

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WISCONSIN

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DAVID & GOLIATH BUILDERS, INC.,

Plaintiff,

v.

ELLIOTT CONSTRUCTION, INC. and  
ROBERT STEFFENHAGEN,

Defendants.

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OPINION AND ORDER

05-C-494-C

This is a civil action for monetary and injunctive relief in which plaintiff David & Goliath Builders, Inc. contends that defendants Elliott Construction, Inc. and Robert Steffenhagen infringed its technical drawing and architectural work copyrights in violation of the Architectural Works Copyright Protection Act of 1990 by designing and constructing a model home based upon plaintiff's copyrighted Cobblestone Ranch design. Subject matter jurisdiction is present under 28 U.S.C. § 1338.

Before the court are defendants' motion for summary judgment and plaintiff's motion to supplement its responses to defendants' proposed findings of fact. Both motions will be denied. Plaintiff's motion will be denied because defendants would be prejudiced if I were

to accept plaintiff's untimely responses. Defendants' motion will be denied because disputed questions of fact and inferences to be drawn from those facts prevent the court from finding as a matter of law that defendants' home is substantially similar to elements of plaintiff's home that are protected by copyright.

Before turning to the undisputed facts, I will address plaintiff's motion to supplement its responses to defendant's proposed findings of fact. This court's procedures require a party moving for summary judgment to submit a statement of all factual propositions necessary for judgment in the moving party's favor. Procedure To Be Followed on Motions for Summary Judgment, I.B.3. According to the summary judgment procedures, unless the party opposing the motion puts a proposed finding into dispute by citing admissible evidence in support of an opposing fact, the moving party's proposed fact will be treated as undisputed. Procedure, II.C-E.

However, the rules permit a non-moving party to propose its own findings of fact following the same procedures applicable to the moving party. Procedure, II.B. The moving party is required to respond to the non-moving party's proposed facts in the same manner the non-moving party must respond to the moving party's proposed findings. Although this procedure is straightforward on its face, complications arise when a non-moving party responds improperly to a moving party's proposed facts (a failure that would typically result in the court's treating the moving party's fact as undisputed) but properly proposes facts that

contradict those proposed by the moving party.

In this case, defendants properly proposed facts in support of its motion for summary judgment. Plaintiff did not place these facts in dispute because it did not file a response until after defendants filed their reply brief. However, although plaintiff did not respond to defendants' proposed findings of fact, it did propose facts of its own, some of which contradict facts proposed by defendants. Contrast, for example, defendants' proposed fact #7, "The set of house plans [that accompanied plaintiff's copyright applications] does not accurately represent the 2003 Parade Home," dkt. #15, at 2, with plaintiff's proposed fact #9, "The plans submitted with both the architectural work and technical drawing copyrights accurately reflect and represent the home built by [plaintiff] named as Cobblestone Ranch and used by [plaintiff] for the 2003 Parade of Homes," dkt. #23, at 2.

Defendants appear to believe that because they proposed their facts first and plaintiff failed to dispute them properly, plaintiff's properly proposed facts will be ignored by the court. Although defendants' approach is not wholly unreasonable, it is not mandated by the court's procedures, which do not address what action the court will take when "undisputed" facts contradict each other. The approach this court has taken in the past is to treat contradictory "undisputed facts" as matters of factual dispute. I can discern no principled reason for doing otherwise. Particularly in the context of summary judgment, where all inferences must be drawn in favor of a non-moving party, Saucier v. Katz, 533 U.S. 194,

201 (2001), the best course of action is to err in favor of finding a dispute where one may reasonably exist and is supported by admissible evidence.

Nevertheless, there is no excuse for plaintiff's failure to respond properly to defendants' proposed findings. Accepting plaintiff's responses after the deadline for defendants' reply would be prejudicial to defendants, who now have no opportunity to rebut plaintiff's assertions. Moreover, plaintiff's proposed responses include "supplemental facts" beyond the scope of defendants' proposed facts. Therefore, plaintiff's motion to supplement its responses to defendants' proposed findings of fact will be denied.

One last preliminary matter. In their proposed findings of fact, neither side proposed facts regarding what information was contained in the advertisement defendant Elliott Construction forwarded to defendant Steffenhagen before he designed defendants' home. In part, this omission may be due to the fact that the parties dispute whether the advertisement in defendants' possession contained photographs of the home in addition to a rendering of the facade and a partial plan of the first floor of the Cobblestone Ranch. See dkt. #17, Exh. A and dkt. #26, Exh. F. (Strangely enough, defendants contend that the advertisement in their possession was *more detailed* than the one to which plaintiff contends they had access.) Regardless, the differences between the two advertisements are minor. Both show the facade of the Cobblestone Ranch (one in a photograph, the other in a sketch) and contain an identical partial rendering of the first floor plan. Because basic facts

regarding the content of the advertisement are critical to determining whether defendants are entitled to judgment as a matter of law, I have drawn from the advertisements facts that are common to both and necessary for resolution of defendants' motion.

