9 Tex. Intell. Prop. L.J. 19

Texas Intellectual Property Law Journal
Fall, 2000

Recent Development

FROM THE DEAD SEA SCROLLS TO THE DIGITAL MILLENNIUM; RECENT DEVELOPMENTS IN COPYRIGHT LAW

Neil Weinstock Netanel[a1]

Table of Contents

***20 I. Introduction**

This article reviews selected developments in copyright law during the period of September 1999 through August 2000. Copyright developments during this period trace the rapid digitization and globalization of copyright markets. They also reflect new legal regimes, including the Digital Millennium Copyright Act and the Agreement on Trade-Related Aspects of Intellectual Property, designed to bolster copyright in the face of digitization and globalization. Partly because of these changes, the past year has also seen numerous constitutional challenges to copyright law. This article reviews those challenges as well as a number of cases concerning more traditional copyright issues. The article concludes with a case spanning back to the parchment millennium, the Israeli Supreme Court decision in the Dead Seas Scrolls litigation.

II. Digitization And The Internet

A. Digital Millennium Copyright Act

The period covered by this article includes the first judicial applications and interpretations of the Digital Millennium Copyright Act ("DMCA"),[1] enacted in October 1998. All are district court decisions, and most are now on appeal. Several cases involved claims that defendants had violated DMCA provisions that prohibit trafficking in technologies, products, or services "primarily designed" to circumvent technological measures that control access to copyrighted works or protect the rights of copyright owners.[2] Significantly, these provisions extend copyright owners' protection far beyond that which previously obtained under the Copyright Act. The anti-trafficking provisions, as well as DMCA provisions prohibiting users from circumventing technological measures that control access,[3] regulate technology rather than acts of infringement per se. In so doing, they enable copyright owners to control *access* to content, not just *uses* of content as provided in traditional copyright.

Moreover, with respect to use-control technology, the DMCA anti-trafficking provisions may well be more restrictive than the traditional standard, set forth by the Supreme Court in *Sony Corp. of America v. Universal City Studios, Inc.*,[4] applicable to contributory infringement for the sale of devices used to ***21** infringe copyright. *Sony* held that the sale of a device used to infringe does not constitute contributory copyright infringement so long as the device is "capable of substantial noninfringing uses."[5] That standard appears to be more forgiving than the DMCA's "primarily designed" standard,[6] but as we shall presently see, much depends on judicial interpretation and gloss.

In *RealNetworks, Inc. v. Streambox, Inc.*,[7] plaintiff's DMCA claims concerned two of defendant's products, the Streambox VCR and the Streambox Ripper. Plaintiff RealNetworks offers products that enable providers of audio and video content to stream that content to Internet users while securing it against downloading without the provider's authorization. RealNetworks' products contain encrypted security measures to ensure that content streamed from the provider's server can be viewed or heard only through user software called RealPlayer.[8] The Streambox VCR enables users to receive streamed content without RealPlayer and to download that content even if the content provider has included encryption that would prevent a RealPlayer user from downloading.[9] The Streambox Ripper converts files from the RealPlayer streaming format ("RealMedia") to other formats, including WAV and MP3.[10]

RealNetworks moved for a preliminary injunction prohibiting Streambox from further distribution of its products.[11] It argued that Streambox's distribution violated the DMCA's anti-trafficking provisions.[12] Streambox countered that its products have legitimate uses, including enabling users to make fair use copies of RealMedia files despite the access control and copyright

protection measures placed on the files.[13] As a result, Streambox argued, its distribution is permissible under the standard set forth in *Sony*.[14]

The Western District of Washington granted RealNetworks' motion with respect to the Streambox VCR. It opined that *Sony* is inapplicable to the DMCA anti-trafficking provisions.[15] Quoting *Nimmer on Copyright*, the court noted that "a ***22** given piece of machinery might qualify as a stable item of commerce, with a substantial noninfringing use, and hence be immune from attack under *Sony*'s construction of the Copyright Act—but nevertheless still be subject to suppression under Section 1201."[16]

Nevertheless, the court's decision might be construed as reading the *Sony* standard into the DMCA. The court found that the Streambox VCR had no substantial noninfringing use, so, with respect to that product, defendant would have failed the *Sony* test even if the test did apply.[17] Moreover, the court denied plaintiff's motion with respect to the Streambox Ripper on the grounds that defendant had demonstrated that the Ripper "has legitimate and commercially significant uses."[18] Such legitimate uses, the court stated, include the conversion of RealMedia files to other formats by content owners and by consumers who have acquired the RealMedia file with the content owner's permission.[19] The DMCA prohibits trafficking in devices that (1) are "primarily designed or produced" for circumvention, (2) have "only limited commercially significant purpose or use" other than circumvention, *or* (3) are marketed for use in circumvention.[20] The court's ruling with respect to the Ripper suggests that a device that has a legitimate, commercially significant use falls outside all three prongs of the DMCA trafficking prohibition and thus does not run afoul of the DMCA. Moreover, under the court's ruling, to the extent that "legitimate and commercially significant uses" are equivalent to "substantial noninfringing use," *Sony* might enter the DMCA through the back door.

In *Universal City Studios, Inc, v. Reimerdes*,[21] plaintiff motion picture studios sued the operators of a web site for violation of the DMCA anti-trafficking provisions, arising out of defendants' posting and linking to other sites that posted software known as DeCSS. DeCSS enabled users to circumvent "CSS," a system of encrypted access and copying controls on DVDs. Defendants argued that the DMCA should not be construed to reach their conduct, principally because the DMCA, so applied, could prevent users from gaining access to technologically-protected copyrighted works in order to make fair, non-infringing uses.[22]

The Southern District of New York rejected defendants' argument, holding that "[t]here is no serious question that defendants' posting of DeCSS violates the ***23** DMCA."[23] The court first determined that the DeCSS computer program is a means of circumventing a technological access control measure and is designed primarily to circumvent CSS.[24] It then ruled that defendants' posting violated the DMCA anti-trafficking provisions even if defendants intended for DeCSS to be used for arguably non-infringing uses, such as furthering the development of a DVD player that would run under the Linux operating system.[25] The anti-trafficking provisions, the court reasoned, prohibit the distribution of any device designed primarily to circumvent protected technological controls, regardless of whether the circumvention itself might be non-infringing.[26] The court recognized that some circumvention devices might be needed by users to engage in fair use of copyrighted material or to gain access to works in the public domain. Nevertheless, the court opined, the DMCA contains no general exception for trafficking in such devices.[27]

Similarly, the court rejected defendants' argument that under *Sony Corp. v. Universal City Studios, Inc.*,[28] the possibility that DeCSS might be used for the purpose of gaining access to copyrighted works in order to make fair use of those works defeats the claim that defendants' posting of the software violates the DMCA anti-trafficking provisions.[29] *Sony* holds that the sale of a device used to infringe does not constitute contributory copyright infringement if the device also enables substantial non-infringing uses.[30] But *Sony*, the court held, does not apply to DMCA violations. Rather, "*Sony* involved a construction of the Copyright Act that has been overruled by the later enactment of the DMCA to the extent of any inconsistency between *Sony* and the new statute."[31]

The court recognized that the anti-trafficking provisions "leave technologically unsophisticated persons who wish to make fair use of encrypted copyrighted works without the technical means of doing so."[32] It concluded, however, that that "is a matter for Congress unless Congress' decision contravenes the Constitution."[33] As discussed below, defendants did indeed argue that the anti- ***24** trafficking provisions run afoul of the First Amendment, but the court rejected these arguments as well.

Likewise, in *Sony Computer Entertainment America Inc. v. GameMasters Inc.*,[34] Sony obtained a preliminary injunction banning defendant from marketing accessories to Sony's PlayStation video game.[35] In issuing the injunction, the court held

that Sony had demonstrated a strong likelihood of success on its claim that defendant's sale of its video game "enhancer" violated Section 1201(a)(2) of the DMCA, proscribing trafficking in devices primarily designed to circumvent technological measures that control access to copyrighted works.[36] The court found that defendant's enhancer was designed to allow users to play imported video games (those from Europe and Japan) on Sony's U.S.-version PlayStation console by circumventing the mechanism that ensures the console operates only when encrypted data is read from authorized CD-ROM.[37] Significantly, the court declined to hold that defendant's enhancer was implicated in traditional copyright infringement.[38] Rather, plaintiff Sony's sole successful copyright-related claim was based on its encrypted access controls.[39]

Not all decisions regarding the DMCA concerned the Act's anti-trafficking provisions. In *Kelly v. Arriba Soft Corp.*,[40] defendant operated a "visual search engine" on the Internet. Like other Internet search engines, defendant's engine allowed a user to obtain a list of web content in response to a search query entered by the user. Unlike other Internet search engines, defendant's engine retrieved images instead of descriptive text. It produced a list of reduced, "thumbnail" pictures related to the user's query. Defendant's engine operated by using a "web crawler" to search the web for images and then maintained an index of those images.[41]

Plaintiff photographer maintained two web sites displaying plaintiff's copyrighted photographic images. Plaintiff alleged that defendant infringed its copyrights by reproducing and publicly displaying plaintiff's photographic images.[42] Defendant's fair use defense to that claim is discussed below.[43] Plaintiff also alleged that defendant violated provisions of the DMCA that protect the ***25** integrity of "copyright management information" by removing or altering the copyright management information associated with plaintiff's images.[44]

Section 1202(a) of the DMCA prohibits falsification of "copyright management information" with the intent to aid copyright infringement.[45] "Copyright management information" principally includes the title of the work, name of the author and copyright owner, and information set forth in the copyright notice.[46] Section 1202(b) prohibits the unauthorized intentional removal or alteration of copyright management information or the distribution of copies of works knowing that the copyright management information has been removed or altered without authority, both with knowledge or reasonable grounds to know that such removal, alteration, or distribution will induce, enable, facilitate, or conceal an infringement of any right under federal copyright law.[47]

In *Kelly*, plaintiff photographer argued that defendant violated Section 1202(b) by displaying thumbnails of plaintiff's images without displaying the corresponding copyright management information consisting of standard copyright notices in the text surrounding the images as displayed on plaintiff's web sites. Because these notices did not appear in the images themselves, the defendant's web crawler did not include them when it indexed the images. As a result, the images appeared in defendant's index without the copyright management information, and any users retrieving plaintiff's images while using defendant's search engine would not see the copyright management information.[48]

The Central District of California held that defendant had not "removed" copyright management information within the meaning of Section 1202(b).[49] It reasoned that, "[b]ased on the language and structure of the statute," the removal or alteration prohibition applies only to "the removal of copyright management information on a plaintiff's product or original work."[50] The court further held that plaintiff had offered no evidence showing that defendant's actions were intentional rather than merely an unintended side effect of its web crawler's operation.[51]

***26** Of potential applicability, the court stated, is the Section 1202(b) prohibition on distributing copies of works from which copyright management information has been removed.[52] But the court held that plaintiff had failed to prove that defendant had violated this provision.[53] No violation of either the removal or the distribution prohibition will lie unless defendant knows or should know that such acts will facilitate or conceal infringement of plaintiff's copyrights.[54] The court held that defendant Arriba neither knew nor had reasonable grounds to know that its distribution without copyright management information would cause its users to infringe plaintiff's copyrights.[55] In fact, the court emphasized, defendant provides links to the web sites containing the original image, "warns its users about the possibility of use restrictions on the images in its index, and instructs them to check with the originating Web sites before copying and using those images, even in reduced thumbnail form."[56]

In *A&M Records Inc. v. Napster Inc.*,[57] the Northern District of California denied defendant Napster's motion for summary judgment on the applicability of a DMCA safe harbor provision to Napster's business activities.[58] Napster's MusicShare software, which Napster makes freely available for users to download, enables users to exchange MP3-format sound recordings stored on their computer hard-drives. As described by the court, using Napster involves the following steps:

> After downloading MusicShare software from the Napster website, a user can access the Napster system from her computer. The MusicShare software interacts with Napster's server-side software when the user logs on, automatically connecting her to one of some 150 servers that Napster operates. The MusicShare software reads a list of names of MP3 files that the user has elected to make available. This list is then added to a directory and index, on the Napster server, of MP3 files that users who are logged-on wish to share. If the user wants to locate a song, she enters its name or the name of the recording artist on the search page of the MusicShare program and clicks the "Find It" button. The Napster software then searches the current directory and generates a list of files responsive to the search request. To download a desired file, the user highlights it on the list and clicks the "Get Selected Songs" button. The user may also view a list of files that exist on another user's hard drive and select a file from that list. When the requesting user clicks on the name of a file, the Napster server communicates with the requesting user's and host user's MusicShare browser software to facilitate a connection between the two users and initiate the downloading of the file without any further action on either user's part.[59]

***27** Section 512 of the DMCA provides online service providers and Internet access providers with a number of possible safe harbors from liability for copyright infringements occurring online.[60] Napster asserted that its activities fall within the safe harbor provided by subsection 512(a).[61] This subsection limits liability "for infringement of copyright by reason of the [service] provider's transmitting, routing, or providing connections for, material through a system or network controlled or operated by or for the service provider, or by reason of the intermediate and transient storage of that material in the course of such transmitting, routing, or providing connections," if five conditions, designed to insure that the service provider serves merely as a passive conduit, are satisfied.[62]

The court found that Napster did not transmit, route, or provide connections through Napster's "system."[63] Rather, Napster facilitated connections and routing through the Internet.[64] In reaching that result, the court rejected Napster's argument that Napster's "system" includes its users' browsers as well as its own servers.[65] As a result, the court held, Napster failed to demonstrate that it qualifies for the 512(a) safe harbor.[66]

