

# AT ISSUE

A STONE, ROSENBLATT & CHA PUBLICATION

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**STONE, ROSENBLATT & CHA**  
*wishes each of you and yours  
health, happiness, and prosperity  
for the New Year!*



**BY: IRA H. ROSENBLATT, ESQ.**

Ira Rosenblatt authors a recurring column called "Legally Speaking," which regularly appears in the *San Fernando Business Journal*.

**Q: A group of investors and I are starting a new business. We understand the importance of forming a new entity to carry out our venture, but are confused as to which form best serves our needs. Specifically, don't they all afford us the same degree of protection against personal liability?**

A: I can understand why you might have that impression, but, in fact, the answer to your question is a resounding "no." Without knowing anything about your business, partners, or goals, I'm in no position to advise on what entity is best for your new venture, but I can certainly summarize how the risk of personal liability for passive and active investors and managers is impacted based on entity selection. For simplicity purposes, I'll address the most popular of entity choices and point out (in summary fashion) the general rules impacting personal liability within each: (1) Corporation - the shareholders, directors, and officers are ordinarily not personally liable for corporate debts or obligations. In the eyes of the law, the corporation is a separate legal entity, and as such, liable for its own debts and obligations; (2) General Partnership ("GP") - the partners in a GP are each jointly and severally liable for all partnership obligations. That means that all partners are on-the-hook for all other partners' acts and omissions (irrespective of whether one knew or participated in the act or omission) carried out in furtherance of the GP. As such, and all other things being equal, GP formation presents the greatest personal exposure; (3) Limited Liability Partnership ("LLP") - although partners in a LLP are free to agree otherwise, unlike in GP's, partners in LLP's are personally liable only for their own torts (e.g., wrongful acts or omissions). Partners in LLP's are not liable for the torts of their partners; (4) Limited Partnership - although the general partners of a limited partnership are liable for partnership obligations (just as if a GP), limited partners are normally not liable for partnership debts. As you likely know, however, limited partners can be reclassified as general partners if they assume control in the business; (5) Limited Liability Company ("LLC") - members of LLC's are not personally liable for the debts, obligations, or liabilities of the LLC, unless creditors successfully pierce the LLC veil. The grounds and circumstances justifying piercing the LLC veil are the same as the grounds for piercing the corporate veil, with one significant exception. The failure to observe certain formalities required by shareholders and boards of directors in a corporation (e.g., noticing and holding regular meetings, maintaining minutes, etc.) is not a factor in considering whether a creditor may pierce the LLC veil, unless such notices, meetings, and minutes are expressly mandated in the articles of organization or operating agreement.

**Q: I own an apparel store and would like to place some video footage I have shot in my store on You Tube in an effort to advertise my products. The footage contains clips of various customers wearing and purchasing my clothing. Can I do this or do I need permission?**

A: California privacy laws prohibit the use of an individual's name, image, or likeness for purposes of advertising or selling products or services without such individual's consent. Before you post any footage on You Tube, or on any other website or marketing materials, you must first have those individuals appearing in the clips sign a release giving your company permission to use their name, image, and likeness in connection with the advertisement and sale of your company's products. It is a good idea to have the consent and release form address all forms of media so that you can utilize the footage in various forms and mediums. This area of the law is complex and fraught with exceptions and limitations, therefore prior to finalizing and distributing any marketing materials, be sure to retain the services of a qualified expert in this field.

# EDITOR'S NOTES

We are pleased to provide you with our Winter 2011 Edition of *At Issue*. We would like to thank our clients for making 2010 a challenging and rewarding year. *At Issue* is an in-house Stone, Rosenblatt & Cha publication comprised entirely of original material researched and authored by our attorneys, clerks, staff, friends (and sometimes even our clients). Our publication is designed to inform, educate, and entertain. As always, we welcome your comments and suggestions. Please feel free to contact us regarding any topics you would like to see addressed in future editions at [Editor@srclaw.com](mailto:Editor@srclaw.com). Thank you.

