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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

APPLICATIONS OF PSYCHOLOGY )	Case No.: 15-cv-02819-LAB-KSC
TO LAW, INC., a California corporation, )	
	<b>CONSENT JUDGMENT</b>
Plaintiff, )	
	)
vs. )	
	)
HUBERT REED <i>aka</i> HUGH REED, an )	
individual; REED LAW GROUP, LTD. )	
d/b/a REED BAR REVIEW; an Illinois )	
corporation; and Does 1-10, )	
	)
	)
Defendants. )	
	)

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Plaintiff, Applications of Psychology to Law, Inc., a California corporation, and Defendants, Hubert Reed *aka* Hugh Reed, an individual; and Reed Law Group, Ltd. d/b/a Reed Bar Review; an Illinois corporation (collectively, the “Parties”) having agreed to settlement of the matter in issue between them pursuant to the terms of a written settlement agreement that includes a payment of damages to Plaintiff and to entry of this judgment and re-affirmation of the Permanent Injunction, **IT IS ORDERED, ADJUDGED AND DECREED** that:

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**III.**

**STIPULATED FACTS**

**A. THE PARTIES**

3. Plaintiff Applications of Psychology to Law, Inc. (“Plaintiff” or “APL”) is a California corporation which is, and at all relevant times was, domiciled within the County of San Diego, State of California. Plaintiff is a company founded by Dr. Dennis P. Saccuzzo and Dr. Nancy E. Johnson to provide a wide range of services, including bar review study courses and materials. APL is the owner of numerous copyrighted materials, including the specific copyrighted materials at issue in this action and as detailed in APL’s Complaint.

4. Defendant Hubert Reed *aka* Hugh Reed (“Reed”) is a resident of Chicago, Illinois and the CEO and Founder of Defendant Reed Law Group, Ltd d/b/a Reed Bar Review (“RLG”). RLG has a principal place of business in Chicago, Illinois. Reed and RLG are sometimes collectively referred to as “Defendants.”

5. Reed is engaged in teaching bar review courses through RLG. RLG is engaged in the business of offering bar review study programs and written materials for profit. Defendants provide materials to their potential and paying students on-line from <http://www.reedbarreview.com/>, and through other electronic sources available to Defendants.

**B. APL’S COPYRIGHTED MATERIALS**

6. APL holds copyrights to a considerable library of bar review materials. APL’s books – “Bar Secrets – The Multistate Subjects” and “Bar Secrets – The California-Specific Subjects” contain the core copyrighted materials at issue. These books were both registered on November 5, 2001 by Dr. Saccuzzo (registration numbers TX0005519699 and TX0005784087) and have been assigned to APL. (See Exhibits Nos. 1-4 to the Appendix submitted with Plaintiffs’ Motion for Preliminary

1 Injunction (“Appendix”).)<sup>1</sup> APL’s “Bar Secrets – The Multistate Subjects” book  
2 contains the copyrighted materials for contracts, torts, property, evidence,  
3 constitutional law, criminal law, and criminal procedure. APL’s “Bar Secrets – The  
4 California-Specific Subjects” book contains the copyrighted materials for  
5 professional responsibility, community property, wills, trusts, civil procedure,  
6 corporations, and remedies.

7 7. APL subsequently published single subject books containing the new  
8 subjects added to the California bar exam. These books include:

- 9 • “Bar Secrets – Agency & Partnership,” registered on 09/13/2007, registration  
10 number TX0006839809 (Exhibit Nos. 5-6 to the Appendix);
- 11 • “Bar Secrets – California Civil Procedure,” registered on 09/13/2007,  
12 registration number TX0006839439 (Exhibit Nos. 7-8 to the Appendix);
- 13 • “Bar Secrets – California Evidence,” registered on 09/13/2007, registration  
14 number TX0006855289 (Exhibit Nos. 9-10 to the Appendix).
- 15 • “Bar Secrets – Constitutional Law,” registered on 05/02/2006, registration  
16 number TX0006376759 (Exhibit Nos. 11-12 to the Appendix);
- 17 • “Bar Secrets – Bar Secrets Contracts & UCC Sales,” registered on  
18 05/10/2006, registration number TX0006370947 (Exhibit Nos. 13-14 to the  
19 Appendix);
- 20 • “Bar Secrets – Criminal Procedure,” registered on 05/08/2006, registration  
21 number TX0006375887 (Exhibit Nos. 15-16 to the Appendix);
- 22 • “Bar Secrets – Criminal Law,” registered on 05/10/2006, registration number  
23 TX0006374395 (Exhibit Nos. 17-18 to the Appendix);

