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11	Attorneys for Plaintiff	
12 13	UNITED STATES DISTRICT COURT	
13		
15		TOF CALIFORNIA 114-00808-JFW VBK×
16	PERFECT 10, INC., a California	Case No.
17	corporation,	COMPLAINT FOR COPYRIGHT
18	Plaintiff,	INFRINGEMENT
19	V.	DEMAND FOR JURY TRIAL
20	OCOM B.V., a Netherlands Limited Liability Company; LEASEWEB	·
21	NETHERLANDS B.V. (aka LeaseWeb B.V.), a Netherlands Limited Liability	
22 23	Company; LEASEWEB USA, INC., a Delaware Corporation; LEASEWEB	
24	DEUTSCHLAND GmbH, a German Limited Liability Company; and DOES	
25	1 through 10, inclusive,	
26	Defendants.	
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28		
	COMPLAINT	

Plaintiff Perfect 10, Inc. ("Perfect 10") alleges as follows:

NATURE OF THE CASE

- 1. This is an action for copyright infringement arising out of the knowing and willful actions of Defendants Ocom B.V., a Netherlands Limited Liability Company; LeaseWeb Netherlands B.V. (aka LeaseWeb B.V.), a Netherlands Limited Liability Company; LeaseWeb Deutschland GmbH, a German Limited Liability Company; and LeaseWeb USA, Inc., a Delaware corporation (collectively, the "LeaseWeb Defendants" or "LeaseWeb"). As alleged in greater detail below, the LeaseWeb Defendants are four affiliated companies that are alter egos and agents of one another and are inextricably intertwined, that do business under the name 'LeaseWeb," and that are hosting infringements of Perfect 10's copyrighted material on the Internet.
- 2. Beginning on or about February 17, 2013, and continuing until on or about January 10, 2014, Perfect 10 sent 22 notices to the LeaseWeb Defendants under the Digital Millennium Copyright Act (the "DMCA"). A DMCA notice is a statutorily prescribed vehicle under the United States Copyright Act, 17 U.S.C. § 512 et seq. In these DMCA notices, Perfect 10 asked the LeaseWeb Defendants to remove material that infringes upon Perfect 10's copyrighted images. The DMCA notices sent by Perfect 10 identified at least 12,220 infringing Perfect 10 images hosted on the servers of the LeaseWeb Defendants. Perfect 10 sent these notices by email to abuse@leaseweb.com, an email address provided on the leaseweb.com website and used by Defendants LeaseWeb Netherlands B.V., LeaseWeb Deutschland GmbH, and LeaseWeb USA, Inc. Perfect 10 selected this email address because the LeaseWeb Defendants have failed to provide a designated agent to receive DMCA notices, as required pursuant to 17 U.S.C. § 512(c).
- 3. The LeaseWeb Defendants have refused to remove from their servers the infringing material identified by Perfect 10 in its DMCA notices, and

1 have sent emails to Perfect 10 claiming that Perfect 10 must follow the Dutch 2 Notice and Takedown Code of Conduct, even though Defendants' conduct is 3 leading to massive infringement of Perfect 10's copyrighted images and other 4 copyrighted material in the United States. The LeaseWeb Defendants have refused to remove the infringing material identified in Perfect 10's DMCA 5 6 notices, despite having actual knowledge of the rampant infringement that they 7 are hosting, presumably because the LeaseWeb Defendants receive lucrative 8 hosting fees from their infringing clients. For example, the LeaseWeb 9 Defendants have knowingly aided and abetted massive alleged infringers, 10 including the website megaupload.com, whose operators have been charged with 11 criminal copyright infringement. Accordingly, the LeaseWeb Defendants 12 themselves are knowingly and willfully committing copyright infringement. Because the LeaseWeb Defendants have refused to remove the infringing 13 14 material identified in Perfect 10's DMCA notices, Perfect 10 has been forced to bring this action. 15 16 JURISDICTION AND VENUE Jurisdiction. This action arises under the Copyright Act, 17 U.S.C. 17 4. 18 § 101 et seq. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a). 19 20 5. <u>Venue</u>. Venue is proper in this Court pursuant to 28 U.S.C. 21 § 1391(b) and (c) and § 1400(a), because Defendants may be found in this District and a substantial part of the events giving rise to Perfect 10's claims 22 23 arose in this District.. 24 6. <u>Personal Jurisdiction</u>. This Court has personal jurisdiction over Defendants because Defendants have purposefully availed themselves of the 25 26 privilege of doing business in California and in the United States, and material elements of Defendants' wrongdoing occurred in California and caused injury to 27 Perfect 10 in California. In addition, Defendants generate substantial revenue 28

