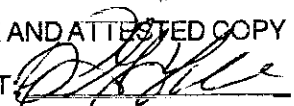


UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT

CLERK  
U.S. DISTRICT COURT  
BRIDGEPORT, CT  
Jan 14 9 00 AM '00

UNIVERSAL CITY STUDIOS, INC.; )  
PARAMOUNT PICTURES CORPORATION; )  
METRO-GOLDWYN-MAYER STUDIOS INC.; )  
TRISTAR PICTURES, INC.; COLUMBIA )  
PICTURES INDUSTRIES, INC.; TIME WARNER )  
ENTERTAINMENT CO., L.P.; DISNEY )  
ENTERPRISES, INC.; AND TWENTIETH )  
CENTURY FOX FILM CORPORATION, )  
 )  
Plaintiffs, )  
 )  
v. )  
 )  
JERAIMEE HUGHES, )  
 )  
Defendant. )  
\_\_\_\_\_ )

A TRUE AND ATTESTED COPY  
ATTEST:   
PHILLIPS G. TERHUNE, JR.  
DEPUTY SHERIFF  
FOR FAIRFIELD COUNTY

Civil Action No.: **300CV72 RNO**

**COMPLAINT**

**(For Violation of Provisions Governing Circumvention  
of Copyright Protection Systems, 17 U.S.C. § 1201, et seq.)**

Plaintiffs Universal City Studios, Inc.; Paramount Pictures Corporation; Metro-Goldwyn-Mayer Studios Inc.; TriStar Pictures, Inc.; Columbia Pictures Industries, Inc.; Time Warner Entertainment Co., L.P.; Disney Enterprises, Inc.; and Twentieth Century Fox Film Corporation by their attorneys Cummings & Lockwood, as and for their complaint, allege as follows:

**Nature of the Claims**

1. This is a Complaint for injunctive relief and for money damages and related relief against Jeraimée Hughes (“Hughes” or “Defendant”), an individual responsible for proliferating a software device that unlawfully defeats the DVD copy protection and access control system -- the Contents Scramble System (“CSS”) -- so that individuals can make, distribute, and/or otherwise

electronically transmit or perform unauthorized copies of Plaintiffs' copyrighted motion pictures and other audiovisual works. The acts of the Defendant, which are described more fully below, violate the provisions of the United States Copyright Act governing circumvention of copyright protection systems, 17 U.S.C. § 1201, et seq.

### **The Parties**

2. Plaintiff Universal City Studios, Inc., is a corporation duly incorporated under the laws of the State of Delaware.
3. Plaintiff Paramount Pictures Corporation is a corporation duly incorporated under the laws of the State of Delaware.
4. Plaintiff Metro-Goldwyn-Mayer Studios Inc. is a corporation duly incorporated under the laws of the State of Delaware.
5. Plaintiff TriStar Pictures, Inc. is a corporation duly incorporated under the laws of the State of Delaware.
6. Plaintiff Columbia Pictures Industries, Inc., is a corporation duly incorporated under the laws of the State of Delaware.
7. Plaintiff Time Warner Entertainment Co., L.P. is a limited partnership organized under the laws of the State of Delaware.
8. Plaintiff Disney Enterprises, Inc. is a corporation duly incorporated under the laws of the State of Delaware.
9. Plaintiff Twentieth Century Fox Film Corporation is a corporation duly incorporated under the laws of the State of Delaware.
10. Plaintiffs are the major motion picture studios in the United States. Each plaintiff is engaged in the business of producing, manufacturing, and/or distributing copyrightable and copyrighted material, including, specifically, motion pictures. Plaintiffs distribute motion pictures

theatrically, via television broadcast, and on portable media such as videocassettes tapes and digital versatile discs (“DVDs”) for distribution in the home video market. In the course of its business, each plaintiff or its predecessor in interest obtained ownership of the United States copyrights, the exclusive reproduction, adaptation, and/or distribution rights under United States copyrights, and/or the state statutory and common law rights, in various motion pictures embodied in such DVDs. Plaintiffs are the leading producers and distributors of motion pictures in DVD format in the United States, including such recent blockbusters as “Titanic” and “The Matrix,” and approximately 4,000 titles have been released in the United States on DVD to date. Current industry estimates place DVD sales at over 1,000,000 units per week.

