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PANINI AMERICA, INC.

11 **UNITED STATES DISTRICT COURT**
12 **SOUTHERN DISTRICT OF CALIFORNIA**

14 THE UPPER DECK COMPANY, a
Nevada corporation,

15 Plaintiff,

16 v.

17 PANINI AMERICA, INC., a Delaware
18 corporation,

19 Defendant.

Case No. 3:20-CV-185 GPC
KSSC

**DEFENDANT PANINI
AMERICA, INC.'S NOTICE
OF MOTION AND MOTION
TO DISMISS PLAINTIFF'S
COMPLAINT**

Hearing Date: May 1, 2020
Time: 1:30 p.m.
Courtroom: 2D

Honorable Gonzalo P. Curiel

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NOTICE OF AND MOTION TO DISMISS

TO THE COURT AND ALL PARTIES AND THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTICE THAT on May 1, 2020, at 1:30 p.m., in Courtroom 2D of the James M. Carter and Judith N. Keep United States Courthouse, located at 333 West Broadway, San Diego, California 92101, and before the Honorable Gonzalo P. Curiel, Defendant Panini America, Inc. (“Panini”) will, and hereby does, move the Court to dismiss the Complaint by The Upper Deck Company (“Upper Deck”) pursuant to the Federal Rule of Civil Procedure 12(b)(6) for failure to state a claim upon which relief may be granted.

This motion is based on this Notice of Motion and Motion, and the accompanying Memorandum of Points and Authorities, all pleadings and papers on file in this action, and such further argument and matters as may be offered at the time of the hearing of this Motion.

Dated: March 20, 2020 MORRISON & FOERSTER LLP
-- and --
LOCKE LORD LLP

By: /s/ Joyce Liou
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**MEMORANDUM OF POINTS
& AUTHORITIES IN
SUPPORT OF DEFENDANT
PANINI AMERICA, INC.'S
MOTION TO DISMISS**

Hearing Date: May 1, 2020
Time: 1:30 p.m.
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Honorable Gonzalo P. Curiel

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TABLE OF CONTENTS

	Page
I. INTRODUCTION.....	1
II. LEGAL STANDARD	3
III. ARGUMENT	3
A. Plaintiff’s First Claim Fails to State a Claim under 15 U.S.C. § 1125(a)	3
1. Upper Deck Fails to State a § 1125(a)(1)(A) Claim Because It Has Not Plausibly Alleged That Panini’s Use is Likely to Cause Confusion As to Origin, Sponsorship or Approval	4
2. Upper Deck Fails to State a § 1125(a)(1)(B) Claim Because It Has Not Alleged a False Statement of Material Fact	9
i. Jordan’s Image in the Rodman and Pippen Cards Is Not an Actionable False Statement	9
ii. Upper Deck Fails to Allege That Jordan’s Image Has a Tendency to Deceive a Substantial Segment of Its Audience	11
iii. Upper Deck Fails to Allege That Jordan’s Image Is Material to Any Consumer’s Purchasing Decision.....	12
B. Plaintiff’s Second Claim Fails to State a Claim for Trademark Dilution under 15 U.S.C. § 1125(c).....	12
C. Plaintiff’s Third Claim Fails to State a Claim for Trademark Infringement under 15 U.S.C. § 1114.....	13
D. Plaintiff’s Fourth and Fifth Claims Fail to State a Claim for Intentional Interference with Prospective Economic Relations or Contractual Relations	14
1. Upper Deck Has Not Alleged Actual Disruption to Its Relationship with Jordan or Resulting Harm	15
2. Upper Deck Has Not Alleged That Panini Intended to Disrupt Its Relationship With Jordan	17
3. Upper Deck Has Not Adequately Alleged An Independently Wrongful Act	19
E. Plaintiff’s Sixth and Seventh Claims Fail to State a Claim for Right of Publicity	19
1. Upper Deck Has Not Alleged Standing to Assert Claims Based on Jordan in a Chicago Bulls Uniform	20
2. Upper Deck Has Not Plausibly Alleged Facts in Support of Its Right of Publicity Claims	21
i. Jordan’s Image in the Pippen Card Is Not Readily Identifiable.....	22
ii. Jordan’s Image in the Rodman and Pippen Cards Is Incidental	23

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iii. Jordan Is Not Singled Out As More Than a Member of a Definable Group24

F. Plaintiff’s Eighth Claim Fails to State a Claim for Unfair Competition under Cal. Bus. & Prof. Code § 1720025

IV. CONCLUSION25

1
2
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3 *Eastwood v. Superior Court*,
 4 149 Cal. App. 3d 409 (1983)..... 21

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 6 332 F.3d 915 (6th Cir. 2003)..... 7

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 14 903 F. Supp. 2d 1120 (D. Or. 2012)..... 10

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 18 No. 07CV157 WQH, 2007 WL 2345027 (S.D. Cal. Aug. 14, 2007) 15

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 20 25 Cal. App. 4th 11 (1994)..... 15

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 22 No. C-12-01382-PSG, 2013 WL 6248499 (N.D. Cal. Dec. 3, 2013) 25

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 24 No. C 06-07727 JW, 2008 WL 11389542 (N.D. Cal. Dec. 18, 2008)..... 15, 16

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 26 No. 5:13-cv-01081-PSG, 2014 WL 1572358 (N.D. Cal. Apr. 18,
 2014)..... 19

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 28 200 F. Supp. 2d 340 (S.D.N.Y. 2002)..... 23 n.4

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 2 No. 2:17-cv-07688-RGK-SS, 2018 WL 4962086 (C.D. Cal. Jan. 26,
 3 2018)..... 20 n.3
 4 *Innovation Ventures, LLC v. Pittsburg Wholesale Grocers, Inc.*,
 5 No. C 12-05523 WHA, 2013 WL 1007666 (N.D. Cal. Mar. 13,
 6 2013)..... 13
 7 *Integrated Storage Consulting Servs., Inc., v. NetApp*,
 8 No. 5:12-CV-06209-EJD, 2013 WL 3974537 (N.D. Cal. July 31,
 9 2013)..... 16
 10 *Julian Bakery, Inc. Healthsource Int’l, Inc.*,
 11 No. 16cv2594-JAH (KSC), 2018 WL 1524499 (S.D. Cal. Mar. 28,
 12 2018)..... 10
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 14 No. C16-0168JLR, 2016 WL 7212534 (N.D. Cal. Dec. 13, 2016)..... 10
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 16 29 Cal. 4th 1134 (2003)..... 18, 19
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 18 No. EDCV 13-02015-VAP, 2014 WL 12601016 (C.D. Cal. Feb.
 19 21, 2014)..... 13
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 21 741 F. App’x 400 (9th Cir. 2018)..... 9
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 23 No. 5:13-CV-04145-EJD, 2014 WL 4275008 (N.D. Cal. Aug. 29,
 24 2014)..... 12
 25 *Lexmark Int’l, Inc. v. Static Control Components, Inc.*,
 26 572 U.S. 118 (2014) 4
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 28 No. H-05-2429, 2006 WL 8451489 (S.D. Tex. Sept. 12, 2006)..... 23 n.4
Lohan v. Perez,
 924 F. Supp. 2d 447 (E.D.N.Y. 2013)..... 23 n.4
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 658 F.3d 936 (9th Cir. 2011)..... 14

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 2 No. C 10-0308 JSW, 2011 WL 1086027 (N.D. Cal. Mar. 24, 2011) 16

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 6 716 F. App'x 618 (9th Cir. 2017)..... 4

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 12 894 F.2d 579 (2d Cir. 1990) 6-7

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 20 No. 11-2819 SC, 2012 WL 566304 (N.D. Cal. Feb. 21, 2012) 10

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 25 983 F. Supp. 1303 (N.D. Cal. 1997)..... 15, 17

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 27 956 F. Supp. 2d 1360 (N.D. Ga. 2013) 23 n.4