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26 <sup>1</sup> All materials referenced in this Consent Judgment were previously submitted to the  
27 Court with Plaintiffs’ Motion for Preliminary Injunction and attached to the “**APPENDIX**  
28 **OF EXHIBITS IN SUPPORT OF PLAINTIFF’S MOTION FOR PRELIMINARY**  
**INJUNCTION**” filed therewith, Court Docket No. 3.

- 1 • “Bar Secrets – Evidence,” registered on 05/02/2006, registration number  
2 TX0006370922 (Exhibit Nos. 19-20 to the Appendix);
- 3 • “Bar Secrets – Professional Responsibility ABA Rules plus California  
4 Distinctions,” registered on 05/08/2006, registration number TX0006375889  
5 (Exhibit Nos. 21-22 to the Appendix);
- 6 • “Bar Secrets – Property,” registered on 05/08/2007, registration number  
7 TX0006370898 (Exhibit Nos. 23-24 to the Appendix);
- 8 • “Bar Secrets – Torts,” registered on 05/08/2006, registration number  
9 TX0006375888 (Exhibit Nos. 25-26 to the Appendix);
- 10 • “Bar Secrets – Wills and Trusts,” registered on 05/08/2006, registration  
11 number TX0006373673 (Exhibit Nos. 27-28 to the Appendix);
- 12 • “Bar Secrets – California Community Property,” registered on 05/08/2006,  
13 registration number TX0006373473 (Exhibit Nos. 29-30 to the Appendix).
- 14 • “Bar Secrets – Corporations,” registered on 05/08/2006, registration number  
15 TX0006375290 (Exhibit Nos. 31-32 to the Appendix);
- 16 • “Bar Secrets – Remedies,” registered on 05/08/2006, registration number
- 17 • “Bar Secrets: An Essay Approach for the Multistate Subjects,” registered on  
18 05/15/2006, registration number TX0006371093 (Exhibit Nos. 35-36 to the  
19 Appendix);
- 20 • “Bar Secrets: An Essay Approach for the California-Specific Subjects,”  
21 registered on 05/08/2006, registration number TX0006375886 (Exhibit Nos.  
22 37-38 to the Appendix).

23 8. APL holds the exclusive right to reproduce each of these books, each  
24 of which has been properly registered with the U.S. Copyright Office. APL has  
25 never distributed its copyrighted materials in downloadable electronic format in  
26 order to prevent electronic transmission and copying.

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1 **D. DEFENDANTS' CONDUCT**

2 9. Reed is an attorney and is licensed to practice law in thirteen states.  
3 Reed has been teaching the bar exam for over thirty years, and he has maintained an  
4 internet website at <http://www.reedbarreview.com> which, among other things,  
5 advertises and offers for sale bar review materials and bar review preparation  
6 courses. This website was accessible by any member of the public, and actively  
7 solicits bar takers from California and other states to take RLG's bar review courses  
8 and Reed's tutoring services.

9 10. ██████████ is a former APL student. As an APL student  
10 ██████████ became familiar with APL's copyrighted materials in connection with APL's  
11 3L programs at Thomas Jefferson School of Law. After failing to pass the California  
12 bar due to poor performance on the MBE (i.e., Multistate bar exam), ██████████ requested  
13 a referral for a California bar review program that provided an emphasis on the MBE.  
14 ██████████ was referred to Defendants. ██████████ then undertook to review RLG's website  
15 to confirm that RLG provided instruction for the California bar takers and the MBE.  
16 ██████████ subsequently contacted RLG via email on March 16, 2015, asking for  
17 information on its courses to prepare her for the July 2015 California bar exam.  
18 Reed personally communicated via email exchange on or about March 25, 2015, and  
19 via telephone the next day. Reed sold ██████████ on an RLG course, and she paid \$3,990  
20 to enroll.

