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United States District Court, W.D. Texas, Austin Division.

CANADIAN STANDARDS ASSOCIATION, Plaintiff-Counterdefendant,

v.

P.S. KNIGHT CO., LTD., PS Knight Americas, Inc., and Gordon Knight, Defendants-Counterplaintiffs.

Case No. 1:20-CV-1160-DAE

I

Signed January 4, 2023

Attorneys and Law Firms

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ORDER GRANTING PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT, DENYING DEFENDANTS' MOTION FOR SUMMARY JUDGMENT, AND MOOTING PLAINTIFF'S MOTION TO STRIKE

David Alan Ezra, Senior United States District Judge

*1 Before the Court are three motions. The first two are cross-motions for summary judgment. On May 18, 2022, Defendants P.S. Knight Co. Ltd., PS Knight Americas, Inc., and Gordon Knight (collectively, “Defendants”) filed a Motion for Summary Judgment of Unenforceability and Noninfringement of Copyright. (Dkt. # 62.) Also on May 18, 2022, Plaintiff Canadian Standards Association (“Plaintiff” or “CSA”) filed a Motion for Summary Judgment. (Dkt. # 63.) Both parties timely filed a Response and a Reply in Opposition to the other's motion.¹ (Dkts. ## 65, 66, 68, 69.) The Court finds these matters suitable for disposition without a hearing, and, after careful consideration of the filings both in support of and in opposition to summary judgment, the Court—for the reasons that follow—**GRANTS** Plaintiff's Motion for Summary Judgment in its entirety. (Dkt. # 63.) The Court **DENIES** Defendants' Motion for Summary Judgment. (Dkt. # 62.)

¹ On June 16, 2022, Defendants filed a Miscellaneous Objection (Dkt. # 70), alleging that Plaintiff's June 15, 2022 Reply to Defendants' Motion for Summary Judgment (Dkt. # 69) was untimely. This objection is hereby overruled, as Plaintiff's Reply was timely under the scheduling order in this case. (Dkt. # 43.)

The third motion before the Court is Plaintiff's Motion to Strike Defendants' Jury Demand. (Dkt. # 61.) Because this Order Granting Plaintiff's Motion for Summary Judgment ends the liability questions in the case, the Motion to Strike is hereby **DENIED AS MOOT**. (Dkt. # 61.)

BACKGROUND

CSA is a Canadian non-profit corporation that develops over 3,000 voluntary standards and codes in Canada. (Dkt. # 31 ¶ 2.) In particular, CSA has a long history of writing electrical, propane storage and handling, and oil and gas pipeline standards.

(Id. ¶ 3-5.) CSA has been awarded Canadian copyright registrations for its standards, including the seven which are at issue in this case (collectively, “CSA’s Copyrighted Works”):

1. The Canadian Electrical Code (the “CEC”) (versions published in 2015, 2018, 2021);
2. The Propane Storage and Handling Code (versions published in 2015 and 2020); and
3. The Oil and Gas Pipeline Systems Code (versions published in 2015 and 2019).

(CSA Appx. at 151-274.)² CSA’s Copyrighted Works are voluntary codes for adoption and enforcement by regulatory authorities. (CSA Appx. at 280.) Accordingly, parts of the CSA’s Copyrighted Works have been incorporated by reference into local and federal regulations and statutes in Canada. (CSA Appx. at 281, 288-89, 291, 442-46; Dkt. # 62-1 (“Knight Appx.”) at 127, 134.)

² CSA Appx. references Dockets ## 63-1 to 63-4.

Gordon Knight is the president and sole shareholder of Canadian company P.S. Knight Co. (“PSK Canada”) and sole corporate director of American company P.S. Knight Americas, Inc. (“PSK Americas”). (CSA Appx. at 456-66.) Gordon Knight also operates a website known as “Deep 6 Project,” previously known as “restorecsa.com,” that discusses CSA and the copyright litigation between Defendants and CSA. (CSA Appx. at 460-61; see also Gordon Knight, Deep 6 Project, deep6diaries.com).

*² In 1985, Gordon Knight’s father, Peter Knight, published the first *Electrical Code Simplified* book, which included references with attribution to the CEC. (Dkt. # 31 ¶ 69.) The same year, Peter Knight incorporated PSK Canada. (Id.) CSA alleges that over time, Peter Knight’s *Electrical Code Simplified* transformed from an annotated, shorter version of the CEC to a more exact replica of the CEC. (Id. ¶ 71-72.) CSA attempted to acquire Peter Knight’s business, but negotiations broke down in 2005. (Id. ¶ 73.) Subsequently, CSA alleges that it wrote a letter telling Peter Knight that he needed to cease replicating the CEC. (CSA Appx. at 585.) CSA alleges it also issued a similar letter to PSK Canada in 2011, once Peter Knight had sold PSK Canada to Gordon Knight. (Id.) The parties’ decade-long legal battle began a few years later.

In 2012, CSA brought a copyright action in Canadian federal court against Peter Knight, Gordon Knight, and PSK Canada, alleging that the *Electrical Code Simplified* infringed the CEC.³ (CSA Appx. at 627.) Just after CSA filed the 2012 action, Gordon Knight launched “Restore CSA,” now known as “Deep 6 Project,” a website in which he authored articles and blogs about the copyright litigation between CSA and Defendants. (CSA Appx. at 460, 469, 669.) In response, CSA filed its second suit in Canadian court against PSK Canada and Gordon Knight in 2015, alleging defamation. See Canadian Standards Association v. P.S. Knight Co. Ltd., 2015 ONSC 7980 (CanLII). PSK Canada and Gordon Knight then threatened to sell “essentially an identical copy” of CSA’s 2015 CEC, and CSA filed a suit for copyright infringement based on CSA’s copyright in the 2015 CEC. (CSA Appx. at 586.) The Canadian trial court ruled in favor of CSA, holding that:

- 1) CSA owns a valid copyright under Canadian law in the 2015 CEC;
- 2) Defendants presented no valid evidence to support their defense that Peter Knight was a co-author of the 2015 CEC;
- 3) Defendants did not have a license to reproduce or distribute the 2015 CEC; and
- 4) Defendants infringed CSA’s copyright in the 2015 CEC.

(CSA Appx. at 580-612.) The Canadian court enjoined PSK Canada and Gordon Knight from reproducing, distributing, or selling any publication infringing on the 2015 CEC. (CSA Appx. at 580-612.) This judgment was affirmed on appeal on December 7, 2018. (CSA Appx. 275-441, 656.)

3 On May 11, 2022, the Canadian court entered judgment for Plaintiff. See Canadian Standards Association v. P.S. Knight Co. Ltd., Gordon Knight, and Peter Knight, File No. T-1178-12 (Fed. Ct.). The *Electrical Code Simplified* is not at issue in this case.