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 2 No. C 96-1140 FMS, 1997 WL 337578 (N.D. Cal. June 5, 1997) 13
 3 *Sybersound Records Inc. v. UAV Corp.*,
 4 517 F.3d 1137 (9th Cir. 2008)..... 17
 5 *Trindade v. Reach Media Group, LLC*,
 6 No. 12-cv-4759-PSG, 2013 WL 3977034 (N.D. Cal. July 31, 2013).....18-19
 7 *Upper Deck Authenticated, Ltd. v. CPG Direct*,
 8 971 F. Supp. 1337 (S.D. Cal. 1997)2 n.1, 20
 9 *Vascular Imaging Professionals, Inc. v. Digirad Corp.*,
 10 401 F. Supp. 3d 1005 (S.D. Cal. 2019) 17
 11 *Vess v. Ciba-Geigy Corp. USA*,
 12 317 F.3d 1097 (9th Cir. 2003)..... 10
 13 *Young v. Greystar Real Estate Partners, LLC*,
 14 No. 3:18-cv-02149-BEN-MSB, 2019 WL 4169889 (S.D. Cal. Sept.
 15 3, 2019).....22
 16 **Statutes**
 17 Fed. R. Civ. P. 12(b)(6) 3
 18 15 U.S.C.
 19 § 1114 13, 14
 20 § 1116 14
 21 § 11254, 9, 11-13
 22 Cal. Bus. & Prof. Code § 17200 25
 23 Cal. Civ. Code
 24 § 334420-22, 25
 25 **Other Authorities**
 26 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair*
 27 *Competition* (5th ed. 2019)..... 13, 23
 28

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Panini America, Inc. (“Panini”) is a leading producer of sports-themed trading cards and other products. Known for its innovative and high-quality products, Panini has secured exclusive licenses with the NBA and NFL for trading cards. The sports trading cards designed and produced by Panini typically feature an action photograph of an athlete taken during a game, together with information and commentary on the athlete’s achievements. While each card focuses on a single athlete, almost inevitably, the photographs of athletes in the midst of games include many other images in the background—*e.g.*, spectators, mascots, cheerleaders, coaches, teammates, opponents, sports jerseys, and arenas.

The Upper Deck Company’s (“Upper Deck”) lawsuit against Panini asserts myriad claims for relief, all targeting only two of the many thousands of cards Panini produces each year. The first of the two cards features renown small forward Scottie Pippen (the “Pippen Card”), who played eleven seasons with the Chicago Bulls and was part of the 1992 U.S. Olympic Dream Team. The second card features Dennis Rodman (the “Rodman Card”), winner of five NBA championships and two-time winner of the NBA’s Defensive Player of the Year Award.

Upper Deck’s claims do not, however, relate to the appearances of Pippen and Rodman on these cards. Instead, Upper Deck asks that we focus our attention on the shadowy background of each card. As to the Pippen Card, Upper Deck states that the tiny figure in the lower right side corner is the 6’6” figure of Michael Jordan, even though the card shows only a partial side-view of that player, and the image size is no larger than Pippen’s shoe. As to the Rodman Card, Upper Deck focuses on a partial image of Jordan as Rodman’s teammate in the background of the card, who is obscured by other card design elements. Therein lies the crux of Upper Deck’s claims: its alleged “exclusive license to use Jordan’s name, image,

1 likeness, certain marks, and other personality/publicity rights on trading cards,”
2 which Upper Deck claims include the right to sue Panini for an “infringing use of
3 Jordan’s rights granted under the [license] agreement.” (Compl. ¶¶ 23, 27.)

4 Upper Deck’s complaint should be dismissed in its entirety because it fails to
5 plead facts sufficient to show basic elements of each claim, including Upper Deck’s
6 standing to sue on its false association, trademark dilution, and right of publicity
7 claims. Neither the NBA nor Jordan is a party to this case. Upper Deck
8 acknowledges that it does not own the asserted marks, that Panini is the exclusive
9 trading card licensee of the NBA (which includes Jordan as one of its team owners),
10 and that a trading card featuring Jordan in a Chicago Bulls uniform has not been
11 released for at least ten years. (*Id.* ¶¶ 8, 25, 32, 58.) Critically, Upper Deck has not
12 alleged that it has, or could receive from Jordan, an exclusive right to produce
13 trading cards featuring images of Jordan *in a Chicago Bulls uniform* bearing the
14 Chicago Bulls’ marks.¹ Indeed, Upper Deck alleges only that it has produced
15 trading cards featuring Jordan from various Haynes commercials aired in the early
16 1990s. (*Id.* ¶ 24.) Upper Deck’s pleading deficiencies are fatal.

17 In addition to standing, Upper Deck’s false association claim fails as a
18 matter of law because it is implausible to suggest that a consumer would view
19 Jordan’s obscured appearance, and the “23” number on his jersey, as an indication
20 that the Rodman and Pippen cards come from or were endorsed by Jordan. Thus,
21 no likelihood of customer confusion under the Lanham Act exists. The false
22 advertising claim fails because Upper Deck does not allege that the accused images
23 in Panini’s cards depict someone other than Jordan, and Jordan’s image alone is not
24

25 ¹ Upper Deck has misrepresented the scope of its rights to athlete likenesses
26 in prior cases. *Upper Deck Authenticated, Ltd. v. CPG Direct*, 971 F. Supp. 1337,
27 1348-49 (S.D. Cal. 1997) (where Upper Deck claimed it held “exclusive rights” to
28 exploit athlete’s name and likeness, athlete submitted declaration for defendant
attesting the rights were non-exclusive). Upper Deck’s current complaint does not
attach the Jordan license agreement and, despite Panini’s request, Upper Deck has
not provided it to Panini.

1 an actionable false statement that will affect a customer’s purchasing decision.
2 Upper Deck’s claims for interference with prospective economic and contractual
3 relations fail because Upper Deck has not alleged facts suggesting a change (actual
4 or likely) in its economic relationship with Jordan, which is a prerequisite of these
5 claims. The right of publicity claims fail because Jordan’s appearance in
6 background of the two cards is indiscernible and incidental, as well as obscured by
7 the visual effects of each card, which predominantly focuses on the featured players
8 Phippen and Rodman. Finally, because all the other claims fail, Upper Deck’s unfair
9 competition claim under state law fails as well.

10 For the reasons discussed more fully herein, Upper Deck’s complaint should
11 be dismissed in its entirety.

12 **II. LEGAL STANDARD**

13 A complaint must be dismissed for failure to state a claim if plaintiff fails to
14 state a cognizable legal theory, or has not alleged sufficient facts to support a claim.
15 Fed. R. Civ. P. 12(b)(6); *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 562-63 (2007).
16 A pleading that offers “labels and conclusions” or “a formulaic recitation of the
17 elements of a cause of action will not do.” *Twombly*, 550 U.S. at 555. The
18 complaint must not only allege facts to state a claim “plausible on its face,” but also
19 “enough to raise a right to relief above the speculative level.” *Id.* at 555, 570.
20 “[M]ere conclusory statements” couched as factual allegations “do not suffice.”
21 *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009).

22 **III. ARGUMENT**

23 **A. Plaintiff’s First Claim Fails to State a Claim under** 24 **15 U.S.C. § 1125(a)**

25 In its First Claim, Upper Deck alleges that it has “the exclusive rights to use
26 certain of Jordan’s marks” (Compl. ¶ 58), and attaches various labels to Panini’s
27 alleged misuse, *e.g.*, “trademark infringement, false designation of origin, false or
28 misleading representation, [] false or misleading description . . . [and] unfair

1 competition” (*id.* ¶¶ 62-63). Section 1125(a), however, creates just “two distinct
 2 bases of liability: false association, [under] § 1125(a)(1)(A) and false advertising,
 3 [under] § 1125(a)(1)(B).” *Lexmark Int’l, Inc. v. Static Control Components, Inc.*,
 4 572 U.S. 118, 122 (2014). Because Upper Deck fails to allege facts that support a
 5 plausible claim under either theory, the First Claim must be dismissed.

6 **1. Upper Deck Fails to State a § 1125(a)(1)(A) Claim**
 7 **Because It Has Not Plausibly Alleged That Panini’s**
 8 **Use is Likely to Cause Confusion As to Origin,**
 9 **Sponsorship or Approval**

10 To state a false association claim under § 1125(a)(1)(A), Upper Deck must
 11 plausibly allege that Panini’s use of the asserted marks is likely to cause consumer
 12 confusion as to the origin, sponsorship, or approval of Panini’s trading cards.
 13 15 U.S.C. § 1125(a)(1)(A); *see also Mintz v. Subaru of Am., Inc.*, 716 F. App’x
 14 618, 620 (9th Cir. 2017). Confusion as to “origin” arises if a purchaser believes
 15 that Jordan or Upper Deck, not Panini, is the source of the trading cards. *Dastar*
 16 *Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 31-32 (2003) (construing
 17 “origin” as the trademark owner or actual producer of goods). Confusion as to
 18 “sponsorship or approval” occurs, in contrast, only if a purchaser believes that the
 19 appearance of Jordan’s image in Panini’s products implies Jordan’s endorsement.
 20 *Cairns v. Franklin Mint Co.*, 107 F. Supp. 2d 1212, 1214 (C.D. Cal. 2000). In all
 21 cases, “the particular use and placement of the mark is probative of likelihood of
 22 confusion.” *Fifty-Six Hope Rd. Music, Ltd. v. A.V.E.L.A., Inc.*, 778 F.3d 1059, 1072
 23 (9th Cir. 2015); *see also AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341, 351 (9th Cir.
 24 1979) (marks “must be considered as they are encountered in the marketplace”).
 25 And the “confusion must be probable, not simply a possibility.” *Mintz*, 716 F.
 26 App’x at 620 (citation omitted).

