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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WASHINGTON

PREPARED FOOD PHOTOS, INC.,
f/k/a ADLIFE MARKETING &
COMMUNICATIONS CO., INC., a
Florida for-profit corporation,

Plaintiff,

v.

POOL WORLD, INC., a Washington
for-profit corporation,

Defendant.

NO. 2:23-CV-0160-TOR

ORDER DENYING PLAINTIFF'S
MOTION TO DISMISS WITHOUT
PREJUDICE

BEFORE THE COURT is Plaintiff's Motion to Voluntarily Dismiss without Prejudice (ECF No. 49). This matter was submitted for consideration without oral argument. The Court has reviewed the record and files herein and is fully informed. For the reasons discussed below, Plaintiff's motion to dismiss is **DENIED.**

BACKGROUND

This motion to dismiss arises out of a copyright infringement action brought

1 by Plaintiff Prepared Food Photos, Inc., a Florida corporation, against Defendant
2 Pool World, Inc., a Washington corporation. ECF No. 1 at 1-2. Plaintiff claims it
3 “is in the business of licensing high-end, professional photographs for the food
4 industry.” *Id.* at 3, ¶ 6. In 2001, Plaintiff created a photograph titled
5 “ProduceVegetableGrilled002.” *Id.* at 4, ¶ 11. The image depicts skewers of
6 vegetables laying diagonally on a grill. *Id.* The work was registered with the
7 United States Copyright Office on September 29, 2016. *Id.* at 4, ¶ 12.

8 Defendant sells pools, spas, and other outdoor appliances, including grills.
9 *Id.* at 5, ¶ 14. Prior to obtaining copyright, Plaintiff made the photo available for
10 licensing on iStock, a subsidiary of Getty Images that allows users to purchase
11 licenses to royalty-free images. ECF Nos. 21 at 3; 21-8 at 4. In 2010, Defendant
12 purchased a license to use the subject image and published the photo on its public-
13 facing website to advertise its grills. *See* ECF No. 1 at 5, ¶ 16. At the time of
14 purchase, Defendant represents that the cost of the image licensing fee was
15 anywhere between \$1 and \$12. ECF Nos. 21 at 3; 21-1 at 3, ¶ 9.

16 After the image was registered in 2016, Plaintiff pulled all of its photos off
17 iStock and began making its images available through an alternative subscription
18 service which allows users to purchase access to its entire photo library for \$999
19 per month. ECF Nos. 7 at 10; 25 at 14. In 2022, Plaintiff sent Defendant a
20 demand letter representing that Pool World’s use of the image was unauthorized

1 and seeking \$35,964 in statutory damages. ECF No. 7 at 10. When Defendant
2 refused to accede to Plaintiff's demand, Plaintiff filed suit for copyright
3 infringement pursuant to the Copyright Act, 17 U.S.C. § 101 *et seq.*, on June 2,
4 2023. *See* ECF No. 1. The scheduling order was filed August 16, 2023 (ECF No.
5 17) with a jury trial set for September of 2024. *Id.* In February 2024, the case was
6 stayed upon agreement by the parties to seek resolution through a court mediated
7 settlement conference which occurred at the end of June. ECF Nos. 35; 46. The
8 parties were unable to reach an agreement. The issue now before the Court is
9 Plaintiff's motion to voluntarily dismiss its claims against Defendant without
10 prejudice and without the requirement Plaintiff pay any of Defendant's attorney's
11 fees. ECF No. 49.¹

12 DISCUSSION

13 "Generally, Rule 41(a)(2) grants a district court discretion to dismiss a case
14 with or without prejudice." *Kamal v. Eden Creamery, LLC*, 88 F.4th 1268, 1279
15 (9th Cir. 2023). "[W]here the request is to dismiss without prejudice, '[a] District
16 Court should grant a motion for voluntary dismissal under Rule 41(a)(2) unless a
17 defendant can show that it will suffer some plain legal prejudice as a result.'" *WPP Lux. Gamma Three Sarl v. Spot Runner, Inc.*, 655 F.3d 1039, 1058-59 n.6

19
20 ¹ Plaintiff's additional request to stay further proceedings until the motion to
dismiss is resolved is now moot.

1 (9th Cir. 2011) (quoting *Smith v. Lenches*, 263 F.3d 972, 975 (9th Cir. 2001).

2 Legal prejudice is “prejudice to some legal interest, some legal claim, some legal
3 argument.” *Westlands Water Dist. v. United States*, 100 F.3d 94, 97 (9th Cir.
4 1996).

