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GRAPHIC ARTISTS GUILD FILES APPEAL WITH APPELLATE COURT IN DEFAMATION LAWSUIT

April 28, 2011 The Guild strongly disagrees with the recent decision issued by Judge Debra A. James regarding the Guild's defamation lawsuit against Brad Holland, Ken Dubrowski, Bruce Lehman, Terry Brown, Cynthia Turner and the Illustrators Partnership of America filed in the Fall 2008.

The Guild filed a Notice of Appeal of the decision on April 26, 2011.

While the Guild acknowledges the receipt of non-title specific funds from Reprographic Rights Organizations (RROs), it certainly does not agree with the Judge's conclusion that the statements uttered by the defendants in February 2008 regarding receiving the funds "surreptitiously" (i.e., "stealing") as "truthful and accurate". Contrary to the defendants' position, the Judge found that Bruce Lehman was subject to the Court's jurisdiction; however, the Court erroneously found that his defamatory statements were protected by qualified privilege. The Guild obviously believes that the Judge erred in her decision to dismiss the lawsuit in its entirety.

For clarification purposes, the lawsuit is a defamation lawsuit regarding statements made by the defendants named in the lawsuit. It has no connection to the Orphan Works bill of 2008 or the Google class action lawsuit recently dismissed by Judge Chin.

Mr. Holland and Ms. Turner know full well that the money the Guild receives is non-title specific money, not "orphaned fees." Non-title specific money is collected by foreign RROs through mass photocopying of works produced in the United States by various organizations within their countries. These collected royalties have no names connected to them and these countries return the money to the United States through contracts, primarily with the Copyright Clearance Center and the Author's Coalition. The Guild has been a member of the Author's Coalition since 2002. Since the Guild first started receiving non-title specific royalties in 1996, it has met, and continues to meet, the contractual guidelines provided by the distributing RROs.

This lawsuit has been a last resort by the Guild. There will always be differences of opinion on how to approach the problems that face the graphic arts industry, but those differences cannot be resolved by attempting to create divisions by making defamatory statements against another organization since they themselves qualify to receive these funds.