## WHO WE ARE...

Stone, Rosenblatt & Cha, based in Southern California, is an award winning business law firm serving our clients' litigation and transactional needs. The firm enjoys the highest available rating ("AV") from Martindale-Hubbell (the legal industry bench-mark) for both legal ability and ethics, and is listed in Martindale-Hubbell's National Bar Register of Preeminent Lawyers. Our clients are successful businesses, entrepreneurs, artists, and high net-worth individuals.

## WHAT WE DO...

*"We help our clients define, and ultimately achieve, their strategic and financial objectives. We fulfill our Mission by delivering more than just quality legal services — we deliver solutions."* Ira Rosenblatt, Managing Director.

## QUESTIONS OR COMMENTS

regarding *At Issue* should be directed to:

AT ISSUE

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# "YOU'VE BEEN SERVED"

## THE PROCEDURAL ANATOMY OF A SOUTHERN CALIFORNIA LAWSUIT

By: Greg Stone, Esq.

Showing no emotion, a stranger hands you a bulging envelope containing legal documents and says: "You've been served."

Now what?

While the overall outcome of any particular case is difficult to predict, the procedural framework of a lawsuit is relatively consistent, predictable, and can be summarized in a text-message sounding sentence:

After the IC judge is assigned and an answer is filed, expect a CMC; discovery; mediation; PMSC; MSC or VSC; which will be followed by the FSC and then, of course, trial.

Got it?

Just in case you did not, below is a further explanation.

### The Initial Response

The initial response generally takes the form of an Answer. However, depending upon the allegations, a good alternative strategy might be to "attack the pleadings" by way of a motion to dismiss (generally, a "Demurrer"). To attack the pleadings, the motion must be based solely upon the "four corners" of the complaint and not other matters. This means for purposes of the motion, the court must assume all properly pleaded allegations are true.

Any claims against the opposing party (or other defendants) arising out of the same facts alleged in the complaint require a cross complaint be filed against that responsible party simultaneously with the answer or those claims could be deemed waived.

"I want to sue him/her for filing a frivolous case against me." This is a very common response. However, this is known as a claim for Malicious Prosecution. It is a separate lawsuit, not a cross-complaint, and requires you first receive a favorable termination (you must win first) and show in that separate action that the claim was brought without probable cause and with malice.

### Case Management Conference (CMC)

This is the first court appearance. Only the attorneys appear. The purpose is to set future dates and give the court some idea as to the nature of the dispute. The case is typically ordered to mediation with a date to return to court after mediation.



### Discovery

This is the process by which each side obtains information to support his/her claims or defenses. The standard as to what can be obtained through discovery is far more liberal than what is admissible at trial. Most information, absent certain privileges, is discoverable if the requested information "is likely to lead to the discovery of admissible evidence." Discovery includes serving subpoenas; written questions (interrogatories); taking depositions; and compelling the production of certain documents. Discovery usually is the most time consuming and costly part of litigation.

### Mediation

Mediation generally takes place after the parties have had time to obtain discovery. Mediation is a non-binding but required process. The court will appoint a volunteer attorney to conduct the mediation or the parties can hire their own mediator. The only power the mediator has is to compel the parties' appearance. The mediator can neither make findings of fact nor rulings of law. While the mediator can express opinions and make recommendations, his/her primary function is to facilitate a settlement.

### Post Mediation Status Conference (PMSC)

Similar to the CMC, this is a relatively short appearance attended only by the attorneys. The purpose of the PMSC is to basically update the judge on the status of the case.

At the PMSC the court will likely set the case for a Mandatory Settlement Conference (MSC) and a Final Status Conference (FSC) and will assign a trial date.

### Mandatory Settlement Conference (MSC)

This is similar to mediation but it is held at the courthouse with an active Judge. If the actual trial judge is to conduct the MSC, the parties must agree and sign a conflict waiver.

### Final Status Conference (FSC)

The FSC is the most thorough appearance of all the pre-trial conferences and is typically set about a week or so before the trial date. Pre-trial motions along with the details and particulars of the trial are discussed at the FSC.

### The Trial

The 7th amendment to the U.S. Constitution provides for the right to trial by jury in civil cases. However, there are procedures that still need to be followed to preserve that right. The decision to waive a jury must be mutual and should not be made absent a thorough analysis including, but not limited to, the judge's background, economics, and overall jury appeal of your case.