From the proposed findings of fact and from the record, I find the following facts to be material and undisputed.

## UNDISPUTED FACTS

### A. Parties

Plaintiff David & Goliath Builders, Inc. is a construction company located in Pewaukee, Wisconsin.

Defendant Elliott Construction, Inc. is a construction company located in Middleton, Wisconsin. Defendant Robert Steffenhagen is a licensed architect who resides in Madison, Wisconsin.

### B. Cobblestone Ranch

Plaintiff designed a home called Cobblestone Ranch, a model of which was built on Lot 7 of the Twin Creeks subdivision in Jackson, Wisconsin. In 2003, plaintiff entered the home in the Metropolitan Builders Association Parade of Homes, which ran from August 16 to September 7, 2003. During the parade, members of the public could purchase tickets and

tour all parade model homes, including the Cobblestone Ranch.

On September 12, 2003, plaintiff registered the home as an architectural work with the United States Copyright Office. The home was assigned registration number VA 1-224-785. On the same day, plaintiff registered the house plans from which the home had been built as a technical drawing. The plans were assigned registration number VA 1-223-464.

Plaintiff advertised the home design widely, featuring it in national, regional and local publications. Pictures of the Cobblestone Ranch home and an abridged version of the first story plan were included in plaintiff's promotional material and advertisements. None of these advertisements were registered with the United States Copyright Office.

Chris Holstein, an employee of defendant Elliott Construction, saw one of these advertisements, which showed the facade of the Cobblestone Ranch and a partial rendering of the first floor plan. Holstein forwarded a partial copy of this advertisement to defendant Steffenhagen, who then drafted the plans for defendant Elliott Construction's 2004 entry in the Madison Area Builders' Association Parade of Homes, located at 1307 Lawton Court in Waunakee, Wisconsin.

## OPINION

### A. Copyright Infringement

A copyright confers upon its owner the exclusive right to reproduce the copyrighted

work and “to prepare derivative works based upon the copyrighted work.” 17 U.S.C. § 106(1)-(2). Intrinsically linked to the owner’s exclusive right to use is the right to exclude others from using its copyrighted property. eBay Inc. v. MercExchange, L.L.C., \_\_\_ S. Ct. \_\_\_, 2006 WL 1310670, \*3 (2006). Architectural works may be copyrighted under 17 U.S.C. § 102(a)(8) and technical drawings, including architectural plans, may be copyrighted under § 102(a)(5). A copyright holder may license both an architectural work and the technical drawings from which the work was built; to do so he must register the work and the drawings separately. 37 C.F.R. § 202.11(b)(4).

To succeed on its copyright infringement claim, plaintiff must show “(1) ownership of a valid copyright, and (2) copying of constituent elements of the work that are original.” Feist Publications, Inc. v. Rural Telephone Service Co., Inc., 499 U.S. 340, 361 (1991); Wildlife Express Corp. v. Carol Wright Sales, Inc., 18 F.3d 502, 507 (7th Cir. 1994). By obtaining a certificate of registration from the United States Register of Copyrights for the Cobblestone Ranch home and building plans, plaintiff established a rebuttable presumption in favor of the copyrights’ validity, 17 U.S.C. § 410(c); see also Wildlife Express, 18 F.3d at 507, and defendants do not contest the validity of plaintiff’s copyrights. The question, then, is whether the house defendants built copied original constituent elements of the Cobblestone Ranch. To prove that it did, plaintiff must show that (1) “defendant copied from [] plaintiff’s work” and (2) “the copying [] went so far as to constitute an improper

appropriation.” Atari, Inc. v. North American Philips Consumer Electronics Corp., 672 F.2d 607, 614 (7th Cir. 1982), superseded in part by Fed. R. Civ. P. 52(a) (as amended 1985).

1. Evidence of copying

Copying can be proven in two ways: (1) by direct evidence or (2) by a showing of “substantial similarity” between the copyright work, along with evidence that the infringing author had access to the original. Kay Berry, Inc. v. Taylor Gifts, Inc., 421 F.3d 199, 208 (3d Cir. 2005). Because “plagiarists rarely work in the open and direct proof of actual copying is seldom available,” Johnson v. Gordon, 409 F.3d 12, 18 (1st Cir. 2005), the second method of proof is used most commonly. Perhaps for that reason, the parties’ briefs make no mention of direct evidence and focus exclusively on whether plaintiff can establish that defendants had access to plaintiff’s copyrighted works.