On June 17, 2020, Gordon Knight formed PSK Americas. (CSA Appx. at 672.) In a blog post titled “Knight's Code is Back!” and dated October 18, 2020, Gordon Knight described PSK Americas and its purpose:

Knight's Code is back. That's right folks, our release of the 2018-2021 Canadian Electrical Code, which the [Canadian] Court [r]uled against, is happily available once again ... [s]o how can we re-release Knight's Code now? Well first “we,” (that's me), incorporated a new entity in the US and transferred assets to that new entity. Knight's Code is re-released by PS Knight Americas Inc., from the US, and outside the direct jurisdiction of the [Canadian] Federal Court.

(CSA Appx. at 669.) Next, Gordon Knight applied for and registered a U.S. Copyright (“Knight's Copyright”) under the name Canadian Electrical Code, for *Knight's Canadian Electrical Code, Part One: 24th Code Edition*, 2018-2021 (ISBN 978-0-920312-64-3). (CSA Appx. at 681-83, 463-64.) The listed author of the work is Peter Slim Knight, the date of completion is 2018, and the date of publication is April 1, 2018. (CSA Appx. at 682-83.) Gordon Knight's October 18, 2020 blog post describes Knight's Copyright as being a copyright on the same document as the 2018 CEC copyrighted by CSA:

*3 It turns out that [CSA] somehow forgot to register copyright over this document, even while it was under litigation in Canada ... [and] didn't bother to lock down copyright in the US. So we did. As you read this, the Canadian Electrical Code is the private property of PS Knight Americas Inc. in the US. Can you just imagine the fuming at CSA headquarters as they read that last sentence? [I]'s only \$60. Tell your friends!

(CSA Appx. at 669.) As of at least June 18, 2021, <https://psknight.com/> offered the following works:

1. *Knight's Canadian Electrical Code, Part One: 24th Code Edition*, 2018-2021 (hereinafter “*Knight's 2018 CEC*”) (CSA Appx. at 576) (“2018 Legacy Code – 24th Code Edition – Still available – Buy”);
2. *Knight's Canadian Electrical Code – 25th Edition, 2021-2024* (hereinafter “*Knight's 2021 CEC*”) (CSA Appx. at 576) (“Knight's Canadian Electrical Code contains the full [CEC] ... all illustrations, explanations and descriptions therein are presented entirely and exactly as enacted by Governments.”);
3. *Knight's Propane Storage & Handling Code – 2015 Edition* (hereinafter “*Knight's 2015 Propane Code*”) (CSA Appx. at 578) (“[a]ll the Code at less than ½ the cost” of “CSA's Propane Storage & handling Code”);
4. *Knight's Oil & Gas Pipeline Systems Code – 2019 Edition* (hereinafter “*Knight's 2019 Oil & Gas Code*”) (CSA Appx. at 579) (advertising the product as “identical to other reproductions of this Code,” and “Same Code – Different Price” as “CSA's Oil & Gas Pipeline Systems Code”).

In a blog post titled “PS Knight Publishes Two New Codes” posted on May 24, 2021, Gordon Knight described his motivation for publishing *Knight's 2015 Propane Code* and *Knight's 2019 Oil & Gas Code*:

Every time the Civil Service financially harms PS Knight, we have to dream up ways to offset the damage. These new titles *Knight's 2015 Propane Code* and *Knight's 2019 Oil & Gas Code* are an example of that. As the damage they cause increases, so our response is increased ... I'll be blunt with you; the sum of financial damage to PS Knight over the course of the last decade of Civil Service litigations and harassment now exceeds \$24MM. That's a lot to recover from but we're working on it. And we're just getting going ... You can help us collect on that bill. These new books are a bargain ... [b]uy lots of them. Buy them as presents, reference material, pieces of protest art.

(CSA Appx. at 763-64.)

In December of 2020, CSA requested the Canadian federal court issue an Order of Contempt against Defendants for:

“Resum[ing] reproduction, distribution and sales of infringing Knight Code publications through a newly incorporated entity, Knight Americas, contrary to the terms of the Judgment.”

Canadian Standards Association v. PS Knight Co., Ltd. And Gordon Knight, 2021 FC 770. In a July 20, 2021 Order, the Canadian court granted CSA their requested relief, extending the previous injunction to PSK Americas, and finding Defendants guilty of contempt for disobeying the judgment of infringement by selling *Knight's 2018 CEC*.⁴ (CSA Appx. at 624-649.) The court made clear that the “Knight Parties have not avoided the terms of the [Canadian court's previous] judgment or the jurisdiction of this Court by their attempts to shield their activities through Knight Americas.” Id. at 21. Furthermore, the “terms of Judgment cover other editions or versions of the Knight Code that would violate CSA's copyright in the 2015 CSA Code,” including the later editions of 2018 and 2021.⁵ *Knight's 2018 CEC* reproduced a “substantial part of the 2015 CSA code,” accordingly violating the prior judgment. Id. at 20.

⁴ There was also a third Canadian suit for infringement, for the sale of the 2018 CEC, but it was seemingly resolved by the Canadian court's resolution of the appeal in the 2015 CEC case. (CSA Appx. at 628.)

⁵ In particular, the court ruled that “the 2021 Knight Code reproduces a substantial part of the 2015 CSA Code,” but would not be the subject of the contempt proceeding because it was not distributed by Defendants until after the show cause order. 2021 FC 770 at 17. The ruling on the 2021 CEC therefore comes directly from the November 5, 2021 ruling.

*4 On May 9, 2021, Gordon Knight published a blog post stating that he had “fled the country” because of a “Secret Hearing” that would take place on November 10, 2021, and that “both sides of the Civil service were now moving rapidly to imprison [him] and take all that [he] own[ed].” (CSA Appx. at 678.) He reassured his readers that “[f]or months, we have been quietly transferring PS Knight assets out of Canada ... to ensure continuity of,” and “emphasize[d]” that “the products of PS Knight ... are unaffected and still ship from Canada.” (CSA Appx. at 679.)

On November 5, 2021, the Canadian Federal Court permanently enjoined Defendants from exploiting the rest of CSA's Copyrighted Works by selling:

1. *Knight's 2021 CEC* in violation of CSA's copyright C22.1.21, Canadian Electrical Code, Part 1;

2. *Knight's 2015 Oil & Gas Code* in violation of CSA's copyright CSA Z662-15: Oil and Gas Pipeline Systems;
3. *Knight's 2019 Oil & Gas Code* in violation of CSA's copyright Z662-19: Oil and Gas Pipeline Systems;
4. *Knight's 2015 Propane Code* in violation of CSA's copyright B-149.2-15: Propane Storage and Handling Code; and
5. *Knight's 2020 Propane Code* in violation of CSA's copyright B149.2-20: Propane Storage and Handling Code.

(CSA Appx. at 1186.) The court also prohibited Defendants from “importing into Canada the Infringing Works” or operating a website for the purpose of making such infringing sales, and awarded \$100,000 in statutory damages and \$75,000 in punitive damages. (CSA Appx. at 1188.)