27 As Upper Deck concedes, the two Panini cards at issue are sold in a “set” or
 28 “series,” and include a photograph of Scottie Pippen or Dennis Rodman as one of
 the featured NBA players. (Compl. ¶¶ 36, 38.) Upper Deck acknowledges that

1 Panini has an exclusive trading card license with the NBA, and has had this
2 exclusive right since 2009. (*Id.* ¶¶ 8, 32.) Upper Deck has admitted that each card
3 displays *Panini*'s source-identifying logos and trademarks, e.g., "Panini
4 Contenders" and "Donruss Optic." (*Id.* ¶¶ 36, 39.) Upper Deck cannot dispute that
5 it does not own the Chicago Bulls logo and trademark on each card. Instead, Upper
6 Deck alleges that it owns an "exclusive license" for "Jordan's marks," including the
7 right to sue for a "third party's infringing use of Jordan's rights granted under that
8 agreement," which may include his "picture, his famous jersey number '23,' his
9 most recognizable team name Bulls, and the distinctive color patterns red or
10 red/white." (*Id.* ¶¶ 27, 40.) Yet, it is unclear from the Complaint precisely which
11 of the allegedly "licensed" trademarks Upper Deck claims to have been infringed.
12 Upper Deck suggests that the marks infringed include the "Bulls" team name,
13 jersey numbers, and colors on a Bulls uniform, but Upper Deck has not alleged that
14 it is licensed by the NBA or Chicago Bulls to produce a trading card image of
15 Jordan *in a Bulls uniform* bearing such marks. Its omission suggests it has no such
16 license. Upper Deck also admits that a trading card featuring Jordan as a Chicago
17 Bulls player has not been released for at least ten years, and the only "Jordan
18 trading cards" Upper Deck has allegedly produced are of Jordan from Haynes
19 commercials aired in the early 1990s. (*Id.* ¶¶ 24, 25.) Accordingly, Upper Deck
20 fails to allege its standing to bring a false association claim based on the Chicago
21 Bulls' marks.

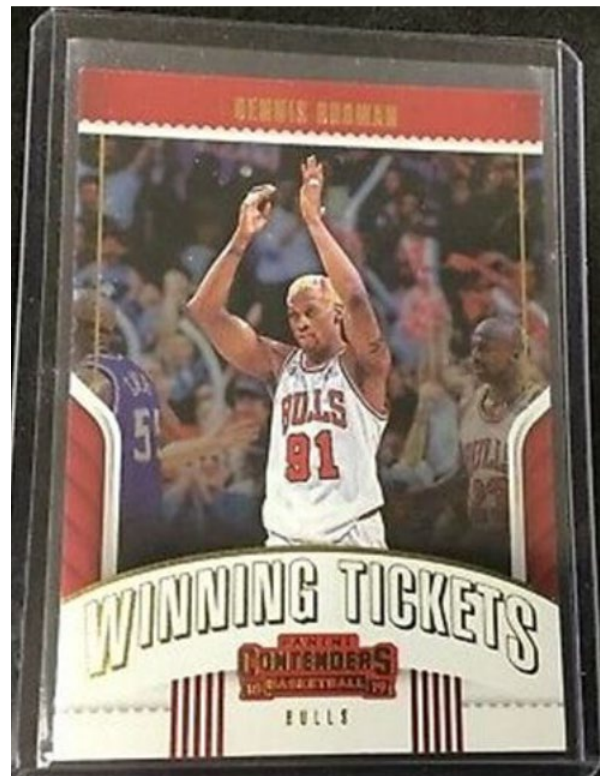
22 To the extent Upper Deck alleges that Jordan's image in Panini's trading
23 cards—independent of trademarks associated with the Chicago Bulls—is likely to
24 cause confusion as to the "origin, sponsorship, or approval of Panini's products,
25 services, or commercial activities" (*id.* ¶¶ 27, 40, 62), these claims fail as a matter
26 of law. As discussed below, Upper Deck has not stated a plausible claim of
27 likelihood of confusion with respect to each of the cards at issue.
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The Pippen Card



The Rodman Card



First, Upper Deck cannot plausibly assert a claim based on the Pippen Card, as neither the asserted mark “Michael Jordan” nor “23”—let alone the player’s facial features—is visible to the naked eye. At best, the Pippen Card appears to show the silhouette of a Chicago Bulls team player in the background of Pippen’s photograph. While Upper Deck alleges that this player is, in fact, Jordan (*see* Compl. ¶ 36), neither the player’s name nor jersey number is identifiable, and nothing else on the card confirms the player’s identity. Nor does Upper Deck allege that Panini has referenced Jordan in any advertisement of the Pippen Card. Thus, no consumer confusion is likely as to the Pippen Card.

Second, with respect to the Rodman Card, it is not plausible that a background image of Jordan in a partially obscured Bulls jersey would be seen by consumers as indicating the origin or sponsorship of a Rodman trading card. Even if Jordan, not Rodman, was prominently featured in the card, his image would not constitute trademark use. In *Pirone v. MacMillan, Inc.*, the Second Circuit

1 addressed similar facts involving the use of Babe Ruth’s photographs in a calendar
2 featuring multiple baseball players, and found that such use was not trademark use.
3 894 F.2d 579, 583 (2d Cir. 1990). It stated:

4 [A] photograph of a human being, unlike a portrait of a fanciful
5 cartoon character, is not inherently ‘distinctive’ in the trademark
6 sense of tending to indicate origin. . . . Here, the calendar uses the
7 name and image of Babe Ruth in the primary sense—to identify a
great baseball player enshrined in the history of the game. . . .
[T]he photographs identify great ballplayers and by so doing indicate
the contents of the calendar, not its source.

8 *Id.* at 583-84 (citations omitted). The court further noted that the photographs were
9 “of *one* ballplayer among the many featured in . . . a compilation,” and thus an
10 ordinary consumer “would have no difficulty discerning that these photos are
11 merely the subject matter of the calendar and do not in any way indicate
12 sponsorship.” *Id.* at 585 (emphasis added).

13 Similarly, in *ETW Corp. v. Jireh Pub., Inc.*, the Sixth Circuit addressed the
14 use of Tiger Woods’ likeness in a painting, which prominently featured Woods in
15 various golfing poses, and depicted other golfers in the background looking at
16 Woods. 332 F.3d 915, 919 (6th Cir. 2003). The court held that the images “cannot
17 function as a trademark because there are undoubtedly thousands of images and
18 likenesses of Woods taken by countless photographers, and drawn, sketched, or
19 painted by numerous artists,” and “[n]o reasonable person could believe that
20 merely because these photographs or paintings contain Woods’s likeness or image,
21 they all originated with Woods.” *Id.* at 922. While the court did not address
22 likelihood of confusion over Woods’ *endorsement* due to the image, it noted a
23 celebrity’s identity must be used “in such a way that consumers are likely to be
24 misled about the celebrity’s sponsorship or approval.” *Id.* at 925-26.

