

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

REDDIT, INC.,
Plaintiff,
v.
ANTHROPIC PBC,
Defendant.

Case No. 25-cv-05643-TLT

**ORDER GRANTING DEFENDANT’S
MOTION TO REMAND**

Re: Dkt. No. 19

Before this Court is Plaintiff Reddit, Inc’s Motion to Remand to San Francisco County Superior Court against Defendant Anthropic PBC. ECF 19. Reddit originally filed this action in the San Francisco County Superior Court CGC-25-625892. ECF 1-1.

Reddit alleges that Anthropic used unauthorized automated access to scrape Reddit’s content to train and commercialize its AI chatbot, Claude, which gives rise to state law claims, including (1) breach of contract, (2) unjust enrichment, (3) trespass to chattels, (4) tortious interference with contract, and (5) unfair competition under California Business & Professions Code § 17200. *Id.* Anthropic removed the suit to this Court, asserting that because the “essence” of this action concerns its unauthorized use of Reddit’s information, Reddit’s state law causes of action are preempted by the federal Copyright Act. ECF 24. Reddit asserts that its claims arise from violations of contractual, technical, and privacy-based obligations, not from infringement of exclusive rights under the Copyright Act, 17 U.S.C. § 106. ECF 19.

After reviewing the parties’ briefs, oral arguments, and relevant legal authority, the Court **GRANTS** Reddit’s Motion to Remand for the reasons set below.

United States District Court
Northern District of California

I. LEGAL STANDARD

A. Removal

“Federal courts are courts of limited jurisdiction” and “possess only that power authorized by Constitution and statute.” *Kokkonen v. Guardian Life Ins. Co. of Am.*, 511 U.S. 375, 377 (1994). The federal courts “strictly construe the removal statute against removal jurisdiction” and “[f]ederal jurisdiction must be rejected if there is any doubt as to the right of removal in the first instance.” *Gaus v. Miles, Inc.*, 980 F.2d 564, 566 (9th Cir. 1992) (citation omitted). “[T]he defendant always has the burden of establishing that removal is proper.” *Shah v. Meier Enters., Inc.*, 855 F. App’x 384, 386 (9th Cir. 2021) (quoting *Gaus*, 980 F.2d at 566).

B. Preemption under the Copyright Act

The Copyright Act, 17 U.S.C. § 301, establishes a two-part test to preempt claims under state law. The state law claims are preempted if (1) the work at issue comes within the subject matter of copyright, and (2) the state law rights are “equivalent to any of the exclusive rights within the general scope of copyright.” *Grosso v. Miramax Film Corp.*, 383 F.3d 965, 968 (9th Cir. 2004); 17 U.S.C. § 301. The second prong cannot be established when the state cause of action protects rights qualitatively different from those protected by copyright. *Maloney v. T3Media, Inc.*, 853 F.3d 1004, 1019 (9th Cir. 2017). Therefore, to survive preemption, the complaint “must have an “extra element” which changes the nature of the action.” *Id.* (citation omitted).

II. ANALYSIS

A. Reddit’s content falls within the subject matter of copyright.

Sections 102 and 103 of the Copyright Act specify the subject matter of copyright, including, *inter alia*, literary, musical, and dramatic works, as well as compilations and derivative works. 17 U.S.C. §§ 102–03. “Copyright protection extends only to works that contain original expression.” *Gray v. Hudson*, 28 F.4th 87, 96 (9th Cir. 2022); 17 U.S.C. § 102. Original expression means that “the work was independently created by the author” and “possesses at least some minimal degree of *creativity*.” *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991) (citing 1 Nimmer & D. Nimmer, Copyright §§ 2.01[A], [B] (1990)). “To be sure, the

1 requisite level of creativity is extremely low; even a slight amount will suffice.” *Feist*
2 *Publications, Inc.*, 499 U.S. at 345. “[T]he issue for the purpose of a preemption analysis is
3 whether the work involved is a kind of work that comes within the subject matter of the Copyright
4 Act. Even uncopyrightable ideas that are part of copyrighted works come within the subject
5 matter of copyright.” *Firoozye v. Earthlink Network*, 153 F. Supp. 2d 1115, 1125 (N.D. Cal.
6 2001).

