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Millennium TGA, Inc.

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7 **IN THE UNITED STATES DISTRICT COURT**
8 **FOR THE DISTRICT OF ARIZONA**

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10 MILLENNIUM TGA, INC., a Hawaii,
corporation,

11 Plaintiff,
12 v.

13 MATHEW MICHUTA,
14 Defendant.

CASE NO.:

COMPLAINT AND JURY DEMAND

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16 Plaintiff Millennium TGA, Inc. (“Plaintiff”), through its undersigned counsel, hereby files
17 this Complaint requesting damages and injunctive relief, and alleges as follows:

18 **NATURE OF THE CASE**

19 1. Plaintiff files this action for copyright infringement under the United States Copyright
20 Act and related contributory infringement, civil conspiracy, and negligence claims under the
21 common law to combat the willful and intentional infringement of its creative works. Defendant
22 Mathew Michuta (“Defendant”) knowingly and illegally reproduced and distributed Plaintiff’s
23 copyrighted Video by acting in concert with others via the BitTorrent file sharing protocol and, upon
24 information and belief, continues to do the same. In using BitTorrent, Defendant’s infringement

1 actions furthered the efforts of numerous others in infringing on Plaintiff's copyrighted works. The
2 result: exponential viral infringement. Plaintiff seeks a permanent injunction, statutory or actual
3 damages, award of costs and attorney's fees, and other relief to curb this behavior.

4 **THE PARTIES**

5 2. Plaintiff Millennium TGA, Inc. is a corporation organized and existing under the laws
6 of the State of Hawaii. Plaintiff is a holder of rights to various copyrighted works, and is the
7 exclusive holder of the relevant rights with respect to the copyrighted creative work at issue in this
8 Complaint.

9 3. The copyrighted work at issue in this complaint is one of Plaintiff's adult
10 entertainment videos, "Shemale Yum - Jenna Comes A'Knocking!" (the "Video").

11 4. Defendant is an individual adult over the age of eighteen whom, upon information
12 and belief, is currently, and at all relevant times mentioned herein, a resident of the State of Arizona.

13 **JURISDICTION AND VENUE**

14 5. This Court has subject matter jurisdiction over Plaintiff's copyright infringement
15 claim under 17 U.S.C. §§ 101, *et seq.*, (the Copyright Act), 28 U.S.C. § 1331 (actions arising under
16 the laws of the United States), and 28 U.S.C. § 1338(a) (actions arising under an Act of Congress
17 relating to copyrights). This Court has supplemental jurisdiction over Plaintiff's contributory
18 infringement, civil conspiracy and negligence claims under 28 U.S.C. § 1367(a) because they are so
19 related to Plaintiff's copyright infringement claim, which is within this Court's original jurisdiction,
20 that the claims form part of the same case and controversy under Article III of the United States
21 Constitution.

22 6. This Court has personal jurisdiction because, upon information and belief, Defendant
23 either resides in or committed copyright infringement in the State of Arizona.

1 file. Moreover, each peer can download missing pieces of the file from multiple sources—often
2 simultaneously—which causes transfers to be fast and reliable. After downloading a piece, a peer
3 automatically becomes a source for the piece. This distribution method contrasts sharply with a one-
4 to-one whole file transfer method.

5 12. In BitTorrent vernacular, individual downloaders/distributors of a particular file are
6 called peers. The group of peers involved in downloading/distributing a particular file is called a
7 swarm. A server which stores a list of peers in a swarm is called a tracker. A computer program that
8 implements the BitTorrent protocol is called a BitTorrent client. Each swarm is unique to a particular
9 file.

10 13. The BitTorrent protocol operates as follows. First, a user locates a small “torrent” file.
11 This file contains information about the files to be shared and about the tracker, the computer that
12 coordinates the file distribution. Second, the user loads the torrent file into a BitTorrent client, which
13 automatically attempts to connect to the tracker listed in the torrent file. Third, the tracker responds
14 with a list of peers and the BitTorrent client connects to those peers to begin downloading data from
15 and distributing data to the other peers in the swarm. When the download is complete, the BitTorrent
16 client continues distributing data to other peers in the swarm until the user manually disconnects
17 from the swarm or the BitTorrent client otherwise does the same.

18 14. The degree of anonymity provided by the BitTorrent protocol is extremely low.
19 Because the protocol is based on peers connecting to one another, a peer must broadcast identifying
20 information (i.e. an IP address) before it can receive data. Nevertheless, the actual names of peers in
21 a swarm are unknown, as the users are allowed to download and distribute under the cover of their
22 IP addresses.

23 15. The BitTorrent protocol is an extremely popular method for transferring data. The
24 size of swarms for popular files can reach into the tens of thousands of unique peers. A swarm will

1 commonly have peers from many, if not every, state in the United States and several countries
2 around the world. And every peer in the swarm participates in distributing the file to dozens,
3 hundreds, or even thousands of other peers.