25 Abundant additional authority supports the conclusion that the incidental
26 appearance of a person’s or character’s image does not support a claim for
27 trademark infringement. *See, e.g., Fleischer Studios, Inc. v. A.V.E.L.A., Inc.*, 925
28 F. Supp. 2d 1067, 1070 (C.D. Cal. 2012) (finding use of “Betty Boop” images and

1 wording on shirts would be viewed as a design element, not a source identifier,
2 where defendants identified themselves as the source of goods); *Cairns*, 107 F.
3 Supp. 2d at 1216 (finding use of Princess Diana’s image and the words “Diana,
4 Princess of Wales” to describe products did not imply endorsement because it did
5 not serve source-identifying function); *Balsley v. L.F.P., Inc.*, No. 1:08 CV 491,
6 2008 WL 11378897, at *5-6 (N.D. Oh. Dec. 2, 2008) (“Just as a photograph in a
7 calendar does not imply source or sponsorship, ordinary common sense prevents
8 reasonable people from thinking that a single photograph in Defendants’ magazine
9 signified that Bosley supplied the photograph or endorsed Defendants’ activities in
10 any way.”). Moreover, where a use is necessary to identify or describe a subject—
11 such as the “23” on Jordan’s Bulls jersey, which distinguishes Jordan from others
12 wearing the same Bulls uniform—and “the user [does] nothing that would, in
13 conjunction with the mark, suggest sponsorship or endorsement by the trademark
14 holder,” such use is nominative fair use. *New Kids on the Block v. News Am.*
15 *Publ’g., Inc.*, 971 F.2d 302, 308 (9th Cir. 1992).²

16 Here, the background appearance of Jordan in his Chicago Bulls uniform
17 does not constitute trademark use that could create any likelihood of confusion as to
18 origin or sponsorship. Jordan appears only in the darkened background of the
19 Rodman Card, which, as Dennis Rodman’s name on the card indicates, highlights
20 Rodman as the featured player. The asserted “Michael Jordan” mark does not
21 appear on Jordan’s uniform, and Upper Deck has not alleged that Panini used
22 Jordan’s name in connection with the release of the Rodman Card. The inclusion of
23 a background image of Jordan in a trading card set intended to feature action
24

25 ² Nominative fair use may be considered on a motion to dismiss if “the
26 allegations in the complaint suffice to establish the defense.” *Sams v. Yahoo! Inc.*,
27 713 F.3d 1175, 1779 (9th Cir. 2013) (citation omitted). Since Upper Deck does not
28 allege any acts by Panini that could suggest Jordan’s sponsorship or approval other
than the inclusion of his image in the Rodman and Pippen cards, the Court may find
that Jordan’s image constitutes nominative fair use by evaluating the face of those
cards, and dismiss the § 1125(a)(1)(A) claim on that basis.

1 photographs of other stars—and that clearly displays Panini’s source identifiers—
 2 can no more indicate origin or sponsorship than Babe Ruth’s photographs in a
 3 calendar “compilation” of great baseball players. Accordingly, Upper Deck’s false
 4 association claim should be dismissed.

5 **2. Upper Deck Fails to State a § 1125(a)(1)(B) Claim**
 6 **Because It Has Not Alleged a False Statement of**
 7 **Material Fact**

8 To state a false advertising claim under § 1125(a)(1)(B), Upper Deck must
 9 allege, among other things, (1) that Panini made false statements of fact about its
 10 own or another’s product, which (2) actually deceived or have the tendency to
 11 deceive a substantial segment of its audience, and (3) is material in that it is likely
 12 to influence the consumer’s purchasing decision. *Southland Sod Farms v. Stover*
 13 *Seed Co.*, 108 F.3d 1134, 1139 (9th Cir. 1997). Sections 1125(a)(1)(A) and (B)
 14 provide distinct bases of liability. Where no distinct facts support a claim under
 15 § 1125(a)(1)(B), dismissal is warranted. *Lasoff v. Amazon.com, Inc.*, 741 F. App’x
 16 400, 402 (9th Cir. 2018) (affirming dismissal of false advertising claim as
 17 “duplicative” of trademark infringement claim because defendant did not make a
 18 statement about the quality of plaintiff’s products). Here, Upper Deck fails to
 19 allege the requisite elements of false advertising under § 1125(a)(1)(B).

20 **i. Jordan’s Image in the Rodman and Pippen**
 21 **Cards Is Not an Actionable False Statement**

22 To establish falsity under § 1125(a)(1)(B), Upper Deck must show Panini’s
 23 statement was (1) literally false, either on its face or by necessary implication, or
 24 (2) literally true but likely to mislead or confuse consumers. *Southland Sod Farms*,
 25 108 F.3d at 1139. To constitute false advertising, the statement must also concern a
 26 misrepresentation about the “nature, characteristics, qualities, or geographic origin”
 27 of Panini’s or another’s product. 15 U.S.C. § 1125(a)(1)(B).

28 Despite its assertion that Panini “falsely represent[ed] to consumers that it
 possesses the rights to sell [Jordan] trading cards” (Compl. 2:3-4), Upper Deck fails

1 to identify any written or verbal “statement” allegedly made by Panini. Given its
2 allegations are grounded in fraud, Upper Deck must plead the allegedly false
3 statements with the particularity required by Rule 9(b). *Vess v. Ciba-Geigy Corp.*
4 *USA*, 317 F.3d 1097, 1106 (9th Cir. 2003) (“Averments of fraud must be
5 accompanied by ‘the who, what, when, where, and how’ of the misconduct
6 charged.”); *Julian Bakery, Inc. Healthsource Int’l, Inc.*, No. 16cv2594-JAH (KSC),
7 2018 WL 1524499, at *5-6 (S.D. Cal. Mar. 28, 2018) (applying Rule 9(b) to false
8 advertising claims). Since it has not done so, this claim must be dismissed.

9 To the extent that its allegations hinge not on any particular statement by
10 Panini, but on Jordan’s mere appearance in the Rodman and Pippen cards, Upper
11 Deck’s claim fails as a matter of law. For the trading cards to constitute a “false
12 statement,” in the absence of an explicit assertion, Upper Deck must show that
13 “the[ir] words and images, considered in context, necessarily and unambiguously
14 imply a false message.” *FLIR Sys., Inc. v. Sierra Media, Inc.*, 903 F. Supp. 2d
15 1120, 1130 (D. Or. 2012) (citation omitted). The court in *Gibson v. BTS North, Inc.*
16 addressed a similar claim based on use of plaintiffs’ photographs on the Facebook
17 page of defendant’s adult entertainment club, which plaintiffs argued were false,
18 implying statements of endorsements of the club. No. 16-24548-Civ-
19 COOKE/TORRES, 2018 WL 888872, at *4 (S.D. Fla. Feb. 14, 2018). However,
20 because the photographs were actual images of plaintiffs, the court found
21 “[w]ithout more, such use [of the photographs] is not literally false,” and could not
22 be actionable. *Id.* Likewise, courts have dismissed false advertising claims based
23 on the “use” of designs or symbols that, on their own, did not convey false
24 statements about a product. *See, e.g., Kische USA LLC v. Simsek*, No. C16-
25 0168JLR, 2016 WL 7212534, at *10 (N.D. Cal. Dec. 13, 2016) (finding
26 defendant’s use of clothing designs is not a statement of fact that describes the
27 product’s characteristics); *Sensible Foods, LLC v. World Gourmet, Inc.*, No. 11-
28 2819 SC, 2012 WL 566304, at *6 (N.D. Cal. Feb. 21, 2012) (finding use of logo

1 with a heart symbol is not a statement capable of being proved false).

2 Here, Upper Deck does not allege, nor could it, that Jordan is not the actual
3 person pictured in a Bulls “23” jersey. Thus, Upper Deck must identify something
4 *more* than Jordan’s photographed image to show a false statement of fact. Upper
5 Deck cannot. Both trading cards properly identify the featured players—Dennis
6 Rodman and Scottie Pippen. Michael Jordan’s name does not appear on the cards,
7 or on any advertising associated therewith, and an image of Jordan in the
8 background shows nothing more than that he was a player on the basketball court
9 when the photographs were taken. Just like in *Gibson*, such use of a photographed
10 image cannot constitute an actionable false statement under § 1125(a)(1)(B).

11 **ii. Upper Deck Fails to Allege That Jordan’s Image**
12 **Has a Tendency to Deceive a Substantial**
13 **Segment of Its Audience**

14 As discussed above, Upper Deck fails to allege any literally false statement
15 in the form of Jordan’s image. While literally false statements may be entitled to a
16 rebuttable presumption of actual deception, “[a]n advertisement that is not literally
17 false may support a Lanham Act claim only if it is shown ‘that the advertisement
18 has misled, confused, or deceived the consuming public.’” *Appliance Recycling*
19 *Ctrs. of Am., Inc. v. JACO Env’tl., Inc.*, 378 F. App’x 652, 655 (9th Cir. 2010)
20 (citation omitted). To meet its burden, Upper Deck is required to allege that the
21 Rodman and Pippen cards have a tendency to deceive the public. *Biolase, Inc. v.*
22 *Fotona Proizvodnja Optoelektronskih Naprav D. D.*, No. SACV 14-0248 AG
23 (ANx), 2014 WL 12579802, at *5 (C.D. Cal. June 4, 2014) (granting defendant’s
24 motion to dismiss, finding “a false advertising claim must adequately plead that the
25 statement actually deceived or has the tendency to deceive a substantial segment of
26 its audience.”) Here, Upper Deck has failed to allege that the Rodman and Pippen
27 cards have a tendency to deceive, let alone that any customers were actually
28 deceived. Therefore, the false advertising claim fails for this independent reason.