7 Here, the Court finds that Reddit’s content, at least, is the kind of work covered by the
8 Copyright Act. Reddit is one of the largest online discussion platforms in the world, where users
9 create and define “subreddit” communities with shared interests for discussion. ECF 1-1, Exhibit
10 A ¶¶ 3, 18. Within each subreddit, users have the ability to post their own content, comment, and
11 cast “upvote” or “downvote” on content contributed by others. *Id.* ¶ 19. Posts with more upvote
12 counts move to the top of the subreddit page and, if they receive enough upvotes, ultimately on
13 Reddit’s front page. *Id.* Submissions with more downvote counts become less visible and move
14 away from the user’s view altogether. *Id.*

15 Reddit’s content, represented through subreddit, upvote, and downvote counts, essentially
16 serves as a repository of natural human language discussions in website format. Such content,
17 taken as a whole, may be considered to have copyright protection features. *See Best Carpet*
18 *Values, Inc. v. Google, LLC*, 90 F.4th 962, 971 (9th Cir. 2024) (“[C]ommercial websites are
19 copyrightable.”); *Craigslist Inc. v. 3Taps Inc.*, 942 F. Supp. 2d 962, 972 (N.D. Cal. 2013) (finding
20 a website displaying a compilation of existing materials demonstrates a minimal level of creativity
21 under the Copyright Act).

22 Accordingly, Reddit’s content likely satisfies the first prong of the preemption analysis.

23 **B. Reddit alleges “extra elements” beyond the Copyright Act.**

24 Anthropic contends that its removal to this Court is proper because the gravamen of this
25 action is that Anthropic copied Reddit’s content without its authorization for Anthropic’s
26 commercial gain. ECF 1 and ECF 24 at 4–5. Therefore, Anthropic claims that this is a classic
27 copyright infringement claim. Reddit counters that its claims are grounded in alleged violations of
28 its User Agreement that restrict automated access, privacy obligations owed to users, and

1 interference with its platform infrastructure, as well as affirmative misrepresentations made by
2 Anthropic. ECF 27.

3 The Court finds that Anthropic’s alleged violations go beyond merely copying Reddit’s
4 content without permission. Anthropic allegedly misappropriated Reddit’s content and data for its
5 own use, in violation of contractual rights under Reddit’s User Agreement, which are distinct from
6 the rights granted by copyright law. *See Altera Corp. v. Clear Logic, Inc.*, 424 F.3d 1079, 1089–
7 90 (9th Cir. 2005) (“[M]ost courts have held that the Copyright Act does not preempt the
8 enforcement of contractual rights. [] A state law tort claim concerning the unauthorized use [] is
9 not within the rights protected by the federal Copyright Act.”). As explained below, each of
10 Reddit’s claims contains extra elements that defeat preemption.

11 **i. Breach of Contract**

12 Anthropic contends that Reddit’s breach of contract claim is devoid of “extra element” that
13 alters the nature of the action from a standard copyright infringement claim. ECF 13 at 6.
14 Specifically, Anthropic claims that Reddit’s allegations center on Anthropic’s purported
15 “commercial exploitation” of user content, and that violations of the User Agreement are merely
16 incidental to the copyright infringement. *Id.* at 7–8. Anthropic also asserts that the User
17 Agreement itself failed to establish a binding contract because, as a matter of law, it constitutes a
18 “browsewrap agreement” that is insufficient to form a binding contract. ECF 47 at 1.

19 Reddit counters that parties formed a binding contract because Anthropic was both
20 constructively and actually aware of Reddit’s User Agreement through its affirmative activities.
21 ECF 48 at 1–2. Reddit maintains that this binding contract imposes the requisite “extra
22 obligations beyond those imposed by the Copyright Act” related to the use and access of Reddit’s
23 platform. ECF 27 at 7; ECF 48 at 1-2.