21 11. RLG gave ██████████ access to all of RLG's bar review materials in  
22 electronic format online after ██████████ enrolled. These materials consisted primarily  
23 of mini-outlines, long outlines, and "Flowcharts." Upon cursory inspection of these  
24 "Flowcharts," ██████████ was immediately struck by how much they reminded her of  
25 APL's copyrighted materials she saw while in law school. Indeed, upon closer  
26 inspection, she discovered that they were identical, except that RLG had removed  
27 APL's copyright warnings and imposed a RLG copyright warning on APL's  
28 materials.

1           12. On November 27, 2015, ██████ notified Dr. Saccuzzo that she had taken  
2 the July 2015 California bar exam after taking RLG's bar review course, but that she  
3 had still not passed. She sought Dr. Saccuzzo's advice, and in that context she  
4 commented to Dr. Saccuzzo that she found it "strange" that RLG's "Flowcharts"  
5 were identical copies of APL's copyrighted materials. Surprised by this revelation,  
6 Dr. Saccuzzo requested ██████ forward him an example of RLG's "Flowcharts."  
7 ██████ then forwarded to Dr. Saccuzzo RLG's "Contracts Flow Chart," a PDF file  
8 easily transmitted via email. It was immediately obvious to Dr. Saccuzzo that RLG  
9 had reproduced (in electronic PDF format) APL's contracts schema and obliterated  
10 APL's copyright notices, logos, and so forth, and simply interlineated all of their  
11 own versions of those instead.

12           13. ██████ properly notified Dr. Saccuzzo and Dr. Johnson, in spite  
13 of the warnings Defendants placed on the materials and in spite of any terms there  
14 might be in her enrollment agreement with RLG, because Defendants did not have  
15 any valid rights to copyrighted works they did not author.

16           14. Upon learning of the infringement upon its copyrighted materials, APL  
17 sought to determine how RLG obtained APL's copyrighted materials. APL's  
18 investigation revealed that on June 20, 2011, RLG's long-time employee, Kelly  
19 Drew, bought the entire set of APL's materials through APL's website using a credit  
20 card and her personal email address. APL shipped the books on the evening of June  
21 20, 2011 by USPS 3-day Priority Mail to Ms. Drew's home. On December 20, 2012,  
22 Reed's wife, Carolyn Lammersfeld, purchased APL's California-specific book  
23 using a credit card and her personal email address. APL shipped the book to her on  
24 the evening of December 20, 2012, by USPS Priority Mail to RLG's corporate  
25 headquarters at that time. Defendants acknowledge obtaining APL's copyrighted  
26 materials in the foregoing manner.

27           15. After obtaining APL's materials, RLG and/or their agents acting at  
28 their direction and control obliterated APL's copyright notices, address, and other



1 identifiers which were set forth on the materials obtained by Ms. Drew and Ms.  
2 Lammersfeld for RLG; scanned the altered documents; and added Reed Bar  
3 Review's logo, address, and other information to the materials so as to permit them  
4 to be distributed to RLG's bar review students from RLG's website at  
5 <http://www.reedbarreview.com>. Defendants acknowledge that the foregoing actions  
6 taken by them in violation of APL's copyrights constitute willful copyright  
7 infringement within the meaning of 17 U.S.C. § 504(c)(2). Ms. Drew and Ms.  
8 Lammersfeld further stipulate that they will not infringe on any APL copyright but  
9 they do not admit to any willful or wrongful past violation of APL's copyright.

