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10 Attorneys for Defendants
DREAMWORKS ANIMATION SKG,
11 Inc. and DW STUDIOS LLC, (formerly
known as, and erroneously sued as,
12 DREAMWORKS, LLC, aka
DREAMWORKS SKG)
13

14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF LOS ANGELES, CENTRAL DISTRICT
16

17 TERENCE DUNN,
18 Plaintiff,
19 v.
20 DREAMWORKS ANIMATION SKG,
INC.; DREAMWORKS, LLC also known
21 as DREAMWORKS SKG; and DOES 1
through 20, inclusive,
22 Defendants.
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) Case No. BC438833
)
) Assigned to Hon. JoAnne O'Donnell, Dept.
) 37

) **DECLARATION OF MICHAEL**
) **LACHANCE**

1 I, Michael Lachance, declare as follows:

2 1. I am currently Vice President, Development at Sony Pictures Animation. I
3 am a creative executive with credits on numerous major motion pictures, including *Kung*
4 *Fu Panda*. I make this declaration to address certain claims that I am informed have been
5 made by the plaintiff in this case related to the alleged use of the plaintiff's ideas in the
6 movie *Kung Fu Panda*. I make this declaration based upon my own personal knowledge
7 and belief, and, if called upon to testify in this action, I would and could competently
8 testify to the matters set forth in this declaration.

9 **BACKGROUND**

10 2. I graduated in 1997 from Boston University with a bachelor's degree in Film
11 and Television. After graduating, I worked for approximately one year as an associate
12 producer at Parallax Production Studios. In 1999 I began working for DreamWorks
13 Animation LLC ("DreamWorks") as an assistant to a development executive. In or around
14 March of 2000, I was promoted to development executive. I was employed by
15 DreamWorks from 1999 through 2004.

16 3. During my time at DreamWorks, I worked on creating and developing
17 concepts for animated films. My film credits from my tenure at DreamWorks include
18 *Kung Fu Panda*, *Shrek 2*, *Shrek the Third*, *Shark Tale*, *Madagascar*, *Over The Hedge*,
19 *Flushed Away* and *Bee Movie*, among others.

20 4. While at DreamWorks, my work involved coming up with story ideas for
21 potential animated motion pictures. The creative development process revolved around
22 coming up with lists of animals, lists of places and lists of genres and brainstorming ideas
23 based on combinations of those elements. The creative development process often also
24 involved making use of the storylines of literary works or films as inspiration for a
25 potential story or concept for an animated film.

26 **The Creation Of Kung Fu Panda**

27 5. In or about March of 2000, I began working on the development of an
28 animated film that would involve pandas living in China. Attached hereto as Exhibit "A"

1 is a true and correct copy of a document that I drafted in early March of 2000, which
2 contains two potential story outlines for the panda project. These story outlines were
3 inspired by *The Secret Life of Walter Mitty*, by James Thurber. I did not develop this
4 particular story outline any further after drafting Exhibit "A," but I continued to work on
5 developing a story for the panda project.

6 6. In or about April of 2000, DreamWorks decided to start an in-house writing
7 program, and hired several screenwriters to work on DreamWorks' internally-developed
8 ideas and story concepts. These writers included Raphe Beck, Bridget Carpenter, and
9 Steven Zotnowski.

10 7. About this same time (summer of 2000), a young writer named Raphe Beck
11 who was working for me was assigned the task of working on story outlines for the panda
12 project. Raphe Beck initially produced a couple of story outlines for an animated film
13 about a panda living in China which were very loosely based on William Shakespeare's
14 *The Taming Of The Shrew*.

15 8. Raphe Beck's first idea was not developed any further, but, thereafter, he
16 completed some additional story outlines and provided those to me on or about September
17 13, 2000. Mr. Beck's story outlines that were produced to me at that time included the
18 story entitled "Enter The Pandas," about a panda named Sui-Ho whose community is
19 threatened by an aggressive snow leopard named Kudei. Sui-Ho and his panda friends
20 have no defense against Kudei until they are trained in kung fu by a fast-talking bamboo
21 rat named Kilroy. Eventually, Sui-Ho and Kilroy are able to fend off Kudei and preserve
22 their home. Attached hereto as Exhibit "B" is a true and correct copy of the story outline
23 for "Enter The Pandas," and two other story outlines submitted to me by Raphe Beck in or
24 about September of 2000.