1 **iii. Upper Deck Fails to Allege That Jordan’s Image**
 2 **Is Material to Any Consumer’s Purchasing**
 3 **Decision**

4 The test for a “material” false statement of fact is whether it is “likely to
 5 influence the purchasing decision” of consumers. *Rice v. Fox Broadcasting Co.*,
 6 330 F.3d 1170, 1181 (9th Cir. 2003) (citation omitted). Even assume *arguendo* that
 7 Jordan’s image in the Rodman and Pippen cards constitutes a false statement of
 8 fact, to demonstrate that the statement was material, Upper Deck must allege facts
 9 to show that a consumer could view the accused cards in advertising “prior to
 10 purchase.” *Id.* (affirming dismissal of false advertising claim as to text on
 11 videotape jacket that “could not be observed by potential consumers, and therefore
 12 could not influence the purchasing decision”); *Lazebnik v. Apple, Inc.*, No. 5:13-
 13 CV-04145-EJD, 2014 WL 4275008, at *6 (N.D. Cal. Aug. 29, 2014).

14 The Complaint does not allege that Panini displayed images of Jordan in its
 15 product packaging, campaigns, or other advertisements, or that Panini made the two
 16 cards available for viewing any time prior to their purchase. Upper Deck admits
 17 that the cards are only components of larger sets or series of basketball trading
 18 cards. (Compl. ¶¶ 36, 38.) As such, any confusion from Jordan’s image on those
 19 cards cannot influence consumers’ purchasing decisions, as the two cards cannot be
 20 viewed until *after* a consumer bought and opened the trading card pack. To the
 21 extent Upper Deck attributes any confusion to Panini based on third-party reseller
 22 listings that describe the Rodman and Pippen cards as “Jordan cards” (*see id.* ¶ 42),
 23 this blame is misguided and irrelevant to a false advertising claim, as those third-
 24 party listings were not made by Panini. For these additional reasons, the false
 25 advertising claim should be dismissed.

26 **B. Plaintiff’s Second Claim Fails to State a Claim for**
 27 **Trademark Dilution under 15 U.S.C. § 1125(c)**

28 The Second Claim should be dismissed because Upper Deck is not the owner
 of the asserted trademarks. It alleges only that it owns an “exclusive license to

1 certain of Jordan’s marks.” (*Id.* ¶¶ 23, 58.) Even assuming this is true, and that the
 2 asserted marks are “famous” under § 1125(c), the statute only provides relief to
 3 “the owner” of a famous mark, which Upper Deck is not. 15 U.S.C. §§ 1125(c)(1)
 4 & (5); *STX, Inc. v. Bauer USA, Inc.*, No. C 96-1140 FMS, 1997 WL 337578, at *4
 5 (N.D. Cal. June 5, 1997) (holding that exclusive licensee lacks standing to pursue
 6 claim for trademark dilution as it is not the trademark owner). Thus, Upper Deck’s
 7 claim for dilution under § 1125(c) must be dismissed with prejudice.

8 **C. Plaintiff’s Third Claim Fails to State a Claim for Trademark**
 9 **Infringement under 15 U.S.C. § 1114**

10 The Third Claim for “infringement of a registered trademark and
 11 counterfeiting” should be dismissed because Upper Deck is not the registrant of
 12 “Jordan’s marks.” (Compl. ¶¶ 23, 58.) Tellingly, Upper Deck does not even
 13 identify a single trademark registration number, much less the goods, classification,
 14 or registrant of the mark it purports to rely on. Only the registrant of a mark may
 15 bring a § 1114 claim. 15 U.S.C. § 1114(1)(b) (“Any person . . . shall be liable in a
 16 civil action by *the registrant* for the remedies hereinafter provided.”) (emphasis
 17 added); 6 McCarthy on Trademarks and Unfair Competition § 32:3 (5th ed.) (“The
 18 majority of cases hold that the statute means what it says: only the federal
 19 ‘registrant’ has standing to sue for infringement of a federally registered mark.”).

20 Notwithstanding the statute’s limitation of relief to the “registrant,” some
 21 courts have held that an exclusive licensee may bring a § 1114 claim if “the
 22 licensing agreement both grants an exclusive license *and* grants to the exclusive
 23 licensee a property interest in the trademark, or rights that amount to those of an
 24 assignee.” *Innovation Ventures, LLC v. Pittsburg Wholesale Grocers, Inc.*, No. C
 25 12-05523 WHA, 2013 WL 1007666, at *3 (N.D. Cal. Mar. 13, 2013) (citation
 26 omitted and emphasis added). The license must be “for the trademark in its
 27 entirety,” not merely for “certain types of products.” *Lasco Fittings, Inc. v. Lesso*
 28 *Am., Inc.*, No. EDCV 13-02015-VAP (DTBx), 2014 WL 12601016, at *4

1 (C.D. Cal. Feb. 21, 2014). Upper Deck has not alleged that it has an exclusive right
 2 to use Jordan’s marks for all types of products. It has not attached its license
 3 agreement to the Complaint. Even applying some courts’ liberal interpretation of
 4 § 1114 to Upper Deck’s allegations, the Complaint fails to allege that it acquired a
 5 “property interest” in the “Michael Jordan” and “23” marks for all goods and
 6 services for which they may be registered and used, such that Upper Deck would
 7 effectively be the “assignee.” Because Upper Deck is not the “registrant” or
 8 assignee of any one of Jordan’s alleged marks, the claim should be dismissed.

9 With respect to Upper Deck’s “counterfeiting” allegations, the Third Claim
 10 should be dismissed based on Upper Deck’s failure to allege that any registered
 11 mark owned by Jordan *covers trading cards*. The Lanham Act defines a
 12 “counterfeit mark” as “a counterfeit of a mark that is registered on the principal
 13 register in the United States Patent and Trademark Office for such goods or services
 14 sold, offered for sale, or distributed.” 15 U.S.C. § 1116(d)(1)(B)(i). Thus, a claim
 15 for counterfeiting requires that “the genuine mark was registered for use on the
 16 *same goods* to which the infringer applied the mark.” *Louis Vuitton Malletier, S.A.*
 17 *v. Akanoc Sols., Inc.*, 658 F.3d 936, 946 (9th Cir. 2011) (emphasis added).

18 Finally, the Third Claim should be dismissed for the reason explained in
 19 Section III(A)(1) above: Upper Deck has not and cannot allege that Jordan’s de
 20 minimis appearance in the background is likely to cause consumers to believe that
 21 Panini’s cards originate from or are endorsed by Jordan or Upper Deck.

22 **D. Plaintiff’s Fourth and Fifth Claims Fail to State a Claim**
 23 **for Intentional Interference with Prospective Economic**
 24 **Relations or Contractual Relations**

25 The Fourth and Fifth Claims allege that Panini intentionally interfered with
 26 Upper Deck’s relationship with Jordan. (Compl. ¶¶ 79-92.) To plead interference
 27 with *prospective* relations, plaintiff must allege: “(1) an economic relationship
 28 between the plaintiff and a third party, that includes a probable future economic
 benefit for the plaintiff; (2) the defendant’s knowledge of the relationship;

1 (3) intentional acts on the part of the defendant designed to disrupt the relationship;
 2 (4) actual disruption of the relationship; and (5) economic harm to the plaintiff
 3 proximately caused by the defendant's acts." *Grateful Dead Prods. v. Sagan*, No.
 4 C 06-07727 JW, 2008 WL 11389542, at *5 (N.D. Cal. Dec. 18, 2008) (citing *Pac.*
 5 *Gas & Elec. Co. v. Bear Stears & Co.*, 50 Cal. 3d 1118, 1126 n.2 (1990)).