Defendants deny that they saw the completed copyrighted plans for the Cobblestone Ranch or viewed the house in person prior to the initiation of this lawsuit and contend that they are entitled to summary judgment because plaintiff cannot disprove their allegations. Plaintiff ripostes that access may be inferred from the degree of similarity between the Cobblestone Ranch and defendants’ completed home. Although it is true that access may be inferred under certain circumstances, Bucklew v. Hawkins, Ash, Baptie & Co., LLP., 329 F.3d 923, 926 (7th Cir. 2003) (proof of access not required when similarities between



copyrighted work and its accused infringer concern details of such arbitrary character that probability of independent duplication is remote), no such inference is necessary in this case because defendants *admit* they had access to elements of plaintiff's work.

Defendants concede that they viewed pictures and reviewed a portion of the first floor plan of the Cobblestone Ranch contained in one of plaintiff's promotional advertisements before designing their entry for the 2004 Madison Area Builders' Association Parade of Homes. Nevertheless, they insist that they would not have infringed plaintiff's copyrights even if they copied the pictures and floor plan contained in the advertisement because the advertisement itself was not copyrighted.

Insofar as the promotional materials plaintiff produced featured elements of their copyrighted Cobblestone Ranch, the materials may be characterized as "derivative works," in which plaintiff possessed exclusive rights. 17 U.S.C. § 106(2). Although derivative works may be separately copyrighted if they are sufficiently original when compared to the work from which they are derived, plaintiff's failure to copyright the advertisements did not in any way diminish its exclusive rights to the underlying Cobblestone Ranch design. E.g., Montgomery v. Noga, 168 F.3d 1282, 1293 (11th Cir. 1999) (citing H.R. Rep. No. 94-1476, at 61 (1976) (noting that under section 106(1), "a copyrighted work would be infringed by reproducing it in whole or in any substantial part, and by duplicating it exactly or by imitation or simulation")); Gamma Audio & Video, Inc. v. Ean-Chea, 11 F.3d 1106,

1112 (1st Cir. 1993) (“Although a derivative work may be separately copyrighted, that copyright does not affect the copyright in the underlying work . . . Any elements that the author of the derivative work borrowed from the underlying work . . . remain protected by the copyrights in the underlying work.”). In short, the fact that plaintiff did not copyright its promotional materials is wholly irrelevant to whether defendants copied constituent elements of the Cobblestone Ranch in reliance on a drawing, photograph or floor plan contained in the advertisement. Defendants admit they had access to promotional materials featuring portions of the Cobblestone Ranch: that alone is sufficient evidence of “access.” If coupled with evidence of “substantial similarity” (a fact the parties hotly dispute), defendants’ admitted access would support a finding that they copied plaintiff’s copyrighted design.

## 2. Protected elements

Not all copying constitutes copyright infringement. The mere fact that a work is copyrighted does not mean that every element of the work may be protected. Feist Publications, 499 U.S. at 348, 361. Copyright protection will extend only to those elements of a work that are original to the creator of the work, that is, those which possess “some minimal degree of creativity.” Id. Because a copyrighted work may consist of both protected and unprotected elements, a finding of infringement is not appropriate where the similarities

arise only with respect to unprotected elements of the creator's work. Trek Leasing, Inc. v. United States, 66 Fed. Cl. 8, 12 (Fed. Cl. 2005).

It is well established that no author may copyright facts or ideas: “The copyright is limited to those aspects of the work, termed ‘expression’ that display the stamp of the author's originality.” Feist Publications, 499 U.S. at 350; see also 17 U.S.C. § 102(b) (“In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery”). Therefore, once copying has been established, it becomes necessary to answer two thornier questions: (1) What has been copied? and (2) How much has been copied? To these questions, there is no easy answer.

“No principle can be stated as to when an imitator has gone beyond copying the ‘idea,’ and has borrowed its ‘expression.’ Decisions must therefore inevitably be ad hoc.” Sturdza v. United Arab Emirates, 281 F.3d 1287, 1295 (D.C. Cir. 2002) (citing Peter Pan Fabrics, Inc. v. Martin Weiner Corp., 274 F.2d 487, 489 (2d Cir. 1960) (Hand, J.)). Although no bright line rule delineates the scope of what may be copyrighted, 17 U.S.C. § 101 provides some guidance regarding the scope of copyrights pertaining to architectural works. These works are defined by statute to include

the design of a building as embodied in any tangible medium of expression, including a building, architectural plans, or drawings. The work includes the overall form as well as the arrangement and composition of spaces and

elements in the design, but does not include individual standard features.

17 U.S.C. § 101.

Generally speaking, defendants could infringe plaintiff's copyright by copying expressive features of the Cobblestone Ranch, such as ornamental designs and unique color schemes. However, infringement could not be inferred merely from the fact that defendants designed a home that included the same number of bathrooms, or had a kitchen, a staircase and a garage, since those "standard features" would not be subject to copyright.