At issue as well was whether part of Napster's activities involve the provision of information location tools—such as a search engine, directory, index, and links—that are covered by the more stringent eligibility requirements of the safe harbor under DMCA Section 512(d).[67] However, the court declined to rule on ***28** whether Napster's functions might qualify as information location tools under Section 512(d), because Napster did not rely on subsection 512(d) as grounds for its motion for summary adjudication.[68]

Finally, the court held that Napster had failed to show compliance with DMCA Section 512(i), which requires as a condition for eligibility for any of the safe harbor categories that the service provider "has adopted and reasonably implemented, and informs subscribers ... of the service provider's system ... of, a policy that provides for the termination in appropriate circumstances of subscribers ... who are repeat infringers."[69] Napster had instituted a policy that made compliance with copyright laws one of the "terms of use" of its service, and in accordance with that policy, it warned users that it would terminate the accounts of users who are repeat copyright infringers. The court found, however, that Napster had established its policy only after the onset of the litigation and that plaintiffs had raised a genuine issue of material fact regarding whether Napster had reasonably implemented a policy of terminating repeat infringers.[70]

B. Internet and Traditional Copyright.

Entities seeking to exploit digital distribution and storage technology to bring consumers new content delivery services have also run into conflict with traditional copyright law. In *UMG Recordings, Inc. v. MP3.com, Inc.*,[71] the Southern District of New York held that defendant's "My.MP3.com" service infringed the copyrights in plaintiffs' sound recordings.[72] Defendant's service was designed to enable subscribers to listen to the recordings contained on CDs from any place where they have an Internet connection.[73] In order to provide the service, defendant purchased tens of thousands of popular CDs in which plaintiffs held the copyrights, and, without authorization, copied the recordings onto its computer servers so that it could replay the recordings for its subscribers.[74] In order to access a recording for the first time, a subscriber had to prove that he already owned the legitimate CD version of the recording.[75] Subscribers did so by either inserting CDs into their own computers or purchasing the CDs through defendant.[76] After that verification, ***29** subscribers could access the MP3.com copy via the Internet from computers anywhere in the world.[77]

Defendant argued that its copying of plaintiffs' recordings constituted fair use.[78] It maintained that the first fair use factor—the "purpose and character of the use"—should weigh in its favor because the My.MP3.com service essentially provided a transformative "space shift" by which subscribers could enjoy the sound recordings contained on their noninfringing, purchased CDs without lugging around the physical discs themselves.[79] The court rejected defendant's characterization, labeling it "simply another way of saying that the unauthorized copies are being retransmitted in another medium— an insufficient basis for any legitimate claim of transformation."[80]

The court also ruled that the fourth fair use factor—"the effect of the use upon the potential market for or value of the copyrighted work"— weighed against a ruling of fair use.[81] In so doing, it found that defendant's copying invaded plaintiffs' statutory right to license their copyrighted sound recordings to others for reproduction.[82] In that regard, the court stated that the fourth factor would weigh against fair use even if plaintiffs had not sought to license their recordings for services similar to that provided by defendant, although the court found that plaintiffs had begun to grant such licenses.[83] Moreover, given the harm to the licensing market, the court reasoned, defendant's claim that its service would enhance plaintiffs' CD sales bore no relevance to fair use.[84]

In *Ticketmaster Corp. v. Tickets.com, Inc.*,[85] the Central District of California denied plaintiffs' motion for a preliminary injunction enjoining defendant from "deep hyperlinking" to the interior pages of plaintiffs' event ticket sales web site.[86] Plaintiff Ticketmaster maintained a web site for selling event ticket sales. The site consisted of a home page and a separate event page for each event. Users typically first accessed Ticketmaster's home page and then were directed to the page featuring the particular event for which the user wished to purchase tickets. In addition to its revenue in selling tickets, Ticketmaster also received revenue from ***30** advertisers who paid based on the number of hits on the page where the advertisement is carried.[87]

Defendant Tickets.com operated a web site through which, in addition to selling tickets for some events, it found other sites on which event tickets are available for sale. Defendants' site linked customers directly to the Ticketmaster event pages, bypassing the Ticketmaster home page, thus resulting in fewer hits for the Ticketmaster home page than if defendants' site had linked to that page. Defendants' site also contained listings of events, together with information regarding those events and their ticket prices, gleaned from the Ticketmaster web site. Defendants gathered and posted that information through the use of software that extracted electronic information from plaintiffs' web site, copied plaintiffs' event pages temporarily onto defendants' computers, extracted factual information from the copied pages, and then presented that information in defendants' own wording and format on defendants' site.[88]

In denying plaintiffs' motion for a preliminary injunction, the court characterized the gravamen of plaintiffs' claim as an attempt to obtain copyright protection for factual information.[89] Citing *Feist Publications v. Rural Telephone Service Co.*,[90] the court held that "the time, place, venue, price, etc., of public events are not protected by copyright even if great care and expense is expended in gathering the information."[91] While the manner of expressing those facts is protectable, the court found that defendants had not used plaintiffs' format or manner of expression in presenting the facts they had gathered from plaintiffs' site.[92]

The court also dispensed with plaintiffs' argument that defendants' temporary copying of plaintiffs' pages was infringing,[93] finding that such temporary copying was necessary to extract unprotected facts.[94] Accordingly, the court reasoned, the copying was analogous to reverse engineering necessary to extract unprotected facts,[95] which the Ninth Circuit has held to constitute fair use.[96]

***31** In *Kelly v. Arriba Soft Corp.*,[97] discussed above in connection with the DMCA, plaintiff also claimed that defendant's "visual search engine" infringed plaintiff's copyright.[98] The Central District of California held, however, that defendant's reproduction and display of plaintiff's copyrighted images in the course of operation of defendant's visual search engine constituted fair use.[99] The court reasoned that the first fair use factor, the purpose and character of the use, was the most important factor in the case and that it favored defendant.[100] While defendant's use was commercial in the sense that defendant operated a commercial web site, the court found that plaintiff's images were reproduced in thumbnail form as an incidental result of defendant's "indiscriminate method of gathering images," not out of a desire to target plaintiff's work.[101] As a result, the court concluded, defendant's use was "of a somewhat more incidental and less exploitative nature than more traditional types of 'commercial use.'"[102]

The court also found that, even though defendant made exact miniature replicas of plaintiff's photographs, defendant's use

was highly transformative.[103] The court arrived at this characterization on the grounds that defendant's visual search engine was designed to catalog and improve access to images on the Internet, not to create an esthetic effect.[104] It emphasized that defendant sought to "provide its users with a better way to find images on the Internet" and that this "broad transformative purpose ... weighs more heavily than the inevitable flaws in its early stages of development."[105] In so ruling, the court aligned itself with authority positing that a use may be "transformative" and thus enjoy favored treatment in fair use analysis if part of an overall creative purpose.[106] This is in contrast to cases suggesting that defendant must have created expression that is substantially different than plaintiff's in order for the use to qualify as ***32** "transformative."[107] The *Kelly* court's ruling on this issue also stands at odds with other decisions discussed in this article in which courts have refused to view new digital content delivery services as "transformative" uses.[108]

In *A&M Records v. Napster, Inc.*,[109] the facts of which are discussed above,[110] the district court granted plaintiffs' motion for a preliminary injunction enjoining defendant Napster from engaging or facilitating others in copying, downloading, uploading, transmitting, or distributing plaintiffs' copyrighted musical compositions and sound recordings without express permission of the rights owner.[111] As of this writing, the injunction has been stayed by the Ninth Circuit pending appeal;[112] nevertheless, I summarize the district court's reasoning below.

Napster argued that a substantial portion of its users' downloading of copyrighted MP3 music files was non-infringing. As a result, defendant contended, under the *Sony* standard, its facilitation of that downloading does not constitute contributory infringement.[113] One of Napster's principal arguments for characterizing its users' downloading as noninfringing was that many users download in order to engage in "space-shifting," meaning the conversion of a CD the user already owns into MP3 format and transferring the music to a different computer under that user's control.[114] Napster argued that such space-shifting is noninfringing whether under a provision of the Audio Home Recording Act proscribing infringement actions against consumers' noncommercial musical recordings or as a fair use.[115] With regard to the former, Napster invoked the Ninth Circuit's statement in its 1999 decision, *Recording Industry of America v. Diamond Multimedia Systems Inc.*,[116] that space-shifting is a "paradigmatic noncommercial personal use entirely consistent with the purposes of the [Audio Home Recording] ***33** Act," which that court described as "the facilitation of personal use."[117] With regard to the latter, Napster argued that, for purposes of fair use analysis, space-shifting is analogous to the "time-shifting" that the Supreme Court held to be fair use in Sony.[118]

In rejecting Napster's arguments, the court first found that virtually all Napster users download or upload copyrighted files and that the vast majority of the music available on Napster is copyrighted.[119] The court further found, in contrast to Napster's claims, that only a *de minimis* portion of Napster use constitutes "space-shifting."[120] It also held the *Diamond Multimedia* "dicta" regarding space-shifting to be of "limited relevance."[121] It reasoned that because the *Napster* plaintiffs did not allege that Napster infringed provisions of the Audio Home Recording Act, the "purposes and legislative history of that Act do not govern the appropriateness of a preliminary injunction against Napster."[122] Finally, the court found the *Sony* staple article of commerce doctrine to be inapplicable because Napster provides an ongoing service, not a product.[123]

In Los Angeles Times v. Free Republic,[124] the Central District of California rejected a fair use defense concerning the posting of news articles on a web site. The court based its ruling in part on its finding that defendants could have provided links to the articles, which were available on plaintiffs' web sites, rather than copying the articles.[125] In other respects, the decision concerns more traditional First Amendment and fair use issues, and, for that reason, I discuss it below in the respective sections on the First Amendment and Fair Use.[126]

***34 III. Copyright And The Constitution**

A. First Amendment

In the 1970s, a number of scholars noted that copyright's exclusive entitlement to copy, borrow from, and disseminate expressive works stands in tension with First Amendment guarantees of free speech.[127] Their basic conclusion, however, was that, although an overly broad scope of copyright protection might run counter to free speech concerns, that conflict largely is ameliorated within copyright doctrine. As a general rule, they posited, First Amendment values find adequate protection in the fair use privilege,[128] copyright law's distinction between copyrightable expression and uncopyrightable fact and idea,[129] and copyright's limited term.[130] Often citing this early commentary, courts consistently have rejected First Amendment defenses to copyright infringement claims.[131] Like the commentators, courts have recognized a potential conflict between

copyright owner entitlements and free speech.[132] But viewing limitations ***35** on copyright's scope as an adequate safeguard for First Amendment interests, they have declined to undertake any external First Amendment analysis of copyright law's provisions or application.

Since the 1970s the limitations on copyright's scope have narrowed and dwindled, leading a new group of scholars to call for the imposition of limitations from without, as, they argue, is required under the First Amendment.[133] In addition, First Amendment doctrine has evolved substantially since the 1970s. In particular, recent decades have seen the emergence of a three-category approach to government regulation that burdens speech and the refinement of tests for determining whether such regulation passes First Amendment muster.[134] As a result, courts assessing First Amendment challenges to trademark law regularly apply the so-called *O'Brien* test for determining the constitutionality of government regulation that is content-neutral but that nevertheless imposes a burden on speech.[135]

But despite these developments, a number of district courts considering First Amendment challenges to copyright law during the past year continued to cite early authority for the proposition that copyright doctrine adequately serves First Amendment interests and thus that no further First Amendment analysis is required. On the other hand, in a welcome and overdue development, the Southern District of New York has applied the *O'Brien* test to a challenge to the constitutionality of the anti-trafficking provisions of the Digital Millennium Copyright Act.

