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Columbia Pictures Industries, Inc.

11  
12 UNITED STATES DISTRICT COURT  
13 CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION  
14

15 COLUMBIA PICTURES  
16 INDUSTRIES, INC.,

17 Plaintiff,

18 vs.

19 GEORGE GALLO, SWEET  
20 REVENGE PRODUCTIONS, INC.,  
and ROBERT "BOB" ISRAEL,

21 Defendants.

Case No. 2:23-cv-5010

**COMPLAINT FOR  
DECLARATORY RELIEF AND  
BREACH OF CONTRACT**

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1 Plaintiff Columbia Pictures Industries, Inc. (“Columbia Pictures”), through its  
2 undersigned counsel, brings this Complaint against Defendants George Gallo  
3 (“Gallo”), Sweet Revenge Productions, Inc. (“Sweet Revenge”), and Robert “Bob”  
4 Israel (“Israel”) for declaratory relief under 28 U.S.C. § 2201(a) (First and Second  
5 Claims for Relief) and breach of contract (Third Claim for Relief). This Court has  
6 subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1338(a), 1367(a), and  
7 2201(a). Columbia Pictures alleges, on personal knowledge as to itself and  
8 information and belief as to others, as follows:

9 **INTRODUCTION**

10 1. In 1985, Gallo co-wrote a story called “Bulletproof Hearts” (the  
11 “Story”). Gallo co-wrote the Story as a work for hire for Sweet Revenge, which  
12 was and remains Gallo’s personal loan-out company. Gallo owns and controls  
13 Sweet Revenge, and he always has. Later in 1985, in a written, binding contract,  
14 Gallo and Sweet Revenge specifically represented and warranted that Gallo “created  
15 and/or wrote the Story as an employee-for-hire of” Sweet Revenge, and that the  
16 Story “constitute[d] a work-made-for-hire pursuant to the United States Copyright  
17 Laws.” In the same contract, Gallo agreed that if he or his company breach that  
18 contract or any of their specific representations and warranties, then Gallo will be  
19 *personally* liable for any damages.

20 2. It is iron-clad law, plain and simple, that works for hire are not subject  
21 to termination under Section 203 of the Copyright Act. Columbia Pictures relied on  
22 the fact that the Story was a work for hire as it proceeded to develop the Story into  
23 the 1995 hit movie *Bad Boys* and the valuable, multi-film franchise that Columbia  
24 Pictures continues to expand today.

25 3. But on June 26, 2020, Gallo nonetheless sent Columbia Pictures a  
26 Copyright Termination Notice, claiming for the first time that the Story was not a  
27 work for hire, and as a result of that new and unsupported assertion, as of June 27,  
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1 2022, Columbia Pictures supposedly has lost its U.S rights to make new derivative  
2 works of the Story.

3 4. Simply put, Gallo’s Termination Notice is false, unlawful, and utterly  
4 ineffective. Columbia Pictures’ rights in the Story may not be terminated. Gallo  
5 has never had any personal copyright interest in the Story, and he never will. What  
6 he does have is a contractual obligation to Columbia Pictures to the extent that his  
7 baseless Termination Notice and/or any other false representations that he has made  
8 will cause Columbia Pictures damage. Gallo cannot have it both ways: he cannot  
9 make representations to induce the purchase of the Story and then avoid the  
10 consequences of later claiming the representations were false.

11 5. Columbia Pictures therefore seeks redress to stop Gallo’s transparent  
12 attempt to claim rights that he simply doesn’t have.

### 13 **JURISDICTION AND VENUE**

14 6. There are actual and justiciable controversies between the parties  
15 regarding whether notices of termination served by Gallo and Israel are valid under  
16 the Copyright Act and, even if they are, whether Gallo and Israel may interfere with  
17 Columbia Pictures’ U.S. rights to exploit the Story’s copyrightable elements in new  
18 works. This Court has original subject matter jurisdiction over Columbia Pictures’  
19 claims for declaratory relief pursuant to 28 U.S.C. §§ 1331, 1338(a), and 2201.

20 7. The Court has supplemental jurisdiction over Columbia Pictures’ claim  
21 for breach of contract against Gallo and Sweet Revenge pursuant to 28 U.S.C.  
22 § 1367.