### 3. "Substantial similarity"

Once unprotectible elements such as ideas and standard features have been excluded from consideration, the next step in an infringement inquiry is determining whether the allegedly infringing work is "substantially similar" to the protectible elements of the artist's work (not to be confused with the "substantial similarity" between original work and accused work necessary to show copying by indirect proof). See, e.g., Sturdza, 281 F.3d at 1296. To determine whether two works are substantially similar, the court or jury must conduct a "side-by-side" comparison of the works to decide "whether the accused work is so similar to the plaintiff's work that an ordinary reasonable person would conclude that the defendant unlawfully appropriated the plaintiff's protectible expression by taking material of substance and value." Wildlife Express, 18 F.3d at 509. The works will be found substantially similar

if “the ordinary observer, unless he set out to detect the disparities, would be disposed to overlook them, and regard their aesthetic appeal as the same.” Id. (quoting Peter Pan Fabrics, Inc., 274 F.2d at 489).

But “[w]ho is the “ordinary” observer, and how does this person choose the level of generality?” Nash v. CBS, Inc., 899 F.2d 1537, 1540 (7th Cir. 1990) (Easterbrook, J.).

Ordinary observers, like reasonable men in torts, are fictitious characters of the law, reminders that judges must apply objective tests rather than examine their own perceptions. They do not answer the essential question: at what level of generality? After 200 years of wrestling with copyright questions, it is unlikely that courts will come up with the answer any time soon, if indeed there is “an” answer, which we doubt.

Id.

The key to finding substantial similarity lies often in the similarities between two works, rather than in their differences. Sheldon v. Metro-Goldwyn Pictures Corp., 81 F.2d 49, 56 (2d Cir.1936) (L. Hand, J.) (“[N]o plagiarist can excuse [his] wrong by showing how much of his work he did not pirate.”). The Court of Appeals for the Second Circuit has gone so far as to say that it may be “entirely immaterial that, in many respects, [a] plaintiff’s and [a] defendant[’]s works are dissimilar, if in other respects, similarity as to a substantial element of plaintiff’s work can be shown.” Attia v. Society of New York Hosp., 201 F.3d 50, 57-58 (2d Cir. 1999) (citing 4 Nimmer § 13.03(B), at 13:52-53) (leaving open question whether mere sketch of building facade sufficiently “expressive” to warrant copyright

protection). Yet, lest that inquiry seem too simple, courts have held also that “dissimilarity can be important in determining whether there is substantial similarity.” Id. at 58; see also Durham Industries v. Tomy Corp., 630 F.2d 905, 913 (2d Cir. 1980) (“[W]e have also recognized that numerous differences tend to undercut substantial similarity.”).

In this case, defendants admit that defendant Elliott Construction forwarded pictures of the facade of plaintiff’s Cobblestone Ranch house and portions of the first floor plan to defendant Steffenhagen before he began designing their model home, though they stop short of admitting that the facade and floor plan were copied directly. The parties dispute whether interior features of the home and other building details not shown in the advertisement were copied. In determining whether substantial similarity exists between plaintiff’s Cobblestone Ranch and defendants’ house, the jury must decide how much copying constitutes “too much” copying. Such a determination is indisputably a question of fact, not amenable to disposition on summary judgment in a case such as this one.

In deciding which facts to believe, the jury will have to determine whether any copied elements of defendants’ home are sufficiently similar to protected elements of plaintiff’s Cobblestone Ranch to warrant a finding of infringement. Because the resolution of these disputed questions is material to the outcome of the lawsuit, defendants’ motion for summary judgment must be denied.

B. Attorney Fees

Defendants contend that even if plaintiff shows infringement, statutory damages and attorney fees are not available under 17 U.S.C. §§ 504 and 505 because a court may not award damages and fees for “any infringement of copyright commenced after first publication of the work and before the effective date of its registration, unless such registration is made within three months after the first publication of the work.” 17 U.S.C. § 412(2). According to defendants, damages and fees are barred in this case because plaintiff did not register the derivative advertisement defendants examined within three months of its publication.

Not so. In this lawsuit plaintiff contends that defendants infringed the underlying Cobblestone Ranch copyrights, not the derivative promotional materials. It is undisputed that plaintiff registered its copyrights in the Cobblestone Ranch before developing and publishing its promotional materials. Therefore, if plaintiff proves at trial that defendants infringed its copyrights by copying substantial portions of the Cobblestone Ranch from pictures or floor plans contained in the derivative promotional materials, it will be entitled to seek statutory damages and fees under 17 U.S.C. §§ 504 and 505.

ORDER

IT IS ORDERED that

1. Plaintiff's motion to supplement its summary judgment responses is DENIED and
2. The motion for summary judgment filed by defendants Elliott Construction, Inc. and Robert Steffenhagen is DENIED in its entirety.

Entered this 25th day of May, 2006.

BY THE COURT:  
/s/  
BARBARA B. CRABB  
District Judge