In *Los Angeles Times v. Free Republic*,[136] the defendants operated a web site devoted in part to criticizing the manner in which the mainstream media covers current events and politics.[137] Defendants and Free Republic web site visitors regularly posted verbatim copies of various *Los Angeles Times* and *Washington* ***36** *Post* news articles on the web site and then added remarks and commentary critical of the articles.[138] In addition, and indeed more often, the Central District of California found, visitor comments addressed the underlying news events covered in the articles as opposed to the manner of coverage per se.[139]

The *Times* and *Post* sued to stop defendants' copying of the newspapers' copyright-protected articles. In addition to asserting a fair use privilege,[140] defendants proffered a First Amendment defense.[141] They contended that copying was necessary to enable Free Republic web site visitors to express their views concerning media coverage of current events.[142] They argued that the omissions and biases in plaintiffs' articles would be difficult to convey unless defendants could post the full text of each article.[143]

The court rejected defendants' First Amendment defense (as well as their assertion of fair use).[144] Citing, *inter alia*, the Supreme Court's discussion in *Harper & Row, Publishers, Inc. v. Nation Enterprises*,[145] the Court stated that First Amendment concerns generally are subsumed within copyright's lack of protection of ideas and facts and within the fair use privilege.[146] It held, moreover, that even if, as Nimmer posits, the First Amendment might limit copyright's application when a defendant's use of copyright-protected expression is necessary for the defendant to communicate ideas,[147] that argument does not apply to the Free Republic web site.[148] The Free Republic defendants, the court held, failed to show that copying plaintiffs' news articles verbatim was essential to communication of web site visitors' opinions and criticisms, especially given that visitors' comments more often concerned the underlying news event than the manner in which that event was covered by the media.[149] The court further found that even where media coverage was the subject of the critique, the gist of the comments generally could be communicated without full text copying of the article.[150] Finally, the court found that rather than copying plaintiffs' news articles, defendants could post links to plaintiffs' web sites, even if Internet users following links to non-current articles ***37** have to pay a fee to access plaintiffs' web site archives.[151] The court held that the availability of the alternatives of summarizing and linking, even if less ideal for defendants than copying the articles verbatim, further undercuts any claim that the application of plaintiffs' copyrights implicates defendants' First Amendment rights.[152]

In *Chicago School Reform Board of Trustees v. Substance Inc.*,[153] defendant Chicago Public School teacher published portions of plaintiff's copyrighted standardized tests as a means to generate public debate over the tests' validity.[154] Defendant asserted that his otherwise infringing publication was privileged under the First Amendment.[155] The Northern District of Illinois rejected defendant's First Amendment defense.[156] In so doing, it cited the Supreme Court's iteration in *Cohen v. Cowles Media Co.*,[157] that "generally applicable laws do not offend the First Amendment simply because their enforcement against the press has incidental effects on its ability to gather and report the news."[158] The court then characterized copyright law as a generally applicable law that imposes a merely incidental effect on news gathering and reporting, like laws regarding promissory estoppel, grand jury subpoenas, labor relations, anti-trust, and the payment of taxes.[159] The court distinguished cases cited by defendant suggesting that the First Amendment nevertheless imposes limits on copyright protection.[160] The court did so on the ***38** grounds that those cases applied First Amendment values within the ambit of fair use analysis, whereas defendant teacher had presented no fair use analysis.[161]

In *Intellectual Reserve Inc. v. Utah Lighthouse Ministry Inc.*,[162] plaintiff church moved for a preliminary injunction forbidding defendant web site operator from posting the addresses of other web sites containing plaintiff's copyrighted Church Handbook of Instructions. Defendant argued that even if the posting of such links constitutes contributory copyright infringement, the First Amendment precluded issuance of plaintiff's requested preliminary injunction.[163] In granting plaintiff's motion, the District of Utah summarily dismissed defendant's First Amendment argument.[164] It reasoned that "the First Amendment does not give defendants the right to infringe on legally recognized rights under the copyright law."[165] The court noted further that "'injunctive relief is a common judicial response to infringement of a valid copyright"'[166] and that a court's power to fashion the scope of injunctive relief is adequate to protect infringement of defendants' First Amendment rights.[167]

In *Southco Inc. v. Kanebridge Corp.*,[168] defendant argued that it enjoyed a First Amendment privilege to copy, in comparative advertising, plaintiff's nine-digit numbering system for identifying fasteners that plaintiff manufacturers.[169] The Eastern District of Pennsylvania enjoined defendant's copying, holding that its injunction did not implicate defendant's First Amendment rights.[170] The court reasoned that copyright doctrine adequately "balances the right to freedom of speech against the competing constitutional right to protection of the useful arts and sciences."[171] In particular, the court stated, since copyright does not restrain the use of ideas or concepts, defendant would be free to include its own factual description of plaintiff's hardware in defendant's advertising.[172] As the result, the court held, defendant's First Amendment rights are not violated by being unable to ***39** refer to plaintiff's numbering system to compare plaintiff's and defendant's goods.[173]

In *Eldred v. Reno*,[174] plaintiffs brought an action for a judgment declaring that the Sonny Bono Copyright Term Extension Act,[175] which amends the Copyright Act to extend the copyright term by twenty years, is unconstitutional. Plaintiffs claimed, *inter alia*, that the term extension constitutes an impermissible burden on their right to free speech under the First Amendment.[176] The District of Columbia District Court ruled, without further elaboration, that the term extension does not violate the First Amendment, since "the District of Columbia Circuit has ruled definitively that there are no First Amendment rights to use the copyrighted works of others."[177]

In *Universal City Studios Inc. v. Reimerdes*,[178] discussed above,[179] defendant web site operators distributed and posted links to other web sites containing software known as DeCSS, which enables users to circumvent plaintiff motion picture studios' encrypted access and copying controls on DVDs. Plaintiffs sued defendants for violation of Digital Millennium Copyright Act anti-trafficking provisions, and defendants alleged, *inter alia*, that they had a First Amendment right to distribute and post lists to sites containing DeCSS software.[180] The Southern District of New York granted defendants' argument that DeCSS software contains an expressive element that constitutes protected speech under the First Amendment.[181] Nevertheless, the court rejected defendants' First Amendment defense. It held that the DMCA is a content-neutral regulation of the functional, non-speech aspects of DeCSS.[182] In enacting the DMCA anti-circumvention and anti-trafficking provisions, the court reasoned, Congress sought to suppress copyright infringement and promote the availability of copyrighted works in digital form, and not to regulate the expression of ideas that might be inherent in particular anti-circumvention devices.[183]

***40** The court then applied the *O'Brien* test for determining whether a content-neutral regulation that incidentally affects expression survives a First Amendment challenge. Under that test, such a regulation will be upheld if "it furthers an important or substantial governmental interest; if the governmental interest is unrelated to the suppression of free expression; and if the incidental restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest."[184] Applying the test, the court held that the interests that Congress sought to further in enacting the DMCA are important and unrelated to the suppression of free expression.[185] The court further held that the DMCA's incidental restraint on protected expression, which the court described as "the prohibition of trafficking in means that would circumvent controls limiting access to unprotected materials or to copyrighted materials for noninfringing purposes," is not "broader than is necessary to accomplish Congress' goals of preventing infringement and promoting the availability of content in digital form."[186] In a footnote, however, the court seemed to qualify its holding that the DMCA's means-ends fit meets First Amendment muster. It stated that its holding was based on a finding that technology that limits access only to copyrighted materials and only for uses that would infringe the rights of the copyright holder is not yet available.[187]

B. Copyright Clause

As noted above, in *Eldred v. Reno*,[188] plaintiffs brought an action for a judgment declaring that the Sonny Bono Copyright Term Extension Act,[189] which amends the Copyright Act to extend the copyright term by twenty years, is unconstitutional. In

addition to their First Amendment claim, plaintiffs argued that the term extension runs contrary to the "limited times" and "to authors" provisions of the Copyright Clause.[190] The Copyright Clause of the Constitution provides that Congress has the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."[191] The Copyright Term Extension Act extends the copyright term to the life of the author plus seventy years (or for certain works, if the life of the author cannot be ascertained, for ninety-five years after publication or 120 years after the creation of the work, whichever is shorter). These rights apply to works that have already been created as well as to new works.

***41** Plaintiffs argued that if the "limited times" provision means anything, it must set some limit in duration far short of perpetual protection and must limit Congress' discretion to grant retroactive extensions to existing works. Plaintiffs also argued that the Copyright Clause's reference to "authors" means that Congress cannot grant a retroactive extension to copyright owners who are not authors.[192] The district court held, however, that the limited times period, including the Copyright Term Extension Act's twenty-year extension, is within Congress' discretion.[193] The court held further that Congress has authority to enact retroactive laws under the Copyright Clause.[194] The court rejected plaintiffs' "to authors" argument on the grounds that authors who have agreed in advance to transfer their copyrights are effectively presumed to have transferred their rights for the full copyright term, including any extensions thereof, absent an express temporal limitation to the contrary in the transfer deed.[195]

C. Eleventh Amendment; States Sovereign Immunity

The Supreme Court's recent rulings on states' immunity under the Eleventh Amendment continue to reverberate through intellectual property cases. In *Chavez v. Arte Publico Press*,[196] plaintiff Chavez asserted that the University of Houston infringed her copyright by continuing to publish her book without her consent. Defendant University of Houston contended that because it enjoys immunity from unconsented-to suit in federal court under the Eleventh Amendment, the case must be dismissed.[197] On remand from the Fifth Circuit en banc, and in light of the Supreme Court's recent ruling in *Florida Prepaid Postsecondary Education Expense Board v. College Savings Bank*,[198] the panel dismissed the case.[199]

In its 1996 ruling in *Seminole Tribe of Florida v. Florida*,[200] the Supreme Court held that abrogation of a state's Eleventh Amendment immunity from unconsented-to suit in federal court turns on (1) an express statement of intent by Congress and (2) a constitutionally valid exercise of power.[201] The express ***42** statement requirement is met with respect to suit for copyright infringement, because, with the Copyright Remedy Clarification Act of 1990, Congress amended the Copyright Act explicitly to require states to submit to suit in federal court for violation of the Copyright Act's provisions.[202] On remand, the Fifth Circuit panel in *Chavez* was instructed to decide whether Congress' abrogation of state sovereign immunity under the Copyright Remedy Clarification Act was a constitutionally valid exercise of power.[203]

The Supreme Court held in *Seminole* that Congress may not abrogate state sovereign immunity through exercise of its Article I powers (which, of course, include Congress' power to enact a copyright statute).[204] Congress may abrogate state sovereign immunity when acting to enforce constitutional rights pursuant to Section Five of the Fourteenth Amendment.[205] In City of *Boerne v. Flores*,[206] however, the court held that when Congress legislates pursuant to Section 5, "there must be a congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end."[207] *Florida Prepaid* applied the principles of *Boerne* to the Patent and Plant Variety Protection Remedy Clarification Act,[208] a statute analogous to the Copyright Remedy Clarification Act in the patent field.[209] The analytical framework that Florida Prepaid sets forth requires examination of three aspects of the legislation: (1) the nature of the injury to be remedied; (2) Congress' consideration of the adequacy of state remedies to redress the injury; and (3) the coverage of the legislation.[210]

Applying these factors, the Fifth Circuit found in *Chavez* that copyright is a property right protected against state deprivation without due process of law under the Fourteenth Amendment.[211] The Fifth Circuit further found, however, that in enacting the Copyright Remedy Clarification Act, Congress made no factual finding of widespread copyright infringement by the states and barely considered the availability of state remedies for copyright infringement.[212] In particular, the court stated that Congress rejected the idea of granting state courts concurrent ***43** jurisdiction over copyright cases, an alternative solution that would have avoided any Eleventh Amendment problems.[213] Congress rejected this solution, the court emphasized, "not because it was an inadequate remedy, but because Congress believed concurrent jurisdiction would undermine the uniformity of copyright law."[214] The court granted that uniformity is undoubtedly an important goal.[215] As the court noted, however, *Florida Prepaid* held that the uniformity factor "belongs to the Article I patent-power calculus, rather than to any determination of whether a state plea of sovereign immunity deprives a patentee of property without due process of law."[216]

The Fifth Circuit held that the same principle applies with respect to copyright.[217]

Finally, the court found that while state deprivations of property must be intentional to run afoul of the Fourteenth Amendment, intentionality is not a requisite element of copyright infringement.[218] As a result, the Copyright Remedy Clarification Act extends more broadly than necessary to protect individual property rights from state incursion under the Fourteenth Amendment.[219] The Act thus fails the test of providing a remedy that is proportional to Section Five ends.[220]

The Fifth Circuit concluded, in sum, that the Copyright Remedy Clarification Act runs afoul of the Eleventh Amendment in light of the Supreme Court's ruling in *Florida Prepaid*.[221] It remanded the case to the district court with instructions to dismiss plaintiff's damage claim.[222]

In an interesting parallel to the state sovereign immunity cases, although not a question of constitutional dimensions, *Bassett v. Mashantucket Pequot Tribe*[223] concerned whether a Native American Tribe is immune from copyright actions brought by private parties. Indian tribes possess the common-law immunity from ***44** suit traditionally enjoyed by sovereign powers.[224] Unlike the case of state sovereign immunity, however, Congress possesses plenary control over tribal sovereignty and therefore is "always ... at liberty to dispense with ... tribal immunity or to limit it."[225] On the other hand, as with states' sovereign immunity, the Supreme Court has held that congressional abrogation of tribal immunity "cannot be implied but must be unequivocally expressed."[226]

In *Basset*, plaintiff entered into a letter agreement with the defendant Tribe for the development and production of a film about the 1636-38 Pequot War. The agreement stipulated that "at such time" that the Tribe approved the final draft of the screenplay, Bassett Productions would have exclusive rights to produce the film for exhibition at the Pequot Museum.[227] But after plaintiff delivered her copyrighted screenplay to defendant, defendant allegedly terminated the agreement and produced and exhibited the film by itself.[228]

In response to plaintiff's copyright infringement action, the Tribe contended that its sovereign immunity from suit barred the court from adjudicating the claim.[229] Plaintiff maintained that, to the extent the Tribe enjoys such immunity, it implicitly waived it by participating in the interstate, nongovernmental, commercial activities that gave rise to this lawsuit.[230]

The Second Circuit agreed with the Tribe.[231] In so holding, it relied on recent Supreme Court precedent clarifying that a tribe's immunity extends to its off-reservation commercial activities.[232] The Second Circuit also emphasized that "[n]othing on the face of the Copyright Act 'purports to subject tribes to the jurisdiction of the federal courts in civil actions' brought by private parties."[233] Since congressional abrogation of tribal immunity cannot be implied, and since the Tribe had not waived its immunity, the Court held, the defendant Tribe remained immune from plaintiff's infringement action.[234]

*45 IV. Traditional Doctrinal Issues

A. Fair Use

In *Sony Computer Entertainment Inc. v. Connectix Corp.*,[235] plaintiff Sony sued for infringement of the software program that operates Sony's PlayStation console. Defendant Connectix had made intermediate copies of Sony's software during the course of reverse engineering the software so that Connectix could make its Virtual Game Station emulator function with PlayStation games.[236] The Ninth Circuit held that intermediate copying for that purpose constituted fair use.[237]

