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7 **UNITED STATES DISTRICT COURT**  
8 **DISTRICT OF NEVADA**

9 PTG NEVADA, LLC, a Nevada limited- )  
liability company, ) Case No.: 2:16-cv-231  
10 )  
11 Plaintiff, ) **COMPLAINT**  
vs. )  
12 )  
13 DOES 1 – 14 )  
14 Defendants )  
15 )

16 Plaintiff PTG NEVADA, LLC, a Nevada limited-liability company  
17 (“PLAINTIFF”), by and through its counsel, Charles Rainey, Esq. of Rainey Legal  
18 Group, PLLC, complains and alleges as follows against Defendants Does 1 – 14  
19 (collectively, “DEFENDANTS”):

20 **NATURE OF THE ACTION**

- 21 1. This matter arises under the United States Copyright Act of 1976, as amended,  
22 17 U.S.C. §§ 101, et seq. (the Copyright Act”).  
23 2. The Plaintiff alleges that each Defendant is liable for:  
24 (a) direct copyright infringement in violation of 17 U.S.C. §§106 and 501; and  
25 (b) contributory copyright infringement.

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**JURISDICTION AND VENUE**

3. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. § 1331 (federal question) and 28 U.S.C. § 1338 (patents, copyrights, trademarks, and unfair competition).

4. As shown on Exhibit “1” attached to this Complaint, and incorporated herein by reference, each of the Defendants’ acts of copyright infringement occurred using an Internet Protocol address (“IP address”) traced to a physical address located within this District. Under Fed.R.Civ.P. 4, every federal district court follows the law on personal jurisdiction that is in force in the state courts where the federal court is located. Under NRS 14.065, the courts may exercise personal jurisdiction to the extent permitted under federal due process. Here, this Court has personal jurisdiction over each Defendant because:

- (a) each Defendant committed the tortious conduct alleged in this Complaint in the State of Nevada, and/or
- (b) has engaged in business transactions in the State of Nevada, such as, without limitation, the ongoing purchase and maintenance of Internet service within the State.

5. Venue is proper in this District pursuant to 28 U.S.C. § 1391(b) and (c), because:

- (a) a substantial part of the events giving rise to the claims occurred in this District; and
- (b) the Defendants reside, or at the very least maintain residences or ongoing business operations within the State, and therefore can be found in this State.

Additionally, venue is proper in this District pursuant 28 U.S.C. §1400(a) (venue for copyright cases), because the majority of the Defendants or Defendants’ agents reside or may be found in this District.

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**PARTIES**

- 6. The Plaintiff is a Nevada limited-liability company, having its principal place of business at 116 N. Robertson Blvd., Ste. 200, Los Angeles, California 90048.
- 7. Each Defendant is known to the Plaintiff only by an IP address.
- 8. An IP address is a number that is assigned by an Internet Service Provider (an “ISP”) to devices, such as computers, that are connected to the Internet.
- 9. The ISP to which a Defendant subscribes can correlate a Defendant’s IP address to a Defendant’s true identity.

**JOINDER**

- 10. Pursuant to Fed.R.Civ.P. 20(a)(2), each of the Defendants was properly joined because, as set forth in more detail below, the Plaintiff asserts that:
  - (a) each of the Defendants is jointly and severally liable for the infringing activities of each of the other Defendants;
  - (b) the infringement complained of herein by each of the Defendants was part of a series of transactions over the course of a relatively short period of time, involving the exact same piece of the Plaintiff’s copyrighted Work, and was accomplished by the Defendants acting in concert with each other; and
  - (c) there are common questions of law and fact.

Indeed, the claims against each of the Defendants are identical, and each of the Defendants used the BitTorrent protocol, jointly and in concert, to infringe the Plaintiff’s copyrighted Work.

**FACTUAL BACKGROUND**

**I. The Plaintiff Owns the Copyright to the Motion Picture**

- 11. The Plaintiff is the owner of United States Copyright Registration Number PA 1-957-914 (the “Registration”) for the motion picture entitled PAY THE GHOST (the “Work”), a film that has been shown recently in numerous theaters. The Work was registered on or about October 1, 2015.

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1 13. A copy of the Plaintiff's Certificate of Registration evidencing, among other  
2 things, the Plaintiff's ownership of the Registration and the Registration date,  
3 is attached to this Complaint as Exhibit "2" and incorporated herein by  
4 reference.

