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Hollywood Reporter Called a Serial Plagiarist

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LOS ANGELES (CN) - Penske Media, which specializes in Internet reporting, claims The Hollywood Reporter plagiarizes Penske material "with alarming regularity, indeed on an almost daily basis," and does business through "outright theft of intellectual property, including but not limited to whole articles, content, software, source code and designs."

Penske demands \$5 million from The Hollywood Reporter, for copyright violations.

Penske Media dba PMC owns a string of news sites, including Entertainment News Television, Deadline.com (Deadline Hollywood), Movieline.com, TVLine.com, and sponsors the Young Hollywood Awards.

Penske claims The Hollywood Reporter (THR) not only steals its stories "within minutes" of publication but tried to poach Nikki Finke, the president and editor of Deadline Hollywood, and filched TVLine's website source code.

Penske claims that "copying, mimicking, and/or altering of others' content and design" in online publishing "unfortunately occurs intermittently."

"However, The Hollywood Reporter ('THR') has differentiated itself from other companies within the media industry by not only carrying out this unethical practice with alarming regularity, indeed on an almost daily basis, but also by resorting to the outright theft of intellectual property, including but not limited to whole articles, content, software, source code and designs.

"In an industry where a company's brand is largely defined and dictated by the value of its originally created intellectual property, it is absolutely essential that intellectual property rights and assets be mightily protected from thievery, such as that exhibited by THR," according to the federal complaint.

Penske says that the Reporter's "theft and piracy" of its breaking news and original content damages Penske brands and "its value and position in the marketplace."

"Among other reasons, PMC is filing this lawsuit to protect its content creation and development, and to finally put an end to THR websites' misappropriation of PMC's hard-earned product and intellectual property. Enough is enough.

"PMC is taking a stand against desperate and copycat news organizations and media outlets such as THR that constantly monitor PMC's websites for the sole purpose of copying and imitating PMC websites' news stories and original content within minutes after online publication. These copycat media outlets such as THR, rather than conducting their own independent reporting and investigation, developing their own sources and insiders, and generating their own leads and stories, simply steal PMC's content and pawn it off as their own.

"In truth, THR, faced with the harsh reality that it had become a second-rate entertainment industry news source unable to attract insiders' attention anymore, changed ownership and re-launched its website. ... When consumer, retail and other related advertising failed to appear, THR began trying attracting Hollywood trade advertising again. It has become abundantly clear that part of THR's turnaround strategy was to engage in an unprecedented campaign of theft and misappropriation of PMC's intellectual property and content to accomplish that."

Penske claims the Reporter also "attempted to poach PMC's key employees" including Deadline founder and editor Nikki Finke. Penske claims the Reporter offered Finke a \$450,000 base salary, a \$1 million Malibu home and a share of the Reporter's cable TV revenue, but Finke did not take up the offer.

Penske claims the Reporter also tried to lure Deadline's television editor, Nellie Andreeva, and Penske's senior director of entertainment sales, Nic Paul, and successfully poached PMC's publisher, Lynne Segall - now the Reporter's senior vice president and publisher.

"THR then began its incessant campaign of misappropriating wholesale content from Deadline's website," the complaint states. "As if that were not bad enough, THR then egregiously and flagrantly stole integral source code and intellectual property from PMC's www.tvline.com ('TVLine') website in a blatant act of copyright infringement.

"In fact, THR was so incompetent and careless in its theft, that it actually copied the original source code labels exactly as they existed on TVLine, and did not even attempt to rename them. Many of TVLine's source code labels, which are created for organizational purposes, contain the initials MMC, the acronym for PMC's former name Mail.com Media Corporation (MMC). THR, in copying and pasting PMC's TVLine source code, are still utilizing the 'MMC' initials within their labels. These initials act as a clear set of digital fingerprints that further demonstrate the glaringness of THR's theft. THR did not even make an effort to correct typographical errors contained in PMC's source code. As of the date of this complaint's filing, any individual can go to THR's website and, with the simple click of a mouse, discover THR's blatant infringement." (Underlining as in complaint.)

Penske's attorney Bryan Freedman told Courthouse News that just hours after he filed this lawsuit, The Hollywood Reporter removed TVLine's source code from its site.

"If you did nothing wrong, then why remove it?" Freeman said. "Blaming it on a third party vendor hardly takes responsibility and certainly will not absolve them from legal responsibility. In an industry where we all fight piracy and infringement at every turn, it is disappointing that The Hollywood Reporter would engage in the same behavior we are all fighting."

Penske seeks disgorgement of profits from plagiarized stories, statutory damages for copyright violations, \$5 million in actual damages, costs and an injunction.