Some background: In the 1993 case, *Sega Enterprises Ltd. v. Accolade, Inc.*,[238] the Ninth Circuit held that where intermediate copying through disassembly of a computer program is the only way to gain access to the uncopyrightable ideas and functional elements embodied in the program, and where there is a legitimate reason for seeking such access (such as developing a noninfringing product), such copying constitutes fair use as a matter of law.[239] In *Sony v. Connectix*, the Ninth Circuit ruled that *Sega* applies no less to intermediate copying through observation of the computer program in an emulated computer environment than through disassembly.[240] The court also rejected the district court's distinction between copying necessary to "study" unprotected ideas and functional elements and copying necessary to "use" those elements in a noninfringing, competing product.[241] Further, the court rejected Sony's argument that Connectix had exceeded *Sega*'s scope by repeatedly observing Sony's computer program in an emulated environment, thereby making multiple RAM copies.[242] The court held that the requirement of "necessity" in making copies to access unprotected elements refers to the "necessity of the

method ... not the necessity of the number of times that method [is] applied."[243] Finally, the court reiterated its holding in *Sega* that harm to Sony's market in its PlayStation console arising from competition with the Connectix emulator does not count as market harm for fair ***46** use analysis.[244] To do so, the court emphasized, would be to extend copyright improperly to accord Sony a monopoly in the market for game-playing devices.[245]

In *Sony Computer Entertainment America, Inc. v. Bleem, LLC*,[246] the Ninth Circuit ruled that the use of screen shots of plaintiff Sony's PlayStation games in defendant's comparative advertising was fair use.[247] Defendant manufactured an emulator that allowed Sony Playstation games to be played on a computer rather than on the Sony game console hooked up to a television screen. In advertising its emulator, defendant reproduced still shots of frozen moments in a copyrighted Sony video game as viewed on a television screen while playing the game with the Sony console and compared them with shots of the game viewed on a computer while using defendant's emulator.[248]

The Ninth Circuit held that the first fair use factor—the purpose and character of defendant's use—weighed in favor of fair use.[249] It reasoned that, as noted by the Federal Trade Commission, truthful and nondeceptive comparative advertising provides important information to consumers, encourages product improvement and innovation, and can lead to lower prices in the marketplace.[250]

The court also held that the fourth factor—the use's impact on the market for plaintiff's work—favored fair use.[251] The court reasoned that whatever harm defendant's use causes to the market for Sony's game console is not cognizable under copyright law, because the relevant market for copyright infringement purposes is that for Sony's screen shots of Sony's video games, not for the games themselves or for Sony's console, and because Sony had shown no market for such screen shots other than as advertising for the games.[252] The court then proceeded to emphasize, that "[i]f sales of Sony consoles drop, it will be due to the Bleem emulator's technical superiority over the Play Station console, not because Bleem used screen shots to illustrate that comparison."[253] That statement confuses the analysis. Even if defendant's use in comparative advertising were to eat into sales of Sony's copyrighted works (and, after all, that is the goal of comparative advertising), that market harm is not cognizable under the fourth fair use factor. As the Supreme Court indicated in *Campbell v. Acuff-Rose Music, Inc.*,[254] only market ***47** substitution, not loss of sales through criticism or ridicule, properly counts as market harm in fair use analysis.[255]

In *Los Angeles Times v. Free Republic*,[256] discussed above, the Central District of California rejected defendants' argument that its copying of plaintiffs' news articles on its web site constituted fair use.[257] Defendants contended that their use was transformative even though they copied plaintiffs' articles verbatim. They maintained that their copies do not substitute for the originals found on plaintiffs' web pages and that they copied no more than necessary for the purpose of criticizing the manner in which the media covers current events.[258] The court found, however, that defendants' subscribers could view the articles on plaintiffs' web pages and could pay the fee charged by plaintiffs for viewing archived articles.[259] The court also found that verbatim copying was unnecessary to fulfill defendants' purpose, since most users commented on the substance of the articles, not on the articles themselves, and since defendants could have included a link to plaintiffs' web sites instead of a copy of the articles.[260] On those grounds as well, the court found that defendants' copies were a market substitute for the original articles and thus that defendants had harmed the market for the copyrighted works.[261]

B. Subject Matter Jurisdiction

In *Bassett v. Mashantucket Pequot Tribe*,[262] the Second Circuit addressed not only the issue of tribal sovereign immunity, but also whether a claim arising out of a failed agreement lies primarily in contract or copyright. The district court in that case dismissed plaintiff's action on the additional grounds that plaintiff's copyright claims were "merely incidental" to her contract claims and therefore did not "arise under" federal law.[263] The Second Circuit overruled the district court on this issue.[264]

***48** Pursuant to 28 U.S.C. § 1338(a), federal courts have exclusive, original jurisdiction "of any civil action arising under any Act of Congress relating to ... copyrights."[265] As the Second Circuit noted, however, not every complaint that refers to the Copyright Act "arises under" that law for purposes of Section 1338(a)."[266] As the court further noted, whether a complaint asserting factually related copyright and contract claims "arises under" the federal copyright laws for the purposes of Section 1338(a) "poses among the knottiest procedural problems in copyright jurisprudence."[267] The issue typically is presented when the plaintiff licenses the defendant to exploit the plaintiff's copyright but alleges that the defendant forfeited the license by breaching the terms of the licensing contract and thus infringes in any further exploitation.

In order to determine whether such a suit "arises under" the Copyright Act, most courts follow the test enunciated by Judge Friendly in *T.B. Harms Co. v. Eliscu*.[268] Synthesizing the Supreme court precedent, Judge Friendly concluded that a suit "arises under" the Copyright Act if:
(1) "[T]he complaint is for a remedy expressly granted by the Act, e.g., a suit for infringement or for the statutory royalties for record reproduction ...;"

(2) "the complaint ... asserts a claim requiring construction of the Act ...;" or, "perhaps more doubtfully,"

(3) "where a distinctive policy of the Act requires that federal principles control the disposition of the claim."[269]

However, in the 1992 case of *Schoenberg v. Shapolsky Publishers, Inc.*,[270] a Second Circuit panel suggested that in determining the existence of Section 1338 jurisdiction in cases alleging violations of the Copyright Act resulting from breach of contract, courts should look beyond plaintiff's allegations as stated in the complaint and determine whether the claim for copyright remedies is in fact "merely incidental" to a determination of contract rights.[271] In *Bassett*, the Second Circuit iterated that it would follow the *T.B. Harms* test.[272] In so holding, the court noted that the *Schoenberg* test might unduly deny a copyright plaintiff access to a federal forum, thus depriving the plaintiff the benefit of Copyright Act remedies, merely because the plaintiff's meritorious copyright claim depends upon the showing of a contractual right.[273] The court noted further that the *Schoenberg* test ***49** is at odds with the well-established approach to federal question jurisdiction, pursuant to which jurisdiction is determined by ascertaining whether the plaintiff's complaint asserts a right under federal law.[274]

C. Publication

Estate of Martin Luther King Jr., Inc. v. CBS Inc.[275] arose from a CBS documentary that used, without the authorization of the Estate of Martin Luther King, portions of civil rights leader Dr. Martin Luther King's famous "I Have a Dream" speech. The Northern District of Georgia granted summary judgment to CBS on the ground that Dr. King had engaged in a general publication of the speech, thereby placing it into the public domain.[276] It held that King's "performance coupled with such wide and unlimited reproduction and dissemination as occurred concomitant to Dr. King's speech during the March on Washington can be seen only as a general publication which thrust the speech into the public domain."[277] The Eleventh Circuit reversed.[278]

Under the Copyright Act of 1909, a work entered the public domain if "published" without a copyright notice.[279] In order to soften that rule, courts narrowed the definition of "publication" for purposes of determining whether an author's work had been divested of copyright protection.[280] First, as the Eleventh Circuit noted, courts held copyright divested only by a "general publication," which occurred "when a work was made available to members of the public at large without regard to their identity or what they intended to do with the work."[281] Second, courts held that a general publication occurs only if tangible copies of the work are distributed to the general public in such a manner as allows the public to exercise dominion and control over the work or if the work is exhibited or displayed in such a manner as to permit unrestricted copying by the general public.[282] As a number of cases hold, the Eleventh Circuit emphasized, the public performance of a work did not constitute general publication even if the work was ***50** thereby viewed or heard by millions of people.[283] Moreover, distribution to the news media, as opposed to the general public, for the purpose of enabling the reporting of a contemporary newsworthy event, is only a limited, not a general, publication.[284]

Given those principles, the Eleventh Circuit held that CBS had not demonstrated beyond any genuine issue of material fact that King, simply through his oral delivery of the speech, had engaged in a general publication of the speech.[285] In particular, the court emphasized, the district court erred in placing undue weight on the speech's celebrity and newsworthiness.[286] Those features, the Eleventh Circuit stated, are without significance in the general versus limited publication analysis.[287] The basic rule, the court reiterated, is that neither public performance nor the release of copies to the media for contemporary news coverage constitutes general publication.[288] It held that the facts that King's speech was broadcast live to a nationwide radio and television audience and was the subject of extensive contemporaneous news coverage, and that copies of the speech were distributed to news media, do not justify deviation from that rule.[289]

D. Collective Works

In *Tasini v. New York Times Co.*,[290] the Second Circuit reviewed the district court's entry of a summary judgment in favor of plaintiff freelance writers, who had brought an action against a number of periodical publishers and electronic database proprietors for unauthorized distribution of plaintiffs' articles in electronic databases. The parties agreed that plaintiffs hold the copyright in plaintiffs' articles and defendant publishers hold the copyrights in the collective works making up the periodicals in which plaintiffs' articles are included.[291] At issue was the privilege accorded to owners of the copyright in collective works, under Section 201(c) of the Copyright Act, of "reproducing and distributing" the individual works in "any revision of that collective work."[292] Defendants argued, and the district court agreed, that making the articles available on the databases constitutes a revision of the individual periodicals, and thus defendants' licensing ***51** arrangements for inclusion of plaintiffs' articles in electronic databases were protected under Section 201(c).[293]

The Second Circuit reversed, holding that Section 201(c) does not permit defendants to license individually copyrighted works for inclusion in the electronic databases.[294] It ruled that electronic databases are not a "revision" of the collective work embodied in the hard-copy periodical within the meaning of Section 201(c), and thus that the privilege does not apply.[295] In so ruling, the court emphasized that "the permitted uses set forth in Section 201(c) are an exception to the general rule that copyright vests initially in the author of the individual contribution," and that "[r] eading 'revision of that collective work' as broadly as appellees suggest would cause the exception to swallow the rule."[296]

The Second Circuit's ruling will likely not be the last word on how Section 201(c) applies in the electronic context. The Supreme Court granted certiorari in *Tasini* just before this article went to press.[297]

E. Security Interests

In *In re World Auxiliary Power Co.*,[298] defendant Silicon Valley Bank had sought to perfect its security interest in a copyright of the predecessor-in-interest to the bankruptcy trustee by filing a UCC-1 financing statement with the California Secretary of State in accordance with California law. Plaintiff, a successor-in-interest to assignees of the copyright, argued that the bank's attempt to perfect its security interest was ineffective. In so arguing, plaintiff relied on *In re Peregrine Entertainment, Ltd.*,[299] which held that a security interest in copyright can be perfected only by recording the security interest as a copyright transfer in the U.S. Copyright Office and not by filing a UCC-1 financing statement in a state UCC Office.[300] In so holding, the *Peregrine* court reasoned that the granting of a security interest in copyright falls within the definition of a copyright "transfer" under Section 101 of the Copyright Act[301] and that Section 205(d) of the Copyright ***52** Act sets forth a comprehensive priority system for recorded and unrecorded transfers that preempts state law.[302]

In *World Auxiliary*, however, the Northern District of California ruled that, although *Peregrine* does not say so, it applies only to works that have been registered with the Copyright Office.[303] As a result, the *World Auxiliary* court held, *Peregrine* did not govern Silicon Valley's security interest filing, which concerned an unregistered work.[304] In so holding, the court emphasized that the Copyright Act Section 205(d) priority system does not apply to unregistered works.[305] As a result, the court reasoned, the Copyright Act priority scheme is comprehensive only with respect to registered works and does not preempt state law regarding security interest perfection and priority for unregistered works.[306]

Such a dual perfection system would not create undue burdens or inconsistency, the court insisted.[307] For registered works, creditors can limit their search for prior security interests to the Copyright Office. If the Copyright Office search reveals that a work has not been registered, the creditor must then examine UCC filings.[308]

The *World Auxiliary* court's decision is not entirely convincing. It is not implausible that leaving holders of security interests in unregistered works with no possibility for perfecting those interests serves the overall federal policy of encouraging copyright registrations and a central filing system for copyright transfers.[309] In addition, the decision leaves open the question of who has priority when a copyright owner registers the work subsequent to a state UCC filing and prior to or simultaneously with a Copyright Office recordation. Further, the *World* ***53** *Auxiliary* decision is of uncertain precedential force. As the court noted, two post-*Peregrine* bankruptcy courts have applied the *Peregrine* rule to unregistered copyrights.[310] Indeed, one such decision was affirmed on appeal, and the appellate court described the Peregrine decision as "well reasoned" and rejected the argument that the Berne Convention's prohibition on imposing formalities as a condition to copyright protection renders invalid the Section 205(c) registration requirement with respect to unregistered foreign works.[311]