The above is intended to provide only a very brief overview of the procedural anatomy of a civil case. Should you have any questions, feel free to contact us here at SRC.



## EMPLOYERS NEED ONLY PROVIDE BREAKS FOR EMPLOYEES, NOT ENSURE THAT THE BREAKS ARE TAKEN — AT LEAST FOR NOW

By: Robyn McKibbin, Esq.

For more than two years, employers have sat in limbo waiting for the California Supreme Court to rule on two cases – Brinker Restaurant Corp. v. Superior Court and Brinkley v. Public Storage – which will define what the obligation to “authorize and permit” breaks actually means. Some lower courts elected to stay matters until these cases were first decided. One Los Angeles County trial court, however, in Hernandez v. Chipotle Mexican Grill, Inc., decided not to wait.

Rogelio Hernandez sued his former employer on behalf of himself and a proposed class for denying employees meal and rest breaks. Chipotle employs approximately 3,000 hourly employees in roughly 130 restaurants. The parties filed dueling class motions: one to certify and one to deny class certification.

Chipotle submitted 57 declarations from employees who attested that they received all meal and rest breaks, and 16 declarations from managers setting forth various facts to support the position that the company properly complied with state law concerning breaks. Hernandez submitted an additional

23 declarations from employees stating that sometimes their managers denied or interrupted their break as well as a compilation of his time records.

Pursuant to court order, Chipotle provided a computerized spreadsheet with statistics relating to employee time records from 2003-2009 (reflecting 2,074,451 shifts). In response, Hernandez filed a supplemental expert declaration interpreting Chipotle’s statistics to show numerous violations.

After a long hearing, the trial court denied class certification on the grounds that individual issues predominate over common issues, and class treatment was not superior to individual actions.

In order to determine whether class certification was warranted, the trial court had to determine the threshold legal issue of whether an employer must “ensure” or “force” employees to take breaks or simply make them “available” to employees. Hernandez conceded that employers must provide, i.e., authorize and permit, employees to take rest breaks, but argued that a different standard applied to meal

breaks. The trial and appellate courts disagreed. Based on the plain language of the Labor Code and Wage Orders, the prior cases interpreting the same provisions, and even the Webster’s Dictionary, the Hernandez Court held “provide” means “to supply or make available.”

The Court also stated that to hold otherwise “is not practical.” It would place an undue burden on employers who have numerous employees or who are not in contact with the employer during the day. Also, it would “create perverse incentives, encouraging employees to violate company meal break policy in order to receive extra compensation under California wage and hour laws.”

The Supreme Court may grant review of Hernandez pending the Brinker and Brinkley decisions. If so, Hernandez would not be citable as authority. Even if it does not grant review, the Supreme Court might ultimately disagree with the Hernandez reasoning and side with the employee’s “impractical” approach. In 2007, the Supreme Court ruled in favor of employees and held the one “hour of pay” for missed meal and rest breaks constitutes a “premium” wage, not a penalty, disagreeing with the analysis of a majority of lower courts. While Hernandez may be an encouraging sign of things to come, employers should make sure that meal and rest breaks are taken and adequately recorded.

## PROFILE: VICTORIA CANTORE



Photo: Victoria (center of photo) receiving her trophy at the National Trial Competition in 2009

Victoria Cantore is Stone, Rosenblatt & Cha’s newest associate. She clerked with SRC after her second year at Loyola Law School, and was thrilled to join the firm upon graduating in 2009. In her short time as an attorney, she has achieved great results for SRC’s clients, including a favorable award in a binding contractual arbitration.

Victoria Cantore was born in Long Island, New York, and raised in the San Fernando Valley. She attended Duke University in Durham, North Carolina. While at Duke, Victoria studied abroad in Madrid, Spain, and spent a summer interning in Washington, D.C., with the Federal Energy Regulatory Commission during the height of the government’s preparation of its case against Enron.