24 A breach of contract claim is preempted only when it amounts to nothing more than a
25 promise not to infringe copyright. *Firoozye*, 153 F. Supp. 2d at 1126; *Rumble, Inc. v. Daily Mail*
26 *and Gen. Tr. PLC*, 459 F. Supp. 3d 1294, 1299 (C.D. Cal. 2020). “A contract providing a
27 “bargained-for right not to have certain information disclosed to others or used by a particular
28 individual” does more than replicate the protections of copyright law.” *Azam Aliafgerad v. Bates*,

1 783 F. Supp. 3d 1218, 1224 (C.D. Cal. 2025); *see also* *Nw. Home Designing Inc. v. Sound Built*
2 *Homes Inc.*, 776 F. Supp. 2d 1210, 1216 (W.D. Wash. 2011) (holding that a state law claim
3 challenging unauthorized copies of home designs was not preempted). “[I]f a website offers
4 contractual terms to those who use the site, and a user engages in conduct that manifests her
5 acceptance of those terms, an enforceable agreement can be formed.” *Berman v. Freedom Fin.*
6 *Network, LLC*, 30 F.4th 849, 856 (9th Cir. 2022).

7 The Court finds that Anthropic and Reddit are contractually bound by Reddit’s User
8 Agreement from Reddit’s showing of Anthropic’s constructive and actual knowledge. Reddit’s
9 User Agreement, which has been in force since October 15, 2020, notifies users via a hyperlink
10 that “[b]y accessing or using [Reddit’s] Services, you agree to be bound by these Terms. If you do
11 not agree to these Terms, you may not access or use our Services.” ECF 1-1 at ¶ 66; ECF 47.
12 While this may be characterized as a “browsewrap agreement,” Anthropic engaged in conduct
13 sufficient to infer actual knowledge of the terms of the User Agreement and to form an implied-in-
14 fact contract with Reddit. *See id.* at ¶ 9, 56, 60–61, 67. It is undisputed that Anthropic or its
15 automated bots accessed Reddit’s platform despite the notice of the User Agreement on the
16 website.

17 Moreover, there are plenty of alleged instances indicating that Anthropic formed an
18 implied-in-fact contract with Reddit. In response to remarks by Reddit’s CEO that Anthropic was
19 unlawfully exploiting Reddit’s content, an Anthropic spokesperson denied that it continued web
20 crawling. *Id.* at ¶ 9. However, Reddit discovered that Anthropic continued deploying automated
21 bots to access the platform “more than one hundred thousand times” following the denial. *Id.* at ¶
22 9. Reddit approached Anthropic to engage in licensing negotiations, but Anthropic refused and
23 continued scraping Reddit’s content, indicating that Anthropic was aware of the existence of
24 Reddit’s restricted-access tiers. *See id.* at ¶ 56. Conversely, Anthropic itself employs similar
25 restrictions in its own user agreement to prevent unlawful crawling and publicly stated that it
26 “honor[s] industry standard directives in robots.txt,” mirroring the knowledge of anti-scraping
27 measures. *See id.* at ¶ 43; ECF 48. These understandings and conduct indicate that Anthropic
28 formed an implied-in-fact contract with Reddit, obliging it to comply with various contractual,

1 technical, and privacy duties under the User Agreement.

2 Given the contractual relationship between Reddit and Anthropic, the Court looks into the
3 User Agreement to determine whether it imposes multiple duties and obligations that are
4 “qualitatively different” from those under the Copyright Act. Courts have repeatedly held that
5 violations of website terms of use are not preempted by the Copyright Act. *Craigslist, Inc. v.*
6 *Autoposterpro, Inc.*, No. CV 08 05069 SBA, 2009 WL 890896 at *2 (N.D. Cal. Mar. 31, 2009)
7 (holding that claims premised on scraping and automated access in violation of contractual
8 restrictions contained the necessary extra elements to avoid preemption); *Yu v. ByteDance Inc.*,
9 No. 23-cv-03503-SI, 2023 WL 5671932 at *6 (N.D. Cal. Sept. 1, 2023) (distinguishing between
10 claims based purely on copying and those based on scraping in violation of terms of use).