4 16. The BitTorrent protocol is also an extremely popular method for unlawfully copying,
5 reproducing, and distributing files in violation of the copyright laws of the United States. A broad
6 range of copyrighted albums, audiovisual files, photographs, software, and other forms of media are
7 available for illegal reproduction and distribution via the BitTorrent protocol.

8 17. Efforts at combating BitTorrent-based copyright infringement have been stymied by
9 BitTorrent's decentralized nature. Because there are no central servers to enjoin from unlawfully
10 distributing copyrighted content, there is no primary target on which to focus anti-piracy efforts.
11 Indeed, the same decentralization that makes the BitTorrent protocol an extremely robust and
12 efficient means of transferring enormous quantities of data also acts to insulate it from anti-piracy
13 measures. This lawsuit is Plaintiff's only practical means of combating BitTorrent-based
14 infringement of the Video.

15 **ALLEGATIONS COMMON TO ALL COUNTS**

16 18. Plaintiff is the exclusive rights holder with respect to BitTorrent-based reproduction
17 and distribution of the Video.

18 19. The Video is currently registered in the United States Copyright Office (Copyright
19 No. PA0001759869). (*See* Exhibit A to Complaint.)

20 20. The torrent file used to access the copyrighted material was named in a manner that
21 would have provided an ordinary individual with notice that the Video was protected by the
22 copyright laws of the United States.

23 21. Plaintiff employs proprietary peer-to-peer network forensic software to perform
24 exhaustive real time monitoring of the BitTorrent-based swarm involved in distributing the Video.

1 This software is effective in capturing data about the activity of peers in a swarm and their infringing
2 conduct.

3 22. Defendant, using IP address 98.167.219.100, without Plaintiff's authorization or
4 license, intentionally downloaded a torrent file particular to Plaintiff's Video, purposefully loaded
5 that torrent file into his BitTorrent client, entered a BitTorrent swarm particular to Plaintiff's Video,
6 and reproduced and distributed the Video to numerous third parties.

7 23. Plaintiff's investigators detected Defendant's illegal download on
8 October 26, 2011 at 4:57:16 UTC. However, this is a simply a snapshot observation of when the IP
9 address was *observed* in the BitTorrent swarm; the conduct itself took place before and after this
10 date and time.

11 24. Defendant was part of a group of BitTorrent users or peers in a single swarm—a
12 process generally described above—whose computers were collectively interconnected for the
13 sharing of a particular unique file. The particular file a BitTorrent swarm is associated with has a
14 unique file "hash"—i.e. a unique file identifier generated by an algorithm. As is common, there was
15 a unique hash value in this case (hereinafter referred to simply as "Hash Tag."), and common to all
16 of the participants in the swarm.

17 **FIRST CLAIM FOR RELIEF**
18 **COPYRIGHT INFRINGEMENT – REPRODUCTION**
19 **(17 U.S.C. § 106(1))**

20 25. Plaintiff hereby incorporates by reference each and every allegation contained in the
21 preceding paragraphs as if fully set forth fully herein.

22 26. Plaintiff is the copyright owner of the Video.

23 27. Defendant, without authorization, unlawfully obtained a copy of the Video.

24 28. Normally, Plaintiff offers the Video for purchase. Defendant, however, did not
purchase the Video and/or obtain the Video legally.

1 38. Defendant has used, and continues to use, the BitTorrent file transfer protocol to
2 unlawfully distribute the Video to other individuals over the Internet by publishing the Video to
3 hundreds of thousands of BitTorrent users from a computer owned or controlled by Defendant,
4 which, in essence, served as a distribution server for the Video. In doing so, Defendant violated
5 Plaintiff's exclusive rights to distribute the Video.

6 39. Defendant was not given any permission to conduct such reproduction, and Plaintiff
7 never consented to such.

8 40. Defendant's actions constitute infringement of Plaintiff's copyrights and exclusive
9 rights under the Copyright Act.

10 41. Defendant knew or had constructive knowledge that his acts constituted copyright
11 infringement of Plaintiff's Video.

12 42. Defendant's conduct was willful within the meaning of the Copyright Act:
13 intentional, and with indifference to the Plaintiff's rights.

14 43. Plaintiff has been damaged by Defendant's conduct, including but not limited to
15 economic and reputation losses. Plaintiff continues to be damaged by such conduct, and has no
16 adequate remedy at law to compensate the Plaintiff for all of the possible damages stemming from
17 the Defendant's conduct.

18 44. As Defendant's infringement was intentional and willful, the Plaintiff is entitled to an
19 award of actual damages and/or statutory damages (pursuant to 17 U.S.C. § 504(c)) at its own
20 election, exemplary damages, attorneys' fees (pursuant to 17 U.S.C. § 505), injunctive relief
21 (pursuant to 17 U.S.C. §§ 502, 503) and the costs of the suit.

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THIRD CLAIM FOR RELIEF
CONTRIBUTORY INFRINGEMENT

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3 45. Plaintiff hereby incorporates by reference each and every allegation contained in the
4 preceding paragraphs as if fully set forth fully herein.