On March 18, 2022, one month after this Court denied CSA's preliminary injunction request, Gordon Knight posted a blog stating “Knight's Code is BACK!” and indicating that Knight's 2021 CEC and Knight's 2018 CEC were both available for sale, and “[t]he rest of our suite of products will be relaunched very soon.” (CSA Appx. at 962.)

LEGAL STANDARD

Summary judgment may be granted if the moving party shows there is no genuine issue of material fact, and it is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). Summary judgment shall be rendered when the pleadings, the discovery and disclosure materials on file, and any affidavits show that there is no genuine dispute as to any material fact and that the moving party is entitled to judgment as a matter of law. Fed.R.Civ.P. 56(a); Celotex Corp. v. Catrett, 477 U.S. 317, 323–25, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986); Washburn v. Harvey, 504 F.3d 505, 508 (5th Cir. 2007). A dispute regarding a material fact is “genuine” if the evidence is such that a reasonable jury could return a verdict in favor of the nonmoving party. Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 248, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986).

“Where the non-movant bears the burden of proof at trial, the movant may merely point to the absence of evidence and thereby shift to the non-movant the burden of demonstrating ... that there is an issue of material fact warranting trial.” Nola Spice Designs, LLC v. Haydel Enter., Inc., 783 F.3d 527, 536 (5th Cir. 2015) (quotations omitted). “When the moving party has met its Rule 56(c) burden, the nonmoving party cannot survive a summary judgment motion by resting on the mere allegations of its pleadings.” Duffie v. U.S., 600 F.3d 362, 371 (5th Cir. 2010). Instead, the non-movant must identify specific evidence in the record and articulate how that evidence supports the party's claim. Willis v. Cleco Corp., 749 F.3d 314, 317 (5th Cir. 2014). Mere conclusory allegations are not competent summary judgment evidence, and thus are insufficient to defeat a motion for summary judgment. Turner v. Baylor Richardson Med. Ctr., 476 F.3d 337, 343 (5th Cir. 2007). When ruling on cross motions for summary judgment, “the court views the record in the light most favorable to plaintiff when considering defendant's motion, and the court views the record in the light most favorable to defendant when considering plaintiff's motion.” Thompson-Harbach v. USAA Fed. Sav. Bank, 359 F. Supp. 3d 606, 614 (N.D. Iowa 2019).

DISCUSSION

I. Have Defendants Infringed CSA's Canadian Copyrights Under US Law

*5 Since Canada is a signatory to the Berne Convention,⁶ Canadian copyright holders enjoy the same rights under the Copyright Act as United States copyright holders. 17 U.S.C. §§ 104, 1203; see also Jaso v. Coca Cola Co., 435 F. App'x 346, 352 n.4 (5th Cir. 2011) (“[P]ublished works authored by Berne nationals and domiciliaries are protected under U.S. copyright

law”) (citation omitted). Under the Copyright Act, “[t]o prove copyright infringement, a plaintiff must establish (1) ownership of a valid copyright; (2) factual copying; and (3) substantial similarity.” Armour v. Knowles, 512 F.3d 147, 152 (5th Cir. 2007) (per curiam). The foreign law where the copyrights are held “determines the ownership and essential nature of the copyrights alleged to have been infringed” while the “United States law determines whether those copyrights have been infringed” and what remedies are available. Itar-Tass Russian News Agency v. Russian Kurier, Inc., 153 F.3d 82, 84 (2d Cir. 1998); see Alameda Films SA de CV v. Authors Rights Restoration Corp., 331 F.3d 472, 476 (5th Cir. 2003) (addressing plaintiffs’ rights in Mexican films under Mexican copyright law); Saregama India Ltd. v. Mosley, 635 F.3d 1284, 1290 (11th Cir. 2011) (“Initial ownership of a copyrighted work is determined by the laws in the work's country of origin.”) (citation omitted); Edmark Indus. SDN. BHD. v. S. Asia. Int'l (H.K.) Ltd., 89 F. Supp. 2d 840, 843 (E.D. Tex. 2000) (citing Itar-Tass, 153 F.3d 82).

⁶ The Court takes judicial notice of the fact that Canada is a signatory to the Berne Convention. See World Intellectual Property Organization, Contracting Parties, Berne Convention, https://www.wipo.int/treaties/en/ShowResults.jsp?lang=en & treaty_id=15

A. No Genuine Issue of Material Fact as to CSA's Ownership of Valid Copyrights for the Seven Copyrighted Works
The bulk of Defendants’ argument relates to the first element of direct copyright infringement: whether CSA owns a valid copyright in its works. (See Dkts. ## 62, 66.) Proof of U.S. registration is not a prerequisite to suit if the work originated in a country that is a signatory to the Berne Convention. Edmark, 89 F. Supp. 2d at 844 n.1; see also 17 U.S.C. § 411(a) (requiring that only a United States work be registered or preregistered before a civil action for infringement can be instituted); Fourth Est. Pub. Benefit Corp. v. Wall-Street.com, — U.S. —, 139 S. Ct. 881, 891, 203 L.Ed.2d 147 (2019) (stating that Congress removed § 411(a) registration requirement for foreign works to comply with the Berne Convention). A party relying on the registration exemption must sufficiently allege that the works are not United States works within the meaning of Section 101 of the Copyright Act. DigitAlb, Sh.a v. Setplex, LLC, 284 F. Supp. 3d 547, 555 (S.D.N.Y. 2018). Section 34.1(2)(a) of the Canadian Copyright Act “provides that if the name of the author is indicated on the work in the usual manner, there is a presumption that the author owns valid copyright.”

CSA has provided the Canadian copyright certificates for all seven of its Copyrighted Works, on which CSA's name appears. (CSA Appx. 151-274.) CSA has also indicated that it qualifies for a registration exemption because the Copyrighted Works are Canadian. Defendants do not challenge any of these facts. Instead, Defendants argue that CSA's copyrights are invalid because “[n]o one can own the law,” and CSA's Copyrighted Works constitute “the law” in Canada. (Dkt. # 62 at 1.) This argument fails, just as it did in the Motion to Dismiss. (Dkt. # 47.)

The government edicts doctrine—from which Defendants draw their argument—is an American legal doctrine that prevents the copyrighting of American “government work product” created in the course of official duties. Georgia v. Public.Resource.Org. Inc., — U.S. —, 140 S. Ct. 1498, 1504, 206 L. Ed. 2d 732 (2020). This doctrine has no application to the validity of CSA's Copyrighted Works. As explained above, the validity of a foreign copyright is determined based on compliance with the foreign government's copyright law, not United States law. Defendants do not point to any Canadian legal doctrine resembling the American government edicts doctrine.⁷ This is fatal to their argument.

⁷ Moreover, the many proceedings between the parties in Canadian federal court show that the *opposite* is true under Canadian copyright law: copyright vests in “material incorporated by reference into statutes or regulations, like the CSA Electrical Code.” (CSA Appx. at 285); 2018 FCA 222 at 9. The fact that Canadian copyright law may be broader than United States copyright law on this topic does not present a barrier to protecting Canadian copyrights. See generally Golan v. Holder, 565 U.S. 302, 333, 132 S.Ct. 873, 181 L.Ed.2d 835 (2012).