23 8. Venue is proper in this Judicial District under 28 U.S.C. §§ 1391(b)(1)  
24 and (2) because all Defendants reside in this District and a substantial part of the  
25 events or omissions giving rise to the claims herein occurred in this District.

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1 **THE PARTIES**

2 9. Plaintiff Columbia Pictures Industries, Inc. is a corporation duly  
3 incorporated under the laws of the State of Delaware with its principal place of  
4 business in Culver City, California.

5 10. Defendant George Gallo is an individual residing in Sherman Oaks,  
6 California.

7 11. Defendant Sweet Revenge Productions, Inc. is a corporation registered  
8 under California law, with its principal place of business in Beverly Hills,  
9 California.

10 12. Defendant Robert “Bob” Israel is an individual residing in Los  
11 Angeles, California.

12 **GENERAL ALLEGATIONS**

13 **A. Sweet Revenge’s And Israel’s Assignment Of The Copyright To**  
14 **The Story**

15 13. Gallo and Israel claim that the Story was written in or about the  
16 summer of 1985. *See* Notices of Termination, attached as Exhibits B and C, at 2 ¶ 2  
17 of each Notice.

18 14. Later that year, in a Memorandum of Agreement dated as of September  
19 24, 1985 (the “Agreement”), attached as Exhibit A, at 8 ¶ H.1, Sweet Revenge and  
20 Israel sold the Story to Columbia Pictures’ predecessor-in-interest, Paramount  
21 Pictures Corporation (“Paramount Pictures”).

22 15. In the Agreement, Sweet Revenge and Israel “irrevocably assign[ed] to  
23 [Paramount Pictures] in perpetuity, throughout the universe, for use in any and all  
24 media, all right, title and interest in and to the Story and any materials relating  
25 thereto (e.g., notes, outlines and characterizations)[.]” Ex. A at 7–8.

26 16. Sweet Revenge and Israel, as “sole owners of the copyright and all  
27 rights under copyright in and to the Story,” made multiple express representations  
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1 and warranties about themselves, the Story’s authorship, and the way they structured  
2 their business, including:

3 (a) Sweet Revenge represented and warranted that Gallo “created  
4 and/or wrote the Story as an employee-for-hire of [Sweet Revenge]” and that the  
5 Story “constitute[d] a work-made-for-hire pursuant to the United States Copyright  
6 Laws.”

7 (b) Sweet Revenge represented and warranted that it and Israel  
8 “own[ed] all right, title and interest of every kind and nature in and to the Story;”

9 (c) Sweet Revenge and Israel represented and warranted “that the  
10 Story [was] wholly original” and that it “ha[d] not been copied in whole or in part  
11 from any other work,” *id.* at 8.

12 17. Gallo and his company, Sweet Revenge, knew and understood how  
13 they structured their affairs, including whether Gallo created the Story as Sweet  
14 Revenge’s employee. Gallo and Sweet Revenge were obligated to state if any of the  
15 representations and warranties were inaccurate. Gallo and Sweet Revenge signed  
16 the Agreement in which they made the representations and warranties.

17 18. Israel also signed the Agreement and thereby represented that he  
18 expressly “accepted and agreed” with Paragraph H of the Agreement. Paragraph H  
19 contains both the irrevocable assignment of rights to the Story and the  
20 representations and warranties that Gallo’s contribution to the Story was a work  
21 made for hire. *Id.* at 7, 10.

22 19. Defendants further acknowledged and agreed that the counter-party to  
23 the Agreement would be “acting in material reliance upon all of the [Agreement’s]  
24 representations, warranties, covenants and assignment in entering into [the  
25 Agreement] and otherwise proceeding with the development, production and  
26 distribution of the Picture.” *Id.* at 9. Gallo and Sweet Revenge were represented by  
27 counsel, who was in a position to advise his clients that they could face significant  
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1 negative consequences for making false representations, including breach of  
2 contract claims against Gallo personally.