6 To plead interference with *contractual* relations, plaintiff must allege:
 7 "(1) a valid contract between plaintiff and a third party; (2) defendant's knowledge
 8 of this contract; (3) defendant's intentional acts designed to induce a breach or
 9 disruption of the contractual relationship; (4) actual breach or disruption of the
 10 contractual relationship; and (5) resulting damage." *Givemepower Corp. v. Pace*
 11 *Compumetrics, Inc.*, No. 07CV157 WQH, 2007 WL 2345027, at *6 (S.D. Cal. Aug.
 12 14, 2007) (quoting *Quelimane Co. v. Stewart Title Guar. Co.*, 19 Cal. 4th 26, 55
 13 (1998)). A plaintiff alleging interference with a prospective relationship is also
 14 required "to allege an act that is wrongful independent of the interference itself."
 15 *CRST Van Expedited, Inc. v. Werner Enters., Inc.*, 479 F.3d 1099, 1108 (9th Cir.
 16 2007) (citation omitted). Upper Deck has not alleged facts supporting either claim.

17 **1. Upper Deck Has Not Alleged Actual Disruption to Its**
 18 **Relationship with Jordan or Resulting Harm**

19 Upper Deck's bare allegations are insufficient to show disruption and
 20 resulting harm to Upper Deck. Plaintiff's claims require a factual allegation that its
 21 relationship was "actually" disrupted as a result of the defendant's conduct to
 22 satisfy the fourth element. *Silicon Knights, Inc. v. Crystal Dynamics, Inc.*, 983 F.
 23 Supp. 1303, 1311 (N.D. Cal. 1997); *Reeves v. Hanlon*, 33 Cal. 4th 1140, 1148
 24 (2004). A plaintiff alleging disruption of contractual relations can satisfy this
 25 element by showing that "the defendant's conduct made the plaintiff's performance,
 26 and inferentially enjoyment, under the contract more burdensome or costly."
 27 *Golden W. Baseball Co. v. City of Anaheim*, 25 Cal. App. 4th 11, 51 (1994)
 28 (citation omitted). Plaintiff must also show, however, that defendant's conduct

1 caused it economic harm or damage. *Grateful Dead Prods.*, 2008 WL 11389542, at
2 *5, *7. Upper Deck does not make either showing here.

3 Upper Deck relies on the same factual allegations for the fourth and fifth
4 elements of actual disruption and resulting harm. While Upper Deck alleges that
5 Panini disrupted its relations with Jordan by “making products bearing Jordan’s
6 appearance, likeness, and marks,” thus preventing “Upper Deck from enjoying the
7 exclusive rights it paid to receive” (*see* Compl. ¶¶ 53, 82, 84, 89, 90), it does not
8 allege in what way or how its contract or future relationship with Jordan was
9 disrupted. Significantly, Upper Deck has not alleged that its contract with Jordan
10 has been breached, or that it is otherwise in jeopardy of being terminated due to
11 Panini’s conduct. Upper Deck cannot claim any disruption where it continues to
12 enjoy a contractual relationship with Jordan, and has not alleged how its
13 performance of any obligations has been made more costly or burdensome. *See*
14 *AlterG, Inc. v. Boost Treadmills LLC*, 388 F. Supp. 3d 1133, 1152 (N.D. Cal. 2019)
15 (finding plaintiff failed to plead actual disruption where it had an ongoing contract
16 with the third party). Thus, Upper Deck’s conclusory allegation is insufficient.
17 *See, e.g., Luxpro Corp. v. Apple Inc.*, No. C 10-0308 JSW, 2011 WL 1086027, at
18 *10 (N.D. Cal. Mar. 24, 2011) (finding plaintiff failed to allege “any facts about
19 how [its relationships with third parties] ended except that the contracts terminated
20 because of [the defendant’s] illegal conduct, a bare legal conclusion”); *Integrated*
21 *Storage Consulting Servs., Inc. v. NetApp, Inc.*, No. 5:12-CV-06209-EJD, 2013
22 WL 3974537, at *10 (N.D. Cal. July 31, 2013) (finding allegation that plaintiff’s
23 contractual rights were “frustrated” by defendant was insufficient to allege
24 disruption, as plaintiff did not “specifically state that one of its contracts with a
25 third party was actually breached or disrupted by [the d]efendant’s conduct”).

26 Upper Deck’s speculative allegations that the two cards divert “the sales
27 proceeds and the exclusivity for which Upper Deck pays Jordan” and “reduces the
28 value of Upper Deck’s trading cards” (Compl. ¶¶ 84, 85), are also insufficient.

1 Essentially, Upper Deck argues that Panini will cause customers to buy the Pippen
2 and Rodman cards when they would have otherwise bought Upper Deck’s Jordan
3 cards—resulting in harm to Upper Deck—because of Jordan’s “cameo” appearance
4 as an “ancillary figure[] in the background.” (*See id.*, ¶ 44.) In *Silicon Knights*,
5 plaintiff similarly “relied on general allegations of ‘loss of business opportunities’
6 with unidentified ‘existing and potential clients and customers.’” 983 F. Supp. 1303
7 at 1312. The court found these allegations insufficient because plaintiff did not
8 allege specific facts in support, for example, that “sales of a[ny] particular software
9 . . . decreased” as a result of defendant’s actions. *Id.*; *Sybersound Records Inc. v.*
10 *UAV Corp.*, 517 F.3d 1137, 1151 (9th Cir. 2008) (holding plaintiff’s alleged
11 disruptions were conclusory and did not plead “for example, that it lost a contract
12 nor that a negotiation with a [c]ustomer failed”); *Vascular Imaging Professionals,*
13 *Inc. v. Digirad Corp.*, 401 F. Supp. 3d 1005, 1013 (S.D. Cal. 2019) (holding that
14 merely alleging disruption to customers and “lost sales” is not enough to support
15 interference with prospective economic advantage). Here, Upper Deck does not
16 allege if or how its sales could have decreased as a result of Panini’s release of the
17 cards, or that customers have mistakenly purchased the cards believing them to be
18 Upper Deck trading cards. Thus, Upper Deck’s allegations that Panini disrupted its
19 relationship with Jordan, resulting in harm to Upper Deck, are insufficient.

20 Finally, Upper Deck does not allege that its agreement with Jordan gives it
21 the exclusive right to produce trading cards featuring Jordan in a Chicago Bulls
22 uniform. Upper Deck does not claim that it has recently made, has the right to
23 make, or plans to make, any trading cards showing such images of Jordan. Absent
24 such allegation, Upper Deck cannot claim that Panini has prevented its enjoyment
25 of an “exclusive” right. Thus, the Fourth and Fifth Claims should be dismissed.

26 **2. Upper Deck Has Not Alleged That Panini Intended to** 27 **Disrupt Its Relationship With Jordan**

28 The Fourth and Fifth Claims also fail because Upper Deck has not alleged

1 that Panini knew of and specifically intended to disrupt Upper Deck’s prospective
2 or contractual relations with Jordan. To satisfy the intent element for both
3 interference claims, a plaintiff must allege: (1) that defendant specifically intended
4 to disrupt the relationship, or (2) that the defendant knew that the interference was
5 certain or substantially certain to occur as a result of its action. *Korea Supply Co. v.*
6 *Lockheed Martin Corp.*, 29 Cal. 4th 1134, 1154 (2003).

7 First, Upper Deck’s allegations that Panini intended to disrupt Upper Deck’s
8 relationship with Jordan fall far short of making the necessary showing of specific
9 intent. (See Compl. ¶¶ 53, 82, 89.) Alleging specific intent “requires a plaintiff to
10 plead the defendant’s intentional acts [were] designed to induce a breach or
11 disruption of the contractual relationship.” *Korea Supply*, 29 Cal. 4th at 1155.
12 (citation omitted). Here, Upper Deck does not allege any particular act by Panini
13 designed to disrupt Upper Deck’s relationship with Jordan. For instance, there is
14 no allegation that Panini contacted Jordan or otherwise tried to induce Jordan to
15 breach his contract with Upper Deck. Upper Deck’s allegations that Panini knew of
16 Upper Deck’s contract with Jordan because it was “NBA industry knowledge” is
17 insufficient, as Upper Deck fails to allege that Panini “developed the requisite intent
18 to disrupt.” *Trindade v. Reach Media Group, LLC*, No. 12-cv-4759-PSG, 2013 WL
19 3977034, at *16 (N.D. Cal. July 31, 2013) (finding plaintiff’s failure to
20 “sufficiently allege that [the defendant] had anything more than generalized
21 knowledge of any contractual relationships” also constituted a failure to allege that
22 the defendant had “requisite intent to disrupt”).