10 16. On February 24, 2016, Defendants stipulated to the issuance of a  
11 permanent injunction, which was entered by the Court on March 9, 2016.  
12 Defendants also promised to cooperate with APL by assuring APL that they will  
13 never seek to obtain, copy, or distribute APL's copyrighted materials, and that they  
14 will use reasonable efforts to notify any student of theirs who might have obtained  
15 APL's materials in electronic format that the materials are copyrighted by APL.  
16 Reasonable efforts include emailing or writing students to advise that the RLG's  
17 "Flowcharts" at issue in this action are APL's copyrighted materials and should be  
18 immediately destroyed as RLG did not have a license for their use and any further  
19 reproduction of the RLG's "Flowcharts" would violate APL's copyrights.

20 **E. APL'S COPYRIGHT CLAIM**

21 17. A claim for copyright infringement is comprised of two elements: (1)  
22 the plaintiff owns a valid copyright interest; and (2) the defendant copied protected  
23 material. *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 361 (1991);  
24 see also *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001) There  
25 is no need to prove anything about a defendant's mental state to establish copyright  
26 infringement; it is akin to a strict liability tort. *Educational Testing Services v. Simon*,  
27 95 F.Supp.2d 1081, 1087 (C.D. Cal. 1999).

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1           18. As the owner of the copyrighted works identified above, the Copyright  
2 Act confers upon APL the exclusive right to reproduce the works, prepare derivative  
3 works, distribute copies of the work, and display the work publicly. 17 U.S.C. § 106;  
4 *Feist Publications, Inc. v. Rural Telephone Service Co., Inc.*, *supra*, 499 U.S. at pg.  
5 361.

6           19. In violation of APL’s copyrights Defendants acknowledge obtaining  
7 and copying APL’s copyrighted materials by scanning the materials into electronic  
8 files, and then distributing copies of the materials for profit as stated above.  
9 Therefore, Defendants acknowledge infringing upon APL’s copyrights.

10           20. In addition to their direct liability, each individual Defendant is  
11 vicariously and contributorily liable under the Copyright Act for the actions of the  
12 others as part of their joint enterprise, because each had a financial interest in the  
13 success of RLG’s bar review course, Reed Bar Review. Defendants, and each of  
14 them, had the opportunity to exercise control over their coordinated, jointly  
15 marketed activities operated through the internet and multiple representatives at  
16 various law schools. See, e.g., *Fonovisa, Inc. v. Cherry Auction, Inc.* 76 F.3d 259,  
17 261-264 (9th Cir. 1996). In this regard, Defendants acknowledge they are  
18 responsible for the acts of any employees, agents, or interns that might have assisted  
19 in the copyright infringement at issue in this action.

20           21. Defendants’ use of APL’s copyrighted materials was not a “fair use”  
21 within the meaning of the Copyright Act, 17 U.S.C. § 107. Likewise, the First  
22 Amendment of the United States Constitution does not provide any basis for the  
23 unauthorized copying and distribution of APL’s copyrighted materials.

24           22. Among other relief, a copyright holder may be entitled to a permanent  
25 injunction for a defendant’s violation of its exclusive rights under the Copyright Act.  
26 17 U.S.C., § 502. Based upon the parties’ stipulation, the Court has already found  
27 that APL is entitled to permanent injunction, which shall remain in effect,  
28 unmodified, upon entry of this consent judgment. Defendants acknowledge that any

1 violation of the permanent injunction may be grounds for a finding of contempt and  
2 other penalties and they verify they are in full compliance with the permanent  
3 injunction.

4 23. A copyright holder is also entitled to recover damages under the  
5 Copyright Act, as well as attorney's fees. See 17 U.S.C. §§ 504, 505. In this  
6 particular case, Defendants acknowledge APL's entitlement to damages for willful  
7 copyright infringement but they have agreed to resolve the actual amount of  
8 monetary payment to be made by Defendants to APL by the written settlement  
9 agreement, which the Court shall have jurisdiction to enforce. Therefore, this Order  
10 does not include an award of damages or attorneys' fees, to which APL may  
11 otherwise be entitled to obtain.