11 The Court finds the instant matter is no different from this district’s precedents because
12 provisions in the User Agreement are to protect the right to conditional access to Reddit’s platform
13 and prevent “free-riding” on Reddit’s content in ways that are not found in a classical copyright
14 claim. For instance, by granting “a personal, non-transferable, non-exclusive, revocable, limited
15 license to . . . access and use the [Reddit’s] Services,” Anthropic “may not, without [Reddit’s]
16 written agreement: license, sell, transfer, assign, distribute, host, or otherwise commercially
17 exploit the Services or Content; modify, prepare derivative works of, disassemble, decompile, or
18 reverse engineer any part of the Services or Content; or access the Services or Content in order to
19 build a similar or competitive website, product, or service, except as permitted.” ECF 1-1, Exhibit
20 A, Section 3. The User Agreement also restricts the method of access, prohibiting the “[u]se
21 Services in any manner that could interfere with, disable, disrupt, overburden, or otherwise impair
22 the Services . . . [and a]ccess, search, or collect data from the Services by any means (automated
23 or otherwise) except as permitted in these Terms or in a separate agreement with Reddit (we
24 conditionally grant permission to crawl the Services in accordance with the parameters set forth in
25 our robots.txt file, but scraping the Services without Reddit’s prior written consent is prohibited).”
26 *Id.*, Section 7. Through these provisions, Reddit imposes certain restrictions on specific uses and
27 purposes and safeguards its service by prohibiting conduct that impairs its technical infrastructure.

28 Anthropic’s reliance on *Best Carpet Values* is misplaced. 90 F.4th 962. There, the Ninth

1 Circuit held that the plaintiffs’ implied-in-law contract claim based on allegations that the
2 defendant’s program “superimposed advertisements on their websites’ homepages and other
3 landing pages” and reproduced their website on users’ screens constitutes an act of “preparing
4 derivative works” rather than creating an extra element that differs from claims protected by the
5 Copyright Act. *Id.* at 973. Unlike *Best Carpet Values*, Reddit’s breach of contract claim rests on
6 Anthropic’s methods of access, restricted purposes, and deceptive conduct on Reddit’s platform,
7 which are explicitly set forth in the User Agreement, and therefore provides “extra elements” that
8 transform the action from one arising under the ambit of the Copyright Act to one sounding in
9 contract. *Grosso*, 383 F.3d at 968.

10 Accordingly, the Court finds that the breach of contract claim in this instance is not
11 preempted by the Copyright Act.

12 **ii. Unjust Enrichment**

13 Anthropic contends that claims of unjust enrichment are generally precluded by the
14 Copyright Act, and Reddit’s effort to attach its unjust enrichment claim essentially amounts to
15 unauthorized use of Reddit’s content, which should be preempted under the Copyright Act. ECF
16 24.

17 Claims for unjust enrichment are generally preempted by the Copyright Act because the
18 elements of a claim for unjust enrichment do “not qualitatively change the rights at issue, the
19 rights the plaintiff holds in the copyrighted work.” *See Del Madera Properties v. Rhodes &*
20 *Gardner, Inc.*, 820 F.2d 973, 977 (9th Cir. 1987); *Zito v. Steeplechase Films Inc.*, 267 F. Supp. 2d
21 1022, 1027 (N.D. Cal. 2003). *Just Water Heaters Inc. v. Affordable Water Heaters & Plumbing,*
22 *Inc.*, No. C-05-4996 SC, 2006 U.S. Dist. LEXIS 9006, at *11–12 (N.D. Cal. Feb. 23, 2006). “The
23 extra element analysis still applies.” *Oeg Inc. v. Korum*, 2025 WL 353927, at *16 (W.D. Wash.
24 Jan. 31, 2025); *see also Wimer v. Reach Out Worldwide, Inc.*, 2017 WL 5635461, at *4 (C.D. Cal.
25 July 13, 2017).