23 Second, Upper Deck fails to allege that Panini was substantially certain its
24 actions would disrupt Upper Deck’s contract with Jordan. To allege substantial
25 certainty, a plaintiff must show “an interference that is incidental to the actor’s
26 independent purpose and desire but known to him to be a necessary consequence of
27 his action.” *Korea Supply*, 29 Cal. 4th at 1155-56 (citing Restatement (Second) of
28 Torts § 766, com. j (2019)). Upper Deck alleges that Panini is “undoubtedly

1 familiar” with its contract with Jordan (*see* Compl. ¶¶ 82, 89, 96, 101), but nowhere
2 does it allege that its “exclusive” license extends to images of Jordan wearing a
3 Chicago Bulls jersey (notably, Upper Deck does not cite any such cards it has
4 released in the recent past), or that Panini was privy to such knowledge. Courts
5 have rejected “common knowledge” as insufficient to establish knowledge on the
6 part of a defendant. *See, e.g., GSI Tech. v. United Memories, Inc.*, No. 5:13-cv-
7 01081-PSG, 2014 WL 1572358, at *7 (N.D. Cal. Apr. 18, 2014) (allegations that a
8 non-compete clause is common industry knowledge were “insufficient to establish
9 knowledge” by defendant); *Trindade*, 2013 WL 3977034, at *15-16 (allegations of
10 defendant’s “generalized knowledge” of plaintiff’s contracts with customers
11 because of plaintiff’s “strong reputation” in the market were insufficient to establish
12 knowledge by defendant). Upper Deck’s allegations fail to show that Panini knew
13 any disruption was certain or a necessary consequence of releasing the two cards.

14 **3. Upper Deck Has Not Adequately Alleged An** 15 **Independently Wrongful Act**

16 The Fourth Claim for intentional interference with prospective relations
17 should also be dismissed because, as discussed in this motion, Upper Deck fails to
18 allege that Panini’s conduct was “wrongful by some legal measure other than the
19 fact of interference itself.” *Della Penna v. Toyota Motor Sales, U.S.A., Inc.*, 11 Cal.
20 4th 376, 393 (1995). “[A]n act is independently wrongful if it is unlawful, that is, if
21 it is proscribed by some constitutional, statutory, regulatory, common law, or other
22 determinable legal standard.” *Korea Supply*, 29 Cal. 4th at 1159; *see also SIC*
23 *Metals, Inc. v. Hyundai Steel Co.*, No. SACV 18-00912-CJC (PLAx), 2018 WL
24 6842958, at *7 (C.D. Cal. Nov. 14, 2018) (finding plaintiffs failed to allege
25 independently wrongful conduct where all other claims were dismissed).

26 **E. Plaintiff’s Sixth and Seventh Claims Fail to State a Claim** 27 **for Right of Publicity**

28 California’s common law and statutory rights of publicity prohibit the

1 commercial use of “another’s name, voice, signature, photograph, or likeness”
2 without that person’s consent. Cal. Civ. Code § 3344; *Newcombe v. Adolf Coors*
3 *Co.*, 157 F.3d 686, 691-92 (9th Cir. 1998). The Complaint addresses two trading
4 cards that allegedly display certain images of Jordan during his NBA career—
5 “Jordan in his Bulls uniform.” (Compl. ¶ 25.) Accordingly, Upper Deck must
6 demonstrate that it has standing to pursue such claims based on Jordan’s right of
7 publicity “in his Bulls uniform,” and must demonstrate that such right belongs to
8 Jordan first and foremost. For the reasons below, Upper Deck fails to state a claim
9 for both common law and statutory right of publicity.

10 **1. Upper Deck Has Not Alleged Standing to Assert**
11 **Claims Based on Jordan in a Chicago Bulls Uniform**

12 As an initial matter, Upper Deck has not alleged standing to sue as an
13 exclusive licensee of the rights necessary to support the claims asserted. Unless a
14 license is exclusive in all respects relevant to the allegations in the complaint, it is
15 insufficient to grant standing to sue on a right-of-publicity claim. *Fighters Inc.,*
16 *LLC v. Elec. Arts Inc.*, No. CV 09-06389 SJO (VBKx), 2009 WL 10699504, at *5-
17 6 (C.D. Cal. Oct. 30, 2009) (nonexclusive license insufficient); *Upper Deck*, 971 F.
18 Supp. at 1349 (Upper Deck’s purported exclusive license was insufficient and
19 contradicted by athlete whom Upper Deck claimed to represent). For example, in
20 *Upper Deck*, Upper Deck alleged that it had an exclusive license with NFL player
21 Joe Montana to sell sports memorabilia. The court found that the license was non-
22 exclusive because it contained various exceptions that would allow Montana to sell
23 memorabilia during the term of the agreement. 971 F. Supp. at 1349.³

24
25 ³ Although *Fighters* and *Upper Deck* are preliminary injunction and summary
26 judgment cases, respectively, courts have granted standing challenges in right of
27 publicity claims at the motion to dismiss stage. See, e.g., *Hush Sound, Inc. v. H &*
28 *M Hennes & Mauritz LP*, No. 2:17-cv-07688-RGK-SS, 2018 WL 4962086, at *5
(C.D. Cal. Jan. 26, 2018) (finding plaintiffs failed to allege facts to establish
standing); *Milo & Gabby, LLC v. Amazon.com, Inc.*, 12 F. Supp. 3d 1341, 1349
(W.D. Wash. 2014) (same).

1 Here, Upper Deck similarly alleges that it has “an exclusive license with
2 Michael Jordan [] to use his image, name, likeness, marks, and other rights” on
3 trading cards. (Compl. ¶ 4.) But while Upper Deck asserts that Panini lacks the
4 right to release a trading card showing Jordan in his Bulls uniform (*id.* ¶¶ 32, 101),
5 Upper Deck does not allege that *it* holds that right or that even Jordan owns this
6 right. *Id.* Indeed, in describing its license agreement with Jordan, Upper Deck
7 provides only one example of Jordan trading cards it previously released—ones
8 depicting him in various Hanes commercials from the 1990s. (*Id.* ¶¶ 23-24.) The
9 two cards at issue depict Jordan in a Bulls uniform during an NBA game; Upper
10 Deck has made no allegation that its agreement with Jordan is exclusive as to that
11 depiction. Notably, Upper Deck confirms that it has not released a trading card
12 depicting Jordan in a Chicago Bulls uniform in the last ten years. (*See* Compl.
13 ¶ 25.) Because Upper Deck has not alleged that it holds an exclusive license to
14 images of Jordan in a Bulls jersey, it does not have standing to bring its common
15 law and statutory right of publicity claims.

16 2. Upper Deck Has Not Plausibly Alleged Facts in 17 Support of Its Right of Publicity Claims

18 Plaintiff’s Sixth and Seventh Claims fail for several additional reasons. To
19 state a claim for common law right of publicity, plaintiff must allege “(1) the
20 defendant’s use of plaintiff’s identity; (2) the appropriation of plaintiff’s name or
21 likeness to defendant’s advantage, commercially or otherwise; (3) lack of consent;
22 and (4) resulting injury.” *Newcombe*, 157 F.3d at 691 (quoting *Eastwood v.*
23 *Superior Court*, 149 Cal. App. 3d 409, 417 (1983)). To state a claim under Cal.
24 Civ. Code § 3344, plaintiff must plead all four elements of the common law claim,
25 and further allege (5) “a knowing use” by the defendant “of the plaintiff’s name,
26 photograph or likeness for purposes of advertising or solicitation of purchases” and
27 (6) “a ‘direct’ connection” between the alleged “use and the commercial purpose.”
28 *Eastwood*, 149 Cal. App. 3d at 417-18. For the reasons explained below, Upper