3 20. At all times material to this dispute, Sweet Revenge has been Gallo's  
4 "loan-out" company. In the entertainment industry, many creative professionals  
5 (including writers, actors, directors, and others) contract with studios or production  
6 companies through their loan-out companies. The use of a loan-out company  
7 provides the creative professional with a variety of significant advantages, including  
8 substantial tax benefits and limitations on personal liability.

9 21. Gallo formed Sweet Revenge well before the Story was authored and  
10 Defendants executed the Agreement. Sweet Revenge's Articles of Incorporation  
11 were filed with the California Secretary of State's Office on May 14, 1984—a full  
12 16 months before Sweet Revenge and Gallo made their representations and  
13 warranties that the Story was written as a work made for hire, and more than a year  
14 before Defendants claim the Story was written. Since at least May 14, 1984, if not  
15 earlier, and continuing for decades through to the present, Gallo has conducted his  
16 business dealings with motion picture companies as an employee of Sweet Revenge.

17 22. Gallo and Sweet Revenge had the power and authority to make the  
18 representations and warranties they did, and they made those representations and  
19 warranties because they were true and correct.

20 23. Gallo signed the Agreement on behalf of Sweet Revenge as its  
21 President. *Id.* at 10.

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ACCEPTED AND AGREED TO:  SWEET REVENGE PRODUCTIONS, INC., a California corporation  BY <u>George Gallo</u> Its <u>PRESIDENT</u>
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1           24. Gallo did more than simply sign the Agreement on behalf of Sweet  
2 Revenge. Gallo also executed an addendum to the Agreement in his personal  
3 capacity. Gallo thereby:

4           (a) affirmed that he had “read and [was] familiar with” the  
5 Agreement, *id.* at 11;

6           (b) “represent[ed] and warrant[ed]” that Sweet Revenge was  
7 “authorized . . . to grant all rights, and make all representations and warranties as  
8 hereinabove set forth,” *id.*;

9           (c) agreed “to be bound by the terms and conditions of the foregoing  
10 Agreement insofar as it refer[red] to” Gallo, *id.*;

11           (d) agreed that “[i]n the event of a breach, or threatened breach, of  
12 the Agreement,” the counter-party would “be entitled to seek legal and equitable  
13 relief by way of injunction or otherwise against [Gallo] personally without the  
14 necessity of first resorting to or exhausting any rights or remedies which it may have  
15 against any other party,” *id.*; and

16           (e) acknowledged that “the foregoing representations, warranties  
17 and agreements” were “made by” him “as a material inducement” for the counter-  
18 party’s execution of the Agreement, and that the counter-party would be relying on  
19 those representations and warranties. *Id.*

20           **B. Columbia Pictures Obtains The Copyright To The Story**

21           25. On or about August 12, 1992, Paramount Pictures entered into a written  
22 agreement transferring its rights under the Agreement, including its rights in and to  
23 the Story, to Hollywood Pictures Company.

24           26. On or about May 11, 1994, Hollywood Pictures Company entered into  
25 a written agreement transferring its rights under the Agreement, including its rights  
26 in and to the Story, to Columbia Pictures.

27           27. Columbia Pictures is the successor to all of Paramount Pictures’ rights  
28 under the Agreement, including without limitation the copyright to the Story.

1           **C. Columbia Pictures Develops The *Bad Boys* Motion Picture**  
2           **Franchise**

3           28. In 1995, Columbia Pictures produced and released *Bad Boys*, the first  
4 motion picture in a successful franchise of American buddy cop movies and  
5 television shows. The comedic, action-packed film was a major critical and  
6 commercial success.

7           29. Columbia Pictures later produced and released two sequel motion  
8 pictures, *Bad Boys II* (2003) and *Bad Boys for Life* (2020). A television spin-off,  
9 called *L.A.'s Finest*, aired from 2019 to 2020.

10          30. Columbia Pictures has made significant investments in the *Bad Boys*  
11 franchise.