F. Idea/Expression Dichotomy

In *Attia v. Society of the New York Hospital*,[312] the Second Circuit affirmed a summary judgment in favor of defendant architects on the grounds that defendants had copied at most unprotectable ideas from plaintiff's design.[313] Plaintiff had prepared a series of architectural drawings and sketches, which, as the court granted, "undoubtedly contain creative ideas on how to extend New York Hospital over the F.D.R. Drive in a manner that would connect the Hospital's existing buildings with the new structure."[314] The court also noted a similarity between plaintiff's plan and that of defendant architects and assumed for purposes of summary judgment that defendant had copied from plaintiff.[315] The court found, however, the plaintiff's copyrighted drawings were "highly preliminary and generalized" and described plaintiff's proposed design at a very general level of abstraction.[316] The court held that defendants' much more detailed and comprehensive schematic design drawings were, at most, similar to plaintiff's work in concept and idea, not protectable expression. In so holding, the court emphasized the fundamental axiom of copyright law that "if the exclusive rights of ownership extended to ideas, the result would be to retard rather than advance the progress of knowledge."[317]

***54 G. Joint Authorship**

In *Aalmuhammed v. Lee*,[318] the Ninth Circuit affirmed the granting of a summary judgment for defendant and held that plaintiff had failed to establish a genuine issue of fact regarding his claim that he was a co-author of the Spike Lee film, *Malcolm X*.[319] As the court noted, the Copyright Act provides that for a work to be a "joint work," there must be (1) a copyrightable work, (2) two or more "authors," and (3) the authors must intend their contributions be merged into inseparable or interdependent parts of a unitary whole.[320] There is a split of authority regarding whether a person's contribution must be independently copyrightable expression, as opposed to uncopyrightable idea, in order for that person to qualify as a co-author.[321] Nevertheless, the *Aalmuhammed* court indicated that, in the Ninth Circuit, a person must make an "independently copyrightable contribution" in order to be considered a co-author.[322] It held that even if, as was the case regarding plaintiff, a person makes an independently copyrightable contribution that the creators of a work intend to be merged into an inseparable part of a unitary whole, that person still will not qualify as a co-author unless he meets a further requirement of "authorship."[323] Plaintiff, the court ruled, established that he contributed substantially to the film and that he contributed copyrightable expression intended to be merged as an inseparable part of the film, but not that he was one of the film's "authors."[324]

In order to be a co-author, the court held, a person must establish that there was an objective manifestation of common intent that he be deemed a co-author or, absent such agreement, must share in artistic control over production of the work.[325] In a movie, this standard, "in the absence of a contract to the contrary, would generally limit authorship to someone at the top of the screen credits, sometimes the producer, sometimes the director, possibly the star, or the screenwriter—someone who has artistic control."[326] In so holding, the court opined that the Second and Seventh Circuits have in practical result, though not in express holding, reached a like conclusion.[327] Those circuits have looked to artistic control ***55** as one indication of whether both parties intended that a person be deemed a co-author.[328] In insisting that a co-author must, absent some other manifestation of intent, share artistic control, the court invoked much the same reasoning that other courts have given for requiring an independently copyright contribution rather than mere idea: the prevention of "claim-jumping" by those who lend authors advice or assistance.[329] As the *Aamuhammed* court noted, absent protection against claims by research assistants, editors, former spouses, and the like, authors will be reluctant to seek advice or assistance, and creativity will suffer.[330]

H. Originality

In *CDN Inc. v. Kapes*,[331] the Ninth Circuit ruled that the wholesale prices for coins that plaintiff CDN derived from various data constitute original, copyrightable expression.[332] Plaintiff published the wholesale coin prices in its Coin Dealer Newsletter. Defendant stipulated to having copied plaintiff's prices by inputting them into a computer program, which then determined the retail prices for the coins. Defendant posted the retail prices on his web site.[333]

At issue was not whether plaintiff's newsletter constitutes copyrightable expression, but whether the prices themselves are sufficiently original as compilations of the underlying data from which they were derived.[334] The court rightly noted that "[d]iscoverable facts, like ideas, are not copyrightable."[335] It emphasized, however that original compilations of facts are copyrightable, even where the underlying facts are not.[336] The court then held that CDN's prices reflect the modicum of creativity required for copyrightability.[337] In so holding, it reasoned that plaintiff used considerable judgment and expertise in assessing a multitude of factors to arrive at plaintiff's estimation of each wholesale price.[338] ***56** Reiterating the findings of the district court, the Ninth Circuit ruled that plaintiff's prices were thus "created, not discovered."[339]

Significantly, the court opined that its holding that the prices are copyrightable is consistent with that of the Second Circuit in *CCC Information Services, Inc. v. Maclean Hunter Market Reports*.[340] In that case, however, the Second Circuit held copyrightable a compilation of projected used car valuations.[341] Although the *CCC* court did refer to the judgment and creativity involved in determining the estimated valuations, it did not hold that the valuations were themselves compilations of underlying data.[342] Rather, the Second Circuit emphasized plaintiff's creativity in the selection and arrangement of data as presented in plaintiff's compendium of projected used car values, including dividing the valuations into various regions, selecting the number of model years for each car to include, and the like.[343] In so doing, the Second Circuit applied the standard for originality—a modicum of creativity in selection and arrangement—pertinent to compilations that the Supreme Court set forth in *Feist Publications, Inc. v. Rural Telephone Services Co.*[344]

In contrast, the Ninth Circuit characterized each CDN price as a compilation of data.[345] In so doing, it overlooked the fact that each such price is merely a number. Prices may be the end result of plaintiff's sorting and assessment of data, but the price itself is not a compendium of data manifesting selection and arrangement. Indeed, the Ninth Circuit undertook no analysis of originality in plaintiff's expressive product, except to say that plaintiff's prices were estimations, not fact.[346] Rather, it seemed to find originality entirely in plaintiff's exercise of creativity and judgment in the *process* of creating that product.[347] To the extent that it did so, the Ninth Circuit has pushed copyright in the direction of a general misappropriation statute (although it still insisted, as it must after *Feist*, that mere sweat of the brow is insufficient to give rise to copyrightability). As we shall see, the Ninth Circuit is not alone in this subtle transformation; the Israeli Supreme Court has made a similar move in the case of the Dead Sea Scrolls.

***57 V. International And Foreign**

A. Foreign Law in U.S. Courts

Given the ongoing globalization of copyright markets, the questions of when U.S. courts may and ought to hear claims for infringement of foreign copyright laws and how U.S. courts should determine foreign copyright law have arisen, and will continue to arise, with increasing frequency. *Boosey & Hawkes Music Publishers Ltd. v. Walt Disney Co.*[348] involved multiple claims of foreign copyright infringement brought against Disney by the assignee of the copyright in Igor Stravinsky's "The Rite of Spring." The action arises from Disney's transnational distribution and sale of videos of the Disney film, "Fantasia," which incorporates a substantial part of an orchestration of Stravinsky's composition.[349]

In a 1998 decision, the Second Circuit ruled that the extensive application of foreign copyright law did not, by itself, justify a dismissal for forum non conveniens, and that on balance, the Southern District of New York was a proper venue to hear the action.[350] As a result, the district court must proceed to determine and apply the copyright law of each country in which Disney is alleged to have infringed.[351] In its decision of February 2000, the district court ruled that it is not bound by the Federal Rules of Evidence in determining such issues of foreign law.[352] It also held that on matters of standing and other procedural matters, it will be bound by the Federal Rules of Civil Procedure, not foreign law.[353]

Rule 44.1 of the Federal Rules of Civil Procedure provides in relevant part: "The court, in determining foreign law, may consider any relevant material or source, including testimony, whether or not submitted by a party or admissible under the Federal Rules or Evidence. The court's determination shall be treated as a ruling on a question of law."[354] Based on those provisions, the district court declined to consider plaintiff's evidentiary objections to defendant's expert testimony regarding foreign law.[355]

At the same time, the court granted defendant's motion in limine to preclude plaintiff's evidence of moral rights damages at trial. Plaintiff asserted that the ***58** performance of "The Rite of Spring" in the Fantasia videos "is a substantial mutilation and distortion of Stravinsky's original work" and thus infringes on the author's moral right of integrity in the countries that recognize that right.[356] The court held, however, that plaintiff has no standing to bring Stravinsky's moral rights claim.[357] As the court noted, moral rights are personal to the author and non-assignable.[358] As a result, only the author or his heirs, not plaintiff, the successor-in-interest to the author's economic exploitation rights, may assert a claim for infringement of the author's moral rights.[359]

The court also rejected plaintiff's argument that, in line with the purported practice in many countries, it could bring a moral

rights claim as a representative of the author.[360] Citing Rule 17(a) of the Federal Rules of Civil Procedure, the court stated that the rules governing real party in interest and standing to sue are rules of procedure.[361] The court then reiterated the "well-settled conflict-of-laws rule that the forum will apply the foreign substantive law, but will follow its own rules of procedure."[362] As a result, the court concluded, it would follow F.R.C.P. Rule 17(a) and decline to recognize plaintiff as a real party in interest in connection with Stravinsky's purported moral rights claim.[363]

B. Subject Matter Jurisdiction; Extraterritorial Activity

United States courts do not have jurisdiction to hear claims involving infringements of foreign copyright law unless the action includes a related claim for infringement of U.S. copyright law or unless diversity jurisdiction requirements are met.[364] Nor does U.S. copyright law generally extend to acts occurring abroad that would constitute infringement if they took place within the United States.[365] A number of cases tested the limits of these rules.

***59** In *Armstrong v. Virgin Records*,[366] plaintiff alleged that defendant's sound recording contained an infringing sample of plaintiff's recorded musical composition. Defendant contended that, given that its allegedly infringing act took place outside the United States, the court lacked subject matter jurisdiction to hear plaintiff's claim.[367] The court ruled that plaintiff had presented an issue of fact as to whether defendant had facilitated the infringement of plaintiff's copyright in the United States.[368] If the defendant had done so, the court noted, it could be liable for contributory infringement under the U.S. Copyright Act even if its acts of facilitation occurred entirely outside the United States.[369] The court then held that it had subject matter jurisdiction to hear plaintiff's claim for infringement of foreign copyright law, both as pendent to plaintiff's U.S. Copyright Act claim (assuming plaintiff could show that he did in fact have a contributory infringement claim under the U.S. Copyright Act) and because the requirements for diversity jurisdiction were satisfied.[370]

In *National Football League v. TVRadioNow Corp.*,[371] defendant operated the iCraveTV.com website, through which it streamed plaintiffs' copyrighted television programming. Defendant asserted that its alleged improper acts took place entirely in Canada, since its website server was located in Canada and the site was intended only for Canadian viewers. As a result, defendant contended, the court lacked subject matter jurisdiction to hear plaintiff's claim.[372]

The Western District of Pennsylvania rejected defendant's assertion, given evidence that U.S. residents could in fact access the website.[373] As a result, the court held, defendant's allegedly infringing public performance took place within the United States, thus giving rise to a claim for infringement under the U.S. Copyright Act.[374] Thus, the court ruled, it had subject matter jurisdiction to hear the action.[375]

***60** *National Football League v. PrimeTime 24*[376] presented a mirror image of the facts in *TVRadioNow*. In this case, defendant captured plaintiff's U.S. broadcast signals in the U.S. and then retransmitted them to Canada. The Second Circuit rejected defendant's argument that because its signals were received only in Canada, it could not have infringed the U.S. Copyright Act. The court held that a public performance or display includes "each step in the process by which a protected work wends its way to a public audience,"[377] including defendant's uplink transmission of signals captured in the United States.[378] In so holding, the Second Circuit discussed with approval the decision of the Seventh Circuit in *WGN Continental Broad. Co. v. United Video*,[379] holding that an intermediate carrier had publicly performed copyrighted television signals by capturing them, altering them, and transmitting them to cable television stations. The Second Circuit explicitly rejected the contrary approach of the Ninth Circuit, which held in *Allarcom Pay Television Ltd. v. General Instrument Corp.*,[380] that copyright infringement does not occur until the broadcast signal is received by the viewing public.[381]

While each might be correct on its facts, taken together, the two *National Football League* decisions propound a quite expansive view of U.S. territorial jurisdiction. The decisions suggest that the U.S. Copyright Act applies to both transmissions from the United States to other countries and to content originating in other countries but transmitted to or otherwise accessible from the United States. In copyright as well as other areas of the law, U.S. courts follow a presumption against extraterritorial application of U.S. law absent express Congressional intent to the contrary, in large part because of principles of comity, a desire to prevent clashes with the laws of other nations.[382] If broadly construed, the *National Football League* rulings may well stand in tension with that presumption and those concerns.

C. TRIPS

In *United States—Section 110(5) of the U.S. Copyright Act*,[383] a World Trade Organization dispute settlement panel ruled that the U.S. Fairness in Music Licensing Act of 1998 violates the Agreement on Trade-Related Aspects of ***61** Intellectual Property ("TRIPS").[384] The panel also ruled that the so-called "homestyle" exemption to the public performance right set forth in Section 110(5)(A) of the Copyright Act is consistent with the United States' TRIPS obligations.[385] The United States did not appeal the panel decision. Accordingly, it must amend its copyright law in accordance with the panel decision or face the imposition of trade sanctions.

TRIPS requires that the copyright law of all WTO member countries comport with the substantive provisions of the Paris Act of the Berne Convention for the Protection of Literary and Artistic Works[386] (except for those regarding moral rights) as well as with additional standards for copyright protection and enforcement set forth in TRIPS.[387] Berne Convention Article 11*bis*(1) provides that authors shall have the exclusive right to broadcast their works. Article 11*bis*(1)(iii) provides that authors shall have the exclusive right of authorizing "the public communication by loudspeaker or any other analogous instrument transmitting, by signs, sounds or images, the broadcast of the work." Berne Convention Article 11(1)(ii) provides, more generally, that authors shall have an exclusive right of public performance.