25 9. In 2000, DreamWorks also employed researchers who were tasked with
26 providing factual and historical information with respect to the places, time periods,
27 animals and habitats that were potentially going to be the subject of an animated film. The
28 research employees worked within my group and their research reports and compilations

1 were periodically provided to me in connection with my responsibilities at DreamWorks.
2 Attached hereto as Exhibit "C" is a true and correct copy of a September 11, 2000 research
3 report that was given to me on or about that date and which addressed various facts about
4 pandas, including their habitat, lifestyle and social habits.

5 10. In November of 2000, following up on the idea of an action-themed panda
6 movie, with the panda hero performing kung fu, I caused the researcher working in my
7 department to provide plot summaries for a number of popular Kung Fu movies. Attached
8 hereto as Exhibit "D" is the list that was prepared at DreamWorks which includes films
9 starring Bruce Lee, Jackie Chan and Jet Li.

10 11. The in-house writing program at DreamWorks was discontinued in 2001 and
11 no further work was done on the panda project for approximately a year, while I was busy
12 working on *Shrek 2* and *Shark Tale*.

13 12. In mid-2001, I revisited a number of projects that were put on hold while I
14 worked on the development of *Shrek 2* and *Shark Tale*, including the panda project. In the
15 middle of 2001, I was working on ideas for a film about a panda that did kung fu, and
16 began referring to my idea as "Kung Fu Panda." In late October and early November of
17 2001, I began compiling all the prior materials for the panda project, including the research
18 on pandas, on kung fu films, and prior story outlines, including Raphe Beck's "Enter The
19 Pandas." Then, after reviewing these prior materials, and over the Thanksgiving weekend,
20 I drafted a story outline for a film entitled "Kung Fu Panda." Attached hereto as Exhibit
21 "E" is my November 2001 story outline. My November 2001 story outline for "Kung Fu
22 Panda" was, conceptually, a parody of famous martial arts films, such as the movies of
23 Bruce Lee, Jackie Chan, and John Woo.

24 13. The November 2001 story outline for "Kung Fu Panda" involved a panda
25 named Shao Li whose community is attacked by snow leopards. Shao Li decides to fight
26 back and travels to find a famous kung fu master to teach him kung fu but, along his
27 journey, he is trained in kung fu by a rogue master and Shao Li also learns to master kung
28 fu by fighting a host of enemies along the road. When he finally reaches the famed kung

1 fu master, Shao Li is told that he has already learned all he needs to know and that he is
2 ready to defend the pandas against their leopard attackers. Shao Li then returns to his
3 home and, in a climactic battle, successfully fends off the leopards and saves his village.

4 14. My November 27, 2001 story outline was a further refinement and
5 development of "Enter The Pandas," the previous story outline created by Raphe Beck.
6 Like "Enter The Pandas," my November 27, 2001 story outline involved a panda living in
7 a community of pandas, who is attacked by snow leopards, and who must learn kung fu in
8 order to save his community from the leopard attackers. In the end, as in "Enter The
9 Pandas," the protagonist panda is able to master kung fu, defeat the enemy leopards, and
10 save his home.

11 15. Prior to the drafting of my story outline for "Kung Fu Panda," I had not met
12 Mr. Dunn nor had I ever heard of his Zen-Bear character or idea. Further, prior to the
13 drafting of Exhibit E, I did not discuss with Lance Young, or anyone else, any of the ideas
14 that Mr. Dunn claims that he discussed with Mr. Young at a party in November of 2001.
15 The sources of my creation of Exhibit E are included in this declaration, and I did not rely
16 on Lance Young for any of the ideas, content or characters included in that document. To
17 be clear, Mr. Young did not provide me with anything that was used in the November 2001
18 outline for "Kung Fu Panda."

19 **The Further Development Of The Kung Fu Panda Story**

20 16. In early 2002, after having met with DreamWorks about potentially working
21 on the kung fu panda project, two writers, Cyrus Voris and Ethan Reiff came to the
22 DreamWorks offices and pitched a story idea for the kung fu panda film. On April 10,
23 2002 I attended the first pitch meeting with Mr. Voris and Mr. Reiff.