11. On information and belief, defendant Hughes either resides or has his principal place of business at 50 North Taylor Avenue, Norwalk, Connecticut 06854. Defendant Hughes operates an Internet web site addressed as [www.ct2600.org/2600-DVD.html](http://www.ct2600.org/2600-DVD.html).

#### **Jurisdiction and Venue**

12. The Court has jurisdiction of this action under 17 U.S.C. §§ 101 et seq., 28 U.S.C. §§ 1331 (federal question) and 1338(a) (copyright).

13. This Court has personal jurisdiction over the Defendant in that he either resides or has his principal place of business in the State of Connecticut.

14. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and 28 U.S.C. § 1400(a) as (a) this is a judicial district in which a substantial part of the events giving rise to the claims occurred, and/or (b) this is a judicial district in which Defendant resides, and/or (c) this is a judicial district in which Defendant may be found, and there is no judicial district in which the action may otherwise be brought.

## **Background Facts**

### **The DVD Technology**

15. With the advent of the VCR and videocassette tapes, home viewing of motion pictures became a convenient, inexpensive way to enjoy motion pictures. DVDs are 5-inch-wide discs that hold full-length motion pictures, are the most current technological advancement for private home viewing of motion pictures. This technology significantly improves the clarity and the overall quality of the motion picture when played on a television screen or computer monitor.

16. DVDs incorporating full-length motion pictures, together with additional and ancillary features such as interviews and alternative sound tracks, can be played back for viewing in the home by dedicated, free standing "DVD players" and by personal computers configured with a DVD "drive" and additional hardware or software modules sometimes referred to as "media players."

17. DVDs contain digital information. When motion pictures in form are digital copied or transmitted, the clarity and overall quality of the motion pictures do not suffer (as they do when a copy is made from an analog source, such as a videocassette). Moreover, the fact that the motion pictures contained on DVDs are in digital format allows any unauthorized copies of those motion pictures from DVDs to be widely transmitted over the Internet, stored in computer memory, and duplicated for unlawful sale, transfer or exchange. Once these copies are in the hands of another user, the unlawful process can begin once again because the copies have the clarity and quality of the original DVDs containing the motion picture.

### **The Contents Scramble System ("CSS")**

18. Because motion pictures in unprotected digital format on DVDs would be subject to ready, unlimited copying and create a threat to the market viability of DVD technology, the plaintiffs were reluctant to release valuable film libraries and new film releases without the

implementation of a copy protection and access control system. Plaintiffs therefore ultimately adopted a copy protection and access control system developed by Matsushita Electric Industrial Co., Ltd. and Toshiba Corporation -- the Contents Scramble System ("CSS") -- in order to provide security to the copyrighted contents of DVDs and thereby provide protection for copyrighted content against unauthorized copying. CSS includes elements of encryption and other security and authentication measures that require DVD playback devices, including appropriately configured personal computers, to operate with certain keys in order to descramble and intelligibly play back copies of motion pictures from DVDs. All members of the DVD industry, including software and hardware manufacturers of DVD players, DVD replicators and the content providers -- the motion picture studios -- adopted CSS as direct licensees or by contracting through CSS licensees.

19. Each of the Plaintiffs relied on the security provided by CSS in manufacturing, producing and distributing to the public copyrighted motion pictures in DVD format. Those motion pictures, many of which involved investments of tens and even hundreds of millions of dollars, were distributed on CSS-protected DVDs.

#### **The Descrambling of CSS and the Creation and Proliferation of the "DeCSS" Utility**

20. On information and belief, hackers in Europe were able to descramble the encryption on DVDs and create -- and post on the World Wide Web -- an unauthorized utility commonly referred to as "DeCSS," which allows motion pictures in DVD format to be decrypted and illegally copied.

21. Subsequently, defendant Hughes posted DeCSS on his Internet web site, [www.ct2600.org/2600-DVD.html](http://www.ct2600.org/2600-DVD.html). Hughes' site states that DeCSS is a "free DVD decoder" that allows "people to copy DVDs."