As part of the public performance right, the U.S. Copyright Act similarly accords copyright owners the exclusive right of authorizing secondary public performances of broadcasted works by loudspeaker, radio, television, or any other device through which the broadcast can be heard or viewed by the public. For that reason, as a general rule, restaurants and stores cannot play music over the radio without authorization of the owners of the musical works included in the broadcast. Since the Copyright Act Revision of 1976, however, the Act has provided for a homestyle exemption in connection with that right. As set forth in Section 110(5) of the Copyright Act, the communication of a transmission embodying a performance of a work "by the public reception of the transmission on a single receiving apparatus of a kind commonly used in private home" does not infringe the public performance right so long as no charge is made to see or hear the transmission and the transmission is not further transmitted to the public.[388] With respect to nondramatic musical works, the Fairness in Music Licensing Act expanded the single home-style apparatus portion of the Section 110(5) ***62** exemption.[389] The Act provides a blanket exemption for any food or drinking establishment of less than 3,750 gross square feet and any other business establishments of less than 2,000 gross square feet.[390] It also extends the exemption to larger establishments so long as audio performances are communicated by not more than six loudspeakers (of which not more than four may be in any one room) and the visual portion of audiovisual performances are communicated by not more than four audiovisual devices (of which not more than one may be in any one room and none may have a diagonal screen size greater than 55 inches).[391]

The Berne Convention contains no explicit exceptions to Articles 11*bis*(1)(iii) and 11(1)(ii). Nevertheless, the United States argued that its Section 110(5) exemptions fall within the parameters of the implied "minor exceptions" to those Articles.[392] The panel agreed with the United States that, in incorporating the substantive provisions of the Berne Convention, TRIPS incorporates not only Berne's express provisions, but also implied exceptions that are part of the Berne *acquis*, as evidenced by state practice, agreements of Berne member states, and other factors relevant to interpreting the Convention.[393] The panel held, however, that any express or implied exceptions or limitations to authors' rights recognized under Berne must comport with Article 13 of TRIPS.[394]

TRIPS Article 13 requires that limitations and exceptions to exclusive rights (1) be confined to certain special cases, (2) do not conflict with a normal exploitation of the work, and (3) do not unreasonably prejudice the legitimate interests of the right holder.[395] The panel determined that the homestyle exception meets this three-part test but that the expanded exemption under the Fairness in Music Licensing Act does not. The panel found that the expanded exemption was insufficiently limited, given that it would exempt a substantial majority of all eating and drinking establishments and close to half of all retail establishments.[396] Following upon this finding, the panel found the exemption failed to meet any of the requirements of TRIPS Article 13.[397]

***63 D Dead Sea Scrolls**

In *Shanks v. Kimron*,[398] the Israeli Supreme Court held that a scholar's reconstructed portion of the Dead Sea Scrolls is that scholar's original work, protected by copyright.[399] Plaintiff Kimron had worked for eleven years piecing together parchment fragments of a portion of the 2000-year old Dead Sea Scrolls. Kimron's final product reflected his judgment regarding the order of those fragments and included passages that he added to fill in gaps in the available text. Defendants reproduced Kimron's reconstruction verbatim in a book entitled "Facsimile Edition of the Dead Sea Scrolls."[400]

Defendants argued that Kimron's reconstruction, while a product of significant skill, knowledge, and labor, is not an original work and thus cannot be protected by copyright. They contended, in particular, that the passages that Kimron added were not his original creation, but rather missing portions of the ancient text that he had "discovered" through application of his scholarly expertise.[401] The Israeli Supreme Court rejected defendants' argument. In so ruling, the Court applied Israeli copyright law,[402] which, like U.S. copyright law, requires a modicum of creativity, rather than mere sweat of the brow, for a work to qualify as original, and thus copyrightable, subject matter. The court found that Kimron's reconstruction was not merely a product of his labor, but rather "the fruit of a process in which Kimron used his knowledge, expertise, and imagination, and in which he exercised his discretion in choosing between different alternatives."[403] Accordingly, even if Kimron intended to reconstruct the exact wording of the public domain text, and even if he might have succeeded in doing so, Kimron's reconstruction still constitutes an original work for purposes of copyright law.

The court also rejected defendants' contention that to grant Kimron a copyright in his reconstruction would effectively give him a monopoly in the public domain text.[404] The court stated that all are free to study and copy the ancient text fragments and to create reconstructed versions that do not copy Kimron's.[405]

Footnotes

a1 Arnold, White & Durkee Centennial Professor of Law, University of Texas School of Law; Of Counsel, Fulbright & Jaworski L.L.P. I wish to thank Bethanie Steensma for her research assistance. The views expressed and any errors that persist in this article are mine alone.

1 Digital Millennium Copyright Act of 1998, Pub. L. No. 105-304, 112 Stat. 2860, § 1 (short title). For an excellent account of the DMCA's legislative history and ramifications, see David Nimmer, *A Riff on Fair Use in the Digital Millennium Copyright Act*, 148 U. PA. L. REV. 673 (2000).

2 See 17 U.S.C. §§ 1201(a)(2) (access controls), 1201(b)(1) (rights protection) (2000).

3 17 U.S.C. § 1201(1)(A).

4 464 U.S. 417, 220 U.S.P.Q. (BNA) 665 (1984).

5 *Id.* at 418 (holding that the sale of a device used to infringe does not constitute contributory copyright infringement so long as the device is "capable of substantial noninfringing uses").

6 The DMCA prohibits trafficking in devices that are "primarily designed" to circumvent protected control technology. 17 U.S.C. § 1201(a)(2), 1201(b)(1).

7 No. C99-2070P, 2000 U.S. Dist. LEXIS 1889 (W.D. Wash. 2000).

8 *Id.* at *3-8.

9 *Id.* at *10-14.

10 *Id.* at *14-15.

11 *Id.* at *2.

[12] *Id.* at *17.

[13] *Id.* at *21.

[14] *Id.* at *21-22.

[15] *Id.* at *22-23.

[16] *Id.* at *21 (quoting 1 MELVILLE NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT (1999), § 12A.05[C]). The court also ruled that, unlike the use of video cassette recorders for "time-shifting" at issue in *Sony*, consumers' use of the Streambox VCR to "obtain and redistribute perfect digital copies of audio and video files that copyright owners have made clear they do not want copied" would not constitute fair use, and thus defendant would fail the *Sony* test as well. *Id.* at *21-22.

[17] *Id.* at *22-23.

[18] *Id.* at *30.

[19] *Id.* at *28.

[20] 17 U.S.C. §§ 1201(a)(2) (access controls), 1201(b)(1) (rights protection).

[21] 111 F. Supp. 2d 294, 55 U.S.P.Q.2d (BNA) 1873 (S.D.N.Y. 2000).

[22] *Id.* at 303-304, 55 U.S.P.Q.2d at 1875-76.

[23] *Id.*

[24] *Id.* at 318-19, 55 U.S.P.Q.2d at 1887-88.

[25] *Id.* at 319, 55 U.S.P.Q.2d at 1887-88.

[26] *Id.*

[27] *Id.* at 319, 55 U.S.P.Q.2d at 1888.

[28] 464 U.S. 417, 220 U.S.P.Q. (BNA) 665 (1984).

[29] *Reimerdes*, 111 F. Supp. 2d at 323, 55 U.S.P.Q.2d at 1891.

[30] *Sony*, 464 U.S. at 456, 220 U.S.P.Q. at 684.

[31] *Reimerdes*, 111 F. Supp. 2d at 323, 55 U.S.P.Q.2d at 1890.

[32] *Id.* at 323, 55 U.S.P.Q.2d at 1892.

[33] *Id.*, 55 U.S.P.Q.2d at 1892.

[34] 87 F. Supp. 2d 976, 54 U.S.P.Q.2d (BNA) 1401 (N.D. Cal. 1999).

[35] *Id.* at 989-90, 54 U.S.P.Q.2d at 1412.

[36] *Id.* at 987, 54 U.S.P.Q.2d at 1409.

[37] *Id.*, 54 U.S.P.Q.2d at 1410.

[38] *Id.* at 986-87, 54 U.S.P.Q.2d at 1409.

[39] *Id.* at 987, 54 U.S.P.Q.2d at 1409.

[40] 77 F. Supp. 2d 1116, 53 U.S.P.Q.2d (BNA) 1361 (C.D. Cal. 1999).

[41] *Id.* at 1117, 53 U.S.P.Q.2d at 1362.

[42] *Id.*

[43] *See infra* notes 97-108 and accompanying text.

[44] *Kelly*, 77 F. Supp. 2d at 1117, 53 U.S.P.Q.2d at 1362.

[45] 17 U.S.C. § 1202(a).

[46] *See* 17 U.S.C. § 1202(c).

[47] 17 U.S.C. § 1202(b).

[48] *Kelly*, 77 F. Supp. 2d at 1121, 53 U.S.P.Q.2d at 1366.

[49] *Id.* at 1122, 53 U.S.P.Q.2d at 1366.

[50] *Id.* The court's conclusion that defendant's display of plaintiff's images without the copyright information contained in the surrounding text on plaintiff's web pages is not unassailable. Section 1202(c) defines "copyright management information" as

"information conveyed in connection with copies or phonorecords of a work or performances or displays of a work, including in digital form ...." 17 U.S.C. § 1202(c). That definition would seem to include information displayed alongside an image as well as information embedded within the image itself.

51 *Id.*

52 *Id.*

53 *Id.*

54 *Id.*

55 *Id.*

56 *Id.* The court also considered plaintiff's claim for copyright infringement and defendant's fair use defense to that claim. The court's treatment of that issue is discussed below. *See infra* notes 97-108and accompanying text.

57 54 U.S.P.Q.2d (BNA) 1746 (N.D. Cal. 2000).

58 *Id.* at 1746. In a later decision in the same case, the court granted plaintiffs' motion for preliminary injunction. That decision is discussed below. *See infra* notes 109-123 and accompanying text.

59 *Id.* at 1747 (footnote omitted).

60 17 U.S.C. § 512 (2000).

61 *A&M Records*, 54 U.S.P.Q.2d at 1750.

62 The conditions are:
(1) the transmission of the material was initiated by or at the direction of a person other than the service provider;
(2) the transmission, routing, provision of connections, or storage is carried out through an automatic technical process without selection of the material by the service provider;
(3) the service provider does not select the recipients of the material except as an automatic response to the request of another person;
(4) no copy of the material made by the service provider in the course of such intermediate or transient storage is maintained on the system or network in a manner ordinarily accessible to anyone other than the anticipated recipients, and no such copy is maintained on the system or network in a manner ordinarily accessible to such anticipated recipients for a longer period than is reasonably necessary for the transmission, routing, or provision of connections; and
(5) the material is transmitted through the system or network without modification of its content.
17 U.S.C. § 512(a) (2000).

63 *A&M Records*, 54 U.S.P.Q.2d at 1751.

64 *Id.*

65 *Id.*

[66] *Id.*

[67] *Id.* at 1750.

[68] *Id.* (noting in footnote 6 that "Napster undoubtedly performs some information location functions ...").

[69] *Id.* at 1752-1753.

[70] *Id.* at 1753.

[71] 92 F. Supp. 2d 349, 54 U.S.P.Q.2d (BNA) 1668 (S.D.N.Y. 2000).

[72] *Id.* at 350, 54 U.S.P.Q.2d at 1678.

[73] *Id.* at 350, 54 U.S.P.Q.2d at 1670.

[74] *Id.*

[75] *Id.*

[76] *Id.*

[77] *Id.* at 350, 54 U.S.P.Q.2d at 1670.

[78] *Id.*

[79] *Id.*

[80] *Id.* at 351, 54 U.S.P.Q.2d at 1671.

[81] *Id.*

[82] *Id.* at 352, 54 U.S.P.Q.2d at 1672.

[83] *See id.*

[84] *Id.*

[85] No. CV99-7654-HLH, 2000 U.S. Dist. LEXIS 12987 (C.D. Cal. Aug. 11, 2000).

[86] *Id.* at *2.

[87] *Id.* at *4-5.

[88] *Id.* at *6-8.

[89] *Id.* at *9.

[90] 499 U.S. 340 (1991).

[91] *Ticketmaster*, 2000 U.S. Dist. LEXIS 12987, at *10.

[92] *Id.*

[93] *Id.* at *11-12.

[94] *Id.* at *13.

[95] *Id.* at *12-13.

[96] *See, e.g.*, Sony Computer Entm't Inc. v. Connectix Corp., 203 F.3d 596, 53 U.S.P.Q.2d (BNA) 1705 (9th Cir. 2000).

[97] 77 F. Supp. 2d 1116, 53 U.S.P.Q.2d (BNA) 1361 (C.D. Cal. 1999).

[98] *Id.* at 1117, 53 U.S.P.Q.2d at 1362.

[99] *Id.* at 1116-17, 53 U.S.P.Q.2d at 1362.

[100] *Id.* at 1121, 53 U.S.P.Q.2d at 1365.

[101] *Id.*, 53 U.S.P.Q.2d at 1363.

[102] *Id.*, 53 U.S.P.Q.2d at 1364.

[103] *Id.*

[104] *Id.*

[105] *Id.* at 1121, 53 U.S.P.Q.2d at 1365.

[106] *See, e.g.*, 1 MELVILLE NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT (1999), § 13.05[A][1][c], at 13-161 n.85.9 (noting that even a use that "creates no new aesthetics and no new work" should constitute a transformative use if it has a "separate purpose" because in that event the use does not "merely 'supercede the objects' of the original creation" and quoting Campbell v. Acuff-Rose Music, 510 U.S. 569, 579 (1994)).