Victoria returned to Los Angeles to pursue her law degree. While at Loyola, Victoria absorbed as much training as she could to develop her skills as a future trial attorney. Victoria was a member of the prestigious, nationally-ranked Byrne Trial Advocacy Team, where she flourished from 2007 through 2009. Victoria was a regional champion of the National Trial Competition sponsored by the American College of Trial Lawyers in both 2008 and 2009, a quarter-finalist at the 2008 Nationals, and a semi-finalist at the 2009 Nationals. Victoria was also a certi-

fied law clerk with the Compton District Attorney’s office, where she spent a semester conducting preliminary hearings. During her time in Compton, Victoria also argued her very first jury trial, before even graduating from law school.

Victoria maintains strong ties to Loyola and the Byrne team. She assisted the 2009-2010 team in preparing for the National Trial Competition. She is currently the head coach of the 2011 team preparing for the Student Trial Advocacy Competition sponsored by the American Association of Justice.

Victoria loves movies and music. She is the proud owner of an Old English Bulldog named Bowie, in honor of the rock legend. Victoria is an avid cook, and a fan of all things culinary. She once drove six and a half hours to make a last minute lunch reservation at the acclaimed French Laundry in Yountville, California. It was worth it.



## DEATH BLAMED ON ALCOHOL CONSUMPTION AND UNDER-AGED PARTY HOSTESS AT PARENTS' RENTAL PROPERTY

By: Kristi Dean, Esq.

The holiday season is routinely filled with celebration and cheer, which often includes libations and, realistically, consumption is not limited to adults. In the sobering December ruling in *Ennabe v. Manosa*, we are reminded of the tragedy and legal liability that can result from under-age drinking. Although the defendants ultimately prevailed in this particular lawsuit, the resolutions and wishes for the New Year also bring about a new law that will significantly affect the liability of adults who knowingly furnish alcohol to minors.

In *Ennabe v. Manosa*, California's Second District Court of Appeal wrestled with the legal liability of the hostess of a house party at a vacant rental residence owned by her parents. Twenty year-old Jessica Manosa hosted a party for 40 - 60 people, the majority of whom were under 21 and many unknown to Manosa. On the party day, Manosa and her friends contributed money to purchase beer, tequila, and rum. The beverages were "communal" and available without limitation to the partygoers. Unfamiliar attendees were charged an admission fee, and the fees were used to purchase more alcohol. Andrew Ennabe, an under-aged friend of Manosa, was not

charged an admission fee, but arrived obviously intoxicated, and drank more at the party. Attendee Thomas Garcia, unknown to Manosa, was admitted to the party after he paid an admission fee. Garcia was also obviously drunk when he arrived, and he drank even more while at the party. Garcia became belligerent and was asked to leave the party. In driving away, Garcia struck Ennabe who died a week later. Ennabe's parents filed a wrongful death action against Manosa and her parents.

The Court addressed an issue of first impression: whether charging an admission fee to a party was considered a "sale" of alcoholic beverages within the meaning of the exception to the social host immunity doctrine. Civil Code section 1714(c) provides broad immunity from civil liability for a social host who "furnishes alcoholic beverages to any person." Under Business and Professions Code section 25602.1, the social host loses that immunity if he or she sells, or causes to be sold, any alcoholic beverage to any obviously intoxicated minor. Ennabe encouraged the Court to interpret section 25602.1 to impose civil liability on any person who furnishes, sells, or gives alcoholic beverages to an obviously intoxicated minor. Because

an entrance fee was charged, Ennabe argued that this should be interpreted as a sale of alcohol. In addition, because the party was open to strangers, Manosa should have been licensed to sell alcohol. Ennabe cited the Department of Alcoholic Beverage Control's November 2009 Trade Enforcement Information Guide, which defined "sale" as including "indirect transactions other than merely paying for a glass of wine or other drink containing alcohol. For instance, if an admission fee is charged or a charge for food and alcohol is included, but not separately charged, an ABC license is required."

Fortunately for Manosa, the Court held that defendants were not civilly liable because it found that contributing to a common fund for purchase of liquor does not constitute "furnishing" alcohol. The Court also rejected the plaintiffs' theory that a license was required for Manosa's party because the party site was not open to the general public, and the residence, used by Manosa for a party on only that one occasion, was not used for serving of alcohol.