5 **II. The Defendants Used BitTorrent To Infringe the**  
6 **Plaintiff's Copyright**

7 14. BitTorrent is one of the most common peer-to-peer file sharing protocols (in  
8 other words, set of computer rules) used for distributing large amounts of data;  
9 indeed, it has been estimated that users of the BitTorrent protocol on the  
10 Internet account for over a quarter of all internet traffic. The creators and  
11 users of BitTorrent developed their own lexicon for use when talking about  
12 BitTorrent.

13 15. The BitTorrent protocol's popularity stems from its ability to distribute a large  
14 file without creating a heavy load on the source computer and network. In  
15 short, to reduce the load on the source computer, rather than downloading a  
16 file from a single source computer (one computer directly connected to  
17 another), the BitTorrent protocol allows users to join a "swarm" of host  
18 computers to download and upload from each other simultaneously (one  
19 computer connected to numerous computers).

20 **A. Each Defendant Installed a BitTorrent Client**  
21 **onto his or her Computer.**

22 16. Each Defendant installed a BitTorrent Client onto his or her computer.

23 17. A BitTorrent "Client" is a software program that implements the BitTorrent  
24 Protocol. There are numerous such software programs including *µTorrent* and  
25 *Vuze*, both of which can be directly downloaded from the Internet. See  
26 *www.utorrent.com*, and *http://new.vuze-downloads.com/*.

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1 18. Once installed on a computer, the BitTorrent “Client” serves as the user’s  
2 interface during the process of uploading and downloading data using the  
3 BitTorrent protocol.

4 **B. The Initial Seed, Torrent, Hash and Tracker**

5 19. A BitTorrent user that wants to upload a new file, known as an “initial seeder,”  
6 starts by creating a “torrent” descriptor file using the Client he or she installed  
7 onto his or her computer.

8 20. The Client takes the target computer file, the “initial seed,” here the  
9 copyrighted Work, and divides it into identically sized groups of bits known as  
10 “pieces.”

11 21. The Client then gives each one of the computer file’s pieces, in this case, pieces  
12 of the copyrighted Work, a random and unique alphanumeric identifier known  
13 as a “hash” and records these hash identifiers in the torrent file.

14 22. When another peer later receives a particular piece, the hash identifier for that  
15 piece is compared to the hash identifier recorded in the torrent file for that  
16 piece to test that the piece is error-free. In this way, the hash identifier works  
17 like an electronic fingerprint to identify the source and origin of the piece and  
18 that the piece is authentic and uncorrupted.

19 23. Torrent files also have an “announce” section, which specifies the URL  
20 (Uniform Resource Locator) of a “tracker,” and an “info” section, containing  
21 (suggested) names for the files, their lengths, the piece length used, and the  
22 hash identifier for each piece, all of which are used by Clients on peer  
23 computers to verify the integrity of the data they receive.

24 24. The “tracker” is a computer or set of computers that a torrent file specifies and  
25 to which the torrent file provides peers with the URL address(es).

26 25. The tracker computer or computers direct a peer user’s computer to other peer  
27 user’s computers that have particular pieces of the file, here the copyrighted  
28 Work, on them and facilitates the exchange of data among the computers.

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1 26. Depending on the BitTorrent Client, a tracker can either be a dedicated  
2 computer (centralized tracking) or each peer can act as a tracker (decentralized  
3 tracking).

4 **C. Torrent Sites**

5 27. "Torrent sites" are websites that index torrent files that are currently being  
6 made available for copying and distribution by people using the BitTorrent  
7 protocol. There are numerous torrent websites, including  
8 *www.TorrentZap.com*, *www.Btscene.com*, and *www.ExtraTorrent.com*.

9 28. Upon information and belief, each Defendant went to a torrent site to upload  
10 and download Plaintiff's copyrighted Work.

11 **D. Uploading and Downloading a Work through a**  
12 **BitTorrent Swarm**

13 29. Once the initial seeder has created a torrent and uploaded it onto one or more  
14 torrent sites, then other peers begin to download and upload the computer file  
15 to which the torrent is linked (here the copyrighted Work) using the BitTorrent  
16 protocol and BitTorrent Client that the peers installed on their computers.

17 30. The BitTorrent protocol causes the initial seed's computer to send different  
18 pieces of the computer file, here the copyrighted Work, to the peers seeking to  
19 download the computer file.

20 31. Once a peer receives a piece of the computer file, here a piece of the copyrighted  
21 Work, it starts transmitting that piece to the other peers.