[107] *See, e.g.*, Infinity Broadcast Corp. v. Kirkwood, 150 F.3d 104, 47 U.S.P.Q.2d 1295 (2d Cir. 1998) (holding that a service allowing subscribers to listen over the telephone to contemporaneous radio broadcasts in remote cities is not a transformative use); Ringgold v. Black Entertainment Television, Inc., 126 F.3d 70, 78, 44 U.S.P.Q.2d 1001, 1008 (2d Cir. 1997) (holding that placement of plaintiff's quilt within the context of defendant's creative television program was "in no sense ... transformative").

[108] *See* UMG Recordings, Inc. v. MP3.com., Inc., 92 F.Supp.2d 349, 54 U.S.P.Q.2d (BNA) 1668 (S.D.N.Y. 2000), discussed *supra* at text accompanying notes 71-84; A&M Records v. Napster, Inc., 114 F. Supp.2d 896, 55 U.S.P.Q.2d (BNA) 1780 (N.D. Cal. 2000), discussed *infra* at text accompanying notes 109-123; Los Angeles Times v. Free Republic, 54 U.S.P.Q.2d (BNA) 1453 (C.D.Ca. 2000), discussed *infra* at text accompanying notes 124-126.

[109] 114 F. Supp. 2d 896, 55 U.S.P.Q.2d (BNA) 1780 (N.D.Cal. 2000).

[110] *See supra* footnotes 57-70 and accompanying text.

[111] *A&M Records*, 114 F. Supp. 2d at 927, 55 U.S.P.Q.2d at 1803.

[112] *See* A&M Records v. Napster, Inc., No. 00-16401, No. 00-16403, 2000 U.S. App. LEXIS 18688 (9th Cir. 2000).

[113] *A&M Records*, 114 F. Supp. 2d at 901, 55 U.S.P.Q.2d at 1781.

[114] *Id.* at 904, 55 U.S.P.Q.2d at 1785.

[115] *Id.* at 915-16, 55 U.S.P.Q.2d at 1794-95.

[116] 180 F.3d 1072, 51 U.S.P.Q.2d (BNA) 1115 (9th Cir. 1999).

[117] *A&M Records*, 114 F. Supp 2d at 916 n.19, 51 U.S.P.Q.2d at 1794 n.19 (quoting Recording Indus. of Am. v. Diamond Multimedia Sys. Inc., 180 F.3d 1072, 180 F.3d 1072, 1079, 51 U.S.P.Q.2d (BNA) 1115, 1121 (9th Cir. 1999)).

[118] *Id.* at 904-912, 55 U.S.P.Q.2d at 1785-1791.

[119] *Id.*

[120] *Id.* at 925, 55 U.S.P.Q.2d at 1802.

[121] *Id.* at 915, 55 U.S.P.Q.2d at 1794 n. 19.

[122] *Id.* The court's supposition seems to be in error. If Napster users are entitled to space-shift under the Audio Home Recording Act, then Napster's facilitation of that space-shifting cannot constitute contributory copyright infringement.

[123] *Id.* at 916-17, 55 U.S.P.Q.2d at 1795-96. On that point as well, the court appears to have erred. *Sony* focuses not on whether a defendant provides an ongoing service, but on whether a defendant has sufficient involvement with its customers such that it can identify and prevent infringing uses.

[124] 54 U.S.P.Q.2d (BNA) 1453 (C.D.Ca. 2000).

[125] *Id.* at 1470.

[126] *See infra* text accompanying notes 136-152 (First Amendment), 256-261 (fair use).

[127] *See, e.g.*, Robert C. Denicola, *Copyright and Free Speech: Constitutional Limitations on the Protection of Expression*, 67 CAL. L. REV. 283, 289-99 (1979); Melville B. Nimmer, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press*?, 17 UCLA L. REV. 1180, 1186-1204 (1970); Lionel S. Sobel, *Copyright and the First Amendment: A Gathering Storm?, in* 19 COPYRIGHT L. SYMP. 43 (American Society of Composers, Authors and Publishers eds., 1971). For a less sanguine analysis, see Paul Goldstein, *Copyright and the First Amendment*, 70 COLUM. L. REV. 983 (1970).

[128] The fair use doctrine, developed by U.S. courts in the nineteenth century and now codified in the Copyright Act, provides for a broad equitable privilege to appropriate expression under circumstances that would otherwise constitute infringement. The fair use doctrine is codified in 17 U.S.C. § 107(1998).

[129] While a work's aesthetic form falls within the province of the copyright owner's exclusive rights, the ideas and facts that the work conveys are free for all to use. The idea/expression dichotomy is codified in 17 U.S.C. § 102(b) (1994).

[130] Until enactment of the Copyright Act of 1976, U.S. copyright law provided for a copyright term of far less duration than that of most other countries. Under the 1909 Copyright Act, the duration of copyright protection in the United States was a bifurcated period of 56 years (with a more common 28-year term, given the relative rarity of renewal for the second term). *See* Copyright Act of Mar. 4, 1909, ch. 320, 24, 35 Stat. 1075, 1080-81 (1909). A Copyright Office study of the copyright renewal, completed in 1960, found that only about 15% of subsisting copyrights were being renewed. *See* Barbara A. Ringer, *Renewal of Copyright, in* 1 COPYRIGHT SOCIETY OF THE UNITED STATES, STUDIES ON COPYRIGHT 503, 617 (Fisher mem. ed. 1963). The copyright term was extended to the author's life plus 50 years (with works made for hire enjoying a term of the shorter of 75 years from publication or 100 years from creation) under the 1976 Copyright Act. Copyright Act of 1976, 17 U.S.C. § 302(a) (1994). The 50 year p.m.a. term comported with that required by the Berne Convention for the Protection of Literary and Artistic Works. On October 27, 1998, President Clinton signed into law the "Sonny Bono Copyright Term Extension Act," Pub. L. No. 105-298, § 101, 112 Stat. 2827, 2827 (1998), which extends the copyright term by an additional 20 years.

[131] *See, e.g.*, Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539, 560 (1985) (explaining that First Amendment protections are "already embodied in the Copyright Act's distinction between copyrightable expression and uncopyrightable facts and ideas"); Roy Export Co. v. CBS, 672 F.2d 1095, 1099 (2d Cir. 1982) ("No circuit that has considered the question ... has ever held that the First Amendment provides a privilege in the copyright field distinct from the accommodation embodied in the 'fair use' doctrine."); Sid & Marty Krofft Television Prods., Inc. v. McDonald Corp., 562 F.2d 1157, 1170, 215 U.S.P.Q. (BNA) 289, 292 (9th Cir. 1977) (stating that an idea/expression dichotomy serves to accommodate First Amendment concerns).

[132] *See, e.g.*, New Era Publications Int'l v. Henry Holt & Co., Inc., 873 F.2d 576, 588, 10 U.S.P.Q.2d (BNA) 1561, 1571 (2d Cir. 1986) (Oakes, C.J., concurring) (stating that the imposition of a permanent injunction in the copyright infringement action before the court would "diminish public knowledge" and thus implicate First Amendment concerns).

[133] *See, e.g.*, Yochai Benkler, *Free as the Air to Common Use: First Amendment Constraints on the Enclosure of the Public Domain*, 74 N.Y.U. L. REV. 354 (1999); Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property*,

48 DUKE L.J. 147 (1998); Jessica Litman, *Copyright and Information Policy*, 55 LAW & CONTEMP. PROBS., 185, 204-06 (1992); Neil Netanel, *Copyright and a Democratic Civil Society*, 106 YALE L.J. 283, 303-04 (1996); Alfred C. Yen, *A First Amendment Perspective on the Idea/Expression Dichotomy and Copyright in a Work's "Total Concept and Feel*," 38 EMORY L.J. 393 (1989).

134 *See, e.g.*, Geoffrey R. Stone, *Content-Neutral Restrictions*, 54 U. CHI. L. REV. 46 (1987); Geoffrey R. Stone, *Content Regulation and the First Amendment*, 25 WM. & MARY L. REV. 189 (1983).

135 *See, e.g.*, San Francisco Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522, 3 U.S.P.Q.2d (BNA) 1145 (1987) (applying the *O'Brien* test to statute providing trademark-like protection for Olympic symbol); L.L. Bean Inc. v. Drake Publishers, Inc., 811 F.2d 26, 1 U.S.P.Q.2d (BNA) 1753 (1st Cir. 1987) (trademark); Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 604 F.2d 200, 203 U.S.P.Q. 161 (2d Cir. 1979) (trademark).

136 54 U.S.P.Q.2d (BNA) 1453 (C.D. Ca. 2000).

137 *Id.* at 1460.

138 *Id.* at 1454.

139 *Id.* at 1473.

140 *See id.* at 1454.

141 *See id.* at 1455.

142 *Id.* at 1460.

143 *Id.* at 1472.

144 *Id.* at 1472-73.

145 471 U.S. 539, 558-59 (1985).

146 *Free Republic*, 54 U.S.P.Q.2d at 1472.

147 *See* NIMMER & NIMMER, *supra* note 106, at § 1.10[D], at 1-95 (1999).

148 *Free Republic*, 54 U.S.P.Q.2d at 1473.

149 *Id.*

150 *Id.*

[151] *Id.*

[152] *Id.*

[153] 79 F. Supp. 2d 919, 53 U.S.P.Q.2d (BNA) 1623 (N.D. Ill. 2000).

[154] *Id.* at 920, 925, 53 U.S.P.Q.2d at 1624, 1634.

[155] *Id.* at 923, 53 U.S.P.Q.2d at 1625.

[156] *Id.* at 928, 53 U.S.P.Q.2d at 1629.

[157] 501 U.S. 663 (1991).

[158] *Chicago School Reform Board*, 79 F. Supp. 2d at 925, 53 U.S.P.Q.2d at 1627 (citing Cohen v. Cowles Media Co., 501 U.S. 663, 669-70 (1991)).

[159] *Id.* at 925-26, 53 U.S.P.Q.2d at 1627-28 (citing Cohen v. Cowles Media Co., 501 U.S. 663, 670 (1991); Branzburg v. Hayes, 408 U.S. 665, 684 (1972) (holding that press must respond to grand jury subpoenas); Associated Press v. NLRB, 301 U.S. 103 (1937) (holding that media must obey the National Labor Relations Act); Oklahoma Press Publ'g Co. v. Walling, 327 U.S. 186, 192-193 (1946) (holding that press must obey the Fair Labor Standards Act); Associated Press v. United States, 326 U.S. 1 (1945) (holding that press may not restrain trade in violation of the antitrust laws); Citizen Publ'g Co. v. United States, 394 U.S. 131, 139 (1969) (holding same); Murdock v. Pa., 319 U.S. 105, 112 (1943) (holding that press must pay non-discriminatory taxes); Minneapolis Star & Tribune Co. v. Minnesota Comm'r of Revenue, 460 U.S. 575, 581-583 (1983) (holding same)).

[160] *Chicago School Reform Board*, 79 F. Supp. 2d at 927, 53 U.S.P.Q.2d at 1629 (defendant cited Belmore v. City Pages, Inc., 880 F. Supp. 673, 680 (D. Minn. 1995) (holding that the fair use doctrine entitled a newspaper to publish a fable that was written by a police officer in order to critique the unique fable and the police department); Time, Inc. v. Bernard Geis Assoc., 293 F. Supp. 130, 146 (1968) (finding that an author's reproduction of frames of film footage recording President Kennedy's assassination (the Zapruder film) caused little, if any, damage to copyright holder and was thus a fair use of the film)).

[161] *Id.*

[162] 75 F. Supp. 2d 1290, 53 U.S.P.Q.2d (BNA) 1425 (D. Utah 1999).

[163] *Id.* at 1295, 53 U.S.P.Q.2d at 1429.

[164] *Id.*

[165] *Id.* (citing Cable/Home Communication Corp. v. Network Prods., Inc., 902 F.2d 829, 849, 15 U.S.P.Q.2d (BNA) 1001, 1015 (11th Cir. 1990)).

[166] *Id.* (quoting Cable/Home Communication Corp. v. Network Prods., Inc., 902 F.2d 829, 849, 15 U.S.P.Q.2d (BNA) 1001, 1015 (11th Cir. 1990)).

[167] *Id.*

[168] 53 U.S.P.Q.2d (BNA) 1490 (E.D. Pa. 2000).

[169] *Id.* at 1494.

[170] *Id.*

[171] *Id.* Contrary to the court's pronouncement, the Copyright Clause accords no one a constitutional right to the protection of the useful arts and sciences. Rather, the Clause simply empowers Congress to promote the progress of science by granting authors exclusive rights in their works for limited times. *See* U.S. CONST. art. I, § 8.

[172] *Southco*, 53 U.S.P.Q.2d at 1494.

[173] *Id.*

[174] 74 F. Supp. 2d 1, 53 U.S.P.Q.2d (BNA) 1217 (D. D.C. 1999).

[175] Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 (codified at 17 U.S.C. § 102(d)(1)(B) (1998)).

[176] *Eldred*, 74 F. Supp. 2d at 3, 53 U.S.P.Q.2d at 1219.

[177] *Id.* (citing United Video v. F.C.C., 890 F.2d 1173, 1191, 12 U.S.P.Q.2d 1964, 1978 (D.C. Cir. 1989)).

[178] 111 F. Supp. 2d 294, 55 U.S.P.Q.2d (BNA) 1873 (S.D.N.Y. 2000).

[179] *See supra* notes 21-27 and accompanying text.

[180] *Reimerdes*, 111 F. Supp. 2d at 325-26, 55 U.S.P.Q.2d at 1892-93.

[181] *Id.* at 326, 55 U.S.P.Q.2d at 1893.