While the Court ultimately found in favor of the hostess and her parents, the Ennabe ruling should certainly remind us of the repercussions associated with under-age drinking and the legal implications for those adults who sanction it. Effective January 1, 2011, a change in the law will increase the likelihood of legal exposure for adults who furnish alcoholic beverages to under-age drinkers. Civil Code section 1714 will include a new section (d), which states: "Nothing in subdivision (c) shall preclude a claim against a parent, guardian or another adult who knowingly furnishes alcoholic beverages at his or her residence to a person under 21 years of age, in which case, notwithstanding subdivision (b), the furnishing of the alcoholic beverage may be found to be the proximate cause of resulting injuries or death." After the New Year, the tragic circumstances addressed by the Ennabe court may also include legal liability for the parents of under-age drinkers.

(Source: *Ennabe v. Manosa*, 10 Cal. Daily Op. Serv. 14,938 (December 1, 2010) ---Cal. Rptr.3d --- (2010); Civ. Code § 1714, subd. (d), added by Stats.2010, ch. 154, § 1.)



## HOW SHIELDING INTERNET SERVICE PROVIDERS FROM LIABILITY BENEFITS YOU: TAKEDOWN SYSTEMS REPLACE LAWSUITS

By: Mishawn Nolan, Esq.



### What is a Takedown?

In some circumstances, the Digital Millennium Copyright Act ("DMCA") provides Internet service providers a safe harbor from liability against its customers' acts. This is why "You Tube" can avoid liability for contributory infringement when a user/customer posts infringing material. To be entitled to this liability shelter, a service provider must provide a takedown system for copyright owners to immediately block access to infringing material.

### What Service Providers Qualify For Protection Under The DMCA Safe Harbor?

Email and other service providers that store material temporarily on their network, service providers that cache data, web hosts, chat rooms, and other services that allow users to store information on their network, search engines, and other information location tools all receive protection.

### When Can A Takedown Notice Be Used?

It's used whenever someone infringes a copyright and the rights holder wants to eliminate access to the infringing material through the Internet immediately. It could replace the need to file a lawsuit and seek costly injunctive relief. For example, if a website is using photographs copied from a rights holder's website, a takedown notice could be used to cut off access to the infringing website.

### Does the Copyright Need To Be Registered In Order To Use A Takedown?

No. As long as the material is a proper subject matter for a copyright, a takedown notice is an available tool. Copyrights are original works fixed in a tangible medium such as art, design, audio visual content, photography, music, literature, and software code. Copyright does not protect facts, ideas, procedures, processes, systems, methods of operation, concepts, principles, or discoveries nor does it protect trade names, slogans, or logos. Also, blank forms, generic settings or themes, recipes and contest rules, or general instructions likely will not receive copyright protection.

### Can A Takedown Notice Be Used For Trademark Infringement?

Currently, no. The safe harbor provisions of the DMCA only apply to copyrights. Service provider takedown policies typically do not include trademark infringement. Trademarks are words, phrases, and logos that identify a particular source, such as a business or product name. Domain names are not necessarily trademarks and also do not fall within the safe harbor provisions. Submitting an improper takedown notice could expose one to liability.

### Can a Takedown Notice Be Used By A Subject Of A Photograph?

Generally, no. Only the copyright owner or

an authorized representative of the copyright owner can send a takedown notice. The copyright in a photograph belongs initially to the person who took the photo, not to the person who is pictured. Unless the photo subject has been assigned copyright or received permission to act on behalf of the photographer, it is improper for him or her to send a DMCA takedown notice.

### Does The DMCA Require Service Providers To Filter or Monitor User Postings To Their Sites?

No. Nothing in the statute imposes affirmative obligations to monitor, watch for, or block potential future infringements. It is the copyright holder or its representative's obligation to monitor use of its material.

### What Information Is Required In A Takedown Notice?

Most service providers will have a takedown policy on their website and often provide a takedown form. The takedown notice must include the following information:

The name, address, and electronic signature of the complaining party;

The infringing materials and their Internet location, or if the service provider is an "information location tool," such as a search engine, the reference or link to the infringing materials;

Sufficient information to identify the copyrighted works;

A statement by the owner that it has a good faith belief that there is no legal basis for the use of the materials complained of; and

A statement of the accuracy of the notice and, under penalty of perjury, that the complaining party is authorized to act on the behalf of the owner.