26 Here, Reddit’s unjust enrichment theory is not simply that Anthropic copied content
27 without paying for it. As stated above, the Court finds that an implied-in-fact contract exists. *See*
28 *supra* II.B.i. There are “extra elements” to Reddit’s unjust enrichment claim because it is

1 predicated on Anthropic allegedly bypassing technical safeguards, violating contractual access
2 restrictions, misrepresenting its compliance, and exploiting Reddit's platform without
3 authorization and compensation to train and power its AI chatbot Claude, which enriched
4 Anthropic by billions of dollars. These elements are qualitatively different from a copyright
5 claim. *Cf. Daniher v. Pixar Animation Studios*, No. 22-cv-00372-BLF, 2022 WL 1470480, at *5
6 (N.D. Cal. May 10, 2022) (unjust enrichment claim solely based on the infringer's benefit, without
7 remunerating the infringer for that use, is not qualitatively different from a copyright claim);
8 *Kadrey v. Meta Platforms, Inc.*, No. 23-CV-03417-VC, 2023 WL 8039640, at *2 (N.D. Cal. Nov.
9 20, 2023) (unjust enrichment claim arising from the unauthorized copying of the plaintiff's book
10 to train a language model, without alleging how the model incorporated it in any form, is
11 essentially the same as the rights protected under copyright Act).

12 Accordingly, the Court finds that the unjust enrichment claim in this instance is not
13 preempted.

14 **iii. Trespass to Chattels**

15 Anthropic did not dispute that Reddit's trespass to chattels claim is not preempted before
16 the hearing on this motion. During the hearing, Anthropic argues that this claim similarly arises
17 from the common nucleus of operative fact in a classic copyright infringement. The Court does
18 not need to consider this late argument. *See Perez-Guzman v. Lynch*, 835 F.3d 1066, 1075 n.4
19 (9th Cir. 2016) (arguments raised for the first time on oral argument are waived); *Lopez v. Bank of*
20 *Am., N.A.*, 505 F. Supp. 3d 961, 973 n.2 (N.D. Cal. 2020) (same for arguments raised for the first
21 time at hearing in district court). Moreover, courts consistently hold that a plaintiff's failure to
22 address or oppose arguments in its opposition constitutes abandonment of those claims. *See*
23 *Jenkins v. County of Riverside*, 398 F.3d 1093, 1095 (9th Cir. 2005) (finding that the plaintiff
24 abandoned the claims she did not raise in opposition to the defendant's motion); *Banga v. Kohl's*
25 *Dep't Stores, Inc.*, No. 13-00275, 2013 WL 6734116, at *4 (N.D. Cal. Dec. 20, 2013)
26 (same); *Qureshi v. Countrywide Home Loans, Inc.*, No.09-4198, 2010 U.S. Dist. LEXIS 21843,
27 2010 WL 841669, at *6 n.2 (N.D. Cal. Mar. 10, 2010) (same).

28 Based on the four corners of Reddit's opposition that is silent on the trespass to chattels

1 claim, the Court does not need to decide whether Reddit’s trespass to chattels claim should be
2 preempted by the Copyright Act. Also, even if the Court considers whether this claim relates to
3 the common nucleus of operative fact in a classic copyright infringement claim, the Court is not
4 persuaded for the reasons explained above. *See supra* II.B.i–ii.

5 **iv. Tortious Interference with Contract**

6 Reddit further claims that Anthropic interfered with its contractual obligations to its users
7 and its obligation to protect users’ privacy. ECF 19 at 18–19. Anthropic argues that preemption
8 applies because this claim merely involves unauthorized use of Reddit’s content that is equivalent
9 to the right covered by copyright, and Reddit failed to identify a specific contractual duty owed to
10 its users that Anthropic allegedly interfered with as an extra element to survive preemption. ECF
11 24 at 11–12.