12           **D. Gallo and Israel Serve Columbia Pictures With Invalid And**  
13           **Ineffective Notices of Termination**

14          31. On or about January 17, 2020, *The Hollywood Reporter* reported that a  
15 fourth installment of the *Bad Boys* franchise was under development.<sup>1</sup>

16          32. On or about June 26, 2020, Gallo and Israel filed in the Copyright  
17 Office and served Columbia Pictures with two “Notices of Termination.” The first  
18 Notice, served on behalf of Gallo and Israel, purported to terminate, effective June  
19 27, 2022, the Agreement’s assignment of the copyright to the Story (the “Gallo-  
20 Israel Notice,” attached as Exhibit B). The second Notice, served on behalf of  
21 Gallo, purported to terminate, effective June 27, 2022, a “September 23, 1985 grant  
22 by George Gallo of his rights under copyright in the [Story] to Sweet Revenge” (the  
23 “Gallo Notice,” attached as Exhibit C, at 2 ¶ 3). (The Gallo-Israel Notice and the  
24 Gallo Notice are referred to jointly as the “Notices.”)

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27 <sup>1</sup> See Borys Kit, ‘*Bad Boys 4*’ in the Works, *The Hollywood Reporter* (Jan. 17,  
28 2020), <https://www.hollywoodreporter.com/movies/movie-news/bad-boys-4-works-1269915/>.



1           33. The Copyright Act gives certain authors the right to terminate “the  
2 exclusive or nonexclusive grant of a transfer or license of copyright or of any right  
3 under a copyright, executed by the author[s] on or after January 1, 1978.” 17 U.S.C.  
4 § 203(a). But without exception, a work made for hire is *never* subject to  
5 termination. *Id.* There can be no dispute that Sweet Revenge, as the author of the  
6 Story under the work-made-for-hire doctrine, has no termination right. *Id.*

7           34. The Gallo Notice and the Gallo-Israel Notice are invalid and do not  
8 affect Columbia Pictures’ exclusive ownership of the copyright to the Story.

9           **The Gallo Notice**

10           35. The Gallo Notice purports to terminate, effective June 27, 2022, “the  
11 grant of the transfer of rights under the copyright in and to and to the original story  
12 entitled ‘Bulletproof Hearts,’ from which the 1995 motion picture ‘Bad Boys’ was  
13 derived.” Ex. C at 1–2 ¶ 4.

14           36. The Gallo Notice states that it applies to a “September 23, 1985 grant  
15 by George Gallo of his rights under copyright in the Work to Sweet Revenge  
16 Productions, Inc.” *Id.* at 2 ¶ 3. The Agreement neither refers to nor suggests there  
17 was any such grant of rights to the Story from Gallo to Sweet Revenge on  
18 September 23, 1985 or at any other time. On the contrary, Gallo and Sweet  
19 Revenge expressly represented in the Agreement that Gallo’s contributions to the  
20 Story were done as a work made for hire as Sweet Revenge’s employee.

21           37. On or about May 20, 2021, Columbia Pictures served upon Gallo’s  
22 counsel and filed in the Copyright Office a Counter-Statement to the Gallo Notice  
23 (attached as Exhibit D).

24           38. Columbia Pictures’ Counter-Statement explained that, among other  
25 deficiencies, the Gallo Notice was invalid because, contrary to that Notice’s  
26 assumption that Gallo was an author of the Story, Gallo and Sweet Revenge  
27 represented in the Agreement that Gallo’s contributions to the Story were provided  
28 as a work made for hire under the Copyright Act, Ex. A at 8, and thus the copyright

1 in those contributions was not subject to termination under the Copyright Act. Ex.  
2 D at 1.

3 **The Gallo-Israel Notice**

4 39. The Gallo-Israel Notice purports to terminate, effective June 27, 2022,  
5 “the grant of the transfer of rights under the copyright in and to [Gallo’s and  
6 Israel’s] original story entitled ‘Bulletproof Hearts,’ from which the 1995 motion  
7 picture ‘Bad Boys’ was derived.” Ex. B at 1.

8 40. The Gallo Notice states that it “applies to the grant of all rights under  
9 copyright in the [Story] in the [A]greement.” *Id.* at 2 ¶ 3.

10 41. On or about May 20, 2021, Columbia Pictures served upon Gallo’s and  
11 Israel’s counsel and filed in the Copyright Office a Counter-Statement to the Gallo-  
12 Israel Notice (attached as Exhibit E).