22 32. In this way, all of the peers and seeders are working together in what is called  
23 a "swarm."

24 33. Here, each Defendant peer member participated in the same swarm and  
25 directly interacted and communicated with other members of that swarm  
26 through digital handshakes, the passing along of computer instructions,  
27 uploading and downloading, and by other types of transmissions.

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1 34. In this way, and by way of example only, one initial seeder can create a torrent  
2 that breaks a movie up into hundreds or thousands of pieces saved in the form  
3 of a computer file, like the Work here, upload the torrent onto a torrent site,  
4 and deliver a different piece of the copyrighted Work to each of the peers. The  
5 recipient peers then automatically begin delivering the piece they just received  
6 to the other peers in the same swarm.

7 35. Once a peer, here a Defendant, has downloaded the full file, the BitTorrent  
8 Client reassembles the pieces and the peer is able to view the movie. Also, once  
9 a peer has downloaded the full file, that peer becomes known as “an additional  
10 seed,” because it continues to distribute the torrent file, here the copyrighted  
11 Work.

12 **E. The Plaintiff’s Computer Investigators Identified**  
13 **Each of the Defendants’ IP Addresses as**  
14 **Participants in a Swarm That Was Distributing the**  
15 **Plaintiff’s Copyrighted Work.**

16 36. The Plaintiff retained the services of a digital forensic investigation service,  
17 MAVERICKEYE UG (the “Investigator”), to identify the IP addresses that are  
18 being used by those people that are using the BitTorrent protocol and the  
19 internet to reproduce, distribute, display or perform the Plaintiff’s copyrighted  
20 Work.

21 37. The Investigator used forensic software to enable the scanning of peer-to-peer  
22 networks for the presence of infringing trans actions.

23 38. The Investigator extracted the resulting data emanating from the  
24 investigation, reviewed the evidence logs, and isolated the transactions and the  
25 IP addresses associated therewith for the files identified by the SHA-1 hash  
26 value of: SHA1: 0495EF034B5B1374A2DEA4513372A5A18F022848 (the  
27 “Unique Hash Number”).

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1 39. The IP addresses, Unique Hash Number, and hit dates contained on Exhibit  
2 “1” accurately reflect what is contained in the evidence logs, and show:

3 (A) Each Defendant had copied a piece of the Plaintiff’s copyrighted Work  
4 identified by the Unique Hash Number; and

5 (B) Therefore, each Defendant was part of the same series of transactions.

6 40. Through each of the transactions, each of the Defendant’s computers used their  
7 identified IP addresses to connect to the investigative server from a computer  
8 in this District in order to transmit a full copy, or a portion thereof, of a digital  
9 media file identified by the Unique Hash Number.

10 41. The Investigator analyzed each BitTorrent “piece” distributed by each IP  
11 address listed on Exhibit “1” and verified that re-assemblage of the pieces  
12 using a BitTorrent Client results in a fully playable digital motion picture of  
13 the Work.

14 42. The Investigator viewed the Work side-by-side with the digital media file that  
15 correlates to the Unique Hash Number and determined that they were  
16 identical, strikingly similar or substantially similar.

17 **MISCELLANEOUS**

18 43. All conditions precedent to bringing this action have occurred or been waived.

19 44. Plaintiff retained counsel to represent it in this matter and is obligated to pay  
20 said counsel a reasonable fee for its services.

21 **FIRST CLAIM FOR RELIEF**

22 (Direct Infringement)

23 45. The Plaintiff incorporates the allegations in the foregoing paragraphs.

24 46. Plaintiff is the owner of the Registration for the Work, which contains an  
25 original work of authorship.

26 47. By using the BitTorrent protocol and a BitTorrent Client and the processes  
27 described above, each Defendant copied the constituent elements of the  
28 registered work that are original.

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1 48. The Plaintiff did not authorize, permit, or provide consent to the Defendants to  
2 copy, reproduce, redistribute, perform, or display its Work.

3 49. As a result of the foregoing, each Defendant violated the Plaintiff's exclusive  
4 right to:

5 (A) Reproduce the Work in copies, in violation of 17 U.S.C. §§ 106(1) and 501;

6 (B) Redistribute copies of the Work to the public by sale or other transfer of  
7 ownership, or by rental, lease or lending, in violation of 17 U.S.C. §§ 106(3)  
8 and 501;

9 (C) Perform the copyrighted Work, in violation of 17 U.S.C. §§ 106(4) and 501,  
10 by showing the Work's images; and,

11 (D) Display the copyrighted Work, in violation of 17 U.S.C. §§ 106(5) and 501,  
12 by showing individual images of the Work non-sequentially and  
13 transmitting said display of the Work by means of a device or process to  
14 members of the public capable of receiving the display (as set forth in 17  
15 U.S.C. § 101's definition of "publicly" display.)