- from California customers, their wrongful activity was expressly aimed at California, Perfect 10 suffered resulting harm in California and Defendants knew the harm was likely to be suffered in California, including within this judicial district. In particular, the LeaseWeb Defendants knew, or should have known, that their conduct would cause injury to Perfect 10 in California. In addition, the LeaseWeb Defendants have engaged in the following conduct, among other things:
 - 6.1 Selling hosting services to website operators who infringe Perfect 10's copyrighted material by displaying infringing Perfect 10 images on their websites. Perfect 10 is informed and believes, and based thereon alleges, that one or more of these website operators is based in California;
 - 6.2 Hosting websites on their servers on which images that infringe upon Perfect10's copyrighted images are stored. Perfect 10 is informed and believes, and based thereon alleges, that one or more of these websites is based in California;
 - 6.3 Providing a communications network, a part of which is in the United States, with hubs in Los Angeles, San Jose, and Palo Alto, California, and using these California hubs to transmit infringing Perfect 10 images into California;
 - 6.4 Providing a communications network which transmits infringing Perfect 10 images to persons in California who view and download tens of thousands of infringing Perfect 10 images onto their computers;
 - 6.5 Directly infringing Perfect 10's copyrighted images in California by distributing such images to users in California via the three LeaseWeb hubs located in Los Angeles, San Jose, and Palo Alto, California;

- 12. Defendants Does 1 through 100, inclusive, are individuals or 1 2 entities that own and/or control the LeaseWeb Defendants, or any of them, or 3 that are owned and/or controlled by the LeaseWeb Defendants, or any of them, 4 and which either directly or indirectly profit from and/or directly or indirectly 5 infringe or facilitate the infringement of Perfect 10's copyrights, and/or are acting in concert with or conspiring with the LeaseWeb Defendants to engage in 6 7 the unlawful activities described in this Complaint. Does 1 through 100, 8 inclusive, are sued herein under fictitious names because their true names and 9 capacities are unknown to Perfect 10. When Perfect 10 ascertains the Doe 10 Defendants' true names and capacities, it will seek leave to amend this Complaint to insert such true names and capacities. Perfect 10 is informed and 11 12 believes, and based thereon alleges, that each Doe Defendant acted with the 13 LeaseWeb Defendants and is responsible for the harm and damages to Perfect 10 14 alleged herein. (The LeaseWeb Defendants and the Doe Defendants are referred 15 to hereinafter collectively as "Defendants.") 16 13. Perfect 10 is informed and believes, and based thereon alleges, that 17 18 19 20 21
 - each of the Defendants named herein is in some manner responsible for the acts alleged herein and that, at all times mentioned herein, each of the Defendants, including each and every fictitiously named Defendant, was the principal, agent, servant, employee, alter-ego, instrumentality, representative, co-venturer, and/or partner of each of the other said Defendants, and in doing the things herein alleged, was acting within the course, scope, purpose and knowledge of such agency, employment, alter-ego, instrumentality, representation, co-venture, and/or partnership, and/or for the benefit of each other Defendant, and with the knowledge, permission and consent or with the approval or ratification of each other Defendant, and, as such, share liability with each other with respect to the matters complained of herein.