12 “Knowledge and intent are essential elements of an intentional interference [with
13 contractual relation] claim,” and therefore a “claim for intentional interference with contractual
14 relations provides the extra element that is not preempted by federal law.” *Jonathan Browning,*
15 *Inc. v. Venetian Casino Resort, LLC*, No. C 07-3983JSW, 2007 WL 4532214, at *10 (N.D. Cal.
16 Dec. 19, 2007) (citing *Summit Machine Tool Manufacturing Corp. v. Victor GNC Systems, Inc.*, 7
17 F.3d 1434, 1442 (9th Cir. 1993)). Yet, the Court needs to be mindful of engaging “in a fact-
18 specific inquiry into actual allegations” to determine “whether the ‘gravamen’ of the state law
19 claim asserted is the same as the rights protected by the Copyright.” *See Idema v. Dreamworks,*
20 *Inc.*, 162 F. Supp. 2d 1129, 1190 (C.D. Cal. 2001).

21 The Court finds that Reddit has met its burden of proof by demonstrating that Anthropic
22 knowingly and intentionally disrupted contractual relationships between Reddit and its users.
23 Anthropic’s own public comments and user agreement that explicitly state an intention to
24 prioritize honesty, honor robots.txt directives, and respect user privacy reflect its actual knowledge
25 of the industry standards required to protect user privacy and respect user choices when third
26 parties access a platform. *See* ECF 1-1 at ¶¶ 1, 36, 43. Nevertheless, Anthropic knowingly
27 disrupted Reddit’s contractual relationship with its users (i.e., its obligations to protect user
28 privacy and respect user choices) by accessing the Reddit platform and agreeing to its User

1 Agreement. *Id.* at ¶ 86. Anthropic also intentionally disrupted Reddit’s contractual relationship
2 with its users by failing to comply with Reddit’s privacy policy through scraping its content,
3 bypassing its technical safeguards, and training its AI models on user content without entering into
4 a licensing agreement that would protect Reddit’s user privacy rights. *Id.* ¶ 87.

5 Moreover, the Ninth Circuit ruled that a claim of tortious interference related to contractual
6 enforcement is not barred by the Copyright Act. In *Altera*, violating the limited use clause in the
7 user agreement by creating a file with essential information for the defendant’s use is “not the
8 reproduction of” rights protected by the Copyright Act, but an extra element that is qualitatively
9 different from copyright protection. *See* 424 F.3d at 1089–90. Similarly, in *MDY Indus., LLC v.*
10 *Blizzard Ent., Inc.*, the Ninth Circuit held that preemption did not apply because the plaintiff
11 sought to enforce contractual rights to prevent the use of bots or other third-party software that
12 alters the game experience. 629 F.3d 936 at 938 and 957 (9th Cir. 2010).

13 Here, Reddit’s claim concerns the enforcement of its contractual rights, including technical
14 measures such as the Compliance API for data deletions, designed to safeguard privacy and
15 choices. By bypassing these measures to gain an advantage while ignoring privacy, Anthropic
16 introduced the “extra element” of intentional interference.

17 Accordingly, the Court finds that the tortious interference claim in this instance is not
18 preempted.

19 v. Unfair Competition

20 Reddit’s last claim asserts that Anthropic has engaged in unlawful, unfair, and fraudulent
21 business acts and practices in violation of the California Business and Professions Code. ECF 1-1,
22 Exhibit A at ¶ 93. Anthropic contends that the allegations under each prong are not qualitatively
23 different from a copyright claim and that this claim should be preempted. ECF 24 at 13–15.

24 California’s Unfair Competition Law broadly prohibits “any unlawful, unfair, or fraudulent
25 business act or practice.” Cal. Bus. & Prof. Code § 17200. “The UCL operates as a three-pronged
26 statute: “Each of these three adjectives [unlawful, unfair, or fraudulent] captures a ‘separate and
27 distinct theory of liability.’” *Beaver v. Tarsadia Hotels*, 816 F.3d 1170, 1177 (9th Cir. 2016)
28 (quoting *Rubio v. Capital One Bank*, 613 F.3d 1195, 1203 (9th Cir. 2010). “A determination of

1 whether the Copyright Act preempts a UCL claim “requires analysis of each theory of unfair
2 competition to determine whether it contains the necessary qualitatively different extra element
3 distinguishing it from copyright . . . protection.”” *Media.net Advert. FZ-LLC v. NetSeer, Inc.*, 156
4 F. Supp. 3d 1052, 1074 (N.D. Cal. 2016) (quoting *Summit Mach. Tool Mfg. Corp.*, 7 F.3d at
5 1440).