13 42. In its Counter-Statement, Columbia Pictures explained that, among  
14 other deficiencies, the Gallo-Israel Notice was invalid because the termination of a  
15 joint grant by two or more authors of a work may only be effected by a majority of  
16 the authors who executed the grant. 17 U.S.C. § 203(a)(1). In this case, one of the  
17 two joint authors who executed the grant, Sweet Revenge, could not effect a  
18 termination because it authored the Story as a work made for hire, and the  
19 termination right does not apply to works made for hire. *Id.* § 203(a). A majority of  
20 the authors who executed the grant therefore could not and did not terminate it. Ex.  
21 E at 1–2.

22 43. The Gallo-Israel Notice represents that Gallo, not Sweet Revenge, was  
23 an author of the Story. The Gallo-Israel Notice thus contradicts Sweet Revenge’s  
24 and Gallo’s representations and warranties in the Agreement that Gallo wrote the  
25 Story as Sweet Revenge’s employee-for-hire and that his contributions were  
26 provided as a work made for hire. Ex. A at 8.

1           **E. Columbia Pictures Asks Defendants For Information Relevant To**  
2           **The Attempted Termination—And Defendants For Years Ignore**  
3           **Columbia Pictures’ Requests**

4           44. In the Notice served solely for himself, Gallo for the first time ever  
5 asserted to Columbia Pictures that on September 23, 1985—just one day before he  
6 and Sweet Revenge made the Agreement—Gallo had assigned his purportedly  
7 personal rights in the Story to Sweet Revenge. Ex. C at 2 ¶ 3. That assertion was  
8 expressly inconsistent with Gallo’s and Sweet Revenge’s representations in the  
9 Agreement. In the September 24, 1985 Agreement, Gallo and Sweet Revenge made  
10 specific, binding representations that Gallo made his contributions to the Story as a  
11 work made for hire as Sweet Revenge’s employee. Gallo and Sweet Revenge  
12 thereby represented and warranted that Gallo did not have and never had any  
13 personal rights in the Story to assign to anyone.

14           45. Gallo and Sweet Revenge were duty bound to disclose the flat-out  
15 inconsistency between their representations in the September 24, 1985 Agreement  
16 and any claim that Gallo had attempted to assign a copyright to the Story to Sweet  
17 Revenge.

18           46. Given the stark inconsistency between Gallo’s assertion in his Notice  
19 and his representations in the Agreement, Columbia Pictures, on October 2, 2020,  
20 asked Gallo’s counsel to produce a copy of the purported September 23, 1985  
21 assignment. Gallo’s counsel ignored the request. Columbia Pictures repeated its  
22 request on October 23 and November 11, 2020. Gallo’s counsel ignored those  
23 requests, too. Nor did Gallo’s counsel respond to Columbia Pictures’ Counter-  
24 Statement, served May 21, 2021, which stated that Columbia Pictures had not  
25 received a response to its requests for a copy of the purported assignment.

26           47. On December 1, 2022, more than two years after Columbia Pictures  
27 first requested a copy of the claimed assignment, Gallo’s counsel produced a  
28 document purporting to be a September 23, 1985 assignment from Gallo to Sweet

1 Revenge. That document makes no difference to the rights to the Story that  
2 Columbia Pictures acquired. As Gallo and Sweet Revenge represented in the  
3 September 24, 1985 Agreement, Gallo never had any rights in the Story that he  
4 could grant to Sweet Revenge or anyone else because it expressly was a work for  
5 hire.

6 48. Gallo’s counsel also ignored other of Columbia Pictures’ requests for  
7 information. Columbia Pictures has repeatedly asked Gallo’s counsel for a copy of  
8 the Story, which Sweet Revenge and Israel had sold to Paramount Pictures.  
9 Columbia Pictures acquired the project developed from the Story (as well as the  
10 rights to the Story) almost nine years after the Agreement.

11 49. A copyright termination, where effective, does not apply to the  
12 utilization of derivative works “prepared under [the] authority of the [original]  
13 grant” and in accordance with the terms of that grant; a grantee only needs  
14 authorization to prepare “other derivative works based upon the copyrighted work  
15 covered by the terminated grant.” 17 U.S.C. § 203(b)(1).