5 46. When users in this unique swarm all possess the same infringing work with the same
6 exact hash value, it is because each infringer possesses an exact digital copy, containing the exact
7 bits and pieces unique to that specific file of Plaintiff's original copyrighted work. They only way
8 this happens in a BitTorrent swarm is through the sharing of these bits and pieces of each same
9 unique file, with the same unique hash value, between the users in the swarm. In essence, although
10 hundreds of users may be uploading the copyrighted work, a single user will receive only the exact
11 parts of a singular upload through that exact swarm, not a compilation of available pieces from
12 various uploads.

13 47. Defendant published the Hash Tag to the BitTorrent network.

14 48. Defendant downloaded, uploaded and distributed the Video to other BitTorrent users
15 through use of the hash-specified protocol in the unique swarm.

16 49. As each of the thousands of people who illegally downloaded the movie accessed this
17 illegal publication, they derived portions of their illegal replication of the file from multiple persons,
18 including, but not limited to, Defendant.

19 50. Defendant knew of the infringement, was conscious of his own infringement, and
20 Defendant was fully conscious that his actions resulted in multiple other persons derivatively
21 downloading the file containing Plaintiff's Video.

22 51. The infringement by the other BitTorrent users could not have occurred without
23 Defendant's participation in uploading Plaintiff's copyrighted works. As such, Defendant's
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1 participation in the infringing activities of others is substantial and contributed, for profit, to the
2 infringing activity of thousands of other peers over the Internet across the world.

3 52. Defendant profited from this contributory infringement by way of being granted
4 access to a greater library of other infringing works, some of which belonged to Plaintiff and some
5 of which belonged to other copyright owners.

6 **FOURTH CLAIM FOR RELIEF**
7 **CIVIL CONSPIRACY**

8 53. Plaintiff hereby incorporates by reference each and every allegation contained in the
9 preceding paragraphs as if fully set forth fully herein.

10 54. In using the peer-to-peer BitTorrent file distribution method, Defendant engaged in a
11 concerted action with other unnamed individuals to reproduce and distribute Plaintiff's Video by
12 exchanging pieces of the Video file in the torrent swarm.

13 55. Defendant and his co-conspirators downloaded a torrent file, opened it using a
14 BitTorrent client, and then entered a torrent swarm comprised of other individuals distributing and
15 reproducing Plaintiff's Video. In participating in said conspiratorial network, Defendant agreed with
16 others to engage in a concerted tortious action in the network to reproduce and distribute Plaintiff's
17 Video.

18 56. Participants in the torrent swarm have conspired to provide other individuals with
19 pieces of the Video in exchange for receiving other pieces of the same Video to eventually obtain a
20 complete copy of the file.

21 57. In furtherance of this civil conspiracy, Defendant committed overt tortious and
22 unlawful acts by using BitTorrent software to download the Video from and distribute it to others,
23 and were willful participants in this joint activity.
24

PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully requests Judgment and relief as follows:

a. Judgment against Defendant that he has: a) willfully infringed Plaintiff's rights in federally registered copyrights pursuant to 17 U.S.C. § 501; and b) otherwise injured the business reputation and business of Plaintiff by Defendant's acts and conduct set forth in this Complaint;

b. Judgment in favor of the Plaintiff against Defendant for actual damages or statutory damages pursuant to 17 U.S.C. § 504, at the election of Plaintiff, in an amount to be ascertained at trial;

c. Order of impoundment under 17 U.S.C. §§ 503 & 509(a) impounding all infringing copies of Plaintiff's audiovisual works, photographs or other materials, which are in Defendant's possession or under his control;

d. On Count III, an order that Defendant is jointly and severally liable to the Plaintiff in the full amount of Judgment on the basis of a common law claim for contributory infringement of copyright; for an award of compensatory damages in favor of the Plaintiff and against Defendant, jointly and severally, in an amount to be determined at trial;

e. As to Count IV, that the Court order the Defendant jointly and severally liable to Plaintiff in the full amount of the Judgment along with the damages associated with the infringing activities of his co-conspirators;

f. On Count IV, in the alternative, an order that Defendant is jointly and severally liable to the Plaintiff in the full amount of Judgment on the basis of Defendant's negligence in allowing an unidentified third party access his Internet account and, through it, violate Plaintiff's copyrighted works; for an award of compensatory damages in favor of the Plaintiff and against Defendant, jointly and severally, in an amount to be determined at trial;

g. Judgment in favor of Plaintiff against the Defendant awarding the Plaintiff attorneys' fees, litigation expenses (including fees and costs of expert witnesses), and other costs of this action; and

1 h. Judgment in favor of the Plaintiff against Defendant, awarding Plaintiff declaratory and
2 injunctive or other equitable relief as may be just and warranted under the circumstances.

3 Dated this 8th day of October, 2012

4 Law Offices of Steven James Goodhue

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6 By: /s/ Steven James Goodhue

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11 *Millennium TGA, Inc.*

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