### What Happens After A Takedown Notice Is Submitted?

Once notice is given to the service provider, it is required to expeditiously remove, or disable access to, the allegedly infringing material. The safe harbor provisions do not require the service provider to notify the individual responsible for the allegedly infringing material before removing it, but

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they do require notification after the material is removed.

### Is There Any Way To Counter A Takedown Notice?

In order to ensure that copyright owners do not wrongly insist on the removal of materials that actually do not infringe their copyrights, the safe harbor provisions require service providers to notify the customers if their materials have been removed and to provide them with an opportunity to send a written response stating that the material has been wrongfully removed. If a customer provides a proper counter-notice claiming that the material does not infringe the complaining party's copyright, the service provider must then promptly notify the claiming party of the objection. Then, if the copyright owner does not bring a lawsuit in district court within 14 days, the service provider is required to restore the material to its location on its network.

### What Information Is Required In A Counter-Notice?

Most service providers will have a takedown policy on their website and often provide a counter-notice form. The counter-notice must include the following information:

The subscriber's name, address, phone number, and physical or electronic signature;

Identification of the material and its location before removal;

A statement under penalty of perjury that the material was removed by mistake or misidentification; and

Customer consent to local federal court jurisdiction, or if overseas, to an appropriate judicial body.

### What If Removal Was Improper?

If it is determined that the copyright holder misrepresented its claim regarding the infringing material, the copyright holder then becomes liable to the service provider and the alleged infringer for any damages that resulted from the misrepresentation and improper removal of the material.

In certain situations, the DMCA takedown process can benefit rights holders by replacing the need to file a lawsuit to seek injunctive relief. It is efficient, cost effective, and immediate. These qualities also make it easy to abuse. Investigate carefully before submitting a takedown notice and also after receiving one.

# 2010 IN REVIEW

## NEWS AND EVENTS

**Health Care Reform Becomes Law:** President Obama signed a landmark health care overhaul — the most expansive social legislation enacted in decades — into law. He remarked, it enshrines "the core principle that everybody should have some basic security when it comes to their health care." A Federal court judge recently found the notion of compelling citizens to purchase health insurance to be beyond the reach of the Commerce Clause, and, thus, unconstitutional. It now appears likely that the issue will be resolved by the U.S. Supreme Court.

**BP Oil Spill:** An explosion on April 20, 2010, aboard the Deepwater Horizon, a drilling rig working on a well for the oil company BP one mile below the surface of the Gulf of Mexico, led to the largest accidental oil spill in history. The spill killed 11 individuals and seriously injured 17 others.

**Chile Mine Explosion:** On August 5, 2010, at the San Jose mine in Copiapo, Chile, an explosion collapsed a mine and trapped 33 men 2,300 feet below ground. Rescue workers took seventeen days to drill through 2,257 feet of dirt to ascertain whether there were any survivors. After being trapped for a record of 69 days, all 33 miners were rescued.

**Time Person of the Year 2010:** Facebook founder and CEO Mark Zuckerberg was named Time Magazine's "Person of the Year" for 2010. Zuckerberg, age twenty-six, used the internet to connect more than half a billion people and mapped the social relations among them.

**Bernie Madoff:** Madoff's son, Mark, was found hanged in an apparent suicide on the second anniversary of his father's arrest.

## SPORTS

**Super Bowl:** The Super Bowl XLIV was played at Sun Life Stadium in Miami Gardens on February 7, 2010. The New Orleans Saints defeated the Indianapolis Colts 31-17.

**World Cup:** The 2010 FIFA World Cup took place in South Africa from June 11 to July 11, 2010. In the final, Spain defeated the Netherlands, the third-time finalist, by 1-0. The win gave Spain its first world title.

**NBA Championships:** The 2009-2010 NBA Championship was won in dramatic fashion by the Los Angeles Lakers after defeating the Boston Celtics in a thrilling game 7. The win gave the Los Angeles Lakers its 16th championship.

