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### **ARTICLE**



## Entertainment Attys Can Learn From Hasbro Royalty Ruling

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The article outlines lessons that entertainment law practitioners can glean from a New York federal court's recent decision dismissing a toy inventor's suit alleging that a toy company unlawfully used two of his pitched ideas without paying royalties.

The article summarizes the facts and findings underlying the litigation before the US District Court for the Southern District of New York, which granted summary judgment in favor of the toy company. The inventor had raised several claims asserting breach of implied contract, misappropriation, unfair competition and unjust enrichment. At issue were the inventor's allegations that the toy company had made use of his general idea for a collection of "mashup" games that combined elements of individual games, and likewise made use of his specific pitch for a game combining Connect 4 and Nerf. Highlighting common elements among the legal claims, the district court ultimately determined that the general mashup idea was not novel and that the toy company had not used the idea of a mashup between Connect 4 and Nerf.

The article notes that the district court's decision provides a useful roadmap for entertainment law practitioners seeking to minimize the risk of comparable claims that their clients could face from receiving pitches and written submissions for new motion picture and television ideas. The author highlights several steps that practitioners can take to lower such risks for their entertainment clients and prepare clients to defend the creation of their own projects. Steps include:

- Counseling clients to diligently document and maintain records of pitches and written submissions that they receive.
- Counseling clients to maintain a detailed log of written materials submitted to the company.
- Counseling clients to retain records demonstrating the development history of projects that they
  eventually produce, including projects developed both in-house and from creators' pitches or
  submissions.

• Counseling clients to use submission agreements whenever possible.

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### CONTACTS

For more information, contact your Katten attorney or any of the following attorneys.



David Halberstadter +1.310.788.4408 david.halberstadter@katten.com