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- 14. Perfect 10 is informed and believes, and based thereon alleges, that at all times relevant hereto, each of the Defendants, including each and every fictitiously named Defendant, conspired with, aided and abetted, and/or acted in concert with each and every other Defendant to harm, injure and damage Perfect 10 as alleged herein and, in furtherance of the aforesaid conspiracy or other plan, each and every Defendant engaged in one or more of the overt acts hereinafter alleged.
- 15. In particular, the LeaseWeb Defendants, and each of them, are inextricably intertwined alter-egos and agents of one another who share a unity of interest and ownership. For example, Ocom's website, located at www.ocom.com, lists "LeaseWeb" as one of Ocom's subsidiaries and describes "LeaseWeb" as an "Ocom brand." True and correct copies of pages from ocom.com, ocomcareers.com, and fiberring.com are attached hereto as Exhibit A and incorporated herein by this reference. The websites leaseweb.com, leaseweb.de, leaseweb.nl, and leaseweb.us are all registered to Defendant Leaseweb B.V., but the website leaseweb.com is also listed as being owned by Ocom B.V./Con Zwinkels. According to prnewswire.com, LeaseWeb USA, Inc. is a wholly owned subsidiary of the OCOM Group (Ocom B.V.).
- 16. Defendants use the same website, located at www.leaseweb.com, to advertise the same services. For example, Defendants offer the same hosting services, cloud hosting, and reseller program. The website at leaseweb.com provides the same email addresses for information, sales, support, billing, and to report abuse for LeaseWeb B.V., LeaseWeb USA, Inc., and LeaseWeb Deutschland GmbH, as well as the same United States telephone number to contact for help, 1-571-814-3777, and the same data center in Manassas, Virginia. All of the LeaseWeb Defendants do business as "LeaseWeb." Moreover, on leaseweb.com, the LeaseWeb Defendants describe themselves as one company, "LeaseWeb." For example, leaseweb.com has sections entitled

"Working at LeaseWeb," "About LeaseWeb," "LeaseWeb Cloud," and "Our Company." In the section entitled "Our Company," one entity, referred to as "LeaseWeb," is described as "a leading hosting provider" that is "privately owned by management." In addition, Defendants advertise a single worldwide "LeaseWeb network" on leaseweb.com, with data hubs in Los Angeles, San Jose, and Palo Alto, among other places. True and correct copies of pages from the websites located at leaseweb.com, leasewebnoc.com, thewhire.com, hostreview.com, and businessweek.com are attached hereto as Exhibit B and incorporated herein by this reference.

17. The website located at ocom.com identifies Con Zwinkels ("Zwinkels") as Managing Director of Ocom. Perfect 10 is informed and believes, and based thereon alleges, that the LeaseWeb Defendants are all owned and/or controlled by Zwinkels. Zwinkels is listed by Business Week as the Co-Founder, Co-Owner, Managing Director and Director of Ocom B.V., the founder of Leaseweb USA, Inc., and the co-founder and managing director of LeaseWeb B.V. As may be seen by a review of certain articles found on the leaseweb.com website and included as part of Exhibit B, when Zwinkels was interviewed by thewhir.com, he was described as the managing director and founder of "LeaseWeb." Throughout this interview, Zinkels referred to a single entity, "LeaseWeb," that was expanding into the United States. When Zwinkels was interviewed by hostreview.com, he was described as the CEO of LeaseWeb, and also referred to a single entity, "LeaseWeb," throughout the interview.

18. The Leaseweb Defendants, and each of them, advertise their services to United States clients via the website located at leaseweb.com. In addition, Defendant LeaseWeb B.V. has further availed itself of United States intellectual property laws by filing a United States trademark application for the mark "LEASEWEB" on November 15, 2010.