**Claim for Relief**  
**(Violation of Provisions Governing Circumvention**  
**of Copyright Protection Systems,**  
**17 U.S.C. § 1201, et seq.)**

22. Plaintiffs incorporate by this reference the allegations contained in paragraphs 1 through 21, inclusive.

23. The Copyright Act, Title 17 U.S.C. § 1201(a)(2), provides that:

[n]o person shall manufacture, import, offer to the public, provide, or otherwise traffic in any technology, product, service, device, component, or part thereof, that —

(A) is primarily designed or produced for the purpose of circumventing a technological measure that effectively controls access to a work protected under this title;

(B) has only limited commercially significant purpose or use other than to circumvent a technological measure that effectively controls access to a work protected under this title; or

(C) is marketed by that person or another acting in concert with that person with that person's knowledge for use in circumventing a technological measure that effectively controls access to a work protected under this title.

24. Defendant Hughes offers to the public, provides, or otherwise traffics in, DeCSS through his Internet website.

25. CSS is a technological measure that (a) effectively controls access to works protected by the Copyright Act, and (b) effectively protects rights of copyright owners to control whether an end user can reproduce, manufacture, adapt, publicly perform and/or distribute unauthorized copies of their copyrighted works or portions thereof.

26. DeCSS (a) is primarily designed or produced for the purpose of circumventing CSS or the protection afforded by CSS, (b) has only limited commercially significant purpose or use other than to circumvent CSS or the protection afforded by CSS, and/or (c) is marketed by

Defendant and/or others acting in concert with him with the knowledge of its use in circumventing CSS or the protection afforded by CSS.

27. By offering to the public, providing, or otherwise trafficking in DeCSS, Defendant has violated the provisions governing Circumvention of Copyright Protection Systems set forth in the Copyright Act, 17 U.S.C. §§ 1201 *et seq.*

28. As a direct and proximate result of such violations, Plaintiffs have been damaged in an amount to be proven at trial.

29. Unless enjoined by this Court, Defendant's violations will continue. Plaintiffs' remedy at law is not adequate. Protection of Plaintiffs' rights must include an injunction, as well as other remedies available.

#### **Prayer for Relief**

WHEREFORE, Plaintiffs pray for judgment against Defendant as follows:

1. For a grant of preliminary and permanent injunctive relief against Defendant, his agents, servants, employees, and all other persons in active concert or privity or in participation with him, enjoining him from:

(a) posting on any Internet website, or in any other way manufacturing, importing, offering to the public, providing, or otherwise trafficking in DeCSS, and

(b) posting on any Internet website, or in any other way manufacturing, importing, offering to the public, providing, or otherwise trafficking in any technology, product, service, device, component, or part thereof, that:

(i) is primarily designed or produced for the purpose of circumventing, or circumventing the protection afforded by, CSS, or any other technological measure adopted by Plaintiffs that effectively controls access to Plaintiffs' copyrighted works or effectively protects the Plaintiffs' rights to control

whether an end user can reproduce, manufacture, adapt, publicly perform and/or distribute unauthorized copies of their copyrighted works or portions thereof,

- (ii) has only limited commercially significant purpose or use other than to circumvent, or to circumvent the protection afforded by, CSS, or any other technological measure adopted by Plaintiffs that effectively controls access to Plaintiffs' copyrighted works or effectively protects the Plaintiffs' rights to control whether an end user can reproduce, manufacture, adapt, publicly perform and/or distribute unauthorized copies of their copyrighted works or portions thereof, or
- (iii) is marketed by Defendant and/or others acting in concert with him with the knowledge of its use in circumventing, or in circumventing the protection afforded by, CSS, or any other technological measure adopted by Plaintiffs that effectively controls access to the Plaintiffs' copyrighted works or effectively protects the Plaintiffs' rights to control whether an end user can reproduce, manufacture, adapt, publicly perform and/or distribute unauthorized copies of their copyrighted works or portions thereof;

2. For damages in such amount as may be found and requiring Defendant to account for and pay over to Plaintiffs all profits delivered from all acts of circumvention of copyright protection systems; alternatively, for statutory damages in the amount of \$2,500 for each act of circumvention, device, product, component, offer, or such other amount as may be proper pursuant to 17 U.S.C. § 1203(c);

3. For Plaintiffs' attorneys' fees and costs pursuant to 17 U.S.C. § 1203(b);

4. For prejudgment interest;

5. For costs incurred in this action; and
6. For such other and further relief as the Court deems just and proper.

DATED: January 14, 2000

CUMMINGS & LOCKWOOD

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