**World Series:** On November 1, 2010, the San Francisco Giants beat the Texas Rangers 3-1 in Game 5 of the World Series. The win marked the Giants first title since 1954.

**Women's Basketball:** The University of Connecticut women's basketball team won 89 games in a row surpassing the record set by John Wooden's legendary UCLA men's teams from 1971 to 1974.

**Golf:** Tiger Woods returned to golf this year following a year filled with disgrace, scandal, and divorce. He experienced no wins.

## ENTERTAINMENT

**Grammy Awards:** Presented by the Recording Academy, the Grammy Awards was held at the Staples Center in Los Angeles on January 31, 2010. Record of the Year was awarded to Kings of Leon for the record "Use Somebody," Album of the Year was "Fearless" by Taylor Swift, and Song of the Year went to Beyonce for her single "Single Ladies (Put a Ring on It)." Perhaps the most memorable part of the night was a special 3-D tribute to Michael Jackson, who won a posthumous Lifetime Achievement Award.

**Academy Awards:** The 82nd Annual Academy Awards honored the best movies of 2009 on March 7, 2010, at the Kodak Theater in Los Angeles. Best picture went to "The Hurt Locker," and Jeff Bridges and Sandra Bullock took home the Best Actor and Actress awards.

**Avatar in 3D:** In January 2010, James Cameron's 3D science fiction fantasy movie Avatar broke box office records becoming the highest grossing film in North America, grossing worldwide over \$ 2,779,550,000. The movie won three academy awards for cinematography, art direction, and visual effects.

## NOTABLE PASSINGS

Leslie Nielsen, Tony Curtis, Tom Bosley, Dennis Hopper, Lena Horne, J. D. Salinger, Alexander Haig, Blake Edwards, Elizabeth Edwards, Teddy Pendergrass, Gary Coleman

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## NEWS & EVENTS

- Greg Stone and Robyn McKibbin successfully challenged a wrongful termination complaint filed against an international employer and obtained a dismissal of the entire action at the pleading stage.
- Greg Stone, with significant help from Sue Feffer, Venessa Martinez, and Greg Miller, successfully settled six out of six cases in a one-day marathon settlement conference session. The cases were set for mediation 1 ½ hours apart all on the same day. "The success was due in large part to all parties and attorneys appearing in good faith and with an open mind," said Stone.
- John Cha and Robyn McKibbin obtained relief from an automatic stay against the debtor by demonstrating that the Chapter 11 bankruptcy petition was merely a bad faith attempt to delay the arbitration of a breach of contract matter on behalf of an accounting firm.
- Ira Rosenblatt, with assistance from Diane Marioni, formed approximately half a dozen new start-up entities in a variety of industries, including professional services, manufacturing, fitness, music, and solar.
- Ira Rosenblatt facilitated the successful close of an asset sales transaction in the manufacturing space. Ira represented the Seller.
- John Tamborelli recently obtained a judgment after trial for a client who was denied payment for design work performed for a property owner. At trial, John was able to prove the enforceability of an unsigned contract based on the fact that all parties "worked" under the unsigned document. A hearty congratulations to Stone | Rosenblatt | Cha's client for this success.
- In October, Kristi Dean attended the annual convention held by the National Association of Professional Surplus Lines Offices ("NAPSLO"). NAPSLO is a national trade association representing the surplus lines industry and the wholesale insurance marketing system. Kristi has been an Associate Member of NAPSLO since 1998. Through NAPSLO and other trade associations, Kristi is better able to understand the needs of her insurance industry clients.
- On January 21, 2011, Mishawn Nolan will present a review of the important intellectual property decisions of 2010 for attorneys in the San Fernando Valley Bar Association.

Stone, Rosenblatt & Cha is a business law firm specializing in business transactions and litigation. We represent businesses and their owners in the areas of Litigation, Business Transactions, Entertainment, IP, and Employment.

"At Issue" is the newsletter of Stone, Rosenblatt & Cha and is comprised entirely of material researched, developed, and written by the attorneys, clerks, staff, and friends of the firm. The articles are of a general nature and are not intended to be interpreted as advice on specific legal issues. The mere receipt of the newsletter does not create an attorney client relationship.

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