*6 Even if the government edicts doctrine was relevant, Defendants' argument would fail on its merits. As Defendants' cases reveal, courts have only applied the government edicts doctrine to works that have been incorporated into the federal, state, or local laws of the *United States*. See Veeck v. S. Bldg. Code Congress Int'l, Inc., 293 F.3d 791, 796 (5th Cir. 2002) (finding that building codes adopted by Texas municipalities are not copyrightable); Int'l Code Council, Inc. v. UpCodes, Inc., No. 17 Civ. 6261 (VM), 2020 WL 2750636, at *6 (S.D.N.Y. May 27, 2020) (finding that building codes adopted into law by U.S. jurisdictions are in the public domain). The text of the Copyright Act likewise limits the copyright carve-out for government edicts to "any work of the *United States Government*." 17 U.S.C. § 105(a) (emphasis added). Defendants admit that CSA's Copyrighted Works were authored in Canada by a private Canadian organization, and incorporated only into *Canadian* law.⁸ (CSA Appx. 470-75, 490-91; Dkt. # 62 at 10.) Accordingly, their challenge to the validity of CSA's Copyrighted Works on the basis that they are "the law" fails as a matter of law.

⁸ Defendants' contention that some members of CSA are "based in the United States" does not change this finding. (Dkt. # 62 at 10.)

B. No Genuine Issue of Material Fact as to Factual Copying

The second prong of infringement, factual copying, can be proved by either direct or circumstantial evidence. Armour, 512 F.3d at 152. While "[d]irect evidence of copying is rarely available because it includes evidence such as party admissions, witness accounts of the physical act of copying, and common errors in the works of [the parties]," Fed'n of State Massage Therapy Bds. v. Mendez Master Training Ctr., Inc., 393 F. Supp. 3d 557, 567 (S.D. Tex. 2019), when available, direct evidence is dispositive. See Enter. Mgmt. Ltd. v. Warrick, 717 F.3d 1112, 1120 (10th Cir. 2013). In Nat'l Conf. of Bar Examiners, for instance, direct evidence established the defendant test preparation company's factual copying of Multistate Bar Examination ("MBE") questions. Nat'l Conf. of Bar Examiners v. Multistate Legal Studies, Inc., 458 F. Supp. 2d 252 (E. D. Pa. 2006). The court noted how defendant's "advertisements brag about how close its questions are" to those of the MBE, "reproduce MBE questions nearly verbatim," and "contain trivial variations" suggestive of copying. Id. at 256.

The facts here present "the rare case in which there is direct evidence that defendants copied plaintiff's work." Mendez Master Training Ctr., Inc., 393 F. Supp. 3d at 567 (quoting Nat'l Conf. of Bar Examiners, 458 F. Supp. 2d at 256). Defendants openly advertise using the "same code" as CSA's Copyrighted Works. (CSA Appx. at 685) (advertising that Knight's 2018 CEC contains the "full Code," including "all illustrations, explanations and descriptions therein are presented entirely and exactly as enacted by Governments"); (CSA Appx. at 576) (advertising the same about Knight's 2021 CEC); (CSA Appx. at 578) (advertising Knight's 2015 Propane Code as "[a]ll the Code at less than ½ the cost" and "identical" to CSA's code); (CSA Appx. at 766) (advertising Knight's 2020 Propane Code); (CSA Appx. at 579) (advertising the same about Knight's 2019 Oil & Gas Code and Knight's 2015 Oil & Gas Code).

Even if this were insufficient direct evidence, the side-by-side comparisons between Knight's works and CSA's copyrighted works demonstrate "probative similarity" that is "sufficient circumstantial evidence to establish factual copying." Mendez Master Training Ctr., Inc., 393 F. Supp. 3d at 568 (finding factual evidence of copying where plaintiff's side-by-side comparison of the works revealed that defendant's materials were all verbatim or near verbatim of the copyrighted works). The Court's side-by-side comparison of the works reveals that they are almost identical to CSA's Copyrighted Work, with only font changes and some slight typographical errors, as discussed in more detail in the following section. (CSA Appx. at 690-761.)

*7 Defendants have not rebutted this direct evidence. Defendants merely restate that their reproduction of CSA's Copyrighted Works does not violate United States law because they are copying "model code text which has been ... adopted as the law in Canada." (Dkt. # 62 at 15.) Defendants' regurgitation of the government edicts doctrine fails for the reasons already discussed. See supra Section I(A). The court has no duty to search the record for material fact issues. Rather, as the party opposing summary judgment on direct infringement, Defendants were required to identify *specific evidence* in the record and articulate precisely

how this evidence supports their claim. RSR Corp. v. Int'l Ins. Co., 612 F.3d 851, 857 (5th Cir. 2010) (internal citations omitted). Defendants have failed to point to any evidence rebutting the direct evidence of factual copying, relying instead on a legal argument the Court has already rejected. This is insufficient to survive summary judgment on factual copying. Id.

C. No Genuine Issue of Material Fact as to Substantial Similarity

The Court turns to the final element of direct infringement, substantial similarity between the works. “To determine whether an instance of copying is legally actionable, a side-by-side comparison must be made between the original and the copy to determine whether a layman would view the two works as substantially similar.” Peel & Co., Inc. v. The Rug Mkt., 238 F.3d 391, 395 (5th Cir. 2001) (internal citation omitted). The issue of substantial similarity is generally an issue of fact for the jury. However, where no reasonable jurors could disagree, summary judgment is appropriate. Id.; see also Glasscraft Door I, L.P. v. Seybro Door & Weathership Co., Inc., No. CIV.A. H-08-2667, 2009 WL 3460372, at *4 (S.D. Tex. Oct. 22, 2009) (finding substantial similarity as a matter of law between two door designs based on the court's review of the designs).

Defendants certainly copied CSA's Copyrighted Works, as “[t]he similarities are so striking” they “can only be explained by copying, rather than by coincidence, independent creation, or prior common source.” Mendez Master Training Ctr., Inc., 393 F. Supp. 3d at 568. In particular, the Court finds persuasive the declaration of Doug Morton, stating that after reviewing all the publications at issue, “Knight's publications differ only in the cover, legal notice pages, and the back page.” (CSA Appx. at 688.) In conducting its own review of the materials, side-by-side, the Court agrees that a layman would view the Knight works as substantially similar to the respective codes it purports to copy. (CSA Appx. 690-761.) The excerpts provided indicate that the codes are broken down into the same sections and subsections, contain the same preface and appendix material, include the same tables and charts, and that the body text is copied verbatim or near verbatim from the relevant CSA Copyrighted Works. (CSA Appx. at 690-761.)