16 50. Thus, even if Gallo’s and Israel’s Notices were effective (which they  
17 are not), the Notices would only affect Columbia Pictures’ U.S. rights to utilize  
18 copyrightable elements from the Story, not original and independently copyrightable  
19 elements that Columbia Pictures itself owns through the creation of the works in the  
20 *Bad Boys* franchise.

21 51. The Story likely bears little resemblance to the *Bad Boys* franchise.  
22 The original script underwent numerous rewrites, by multiple screenwriters, across  
23 different studios and many years.<sup>2</sup> Many scenes were also improvised. Gallo’s  
24 counsel’s refusal to provide a copy of the Story despite Columbia Pictures’ repeated

25 \_\_\_\_\_  
26 <sup>2</sup> See Jane Galbraith, *Movies: Off-Centerpiece*, L.A. Times (Jan. 24, 1993),  
27 <https://www.latimes.com/archives/la-xpm-1993-01-24-ca-2302-story.html>  
28 (describing early efforts to rewrite the script before Columbia Pictures acquired rights).

1 requests further suggests that the Story bears little resemblance to the films released  
2 as part of *Bad Boys* franchise.

3 52. To this day, Gallo's counsel has not responded to Columbia Pictures'  
4 requests for a copy of the Story.

5 **CLAIMS FOR RELIEF**

6 **FIRST CLAIM FOR RELIEF**

7 **Declaratory Relief Under 28 U.S.C. § 2201(a) as to Validity of Notices**  
8 **(against Gallo and Israel)**

9 53. Columbia Pictures incorporates by reference each and every averment  
10 contained in Paragraphs 1 to 52 inclusive.

11 54. Gallo and Israel served Notices of Termination, dated June 26, 2020,  
12 purporting to terminate Columbia Pictures' rights to the Story under 17 U.S.C.  
13 § 203, effective June 27, 2022.

14 55. As Gallo and Sweet Revenge expressly represented and warranted in  
15 the Agreement, Gallo provided his contributions to the Story as a work made for  
16 hire as Sweet Revenge's employee.

17 56. The time has long since passed for Gallo to claim that he, and not  
18 Sweet Revenge, was the Story's author under the Copyright Act. If Gallo wanted to  
19 contest the fact of Sweet Revenge's authorship, Gallo had to file a claim seeking a  
20 declaration of ownership by not later than three years from the date he was  
21 presented with, reviewed, and executed the Agreement, in which both he and Sweet  
22 Revenge represented and warranted that Sweet Revenge was the author of the Story  
23 as a work made for hire under the Copyright Act. 17 U.S.C. § 507(b). Gallo has  
24 never brought any such claim. Even if the statute of limitations did not bar Gallo's  
25 attempt to claim authorship of the Story, Defendants' representations and warranties  
26 that Sweet Revenge, and not Gallo, was the Story's author were true. This is  
27 demonstrated by, among other things, the fact that Gallo has conducted his business  
28 dealings with motion picture companies as Sweet Revenge's employee, from well

1 before the Story was written and the Agreement executed all the way through to the  
2 present day.

3 57. Sweet Revenge and Israel are joint authors of the Story.

4 58. Through the Agreement, Sweet Revenge and Israel granted all right,  
5 title, and interest in and to the Story to Paramount Pictures. Columbia Pictures is  
6 the successor in interest to all of Paramount Pictures' rights under the Agreement,  
7 including without limitation the copyright to the Story.

8 59. Gallo cannot terminate any grant of copyright to the Story because he is  
9 not an author of the Story legally for copyright purposes.

10 60. Israel cannot terminate any grant of copyright to the Story because "a  
11 majority of the authors who executed" the grant could not and did not effect a  
12 termination of it. *Id.* § 203(a)(1).

13 61. Columbia Pictures has a real and reasonable apprehension of litigation  
14 by Gallo and/or Israel that Columbia Pictures' exercise on or after June 27, 2022 of  
15 any of the exclusive U.S. rights of copyright in the creation or exploitation of new  
16 works in the *Bad Boys* franchise would infringe rights that Gallo and Israel claim to  
17 have as the result of serving the Notices.