1 Deck fails to plausibly state its right of publicity claims.

2 **i. Jordan’s Image in the Pippen Card Is Not**
3 **Readily Identifiable**

4 A threshold requirement for any right of publicity claim is that the subject in
5 the accused work must be readily identifiable. *Newcombe*, 157 F.3d at 692
6 (applying the “readily identifiable” requirement of Cal. Civ. Code § 3344(b) to
7 common law right of publicity claims). Upper Deck fails to meet this requirement
8 as to the Pippen Card. A person is readily identifiable “when one who views the
9 photograph with the naked eye can reasonably determine” the person “in the
10 photograph is the same person who is complaining of its authorized use.” Cal. Civ.
11 Code § 3344(b)(1). In *Young v. Greystar Real Estate Partners, LLC*, the court
12 found that plaintiff was not “readily identifiable” and dismissed his right of
13 publicity claim. No. 3:18-cv-02149-BEN-MSB, 2019 WL 4169889, at *4 (S.D.
14 Cal. Sept. 3, 2019). The court determined that the plaintiff’s photo depicted “a
15 small, shadowy sliver of [his] chin[,] [his] back, the backside of his arms and
16 frontside of his legs and feet” and therefore agreed with the defendant that “the
17 photograph could be of any countless number of white males.” *Id.*

18 Here, too, the Pippen Card features a very small, non-identifiable image of
19 Jordan in the bottom-right corner. The image contains “no visible facial
20 characteristics” that can be seen with the naked eye. *Id.* And although a viewer
21 might be able to determine that the person in the image is wearing a Bulls jersey
22 (aided by the fact that Pippen is also wearing a Bulls jersey), the number on the
23 jersey is indiscernible. Thus, the image “could be of any one” Bulls player
24 between the years of 1988-1998 when Pippen played on the team. Because Jordan
25 is not readily identifiable, Upper Deck’s Sixth and Seventh Claims should be
26 dismissed as to the Pippen Card for failure to state a claim.

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1 **ii. Jordan’s Image in the Rodman and Pippen**
2 **Cards Is Incidental**

3 Even if Jordan’s image can be readily identified in the Pippen Card,
4 Upper Deck fails to state right of publicity claims as to both cards because any such
5 use of Jordan’s image is incidental. The Ninth Circuit has explained that the
6 incidental use defense is “widely recognized” in right of publicity claims. *Davis v.*
7 *Elec. Arts Inc.*, 775 F.3d 1172, 1180 n.5 (9th Cir. 2015). As such, a plaintiff cannot
8 recover for a “mere trivial or fleeting use of” name, photograph, or likeness “when
9 such a usage will have only a de minimis commercial implication.” J. Thomas
10 McCarthy, *McCarthy on Trademarks and Unfair Competition* § 28:7.50 (5th ed.
11 2019). Dismissal based on incidental use is warranted at the 12(b)(6) stage.⁴

12 Here, Upper Deck fails to allege plausible facts giving rise to a reasonable
13 inference that Jordan’s image in a Chicago Bulls uniform is anything more than
14 incidental to the two cards. As reflected by the front of the cards, the commercial
15 purpose of the cards is to prominently feature Pippen and Rodman, respectively.
16 Jordan’s background image, to the extent it is identifiable, appears on the cards only
17 because Jordan played on the same team with Pippen and Rodman during the same
18 time. In the Rodman Card, Jordan’s de minimis image is just as incidental as the
19 image of the opposing team player pictured to the left of Rodman, as well as the
20 dozens of fans pictured behind Rodman whose faces are also visible. And in the
21 Pippen Card, the size of the purported and obscured image of Jordan is no larger
22 than Pippen’s shoe in the foreground, underscoring the incidental nature of a
23 teammate’s appearance in an “action shot” photograph of another player.

24 While Upper Deck claims that Jordan’s image on the cards “result[ed] in
25

26 ⁴ See *Lohan v. Perez*, 924 F. Supp. 2d 447, 455-56 (E.D.N.Y. 2013); *Somerson v.*
27 *World Wrestling Entm’t, Inc.*, 956 F. Supp. 2d 1360, 1369-70 (N.D. Ga. 2013);
28 *Lindholm v. Gibney*, No. H-05-2429, 2006 WL 8451489, at *9 (S.D. Tex. Sept. 12,
2006); *Hoepker v. Kruger*, 200 F. Supp. 2d 340, 350-51 (S.D.N.Y. 2002).

1 commercial benefit to Panini” (Compl. ¶ 95), it has not alleged any actual,
2 commercial benefit to Panini that it intentionally derived. Upper Deck refers only
3 to a third-party Internet publication, Beckett Media, which allegedly “reported on
4 the rarity of Jordan’s appearance in an NBA trading card release” and that sellers
5 on secondary markets have identified the cards as “Jordan cards” in attempts to
6 yield higher sale prices. (*Id.* ¶ 42.) Neither of these allegations show that Panini
7 has reaped a commercial benefit from Jordan’s image on the cards through
8 increased sales or profits. For example, while Upper Deck alleges that the cards
9 sold for a higher price on the secondary market, it has not alleged that *Panini*
10 markets the cards as “Jordan cards” (only that they were marketed as such by third
11 parties) or that *Panini* originally offered the cards for sale at a higher price than
12 other cards. Any alleged increase in value of the cards would have occurred well
13 after the original sale and only occurred on the secondary market, where Panini
14 would not receive the purported financial benefit. Jordan’s image, therefore, has
15 only a “de minimis commercial implication.”

16 Because Panini’s alleged use of Jordan’s image in the cards is incidental,
17 Upper Deck cannot satisfy the other elements of the right of publicity claims—that
18 Panini (a) appropriated Jordan’s name or likeness to its “commercial advantage,”
19 (b) “knowingly” used Jordan’s image for “solicitation of purchases,” and (c) made a
20 “direct connection” between the use of Jordan’s image and its “commercial
21 purpose.” Accordingly, the Sixth and Seventh Claims should be dismissed.

22 **iii. Jordan Is Not Singled Out As More Than a**
23 **Member of a Definable Group**

24 The Seventh Claim also fails because Jordan is not depicted as more than a
25 member of a “definable group.” Section 3344(b)(2) provides that if more than one
26 person is pictured in a photograph, the complaining individual must be “represented
27 as [an] individual[] rather than solely as [the] member[] of a definable group
28 represented in the photograph.” A person is a member of a definable group if she is

1 “represented in the photograph solely as a result of being present at the time the
2 photograph was taken and ha[s] not been singled out as [an] individual[] in any
3 manner.” Cal. Civ. Code §§ 3344(b)(2)-(3) (“definable group includes . . . a crowd
4 at any sporting event . . . or a baseball team”). Here, the partial, obscured image of
5 Jordan identifies him only as the member of an NBA basketball team, not as an
6 individual, and is visible only because of Jordan’s presence on the basketball court
7 in the background of Rodman’s and Pippen’s photographs. Upper Deck does not
8 and cannot allege that Jordan has been singled out on the cards “in any manner.”
9 Thus, the statutory right of publicity claim is not properly pleaded.

10 **F. Plaintiff’s Eighth Claim Fails to State a Claim for Unfair**
11 **Competition under Cal. Bus. & Prof. Code § 17200**

12 Upper Deck fails to plead a violation of California’s unfair competition law
13 (“UCL”) because it fails to sufficiently allege any of the other claims in the
14 Complaint. To plead a UCL violation, a plaintiff must allege that she was harmed
15 by “unlawful, unfair or fraudulent business act[s] or practice[s].” Cal. Bus. & Prof.
16 Code § 17200. A plaintiff’s claim that alleged conduct is “unlawful” “is derivative
17 of, and dependent on the viability of [plaintiff’s] other claims.” *Cohen v.*
18 *Facebook, Inc.*, 798 F. Supp. 2d 1090, 1098 (N.D. Cal. 2011). Thus, if plaintiff’s
19 other claims fail, the UCL claim also fails. *Id.*; *see also In re Google, Inc. Privacy*
20 *Policy Litig.*, No. C-12-01382-PSG, 2013 WL 6248499, at *15 (N.D. Cal. Dec. 3,
21 2013) (finding plaintiffs’ UCL claim failed as a matter of law because they “failed
22 to set forth sufficient factual allegations to support the underlying [claims]”).

23 Upper Deck alleges that Panini engaged in “unlawful” practices, premising
24 its UCL claim on its other claims. (Compl. ¶¶ 104-05.) Because the other claims
25 should be dismissed for failure to state a claim, the Eighth Claim fails as well.

26 **IV. CONCLUSION**

27 For the foregoing reasons, Panini respectfully requests the Court dismiss the
28 Complaint in its entirety without leave to amend.

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Dated: March 20, 2020

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-- and --

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CERTIFICATE OF SERVICE

I hereby certify that this document filed through the ECF system on this 20th day of March 2020, will be sent electronically to the registered participants as identified on the Notice of Electronic Filing (NEF) and paper copies will be sent to those that are indicated as non-registered participants, if any.

s/ Joyce Liou

JOYCE LIOU