Tellingly, Defendants do not dispute the substantial similarity of their works to those of CSA. In fact, the identity of Defendants' books to CSA's Copyrighted Works was and is central to Defendants' business plan. Defendants' webpage trumpets how each book offers the “same code” as that of CSA's Copyrighted Works, and provides 1:1 comparisons of the cost of CSA's book with the corresponding Knight's code version:

*Why purchase Knight's Code?
Same Code — Different price.
PS Knight's Code book: \$ 80
CSA's Code book: \$185
You save \$105. All the Code at less than ½ the cost!*

(CSA Appx. at 774.) Gordon Knight's blog posts double down on Defendants' scheme, explaining that he registered a United States copyright over one of CSA's Copyrighted Works “even while it was under litigation in Canada” because CSA “somehow forgot to register copyright over this document.” (CSA Appx. at 669) (explaining that CSA “didn't bother to lock down copyright in the US. So we did.”)

II. Defendants Have Not Raised A Genuine Issue of Material Fact as to Any Relevant Defense

*8 Defendants have the burden of proof on each of their affirmative defenses. Fontenot v. Upjohn Co., 780 F.2d 1190, 1194 (5th Cir. 1986). Once CSA moved for summary judgment on Defendants' affirmative defenses, the burden shifted to Defendants to set forth specific facts showing an issue for trial.

Over the decade of litigation between the parties, Canadian federal courts have issued comprehensive rulings rejecting the defenses Defendants now raise in this Court.⁹ (CSA Appx. at 275-442, 530-667.) CSA argues that because of international comity, the Court may summarily reject Defendants' defenses of (1) co-authorship/co-ownership; (2) license; (3) fair use; and (4) merger. (Dkt. # 63 at 11-19.) In this case, however, the contours of this Court's deference to the capable Canadian courts are more complex than CSA suggests. The requirements of comity are complicated by the demands of issue preclusion and the bifurcation of governing law into matters of ownership and matters of infringement.

⁹ The only new defense raised by Defendants is the government edicts doctrine, as discussed in Section I(A).

Under principles of international comity, a foreign court's judgment on a matter is conclusive in a federal court when (1) the foreign judgment was rendered by a court of competent jurisdiction, which had jurisdiction over the cause and the parties, (2) the judgment is supported by due allegations and proof, (3) the relevant parties had an opportunity to be heard, (4) the foreign court follows procedural rules, and (5) the foreign proceedings are stated in a clear and formal record. Int'l Transactions, Ltd. v. Embotelladora Agral Regiomontana, SA de CV, 347 F.3d 589, 594 (5th Cir. 2003). The Canadian litigation satisfies all five requirements. The Court's review of the Canadian record from the Canadian trial court and federal court of appeal indicates that there was jurisdiction over the cause and the parties, the judgments were amply supported by due allegations and proof, Defendants and CSA had opportunities to be heard, procedural rules were followed, and the record was clearly stated. (See CSA Appx. at 275-441, 580-612.) Moreover, Canadian courts are regularly recognized courts of competent jurisdiction. See Block v. InterOil Corp., 373 F. Supp. 3d 683, 689 (N.D. Tex. 2019). Finding no issue with the basics of comity, the Court will hold the Canadian judgments conclusive as to the issues tried upon the merits therein, to the extent that they satisfy the requirements of collateral estoppel.

Under the doctrine of collateral estoppel, "once an issue is actually and necessarily determined by a court of competent jurisdiction, that determination is conclusive in subsequent suits based on a different cause of action involving a party to the prior litigation." See Montana v. United States, 440 U.S. 147, 153, 99 S. Ct. 970, 59 L.Ed.2d 210 (1979). So long as a party has been given a "full and fair opportunity to litigate" a matter, he or she is precluded from further litigation of the same matter. Id. Collateral estoppel may be used offensively to "estop a defendant from relitigating the issues which the defendant previously litigated and lost." Parklane Hosiery Co., Inc. v. Shore, 439 U.S. 322, 329, 99 S. Ct. 645, 650, 58 L. Ed. 2d 552 (1979). Here, there is no doubt that Defendants had an opportunity to fully and fairly litigate their defenses in Canadian court. All three named Defendants were represented in the Canadian actions, and had every reason to vigorously defend themselves in that court as they do in this Court. Rather, the sticky question is whether the issues presented in this case are identical to those presented in the Canadian case. Issues are not identical if the second action involves an application of a different legal standard, even though—as here—the factual setting is the same in both actions. B & B Hardware, Inc. v. Hargis Indus., Inc., 575 U.S. 138, 154, 135 S. Ct. 1293, 1306, 191 L. Ed. 2d 222 (2015); see also Financial Acquisition Partners LP v. Blackwell, 440 F.3d 278, 284–285 (5th Cir. 2006) (finding the ruling of a Tenth Circuit court not entitled to issue preclusion because Tenth and Fifth Circuits used different standard in determining whether corporate officer could be held liable for statements under the PSLRA); In re Yarn Processing Patent Validity Litigation, 498 F.2d 271, 278–279 (5th Cir. 1974) (finding that Canadian patent proceedings settling the "date of invention" did not preclude the issue of "reduction to practice" under United States patent law since the legal concepts were different).

*⁹ Accordingly, this Court is collaterally estopped from revisiting the Canadian courts' rulings only on the issues to which this Court must apply Canadian law. As explained earlier, Canadian law governs the *ownership* of copyright in this action, while United States law governs infringement. See Itar-Tass, 153 F.3d at 84. The Canadian courts applied Canadian law to their determination of (1) co-authorship/co-ownership; (2) license; (3) fair use; and (4) merger. Therefore, collateral estoppel applies to whichever of the four defenses is based on ownership.

A. First Defense: Unenforceability — Merger

Defendants argue that CSA's Copyrighted Works are unenforceable under the doctrine of merger “because laws are facts that are common property and incapable of being expressed in different terms in a meaningful way.” (Dkt. # 59 at 15.) The Court agrees with CSA that the doctrine of merger relates to the copyrightability of a work, not the existence of infringement. See Veeck v. S. Bldg. Code Cong. Int'l, Inc., 293 F. 3d 791, 801-02 (5th Cir. 2002) (*en banc*) (characterizing merger doctrine as “limit on copyrightability instead of infringement); see also Mason v. Montgomery Data, Inc., 967 F. 2d. 135, 140 (5th Cir. 1992). Accordingly, Canadian copyright law governs merger, and comity and collateral estoppel counsel this Court to adopt the Canadian courts’ well-reasoned rejection of Defendants’ merger defense.

As the Canadian courts held, Canadian law does not preclude private copyright of “materials incorporated by reference into statutes or regulations, like the CSA Electrical Code.” (CSA Appx. at 285-91) (citing the *Statutory Instruments Act*, R.S.C. 1985, c. S-22, ss. 10(1), 11(1), 18.1(1); *Interpretation Act*, R.S.C. 1985, c. I-21, s. 2(1)). Defendants’ merger defense therefore fails as a matter of law.¹⁰

¹⁰ Even if Veeck applied, Defendants have not shown the Court that they publish merely Canadian law, rather than a wholesale replica of CSA's model code, as a model code. See 293 F. 3d at 805 (“[T]he result in this case may have been different if Veeck had published not the building codes of Anna and Savoy, Texas, but the SBCCI model codes, as model codes.”).