6 The Court finds that the Copyright Act does not preempt Reddit’s unfair competition
7 claims. The parties do not dispute that trespass to chattels and tortious interference constitute
8 predicates for the unlawful prong. Because the Court addressed that Reddit’s claims of trespass to
9 chattels and tortious interference are not preempted, this prong necessarily survives preemption.

10 To meet the unfair prong, plaintiff “need[s] merely to show that the effects of [defendant’s]
11 conduct “are comparable to or the same as a violation of the law, or otherwise significantly
12 threaten or harm competition.” *In re Adobe Sys., Inc. Priv. Litig.*, 66 F. Supp. 3d 1197, 1227
13 (N.D. Cal. 2014) (quoting *Cel-Tech Commc’ns, Inc. v. Los Angeles Cellular Tel. Co.*, 20 Cal. 4th
14 163, 187 (1999)). Reddit met its burden on the unfair prong. Reddit alleges that “the combination
15 of Anthropic’s scraping and automated bots’ digital trespass” misappropriates Reddit’s content.
16 *See* ECF 27 at 13. This misappropriation results in an unfair advantage over competitors who pay
17 their suppliers for similar activities, thereby creating an unfair marketplace. *See* ECF 1-1 at ¶ 10.

18 As to the fraud prong, “a plaintiff must demonstrate actual reliance,” but “actual reliance . .
19 . is inferred from the misrepresentation of a material fact.” *Friedman v. AARP, Inc.*, 855 F.3d
20 1047, 1055 (9th Cir. 2017) (citation omitted). Here, the material facts Reddit alleges are that
21 Anthropic affirmatively represented that it had blocked its bots from accessing Reddit following
22 public protests, yet Reddit’s audit logs revealed over one hundred thousand subsequent
23 unauthorized access attempts. ECF 1-1, at ¶¶ 1, 9. Anthropic further publicly claimed that it
24 “prioritizes honesty” and honors “industry standard directives in robots.txt,” while allegedly
25 ignoring those directives to scrape Reddit’s platform. *Id.* at ¶¶ 43, 59 and Exhibit A. Hence,
26 Anthropic’s affirmative misrepresentation of its compliance with Reddit, while secretly continuing
27 to scrape data, sufficiently infers to this Court the existence of actual reliance, thereby establishing
28 the fraud prong as well. *See Valente-Kritzer Video v. Pinckney*, 881 F.2d 772, 776 (9th Cir. 1989)

United States District Court
Northern District of California

1 (holding that an intentional misrepresentation of an intent to perform a contract is not substantially
2 equivalent to a copyright infringement claim and provides the requisite extra element for the UCL
3 claim to survive preemption).

4 Because all three prongs direct that there are extra elements qualitatively different from the
5 rights covered by the Copyright Act, the Court finds that the UCL claim in this instance is not
6 preempted.

7 **III. CONCLUSION**

8 While Reddit's content may be covered by the broad subject matter of copyright, the Court
9 finds that there are doubts as to Reddit's right of removal. The Court finds that none of Reddit's
10 causes of action in this instance asserts rights equivalent to those protected by the Copyright Act.
11 Each claim arises from violations of contractual restrictions on the method and purpose of access,
12 technical trespass and server impairment, interference with privacy covenants owed to users, and
13 affirmative misrepresentations made by Anthropic. Therefore, the Court concludes that Reddit's
14 claims allege extra elements that are qualitatively different from the rights protected by the
15 Copyright Act.

16 Accordingly, Reddit's Motion to Remand is **GRANTED**, and this action should be
17 returned to the San Francisco Superior Court, Docket CGC-25-625892.

18 IT IS SO ORDERED.

19 Dated: March 28, 2026

20 
21 TRINA L. THOMPSON
22 United States District Judge
23
24
25
26
27
28