hours that were not reasonably expended," including "excessive, redundant, or otherwise unnecessary" work. Hensley v. Eckerhart, 461 U.S. 424, 434 (1983) (internal quotations omitted). In his declaration, Krause states that he expended fifty-five hours in

⁵ In fact, Motorola submits the declaration of Krause, who states that he took the deposition of Friedland "to follow-up on Thomson's lack of ownership in the copyright registration in suit." (Declaration of Krause at ¶ 5). Again, I find that this "follow-up" was just another way of confirming that Thomson was not the real owner of the copyright.

⁶ Even if the deposition of Friedland was to be included in the overall attorneys' fee award, I would still reduce the hours expended by Gupta, Krause, and Pokotilow on the Friedland deposition as unreasonable, duplicative and excessive. Motorola has failed to meet its burden in justifying the need for having all three attorneys prepare for and attend the deposition.

research and preparing the motion for partial summary judgment.⁷ His monthly time report indicated only the hours spent on a particular date, accompanied by a notation of “Beizer case.” These dates are October 17, 18, 25, 28, 29, 30, and 31, and November 11, 12, and 13 of 1996. No other information is provided. During this same time period, Gupta performed approximately forty hours and Pokotilow performed approximately twenty hours on researching, drafting, reviewing, and revising the motion for partial summary judgment. Having reviewed the submissions of Motorola, I find the time purportedly spent on preparing the motion for partial summary judgment by Krause, an in-house counsel, has not been shown to be necessary or ultimately utilized, especially when the trial attorneys of record, Gupta and Pokotilow, researched, drafted, and reviewed the same issue. Motorola argues, in a conclusory fashion, that the time spent by its three counsel did not result in unnecessary staffing or duplicative work. Yet, Motorola offers no explanation of a planned allotment or division of responsibilities of the substantive tasks of the case among the three attorneys. In short, Motorola has not met its burden of explaining why this work by three attorneys was reasonable, necessary, and not duplicative, especially given that Thomson conceded the invalid copyright registration at issue. I therefore will deny reimbursement for the hours expended by Krause.

B. Fee Petition

Motorola also seeks attorneys’ fees for the drafting of the instant fee petition. In the declaration of Gupta, she sets forth the hourly rate and hours expended for each

⁷ Krause reported a total of sixty-two hours, which included seven hours expended on the deposition of Friedland on October 17, 1996. I eliminated these seven hours, bringing the total to 55 hours. See supra.

attorney in preparing the fee petition from June 17, 1997 to August 4, 1997 as follows:

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Pokotilow	8.5 x	\$ 320	\$ 2,720.00
Cohen	1.9 x	\$ 320	\$ 608.00
Gupta	12.20 x	\$ 130	\$ <u>1,586.00</u>
Total			\$ 4,914 .00

(Declaration of Gupta ¶ 11). In response, Thomson argues that the request for fees for preparing the instant fee petition is outside the express order of this Court to limit the attorneys' fees to work performed in moving for partial summary judgment on the copyright claim, and thus should be denied, especially in light of Thomson's offers to dismiss its case and to compensate Motorola \$5,000.00 in attorneys' fees. I am not persuaded by this argument.

The parties obviously could not agree on an amount of attorneys' fees and, consequently, pursuant to my Orders dated June 16, 1997 and July 24, 1997, Motorola filed its fee petition. There is no evidence of bad faith or unreasonableness on the part of Motorola during these discussions with opposing counsel.⁸ Absent such evidence, I find that Motorola is entitled to reasonable attorneys' fees incurred in its preparation its fee petition. See In re Fine Paper Antitrust Litigation, 751 F.2d 562, 595 n.26 (3d Cir. 1984) ("In litigated statutory fee cases fee petition time is, of course, properly included in the lodestar.").

Courts have reduced the time spent on fee petitions. See, e.g., Sullivan v. Chrysler Motors Corp., Civ. No. 94-5016, 1997 WL 94236, at *5 (D.N.J. Feb. 28, 1997) (reducing 6.7 hours to 3.1 hours on fee petition); Stitsworth v. Ford Motor Co., Civ. No. 95-

⁸ To the contrary, Motorola has shown good faith by not seeking fees for work done in reviewing Thomson's opposition to the fee petition and time spent preparing a reply brief.

5763, 1996 WL 67610, at *2 (E.D. Pa. Feb. 13, 1996) (finding that hours expended on preparing supplemental memorandum in support of fee petition were excessive and reducing hours from 4.4 to 2); Hollinsworth v. Hyundai Motor Am., Civ. No. 93-3407, 1996 WL 58065, at *2 (E.D. Pa. Feb. 12, 1996) (reducing the 40.6 hours claimed in supplemental fee petition to 23.4 hours). One court even eliminated entirely the fees incurred in drafting and arguing the fee petition from the award. See Taylor v. Chrysler Corp., Civ. No. 94-6778, 1995 WL 635195, at *2 (E.D. Pa. Oct. 24, 1995). Compiling the time entries for the fee petition is not a complex task and does not require legal expertise. It could be done by a paralegal or other support staffperson. Similarly, the declarations prepared by Gupta, Pokotilow, and Krause that accompanied the fee petition were factual recitations that did not involve legal research or legal adeptness. I reiterate the point made earlier that this issue was not complex and that Thomson did not contest that it did not own a valid copyright. Nonetheless, a whirlwind of motions amassed, including the present fee petition. The Court cannot help but contemplate whether this storm could have been avoided altogether. For these reasons, I find that the amount of time and fees requested in connection with the drafting of the fee petition are excessive and that a reasonable fee for the work expended for the fee petition under the circumstances is half of the time claimed. Therefore, I will reduce the total amount allowed for the work on the fee petition by one half, and award a total amount of \$2,457.00.

III. CONCLUSION

In light of the foregoing, I will award fees incurred and claimed in preparing the papers related to the motion for partial summary judgment and the instant fee petition, however, I will reduce the fees requested to reflect a reasonable amount in accordance with

the foregoing analysis and award fees as follows:

1. *Motion for Partial Summary Judgment*

<u>Name</u>	<u>Hours</u>		<u>Rate</u>	<u>Amount</u>
Pokotilow	23	x	\$ 310	\$ 7,130.00
Cohen	6.8	x	310	2,108.00
<u>Gupta</u>	<u>30.4</u>	<u>x</u>	<u>120</u>	<u>3,648.00</u>
Subtotal				\$12,886.00

2. *Fee Petition*

<u>Name</u>		
All counsel		
Subtotal		\$ 2,457.00
Grand Total		\$15,343.00

An appropriate Order follows.

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

BORIS BEIZER,	:	CIVIL ACTION
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
MOTOROLA, INC.,	:	
	:	
Defendant.	:	NO. 96-2173

ORDER

AND NOW, on this 13th day of November, 1997, upon consideration of Motorola, Inc.'s petition for attorneys' fees (Document No. 77), and the response of International Thomson Publishing, Inc. thereto, as well as all subsequent briefing by the parties, and for the reasons set forth in the foregoing memorandum, it is hereby **ORDERED** that:

1. The petition is **GRANTED**;
2. International Thomson Publishing, Inc. shall pay Motorola, Inc. the reasonable attorneys' fees in the amount of \$15,343.00 no later than **December 15, 1997**.

LOWELL A. REED, JR., J.