18 62. An actual and justiciable controversy exists between Columbia  
19 Pictures, on the one hand, and Gallo and Israel, on the other, regarding the validity  
20 of the Notices and the respective rights of Columbia Pictures, Gallo, and Israel to  
21 the Story.

22 63. A declaration is necessary and appropriate at this time in light of the  
23 purported June 27, 2022 effective termination date and Columbia Pictures'  
24 production of a fourth *Bad Boys* motion picture.

25 64. Columbia Pictures has no adequate remedy at law to any claim by  
26 Gallo and/or Israel based on the purported termination of the assignment of the  
27 copyright to the Story.

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1 Agreement] and otherwise proceeding with the development, production and  
2 distribution of the Picture.” *Id.* at 9, 11.

3 71. Columbia Pictures had no knowledge that the representations and  
4 warranties in the Agreement were possibly false when they were made or that Gallo  
5 and Israel would later attempt to renounce the warranties and representations and  
6 terminate the assignment of copyright.

7 72. Columbia Pictures has reasonably relied upon, and continues to rely to  
8 its detriment upon Gallo’s representations and warranties and Israel’s acceptance of  
9 and agreement to those representations and warranties. Columbia Pictures’  
10 reasonable reliance is demonstrated by, among other things, the substantial  
11 investments that Columbia Pictures has made in the *Bad Boys* franchise, including  
12 by developing a fourth *Bad Boys* motion picture.

13 73. If the Notices are deemed valid, Columbia Pictures has a real and  
14 reasonable apprehension of litigation over a claim Gallo and/or Israel that Columbia  
15 Pictures’ exercise on or after June 27, 2022 of any of the exclusive U.S. rights in the  
16 creation or exploitation of new works in the *Bad Boys* franchise would infringe  
17 Gallo’s and/or Israel’s rights.

18 74. An actual and justiciable controversy exists between Columbia  
19 Pictures, on the one hand, and Gallo and Israel, on the other, regarding whether  
20 Gallo and Israel are equitably estopped from attempting to interfere with Columbia  
21 Pictures’ continued exploitation of the *Bad Boys* franchise, including by asserting  
22 any claim for copyright infringement based on the Story with respect to any future  
23 work in the *Bad Boys* franchise.

24 75. A declaration is necessary and appropriate at this time in light of the  
25 purported June 27, 2022 effective termination date and Columbia Pictures’  
26 development of a fourth *Bad Boys* motion picture.

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1 (c) For Columbia Pictures' attorneys' fees and full costs incurred in  
2 this action pursuant to 17 U.S.C. § 505.

3 (2) In the alternative to the First Claim for Relief, on Columbia Pictures'  
4 Second Claim for Relief, for declaratory relief as to its equitable estoppel defense:

5 (a) For a declaration that Gallo and Israel are estopped from taking  
6 any action, including without limitation asserting a claim for copyright  
7 infringement, that could interfere with Columbia Pictures' exploitation of  
8 copyrightable elements from the Story in any post-termination works.

9 (b) For preliminary and permanent injunctive relief barring Gallo  
10 and Israel from taking any action to interfere with Columbia Pictures' exercise of  
11 any of the exclusive rights of copyright to the Story.

12 (c) For Columbia Pictures' attorneys' fees and full costs incurred in  
13 this action pursuant to 17 U.S.C. § 505.

14 (3) In the alternative to the First Claim for Relief, on Columbia Pictures'  
15 Third Claim for Relief, for breach of contract:

16 (a) For compensatory damages from Gallo and Sweet Revenge,  
17 subject to proof, and for prejudgment interest according to law.

18 (b) For Columbia Pictures' attorneys' fees and full costs incurred in  
19 this action.

20 (4) On all Claims for Relief: For all further and additional relief, in law or  
21 equity, deemed just and proper.

22  
23 DATED: June 23, 2023

MUNGER, TOLLES & OLSON LLP

24  
25 By:           /s/ Kelly M. Klaus          

26 KELLY M. KLAUS

27 Attorneys for Plaintiff

28 Columbia Pictures Industries, Inc.