B. Second Defense – Co-authorship/Co-ownership of Canadian Electrical Code Copyrights

Defendants next claim that Peter Knight “contributed authorship to the [CEC] for decades” and that as his successors in interest, Defendants are “entitled to exploit the entirety of the work.” (Dkt. # 59 at 15.) Defendants limit this defense to the CEC, so the outcome of this affirmative defense only matters with respect to three of CSA's Copyrighted Works: the 2015, 2018, and 2021 CECs, which Defendants have reproduced as *Knight's 2015 CEC*, *Knight's 2018 CEC*, and *Knight's 2021 CEC*. Co-authorship is an issue of ownership. See generally Data Sols., Inc. v. Directed Elecs. Canada, Inc., No. CV 18-1560-GW(EX), 2018 WL 4742289, at *7 (C.D. Cal. Aug. 15, 2018) (determining viability of Canadian copyright authorship claim by applying Canadian copyright law); see also Roberts v. BroadwayHD LLC, 518 F. Supp. 3d 719, 730–31 (S.D.N.Y. 2021) (“A copyright infringement claim is an ‘ownership claim’ when it ... focuses on competing assertions of ownership or rights in the work at issue.”) Accordingly, Canadian copyright law governs the co-authorship claim, and comity and collateral estoppel counsel this Court to adopt the Canadian courts’ rejection of Defendants’ co-authorship defense.

As described by the Canadian trial court, Canadian copyright law encompasses a presumption that valid ownership of a copyright rests in the party named on the certificate of registration, in the absence of credible evidence to the contrary. (CSA Appx. at 593-96); *Copyright Act*, R.S.C. 1985, c. C-42, s. 34.1, 53(2). Defendants do not contest that CSA has produced the valid certificates of registration for all its Copyrighted Works. Instead, Defendants claim that they have produced credible evidence that Peter Knight made contributions to the CEC. (Dkt. # 66 at 9.) Defendants point to a table created by Gordon Knight or his counsel for the Canadian litigation: the table has dates from April 1, 1959 to October 19, 1983 and provides a one or two word description of Peter Knight's alleged contributions to the code. (Dkt. # 66-1 at 13-22.) As CSA notes, however, Defendants made no effort to connect the one-or two-word topics listed on the spreadsheet to any particular piece of the 2015, 2018, or 2021 CEC. In fact, the chart states that Peter Knight's contributions were made to CECs in the 70s and 80s, not the CECs at issue. (*Id.*) Furthermore, Defendants admit that Peter Knight never made a legal claim of authorship or ownership of the CEC. (*Id.* at 12.) Gordon Knight's creation of a spreadsheet documenting his father's alleged contributions to CEC versions that are not at issue in this litigation does not present a viable challenge to CSA's valid ownership certificates under Canadian law. (CSA Appx. at 593-96.)

C. Third Defense — Abandonment of Copyright

*10 Defendants next argue that CSA abandoned its Canadian copyrights by allowing them to be incorporated into Canadian law. In copyright, abandonment is “the intentional relinquishment of a known right with knowledge of its existence and the intent to relinquish it.” A & M Records, Inc. v. Napster, Inc., 239 F.3d 1004, 1026 (9th Cir. 2001). But abandonment of copyright “occurs only if there is an intent by the copyright proprietor to surrender rights in his work.” 4 Nimmer on Copyright § 13.06; see also Furie v. Infowars, LLC, 401 F. Supp. 3d 952, 966 (C.D. Cal. 2019) (finding genuine issue of material fact as to abandonment where copyright holder made public statements encouraging third-party use and profit of his copyrighted character).

Defendants did not produce any such evidence to suggest that CSA intended to abandon its copyrights. Rather, the record shows CSA's commitment to vindicating its copyrights. For the better part of a decade, CSA has sought the help of Canadian courts to protect its copyrighted works against Defendants' intrusions. Now that Defendants have moved their operations to the United States, CSA has continued their fight in American courts. Defendants' allegation of abandonment is therefore contradicted by the record and insufficient to raise a genuine issue of material fact on this defense.¹¹

¹¹ Furthermore, Defendants' conflation of the integration of CSA's standards into Canadian law with CSA's intent to abandon its copyrights is belied by Canadian copyright law, as discussed in the context of merger. See supra Section II(A)

D. Fourth and Eighth Defenses—Fair Use and Copyright Misuse

Defendants argue that the Knight publications are “purely educational in nature and are used to educate the public about the law that binds them,” so their republication is fair use. (Dkt. # 59 at 15-16.) Defendants also claim that “CSA is improperly using its copyright to limit the public's access to the law that binds them.” (Id. at 16.) Fair use relates to enforcement, rather than ownership, so the Canadian courts' holding on this defense is not preclusive.¹² See Bridgeport Music, Inc. v. UMG Recordings, Inc., 585 F.3d 267, 277 (6th Cir. 2009) (“The doctrine of fair use operates to prevent the mechanistic enforcement of copyright law in a way that would work to repress creativity.”).

¹² Though, admittedly, the “fair dealing” standard employed in Canada is quite similar. (See Dkt. # 63 at 17, n. 5.)

The Copyright Act permits the fair use defense based on analysis of the following factors: (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work. See 17 U.S.C. § 107. Each of these factors weighs clearly in favor of CSA.

The record contradicts Defendants' claim that the Knight's Code is “purely educational in nature.” (Dkt. # 59 at 15-16.) Defendants admit that they publish Knight's Code for “a reasonable price in the market” in an attempt to profit. (CSA Appx. at 466-69 (stating that “we are competing in the market,” and that “[w]ere it not for [CSA], I would be making profit off [the Knight Codes].”))

Defendants cite Am. Soc'y for Testing & Materials, et al. v. Public.Resource.Org, Inc., in which “little, if anything, in the record indicate[d]” that the defendant, a free website hosting standards incorporated into United States law, “[stood] to profit from its reproduction” of the law. 896 F.3d 437, 449 (D.C. Cir. 2018). But the facts here are entirely inapposite. Defendants' website and advertisements make clear that Knight's Code is produced to undermine CSA's sales and priced to undercut CSA's prices. (CSA Appx. at 577-79.) Despite Defendants' seemingly newfound dedication to public service, “[t]he crux of the profit/nonprofit distinction is ... whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.” Harper & Row Publishers, Inc. v. Nation Enterprises, 471 U.S. 539, 562, 105 S. Ct. 2218, 2231, 85 L. Ed. 2d 588

(1985). Defendants could not be clearer about their intent to profit from the sale of the CSA's Copyrighted Work at a lower price than CSA. (CSA Appx. at 763 (stating “So, engineers and other professionals needing to access these laws don't have to pay CSA's sky-high prices anymore. PS Knight's prices are less than half of CSA's prices.”)) Defendants openly advertise using the “same code” as CSA's Copyrighted Works “at less than ½ the cost.” (CSA Appx. at 577-79.) The first factor clearly weighs in favor of CSA.