5 Defendant argues it will suffer legal prejudice in two ways if the Court were
6 to dismiss Plaintiff’s claims without prejudice. The first and primary argument is a
7 dismissal without prejudice would deprive Defendant prevailing party status that is
8 required to obtain attorney’s fees under the Copyright Act. ECF No. 55 at 16.

9 Section 505 of the Copyright Act provides:

10 In any civil action under this title, the court in its discretion may allow the
11 recovery of full costs by or against any party other than the United States or
12 an officer thereof. Except as otherwise provided by this title, the court may
also award a reasonable attorney’s fee to the prevailing party as part of the
costs.

13 17 U.S.C. § 505. As the Defendant cites to in its response, the Ninth Circuit held
14 in *Cadkin v. Loose*, 569 F.3d 1142 (9th Cir. 2009) that a voluntary dismissal of
15 copyright claims with prejudice confers prevailing party status on defendants under
16 the Copyright Act while a dismissal without prejudice does not. *Loose*, 569 F.3d at
17 1149. Thus, a defendant suffers legal prejudice if deprived of the ability to pursue
18 attorney fees when copyright claims are dismissed without prejudice. *See, e.g.*,
19 *Columbia Pictures Television v. Krypton Broadcasting of Birmingham*, 152 F.3d
20 1171, 1172 (9th Cir. 1998) (“Feltner is not the prevailing party in this case.

1 Therefore, as a matter of law, he is not entitled to attorney’s fees pursuant to
2 § 505.”); *see also United States v. Ito*, 472 F. App’x 841 (9th Cir. 2012) (“Without
3 prevailing party status, the Itos were unable to bring their attorney’s fees motion
4 under the Civil Asset Forfeiture Reform Act[.] The Itos suffered plain legal
5 prejudice in losing their ability to move for attorney’s fees.”).

6 Plaintiff argues that Defendant would not suffer legal prejudice even if
7 deprived of the prevailing party status because Defendant has no attorney fees to
8 pursue under the Copyright Act. ECF No. 56 at 6-7. Defendant’s representation
9 was retained on a pro bono basis, and Plaintiff states that the Defendant itself has
10 incurred no costs as fees to its attorneys during this litigation. *Id.* Plaintiff
11 references several times to a district court case out of Florida, *Affordable Aerial*
12 *Photography, Inc. v. Abdelsayed et al.*, Case No. 9:21-cv-81331-AMC (S.D.Fla.)
13 (“AAP Case”) where the court orally held defendant suffered no legal prejudice
14 from a voluntary dismissal without prejudice under the Copyright Act for the very
15 reason that defendant had incurred no attorney fees. AAP Case, ECF No. 56-1 at
16 36, ¶ 18, at 38, ¶ 9. The Court is not persuaded by Plaintiff’s argument or the
17 holding of one out of circuit district court case. Depriving Defendant the ability to
18 pursue attorney fees under the Copyright Act *is* the legal prejudice, not whether
19 Defendant will actually be awarded fees. *See, e.g., Dental Health Servs. Inc. v.*
20 *Miller*, 2024 WL 1173803, at *2 (W.D. Wash. Mar. 19, 2024) (“At this stage, the

1 Court examines only whether Miller faces ‘legal prejudice’ from losing her ability
2 to seek fees, not the merits of a potential future motion for fees.”). The issue of
3 attorney fees for pro bono representation is an argument to be made when a motion
4 for fees is before the Court. Therefore, the Court finds Defendants will suffer legal
5 prejudice under the Copyright Act if this action is dismissed without prejudice.
6 The Court need not address Defendant’s legal prejudice under a statute of
7 limitations defense argument.

8 **CONCLUSION**

9 For the foregoing reasons, Plaintiff’s voluntary motion to dismiss without
10 prejudice is denied. Plaintiff must either move to dismiss this action with
11 prejudice or continue with litigation. The Court will set a new scheduling order in
12 due course.

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1 **ACCORDINGLY, IT IS HEREBY ORDERED:**

- 2 1. Defendant's Motion to Voluntary Dismiss (ECF No. 49) is **DENIED**.
3 2. Defendant's Motion to Stay Proceedings (ECF No. 49) is **DENIED as**
4 **moot.**

5 The District Court Executive is directed to enter this Order and furnish
6 copies to counsel.

7 DATED September 30, 2024.



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Thomas O. Rice
THOMAS O. RICE
United States District Judge