24 **• The April 10, 2002 Pitch.**

25 17. On or around April 10, 2002 Mr. Voris and Mr. Reiff pitched their first story
26 idea to DreamWorks (the "April 10 Pitch"). In 2001, it was the custom and practice of the
27 development group to record pitch meetings, with the permission of the writers, and this
28 meeting, like the two later meetings attended by Mr. Reiff and Mr. Voris, was recorded in

1 the ordinary course of business and those recordings were kept in the files of the
2 development department. I have listened to the recording and identified my voice and can
3 verify that it is a true and correct recording of the April 10 Pitch. Attached hereto as
4 Exhibit "F" is a copy of the recording of the April 10 Pitch. Also attached hereto as
5 Exhibit "G" is a copy of a transcript of the April 10 Pitch meeting. Although I did not
6 create the transcript, I have reviewed it and it appears to accurately memorialize the
7 conversation that took place during the April 10 Pitch.

8 18. The April 10 Pitch centered around a male panda named Po Po, who lives
9 among a community of pandas in a bamboo forest in China approximately 700 to 1,000
10 years ago. His love interest is a female panda named Shin Di (or "Cindi"). There is a
11 prophecy in the animal kingdom, told by Confucius' cricket, that if any species is able to
12 locate the teeth of a dragon, that species will reign supreme over the animal kingdom.
13 After the evil snow leopard, Tai Lung, finds the dragon teeth, he sets off with an army of
14 leopards to conquer and consume the panda colony. In order to protect the pandas from
15 Tai Lung, Po Po sets off to find the Buddha kung fu master. During his journey, Po Po
16 first encounters an old golden-furred monkey, who happens to be the greatest kung fu
17 master of the monkey world and, possibly, the animal kingdom. After hearing about Po
18 Po's plight, the monkey agrees to accompany and mentor Po Po in the ways of kung fu.
19 Po Po and the monkey then encounter Confucius' cricket, who also agrees to join them on
20 their journey. Along the way, the three of them are attacked by other animals that have
21 kung fu styles named after them – *e.g.*, the snake and the praying mantis. With the help of
22 the monkey, and after surviving his battles with other kung fu fighting animals, Po Po
23 learns the ways of kung fu. When Po Po finally reaches the Buddha, he discovers that it is
24 merely a stone statue, not a kung fu master. At first he is confused. However, Po Po looks
25 down into a stream at the base of the statue, sees his reflection, and realizes that through
26 his journey he has become the enlightened kung fu master that he originally set out to find.
27 Po Po then travels back to the bamboo forest where he helps the pandas defeat Tai Lung
28 and his snow leopard army and return balance to the animal kingdom. Po Po (now with his

1 adult name, Po) also gets the girl and when they embrace they form the Chinese symbol of
2 balance – Yin and Yang.

3 19. During the April 10 Pitch, I instructed Mr. Reiff and Mr. Voris to tighten up
4 their idea so that it could be delivered in ten minutes, to make the idea more fun for adults,
5 and to clarify the tone – whether it be dramatic or comedic. To my knowledge, other than
6 the input recounted in this Declaration and the exhibits attached hereto, nobody, including
7 without limitation Lance Young, Chris Kuser and myself, provided Mr. Reiff or Mr. Voris
8 with any additional notes, comments, ideas, materials or other input after the April 10
9 Pitch and before the next pitch meeting, which we set up for April 22, 2002.

10 • **The April 22, 2002 Pitch.**

11 20. On or around April 22, 2002 Mr. Voris and Mr. Reiff pitched a revised
12 version of their idea (the “April 22 Pitch”). The April 22 Pitch was recorded. I have
13 listened to the recording and identified my voice and can verify that it is a true and correct
14 recording of the April 22 Pitch. Attached hereto as Exhibit “H” is a copy of the recording
15 of the April 22 Pitch. Also attached hereto as Exhibit “I” is a copy of a transcript of the
16 April 22 Pitch meeting. I have reviewed the transcript and it appears to accurately
17 memorialize the conversation that took place during the April 22 Pitch.