*11 The second, third, and fourth factors likewise weigh in favor of CSA. As to the second factor, Defendants provide no facts indicating that they “add[ed] something new, with a further purpose” in their Knight's Codes, such that their reproduction of CSA's Copyrighted Works was “transformative.” Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569, 579, 114 S. Ct. 1164, 1171, 127 L. Ed. 2d 500 (1994). For the third factor, Defendants did not provide facts to rebut CSA's showing that Knight's Codes reproduces CSA's Copyrighted Works in their entirety, which weigh against a finding of fair use.¹³ See Stross v. Stone Textile, LLC, No. 1:18-CV-454-RP, 2019 WL 4060888, at *6 (W.D. Tex. June 27, 2019) (reproducing the entirety of a copyrighted work excusable only where necessary for the purpose or character of the use). Since Defendants’ production of Knight's Code is commercial, the fourth factor presumptively weighs in CSA's favor. Id. Defendants provided nothing to rebut this presumption: their own emails show the negative “potential market effects” of Defendants’ continued reproduction of CSA's Copyrighted Works. Id. at *7; (CSA Appx. at 778-84 (demonstrating that selling Knight's Code as an infringing version of CSA's Copyrighted Works impacts the market negatively)).

¹³ In particular, Defendants did not support their claim that they merely copied the “laws” of Canada, as opposed to CSA's Copyrighted Works. This is especially damning given the fact that Knight's Codes are broken down not by reference to any law where the standards might be found, but by the exact sections and subsections of CSA's Copyrighted Works. (See CSA Appx. at 695, 716, 725.)

Defendants have failed to raise an issue of material fact as to any of the four factors of fair use. Accordingly, CSA is entitled to summary judgment on the affirmative defense of fair use and copyright misuse.

E. Fifth and Sixth Defenses – Equitable Estoppel and License

Defendants claim that “[f]or decades ... CSA allow[ed] them to publish books that quoted extensively from the most important provisions of the Canadian Electrical Code.” (Dkt. # 59 at 16.) Likewise, Defendants claim that “CSA provided Defendants with a license by way of written permission to ‘quote from the Code providing recognition of the source’ contained in a letter to Peter Slim Knight dated May 12, 1969.” (Id.) Defendants have failed to produce any evidence of the letter or any other support for these defenses. As the nonmoving party, Defendants “cannot survive a summary judgment motion by resting on the mere allegations of [their] pleadings.” Duffie, 600 F.3d at 371. Instead, Defendants needed to identify specific evidence in the record that supports their claim that CSA ever permitted Defendants to replicate all seven of CSA's Copyrighted Works. See Willis, 749 F.3d at 317. Defendants cannot survive summary judgment on their fifth and sixth affirmative defenses.¹⁴

¹⁴ Even if the 1969 letter existed, allowing Defendants to “quote from the Code” with attribution to CSA, it would not cover Defendants’ conduct. As described at length already, CSA's unrebutted side-by-side analysis shows that Defendants wholesale copy the code, without attribution. (CSA Appx. at 690-761.) Furthermore, the Canadian court found that any communication between the parties “put Knight on notice that any such license would be terminated at least as early as 2005 and repeatedly thereafter.” (CSA Appx. at 596-97.)

F. Seventh and Ninth Defenses — Copyright Estoppel and Unenforceability

Defendants next argue that “[b]inding laws are facts not amenable to other forms of expression, and therefore not amenable to copyright protection in the United States.” (Dkt. # 59 at 16.) This argument is a reiteration of the premise rejected in the

first affirmative defense of merger. Despite Defendants' attempt to characterize this issue as one of enforceability under United States law, it is one of copyrightability, and thus governed by Canadian law. See Veeck, 293 F. 3d at 801-02. These affirmative defenses therefore fail for the same reason discussed in the context of merger. See supra Section II(A).

G. Counterclaim Count I: Declaratory Judgment of Co-Authorship or Co-Ownership

*12 Defendants ask this Court for a Declaratory Judgment of Co-Authorship or Co-Ownership in the Canadian Electrical Code. (Dkt. # 59 at 21.) For the reasons discussed in Section II(B), the Court denies this request.

III. Appropriate Remedies

CSA seeks: (1) all remedies afforded by the Copyright Act, including preliminary and permanent injunctive relief, CSA's damages and Defendants' profits from Defendants' willfully infringing conduct in the United States, and other monetary relief; (2) a declaration that Defendants' copyright registration, No. TX0008892018, dated September 1, 2020 and titled *Canadian Electrical Code, Part One*, is invalid and for an order directing Defendants to cancel the U.S. Registration with the U.S. Copyright Office; and (3) a declaration that Defendants own no copyrights in any version of CSA's Copyrighted Works. (Dkt. # 31 at 6.)

A. Declaratory Judgment Granted on Invalidity of Copyright Registration No. TX0008892018

Declaratory judgment is an appropriate means of determining intellectual property rights when: (1) the party seeking declaratory judgment has real and reasonable apprehension of litigation; and (2) the party seeking declaratory judgment has engaged in a course of conduct that brings it into adversarial dispute with its opponent. See State of Tex. v. W. Pub. Co., 882 F.2d 171, 175 (5th Cir. 1989). Both prongs are handily met here.

First, Defendants have engaged in a course of conduct that supports CSA's fear of litigation: the parties have been in near-constant litigation over CSA's rights in the CEC for a decade in Canadian courts. (CSA Appx. at 275-441, 580-667.) Moreover, Defendants have stated their intent to take this battle to the American court system. (CSA Appx. at 669 (explaining that Knight's Code is back because it was re-released "from the US, and outside the direct jurisdiction of [Canadian] Federal Court.")). As to the second prong, CSA is actively engaged in publishing the CEC, creating a direct adversarial dispute over who can publish the work copyrighted by Defendants in the United States. See State of Tex., 882 F.2d at 175 ("[P]laintiff must show that it has actually published or is preparing to publish the material that is subject to the defendant's copyright."); (CSA Appx. at 491).

Turning to the merits of the request for declaratory judgment, the Court finds that Defendants' copyright registration was fraudulently obtained and therefore invalid. Under the Copyright Act, a certificate of registration satisfies statutory requirements and is valid unless (1) the applicant knowingly included inaccurate information and (2) the inaccuracy would have caused the Copyright Office to refuse registration. 17 U.S.C. § 411(b)(1). Defendants submitted *Knight's 2018 CEC* as the deposit copy with the copyright application, but publicly admitted and advertised that this was the "same code" as CSA's Copyrighted Work. (CSA Appx. at 681, 684-85.) Gordon Knight furthermore demonstrated his knowledge that the *Knight's 2018 CEC* copyright was merely a copyright in CSA's Copyrighted Work in his October 18, 2020 blog post:

It turns out that [CSA] somehow forgot to register copyright over this document, even while it was under litigation in Canada ... [and] didn't bother to lock down copyright in the US. So we did. As you read this, the Canadian Electrical Code is the private property of PS Knight Americas Inc. in the U.S.