16 50. Each of the Defendants' infringements was committed "willfully" within the  
17 meaning of 17 U.S.C. § 504(c)(2).

18 51. By engaging in the infringement misconduct alleged in this Complaint, the  
19 Defendants thereby deprived not only the producer of the Work from income  
20 that could have been derived when this film was shown in public theaters, but  
21 also all persons involved in the production and marketing of this film, and also  
22 numerous owners of local theaters in Nevada, their employees, and, ultimately,  
23 the local Nevada economy. *see* Exhibit "3" attached to this Complaint, and  
24 incorporated herein by reference. The Defendants' misconduct therefore  
25 offends public policy.

26 52. The Plaintiff has suffered actual damages that were proximately caused by  
27 each of the Defendants, including lost sales, price erosion, and a diminution of  
28 the value of its copyright.

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**SECOND CLAIM FOR RELIEF**

(Contributory Infringement)

53. The Plaintiff incorporates the allegations in the foregoing paragraphs.

54. The Plaintiff is the owner of the Registration for the Work which contains an original work of authorship.

55. By using the BitTorrent protocol and a BitTorrent Client and the processes described above, each Defendant copied the constituent elements of the registered Work that are original.

56. By participating in the BitTorrent swarm with the other Defendants, each Defendant induced, caused or materially contributed to the infringing conduct of each other Defendant.

57. The Plaintiff did not authorize, permit or consent to the Defendants' inducing, causing or materially contributing to the infringing conduct of each other Defendant.

58. Each Defendant knew or should have known that other BitTorrent users, here the other Defendants, would become members of a swarm with the Defendant.

59. Each Defendant knew or should have known that other BitTorrent users in a swarm with it, here the other Defendants, were directly infringing the Plaintiff's copyrighted Work by copying constituent elements of the registered Work that are original.

60. Indeed, each Defendant directly participated in and therefore materially contributed to each other Defendant's infringing activities.

61. Each of the Defendants' contributory infringements were committed "willfully" within the meaning of 17 U.S.C. § 504(c)(2).

62. By engaging in the infringement misconduct alleged in this Complaint, the Defendants thereby deprived not only the producer of the Work from income that could have been derived when this film was shown in public theaters, but also all persons involved in the production and marketing of this film, and also

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1 numerous owners of local theaters in Nevada, their employees, and, ultimately,  
2 the local Nevada economy. *See* Exhibit “3”. The Defendants’ misconduct  
3 therefore offends public policy.

4 63. The Plaintiff has suffered actual damages that were proximately caused by  
5 each infringement of the copyright.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, the Plaintiff requests that this Court enter a judgment in  
8 its favor against the Defendants jointly and severally and enter an order:

- 9 (A) enjoining permanently each Defendant and all other persons who are  
10 inactive concert or participation with each Defendant from continuing to  
11 infringe the Plaintiff’s copyrighted Work;
- 12 (B) mandating that each Defendant delete and permanently remove the  
13 torrent file relating to the Plaintiff’s copyrighted Work from each of the  
14 computers under each such Defendant’s possession, custody, or control;
- 15 (C) mandating that each Defendant delete and permanently remove the copy  
16 of the Work that each Defendant has on the computers under that  
17 Defendant’s possession, custody or control;
- 18 (D) finding that each Defendant is jointly and severally liable for the direct  
19 infringement of each other Defendant;
- 20 (E) awarding the Plaintiff either its actual damages and any additional  
21 profits made by each Defendant pursuant to 17 U.S.C. § 504-(a)-(b) or  
22 statutory damages in the amount of \$150,000 per Defendant pursuant to  
23 17 U.S.C. § 504-(a) and (c), whichever is greater;
- 24 (F) awarding the Plaintiff its reasonable attorneys’ fees and costs pursuant to  
25 17 U.S.C. § 505; and
- 26 (G) granting the Plaintiff any and all further relief that this Court deems just  
27 and proper.

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**DEMAND FOR A JURY TRIAL**

The Plaintiff hereby demands a trial by jury on all issues so triable.

Respectfully submitted this 25<sup>th</sup> day of January, 2016.

/s/ Charles C. Rainey  
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