18 21. The April 22 Pitch had many of the same elements as the April 10 pitch.
19 However, in this revised version, Tai Lung does not find any dragon teeth but, rather,
20 decides to raid the panda village out of pure blood lust and a desire for power. After the
21 raids begin, Shin Di, Po Po’s love interest, sends him off to find a legendary Chinese
22 warrior known for protecting the innocent, hoping he will agree to help the pandas.
23 Although Po Po is scared, he sets off to find the warrior, save the pandas, and impress Shin
24 Di. Po Po, however, is instantly captured by a traveling circus that has been assembled to
25 entertain the Chinese emperor. Fortunately, he meets an old sage monkey who happens to
26 be a kung fu master and he also meets a cricket called Confucius’ cricket. They agree to
27 help Po Po escape and accompany him on his journey. Along the way, the monkey teaches
28 Po Po monkey-style kung fu. Po Po also picks up other animal styles including, for

1 transcript and it appears to accurately memorialize the conversation that took place during
2 the May 9 Pitch.

3 24. The May 9 Pitch differed substantially from the two prior pitches. The
4 “unlikeliest hero of the entire animal kingdom” was the primary theme of the May 9 Pitch,
5 with strong comedic elements flowing from the casting of a fat, lazy panda in the role of
6 prophesied hero. This is also the pitch where Messrs. Reiff and Voris first revealed their
7 idea for “The Furious Five.” In this version, the evil snow leopard, Tai Lung, decides that
8 he is going to conquer the entire animal kingdom. In the face of this threat, Confucius’
9 cricket, the spiritual leader of the animal kingdom, calls together the five greatest kung fu
10 heroes, called “The Furious Five,” consisting of the praying mantis, the tiger, the golden
11 monkey, the eagle, and the snake.

12 25. Each member of the Furious Five is the master of his or her own animal
13 style. The cricket tells the Furious Five that Tai Lung is too powerful to defeat, so they
14 must seek out the prophesied savior – a panda. The Furious Five are skeptical because, of
15 all the different species in China, a panda is the unlikeliest hero of all. The Furious Five
16 set out to find him anyway, accompanied by the Cricket’s nephew, Mencius. The
17 prophecy leads the Furious Five to Po, the laziest, most self absorbed, slacker panda in the
18 bamboo forest – a comical figure who Reiff and Voris likened to an Adam Sandler-like
19 character (and who was eventually played by Jack Black). The Furious Five then,
20 begrudgingly, set about training the panda in their unique animal styles of kung fu. In the
21 course of his training, however, Po learns that the prophecy was false and that he was
22 selected by the cricket in order to inspire even the meekest creatures of the animal
23 kingdom to stand up for themselves against the evil Tai Lung. Nevertheless, Po comes to
24 realize that, although he was unable to master the various animal styles, through his
25 training he has discovered his own panda style that draws upon the other styles and utilizes
26 his own unique gifts. Po then employs his newfound powers to defeat Tai Lung and to
27 restore balance to the animal kingdom.

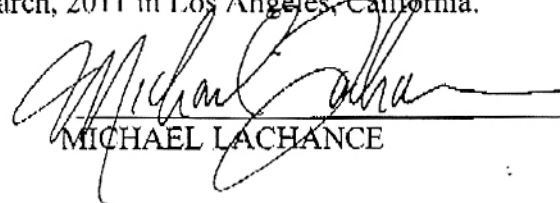
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1 31. At no time during the creation or development of the concept for *Kung Fu*
 2 *Panda* were any of Terence Dunn's ideas used. The idea for a kung fu fighting panda bear
 3 was created internally at DreamWorks by me before Mr. Dunn claims that he met Mr.
 4 Young at a party in November of 2001. Over a year before Mr. Dunn claims that he met
 5 Mr. Young, DreamWorks had already internally developed a story outline involving a
 6 panda who fights off leopard attackers after being trained in the martial art of kung fu. In
 7 2001, I came up with the name for the panda project: "Kung Fu Panda," and further refined
 8 and developed the outline for the panda project. Mr. Young did not provide me with any
 9 ideas, materials or other input prior to my completion of the initial outline for Kung Fu
 10 Panda on November 27, 2011.

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I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my own personal knowledge.

Executed this 17th day of March, 2011 in Los Angeles, California.


 MICHAEL LACHANCE