PERFECT 10'S BUSINESS AND COPYRIGHTED IMAGES

- 19. The business of Perfect 10 consists of the design, creation, production, marketing, promotion, and sale of copyrighted adult entertainment products, including photographs, magazines, video productions, cell phone downloads, and other media.
- 20. Perfect 10 was the publisher of the well-known magazine PERFECT 10. Perfect 10 invested significant resources into producing a high quality magazine with tasteful images of top natural models, such as Victoria's Secret supermodel Marisa Miller. Perfect 10 was forced to close its magazine because of rampant infringement.
- 21. Perfect 10 creates or created, and sells or sold, calendars and other merchandise featuring its images, and was involved in the licensing of downloads of images for cellphones, but currently is not earning revenue from that endeavor because of rampant infringement.
- 22. Perfect 10 owns and operates the internet website www.perfect10.com, which features tasteful images of natural models. Consumers are provided access to content owned by Perfect 10 and made available by payment of a membership fee of \$25.50 per month.
- 23. Perfect 10's revenues are currently derived predominantly from sales of memberships to its *perfect10.com* website. Sales of memberships to the *perfect10.com* website are made by providing the customer with an individual user name and password to access the website.
- 24. Perfect 10 owns thousands of valuable and unique copyrighted photographs, as well as video productions and other proprietary materials. Perfect 10 owns the copyrights in and to these works (the "Perfect 10 Copyrighted Works"). Perfect 10 has applied for and/or received Certificates of Copyright Registration from the Register of Copyrights for the Perfect 10 Copyrighted Works. A partial list of Perfect 10's Copyright Registrations is

- 25. Perfect 10 has invested, and continues to invest, substantial sums of money, time, effort, and creative talent, to make and produce the Perfect 10 Copyrighted Works. In addition, in order to produce and sell the Perfect 10 Copyrighted Works, Perfect 10 is required to make numerous payments, including, but not limited to, model fees, photographer fees, location costs, styling costs, make-up costs, printing costs, film and processing costs, travel costs, distribution costs, public relations costs, legal costs, and advertising and promotion costs.
- 26. In short, Perfect 10's business and livelihood is based upon the copyrighted images that it owns and to which it sells access. Unfortunately, the theft of copyrighted material on the Internet has reached epidemic proportions. Infringing websites exploit images that Perfect 10 has spent substantial sums of money to create, and Perfect 10's Copyrighted Works now appear for free all over the Internet, including thousands of infringing Perfect 10 images hosted by Defendants. As a result, Perfect 10's revenues have declined from approximately \$2 million per year in 2002 to roughly \$70,000 per year today. Based on traffic statistics provided by third party alexa (a subsidiary of Amazon, Inc.), individuals in Los Angeles County have viewed or downloaded infringing Perfect 10 images hosted by Defendants hundreds of thousands of times. Perfect 10 has lost more than \$50 million over a sixteen-year period and is struggling to retain its few remaining employees.
- 27. In Perfect 10's experience, most of the large infringing websites are now using identity concealing services to hide the identity of their operators, are

located in foreign countries, such as Russia, where there is no effective redress for copyright infringement, or are fly-by-night operations that are judgment-proof. Accordingly, in an attempt to protect its copyrights, Perfect 10 has spent substantial time and resources to issue large numbers of DMCA notices to companies that host infringing material for these websites, including Defendants. As alleged above, Defendants have refused to remove the infringing material identified in Perfect 10's DMCA notices and thus are knowingly and willfully infringing Perfect 10's Copyrighted Works.