*13 (CSA Appx. at 669.); see Interplan Architects, Inc. v. C.L. Thomas, Inc., No. 4:08-CV-03181, 2010 WL 4366990, at *24 (S.D. Tex. Oct. 27, 2010) (“There must be a showing of ‘scienter’ in order to invalidate a copyright registration.”). False statements of ownership or authorship in a work render a copyright registration invalid as a matter of law. Hacienda Records, LP v. Ramos, No. CV 2:14-19, 2016 WL 3543241, at *8 (S.D. Tex. June 29, 2016). The copyright registration lists Peter Slim Knight as the author of the work, rather than CSA. (CSA Appx. at 681-83.) The Copyright Office would have refused to register the copyright had it known of this inaccuracy.

Accordingly, the Court grants declaratory judgment, finding that: (1) Defendants’ fraudulently obtained copyright registration, No. TX0008892018, dated September 1, 2020 and titled Canadian Electrical Code, Part One (“the US Registration”), is invalid; and (2) directing Defendants to cancel the U.S. Registration with the U.S. Copyright Office.

B. Declaratory Judgment Granted as to CSA's Copyrighted Works

As discussed at length above, Defendants have failed to raise a genuine issue of material fact as to the validity of CSA's Canadian copyrights in all seven of its Copyrighted Works. Accordingly, the Court grants declaratory judgment, finding that CSA is the sole owner of all copyright rights, title and interest in the following works:

1. The Canadian Electrical Code (the “CEC”) (versions published in 2015, 2018, 2021);
2. The Propane Storage and Handling Code (versions published in 2015 and 2020); and
3. The Oil and Gas Pipeline Systems Code (versions published in 2015 and 2019). (CSA Appx. at 151-274.)

See 17 U.S.C. §§ 104, 1203.

C. Injunctive Relief Granted as to CSA's Copyrighted Works

Under § 502(a) of the Copyright Act, the Court may issue a permanent injunction “to prevent or restrain infringement of a copyright.” Four elements must be present: (1) success on the merits; (2) no other adequate remedy at law; (3) the threatened injury outweighs any damage to the defendant; and (4) the injunction will not disserve public interest. Christus Health Care Sys., Inc. v. Am. Consultants RX, Inc., No. SA:12-CV-1221-DAE, 2014 WL 1092096, at *9 (W. D. Tex. Mar. 18, 2014) (citing eBay Inc. v. MercExchange, L.L.C., 547 U.S. 388, 391, 394, 126 S.Ct. 1837, 164 L.Ed.2d 641 (2006)).

First, CSA has succeeded on the merits in this suit. Second, there is no other adequate remedy at law, as Defendants’ infringement of CSA's Copyrighted Works copyright persists despite extensive efforts by CSA to curb the infringement. See Broad. Music, Inc. v. Bentley, No. SA-16-CV-394-XR, 2017 WL 782932, at *5 (W.D. Tex. Feb. 28, 2017) (granting permanent injunction where defendant repeatedly violated plaintiff's copyrights despite plaintiff's efforts to curb the infringement). Next, any threatened injury to Defendants would be of their own making through their continued infringement. Lastly, the injunction will serve the public interest, as it prevents Defendants from circumventing the finality of Canadian federal courts by perpetuating copyright infringement from the United States. Most important, Gordon Knight has stated that Defendants are “just getting going” and expressed an interest in expanding the line of infringing publications Defendants offer for sale in the United States. (CSA Appx. at 763-64.)

Accordingly, a permanent injunction is appropriate to prevent Defendants from infringing in the future. Defendants are hereby enjoined from any unauthorized use of CSA's Copyrighted Works or their subsequent or previous versions, including reproducing, distributing, publishing, performing, selling, offering for sale, publicly displaying, and/or preparing the Copyrighted Works or derivative works in any form, including hard copy, pdf or any other electronic or printed format, or otherwise using any portion of CSA's Copyrighted Works in an unauthorized manner. This injunction further prohibits

Defendants from applying to register or registering in the United States Copyright Office any copyright for CSA's Copyrighted Works or their subsequent or previous versions.

D. Granting CSA Leave to File Supplemental Motion for Summary Judgment on Damages

*14 Section 504 of the Copyright Act allows copyright holders to recover either actual damages and any additional profits of the infringer, or statutory damages. 17 U.S.C. § 504(a). CSA has indicated that it intends to recover actual damages and the profits of Defendants, as opposed to statutory damages.¹⁵ (Dkt. # 31 at 6.) “[O]nce liability has been shown, § 504(b) creates an initial presumption that the infringer’s ‘profits ... attributable to the infringement’ are equal to its gross revenue.” MGE UPS Sys., Inc. v. GE Consumer & Indus., Inc., 622 F.3d 361, 367 (5th Cir. 2010) (internal citation omitted). CSA failed to provide information from which the Court could accurately measure either the profits attributable to Defendants’ infringement or the damages suffered by CSA. However, because the works at issue here are of the type where “every sale made by the defendant is one that the plaintiff otherwise could have made,” CSA has not failed to make a *prima facie* showing, and the Court will allow CSA to submit a Supplemental Motion for Summary Judgment on the issue of damages. Paul Goldstein, Copyright § 12.1.1.1, at 12:7 (2d ed. 2000).

15 CSA stated vaguely in its Amended Complaint that it requested “actual damages in an amount to be proven at trial, or, in the alternative, its statutory damages for willful infringement in the amount of \$150,000 per violation.” (Dkt. # 31 at 54.) CSA's Motion for Summary Judgment fails to address damages at all. (Dkt. # 63.)

Accordingly, the Court grants CSA leave to file a Supplemental Motion for Summary Judgment on the issue of damages within sixty (60) days of the entry of this Order. If, at that time, CSA has not filed such a motion, the Clerk of Court will be directed to enter judgment and close the case.

CONCLUSION

The Court **GRANTS** Plaintiff's Motion for Summary Judgment in its entirety. (Dkt. # 63.) The Court **DENIES** Defendants’ Motion for Summary Judgment. (Dkt. # 62.) Because this Order Granting Plaintiff's Motion for Summary Judgment ends the liability issue in the case, Plaintiff's Motion to Strike is hereby **DENIED AS MOOT**. (Dkt. # 61.)

The Court grants declaratory judgment as specified in Section III(B), and **ORDERS** Defendants to cancel the registration of TX0008892018 with the U.S. Copyright Office. Permanent injunctive relief is to be entered according to the description given in Section III(C).

Lastly, the Court allows CSA the opportunity to file a Supplemental Motion for Summary Judgment on the issue of damages. CSA must file this motion within **sixty (60) days** of this Order.¹⁶ If no Supplemental Motion for Summary Judgment is filed within 60 days, the Clerk is **instructed to enter judgment** and close the case. Until such time, however, the case will remain open for the Court to resolve the issue of damages.

16 Defendants will then have fourteen days following CSA's filing the supplement in which to file their response to the motion. See Local Rule CV-7(d).

All Citations

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