12 **IV.**

13 **RELIEF**

14 Based upon the facts and the applicable legal principles to which all parties  
15 have stipulated, the Court hereby **ORDERS** that:

16 1. Judgment is entered in favor of Plaintiff Applications of Psychology to  
17 Law, Inc. on the basis of Defendants Hubert Reed *aka* Hugh Reed and Reed Law  
18 Group, Ltd d/b/a Reed Bar Review willful infringement upon Plaintiffs' copyrighted  
19 materials.

20 2. Pursuant to the Copyright Act and Fed. R. Civ. P. 65, the Court  
21 reaffirms the Permanent Injunction entered on March 9, 2016, incorporated herein  
22 by this reference, and Defendants, their agents, servants and employees, and all  
23 persons in active concert with Defendants shall remain ENJOINED from infringing  
24 in any manner on Plaintiff's existing or future copyrights and specifically from  
25 copying, duplicating, distributing, selling, publishing, reproducing, publicly  
26 performing, displaying, preparing derivative works based on, renting, leasing,  
27 offering, using in their advertising or otherwise transferring or communicating in  
28 any manner, orally or in written, printed, audio, photographic, electronic, or other

1 form, including any communication in any class, advertisement or other  
2 presentation, any of Plaintiff's existing or future copyrighted materials.

3 3. Within twenty (20) days of the date of this Order, Defendants shall  
4 deliver all of APL's copyrighted materials in Defendants' possession, custody, and  
5 control to APL and Defendants shall affirm in writing to Plaintiff that they are no  
6 longer in possession of any of APL's materials and that all electronic copies have  
7 been destroyed. Defendants will also provide written notification to all their  
8 former and present students who became students before March 9, 2016 that they  
9 might be in possession of copyrighted materials, and that the use of the copyrighted  
10 materials may constitute copyright infringement such that Defendants' former and  
11 said present students shall be directed to destroy any such materials. Defendants  
12 shall also provide an electronic link on their website at  
13 <http://www.reedbarreview.com> to APL's Complaint, the Permanent Injunction and  
14 to this Order. Said link shall be posted for a minimum of one (1) year. Additionally,  
15 APL's Complaint, the Motion for Preliminary Injunction, the Permanent Injunction  
16 and this Order shall be posted on an internet blog or similar website for a period of  
17 not less than ten (10) years.

18 4. Nothing in this Order shall prevent Defendants from teaching general  
19 test-taking strategies that are otherwise consistent with this Order and the Permanent  
20 Injunction, including teaching the bar exam, rules, and associated case law of any  
21 area of law.

22 5. Nothing in this Order shall prevent Defendants from providing links to  
23 Plaintiff's websites or other public announcements, and informing the public by any  
24 means about study aids, materials, articles, research reports, or other public  
25 information voluntarily made available by Plaintiff to the public.

26 6. Nothing in this order shall restrain the conduct of Dr. Saccuzzo or Dr.  
27 Johnson or of their agents, nor will it restrain [REDACTED] Nor does it impose any  
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1 obligations on Dr. Saccuzzo, Dr. Johnson, APL, or [REDACTED] unless expressly  
2 stated herein.

3 7. The filing of this Order shall represent the entire judicial relief for any and  
4 all claims Plaintiff has against Defendants to date relating in any way to the conduct  
5 addressed in this Order, provided Defendants fully comply with this Order, the  
6 Permanent Injunction.

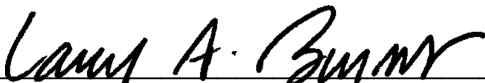
7 8. The Magistrate Judge shall retain jurisdiction over all disputes between  
8 and among the parties arising out of the settlement agreement, including but not  
9 limited to interpretation and enforcement of the terms of the settlement agreement.

10 9. Does 1 through 10 are dismissed without prejudice.

11 10. Each party shall bear its own costs and attorney's fees.

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13 **IT IS SO ORDERED.**

14  
15 Dated: September 15, 2016

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18 HON. LARRY A. BURNS  
19 UNITED STATES DISTRICT JUDGE  
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