DEFENDANTS' BUSINESS AND INFRINGING CONDUCT

- 28. Defendants host and provide Internet connectivity and other essential services to websites, including infringing websites operated in California that have infringed tens of thousands of Perfect 10 Copyrighted Works. Defendants have used and continue to use the LeaseWeb worldwide communications network, including the hubs located in Los Angeles, San Jose, and Palo Alto, California, to transmit tens of thousands of infringing Perfect 10 images to users in California, including in this district, who download such images onto their computers. In addition, third-party websites have copied, distributed, and/or displayed thousands of infringing Perfect 10 images hosted by Defendants. Such third-party websites include websites based in California, such as google.com, yahoo.com, and blekko.com. As a result, thousands of Perfect 10 Copyrighted Works have been infringed by websites in California.
- 29. The LeaseWeb Defendants claim to provide services to more than 21,000 customers in 150 countries. Defendant LeaseWeb USA, Inc. owns servers located in Manassas, Virginia, and has recently acquired Shore.net, a hosting provider located in Lynn, Massachusetts.
- 30. Perfect 10 is informed and believes, and based thereon alleges, that the LeaseWeb Defendants currently host at least eight websites on their servers located in Manassas, Virginia that infringe Perfect 10's Copyrighted Works.

fuskator.com, and imgdino.com. Each of these four websites has a contact email

infringe Perfect 10 Copyrighted Works: e-hentai.org, ero-advertising.com,

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of abuse@leaseweb.com. Ero-advertising.com has placed ads next to thousands of infringing Perfect 10 images hosted on numerous infringing websites based in the United States, thus providing these websites with funds needed to allow the infringement of Perfect 10 Copyrighted Works to continue.

- 33. Most of the infringing websites hosted by the LeaseWeb Defendants and listed in Paragraphs 30-32, above, use identity protection services to hide the identity and geographical locations of their webmasters. Perfect 10 is informed and believes, and based thereon alleges, that at least one of the webmasters of the infringing websites hosted by the LeaseWeb Defendants and listed in Paragraphs 30-32, above, resides in California.
- 34. Defendants have actual knowledge that they are storing and displaying specific Perfect 10 Copyrighted Works. Beginning in February 2013, Perfect 10 has provided the LeaseWeb Defendants with at least 22 DMCA notices which have identified at least 12,220 infringing Perfect 10 images that the LeaseWeb Defendants are making available for viewing and copying, to millions of users. Many of the Perfect 10 Copyrighted Works hosted by the LeaseWeb Defendants clearly display Perfect 10's copyright notice.
- 35. The LeaseWeb Defendants have been hosting the infringing material that infringes upon Perfect 10's Copyrighted Works. Defendants could have and should have ended the infringement by processing Perfect 10's DMCA notices and removing the infringing images or by refusing to host the identified allegedly infringing websites, among other things. Defendants have failed to take such action and have failed to remove the infringing material that Perfect 10 has identified in its DMCA notices. Defendants' conduct has caused, and continues to cause, severe and irreparable harm to Perfect 10.

FIRST CLAIM FOR RELIEF (Copyright Infringement Against All Defendants)

36. Perfect 10 repeats and realleges, and incorporates herein as if set

- 37. Perfect 10 is the owner of all right, title, and interest to each of the Perfect 10 Copyrighted Works. Perfect 10 has registered its works with the United States Copyright Office. Perfect 10 has been issued United States copyright certificates, including those listed on Exhibit C, attached hereto, which are only some of Perfect 10's copyright registrations.
- 38. Each of the Perfect 10 Copyrighted Works consists of material original with Perfect 10 and each is copyrightable subject matter.
- 39. Defendants have copied, reproduced, distributed, adapted, and/or publicly displayed the Perfect 10 Copyrighted Works without the consent or authority of Perfect 10, thereby directly infringing Perfect 10's copyrights.
- 40. Defendants' conduct constitutes direct infringement of Perfect 10's copyrights and exclusive rights under copyright in the Perfect 10 Copyrighted Works, in violation of the United States Copyright Act, 17 U.S.C. §§ 106 and 501.
- 41. Defendants have induced, caused, and/or materially contributed to unauthorized reproduction, adaptation, public display, and/or distribution of the Perfect 10 Copyrighted Works by allowing the infringement of such works to continue on their servers and/or by directly operating infringing third party websites and/or by providing hosting and Internet services to infringing third party websites.
- 42. Defendants know, or have reason to know, that they host websites which directly infringe Perfect 10's Copyrighted Works, either because they have received Perfect 10's DMCA notices, or because they have received notices from other copyright holders, such as in the case of megaupload.com. Nevertheless, Defendants have refused to remove the images that infringe Perfect 10's Copyrighted Works and/or withdraw their hosting services to

43. Defendants have no DMCA designated agent under 17 U.S.C. § 512.

- 44. Defendants' conduct constitutes contributory infringement of Perfect 10's copyrights and exclusive rights under copyright in the Perfect 10 Copyrighted Works, in violation of the United States Copyright Act, 17 U.S.C. §§ 106 and 501.
- 45. The infringement of Perfect 10's rights in and to each of the Perfect 10 Copyrighted Works constitutes a separate and distinct act of infringement.
- 46. Defendants' infringement has been willful, intentional, purposeful, and in reckless disregard of and with indifference to the rights of Perfect 10.
- 47. As a direct and proximate result of the infringements by Defendants of Perfect 10's copyrights and exclusive rights under copyright in the Perfect 10 Copyrighted Works, Perfect 10 is entitled to its actual damages and Defendants' profits, pursuant to 17 U.S.C. § 504(b).
- 48. Alternatively, Perfect 10 is entitled to maximum statutory damages, pursuant to 17 U.S.C. § 504(c), in the amount of \$150,000 with respect to each work infringed, or such other amounts as may be proper under 17 U.S.C. § 504(c).
- 49. Defendants' conduct is causing and, unless enjoined and restrained by this Court, will continue to cause, great and irreparable injury to Perfect 10 that cannot fully be compensated in money. Perfect 10 has no adequate remedy at law. Pursuant to 17 U.S.C. § 502, Perfect 10 is entitled to injunctive relief prohibiting further infringements of Perfect 10's copyrights.
- 50. Perfect 10 further is entitled to its attorneys' fees and costs pursuant to 17 U.S.C. § 505.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Perfect 10, Inc. prays for judgment against Defendants, and each of them, jointly and severally, as follows:

- 1. That Defendants, and each of them, and their respective officers, agents, servants, employees, representatives, successors, and assigns, and all persons in active concert or participation with them, be enjoined from:
 - A. Directly or indirectly copying, reproducing, distributing, adapting, or publicly displaying the Perfect 10 Copyrighted Works; and
 - B. Causing, contributing to, enabling, facilitating or participating in the infringement of any of Perfect 10's copyrights, including without limitation, the Perfect 10 Copyrighted Works covered by the copyright registrations listed on Exhibit C hereto.
- 2. That Defendants be ordered to destroy all photographs, documents, and other items, electronic or otherwise, in their possession, custody, or control, that infringe the copyrights of Perfect 10.
- 3. That Defendants be ordered to cease hosting and/or operating websites that infringe the copyrights of Perfect 10.
- 4. For maximum statutory damages under the Copyright Act in the amount of \$150,000 with respect to each copyrighted work infringed, or for such other amounts as may be proper pursuant to 17 U.S.C. § 504(c), in an amount to be proven at trial.
- 5. For Perfect 10's costs in this action, including reasonable attorneys' fees, pursuant to 17 U.S.C. § 505.
 - 6. For prejudgment interest according to law.
- 7. For such other and further relief as this Court deems just and proper.

Case 2:14-cv-00808-JFW-VBK Document 1 Filed 02/03/14 Page 17 of 18 Page ID #:51 Dated: January 31, 2014 PERFECT 10, INC. By: ERIC J. BENINK Attorney for Plaintiff Perfect 10, Inc.

COMPLAINT

1	DEMAND FOR JURY TRIAL	
2	Perfect 10 hereby demands a jury trial pursuant to Rule 38(b) of the	
3	Federal Rules of Civil Procedure.	
4 5	4 Dated: January 31, 2014 PERFE	CT 10, INC.
6	BY:	CIC J. BENINK
7	Λ.4	torney for Plaintiff Perfect 10, Inc.
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COMPLAINT