[182] *Id.* at 329, 55 U.S.P.Q.2d at 1895.

[183] *Id.*

[184] *Id.* at 329-30, 55 U.S.P.Q.2d at 1895 (quoting Turner Broadcasting Sys, Inc. v. FCC, 512 U.S. 622, 662 (1994) (quoting United States v. O'Brien, 391 U.S. 367, 377 (1968)).

[185] *Id.*

[186] *Id.* at 330, 55 U.S.P.Q.2d at 1896.

[187] *Id.* at 330 n.206, 55 U.S.P.Q.2d at 1896 n.206.

[188] 74 F. Supp. 2d 1, 53 U.S.P.Q.2d (BNA) 1217 (D. D.C. 1999).

[189] Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 (1998) (codified at 17 U.S.C. §§ 302-304 (1998)).

[190] *Eldred*, 74 F. Supp. 2d at 3, 53 U.S.P.Q.2d at 1219.

[191] U.S. CONST. art. I, § Section 8, cl. 8.

[192] Memorandum in Support of Plaintiffs' Motion for Judgment on the Pleadings or, in the Alternative, for Summary Judgment and in Opposition to Defendant's Motion for Judgment on the Pleadings, Eldred v. Reno, Case No. 1:99CV00065 JLG, July 23, 1999, at 22.

[193] *Eldred*, 74 F. Supp. 2d at 3, 53 U.S.P.Q.2d at 1219.

[194] *Id.*

[195] *Id.*, 53 U.S.P.Q.2d at 1219-20.

[196] 204 F.3d 601, 53 U.S.P.Q.2d (BNA) 2009 (5th Cir. 2000).

[197] *Id.* at 603, 53 U.S.P.Q.2d at 2010.

[198] 527 U.S. 627 (1999).

[199] *Chavez*, 204 F.3d at 608, 53 U.S.P.Q.2d at 2014.

[200] 517 U.S. 44 (1996).

[201] *Id.* at 55.

[202] Copyright Remedy Clarification Act, Pub. L. No. 101-553, 104 Stat. 2749 (1990) (codified at 17 U.S.C. §§ 501(a), 511).

[203] Chavez v. Arte Publico Press, 204 F.3d 601, 603, 53 U.S.P.Q.2d (BNA) 2009, 2010 (5th Cir.).

[204] *Seminole* 517 U.S. at 72-73.

[205] The Fourteenth Amendment forbids states from depriving persons of life, liberty, or property without due process of law. U.S. CONST. amend. XIV. Section 5 provides that Congress shall have power to "enforce" that constitutional guarantee, by "appropriate legislation."

[206] 521 U.S. 507 (1977).

[207] *Id.* at 520.

[208] Florida Prepaid Postsecondary Educ. Expense Bd. v. College Sav. Bank, 527 U.S. 627, 645-648 (1999).

[209] 35 U.S.C. §§ 271(h), 296(a).

[210] Chavez v. Arte Publico Press, 204 F.3d 601, 605, 53 U.S.P.Q.2d (BNA) 2009, 2013 (5th Cir.).

[211] *Id.*

[212] *Id.* at 605-06, 53 U.S.P.Q.2d at 2015.

[213] *Id.* at 607, 53 U.S.P.Q.2d at 2017.

[214] *Id.*

[215] *Id.*

[216] *Id.* (citing 527 U.S. at 645).

[217] *Id.*

[218] *Id.*

[219] *See id.*

[220] *See id.*

[221] *See id.*

[222] *Id.* at 608, 53 U.S.P.Q.2d at 2014. *See also* City of Boerne v. Flores, 521 U.S. 507 (1977); Rodriguez v. Texas Commission on the Arts, 199 F.3d 279, 53 U.S.P.Q.2d (BNA) 1383 (5th Cir. 2000) (decided a month before *Chavez*; affirming dismissal of plaintiff's claim against a state agency on the same grounds as *Chavez*, but with only brief discussion).

[223] 204 F.3d 343, 53 U.S.P.Q.2d (BNA) 1865 (2d Cir. 2000).

[224] *See, e.g.*, Oklahoma Tax Comm'n v. Citizen Band Potawatomi Indian Tribe, 498 U.S. 505, 509 (1991); United States v. U.S. Fidelity & Guar. Co., 309 U.S. 506, 512 (1940).

[225] *Oklahoma Tax Comm'n*, 498 U.S. at 510.

[226] 204 F.3d at 346.Santa Clara Pueblo v. Martinez, 436 U.S. 49 (1978).

[227] *Basset*, 204 F.3d at 346, U.S.P.Q.2d at 1866.

[228] *Id.*

[229] *Id.* at 356, 53 U.S.P.Q.2d at 1874.

[230] *Id.*

[231] *Id.*

[232] *Id.* at 357, 53 U.S.P.Q.2d at 1875 (citing Kiowa Tribe v. Manufacturing Techs., Inc., 523 U.S. 751 (1998)).

[233] *Id.* (citing Santa Clara Pueblo v. Martinez, 436 U.S. 49, 59 (1978)).

[234] *Id.*

[235] 203 F.3d 596, 53 U.S.P.Q.2d (BNA) 1705 (9th Cir. 2000).

[236] *Id.* at 600, 53 U.S.P.Q.2d at 1708.

[237] *Id.* at 596, 53 U.S.P.Q.2d at 1705.

[238] 977 F.2d 1510, 24 U.S.P.Q.2d 1561 (9th Cir. 1993).

[239] *See id.* at 1527-28.

[240] *Connectix*, 203 F.3d at 596, 53 U.S.P.Q.2d at 1705.

[241] *Id.* at 604, 53 U.S.P.Q.2d at 1711.

[242] *Id.*

[243] *Id.* at 605, 53 U.S.P.Q.2d at 1711-12 (citing Sega Enters. Ltd. v. Accolade, Inc., 977 F.2d 1510, 1524-26, 24 U.S.P.Q.2d (BNA) 1561, 1571-72 (9th Cir. 1993)).

[244] *Id.*

[245] *Id.*

[246] 214 F.3d 1022, 54 U.S.P.Q.2d (BNA) 1753 (9th Cir. 2000).

[247] *Id.* at 1022, 54 U.S.P.Q.2d at 1753.

[248] *Id.* at 1026, 54 U.S.P.Q.2d at 1756.

[249] *Id.* at 1026-27, 54 U.S.P.Q.2d at 1756.

[250] *Id.* at 1027, 54 U.S.P.Q.2d at 1757.

[251] *Id.* at 1029, 54 U.S.P.Q.2d at 1758.

[252] *Id.*

[253] *Id.*, 54 U.S.P.Q.2d at 1758.

[254] 510 U.S. 569 (1994).

[255] *Id.* at 591-92. The Ninth Circuit briefly recognized this point but then proceeded to discuss what it termed as the comparative advertising's "de minimis" impact on the market for Sony's game console. *See* Sony Computer Entm't Am., Inc. v. Bleem, LLC, 214 F.3d at 1022, 1029, 54 U.S.P.Q.2d (BNA) 1753, 1758 (9th Cir. 2000).

[256] 54 U.S.P.Q.2d (BNA) 1453 (C.D. Ca. 2000).

[257] *See id.* at 1453.

[258] *Id.* at 1465.

[259] *Id.*

[260] *Id.* at 1470.

[261] *Id.* at 1471.

[262] 204 F.3d 343, 53 U.S.P.Q.2d (BNA) 1865 (2d Cir. 2000).

[263] *Id.* at 347, 53 U.S.P.Q.2d at 1867.

[264] *Id.*

[265] *Id.* at 348, 53 U.S.P.Q.2d at 1868.

[266] *Id.* at 347, 53 U.S.P.Q.2d at 1867.

[267] *Id.*

[268] 339 F.2d 823, 144 U.S.P.Q. 46 (2d Cir. 1964).

[269] *Id.* at 828, 144 U.S.P.Q. at 51.

[270] 971 F.2d 926, 23 U.S.P.Q.2d (BNA) 1831 (2d Cir. 1992).

[271] *Id.* at 932-33, 23 U.S.P.Q.2d at 1836.

[272] Basset v. Mashantucket Pequot Tribe, 204 F.3d 343, 355, 53 U.S.P.Q.2d (BNA) 1865, 1874 (2d Cir. 2000).

[273] *Id.* at 352-53, 53 U.S.P.Q.2d at 1871-72.

[274] *Id.* at 354-55, 53 U.S.P.Q.2d at 1872-73.

[275] 194 F.3d 1211, 52 U.S.P.Q.2d 1656 (11th Cir. 1999).

[276] Estate of Martin Luther King, Jr., Inc. v. CBS, Inc., 13 F. Supp. 2d 1347, 47 U.S.P.Q.2d 1611 (N.D. Ga. 1998).

[277] *Id.* at 1354, 47 U.S.P.Q.2d at 1617.

[278] Estate of Martin Luther King, Jr., Inc., v. CBS, Inc., 194 F.3d 1211, 52 U.S.P.Q.2d (BNA) 1656 (11th Cir. 1999).

[279] *See id.* at 1214, 52 U.S.P.Q. at 1658.

[280] *See id.* at 1214-15, 52 U.S.P.Q.2d at 1658.

[281] *Id.* at 1215, 52 U.S.P.Q.2d at 1658 (citing Brown v. Tabb, 714 F.2d 1088, 1091, 220 USPQ 21, 23 (11th Cir. 1983)).

[282] *Id.* at 1215, 52 U.S.P.Q.2d at 1659.

[283] *See id.* at 1215-17, 52 U.S.P.Q.2d at 1658-59.

[284] *Id.* at 1217, 52 U.S.P.Q.2d at 1660.

[285] *Id.* at 1216-17, 52 U.S.P.Q.2d at 1660.

[286] *Id.* at 1219-20, 52 U.S.P.Q.2d at 1662-63.

[287] *Id.* at 1216, 52 U.S.P.Q.2d at 1660.

[288] *Id.* at 1214-17, 52 U.S.P.Q.2d at 1658-63.

[289] *Id.* at 1216-17, 52 U.S.P.Q.2d at 1660.

[290] 206 F.3d 161, 54 U.S.P.Q.2d (BNA) 1032 (2d Cir. 2000).

[291] *Id.* at 165, 54 U.S.P.Q.2d at 1034.

[292] 17 U.S.C. § 201(c).

[293] *Tasini*, 206 F.3d at 165, 54 U.S.P.Q.2d at 1035.

[294] *Id.*

[295] *Id.* at 167-68, 54 U.S.P.Q.2d at 1036-37.

[296] *Id.* at 168, 54 U.S.P.Q.2d at 1037 (citing Commissioner v. Clark, 489 U.S. 726, 739 (1989)).

[297] New York Times Co. v. Tasini, 2000 U.S. LEXIS 7321 (2000).

[298] 244 B.R. 149, 54 U.S.P.Q.2d (BNA)1329 (N.D. Cal. 1999).

[299] 116 B.R. 194, 16 U.S.P.Q.2d (BNA) 1017 (C.D.Cal.1990).

[300] *See World Auxiliary*, 244 B.R. at 151-52, 54 U.S.P.Q.2d at 1331.

[301] *Peregrine*, 116 B.R. at 198-99, 16 U.S.P.Q.2d at 1019.

[302] *Id.* at 205, 16 U.S.P.Q.2d 1024.

[303] *World Auxiliary*, 244 B.R. at 152, 54 U.S.P.Q.2d at 1331.

[304] *Id.* at 154, 54 U.S.P.Q.2d 1333.

[305] *Id.*

[306] *Id.*

[307] *Id.* at 154-55, 54 U.S.P.Q.2d at 1333.

[308] *Id.* at 155, 54 U.S.P.Q.2d at 1333.

[309] Pursuant to the Berne Convention's prohibition of imposing such formalities, the Copyright Act does not require registration as a condition of copyright protection. See 17 U.S.C. § 408(a) (providing that "registration is not a condition of copyright protection"). However, owners of works of U.S. origin must register the work before filing suit for infringement. 17 U.S.C. § 411(a). Moreover, for all works, attorneys fees and statutory damages are available only if the work was registered prior to infringement (although published works enjoy a three-month grace period to register after first publication). 17 U.S.C. § 412.
Of possible interest—and contrast—the Ninth Circuit recently ruled that the existence of a filing system in the U.S. Patent and Trademark Office for recording assignments and security interests does not preempt state law regarding perfection of security interests in patents since (1) the Patent Act does not include security interests within any of its scope or definition provisions, (2) security interests in patents are not "assignments" governed by the Patent Act's mandatory recording provisions, (3) the PTO records security interests on discretionary basis and such recording does not provide constructive notice, and (4) the Patent Act is silent regarding rights of lien claimants with competing claims to patent. As a result, the court concluded, the Patent Act is insufficiently comprehensive to exclude state methods of perfecting security interests in patents. In re Cybernetic Services Inc., 52 U.S.P.Q.2d (BNA) 1683 (Bankr. 9th Cir. 1999).

[310] *See* In re AEG Acquisition Corp., 127 B.R. 34 n.9 (Bankr. C.D. Cal. 1991), *aff'd*, 161 B.R. 50, 58 (Bankr. 9th Cir. 1993); In re Avalon, 209 B.R. 517 (Bankr. D. Ariz. 1997).

[311] In re AEG Acquisition Corp., 161 B.R. at 57-58.

[312] 201 F.3d 50, 53 U.S.P.Q.2d (BNA) 1253 (2d Cir. 1999).

[313] *Id.* at 58, 53 U.S.P.Q.2d at 1258-59.

[314] *Id.* at 55, 53 U.S.P.Q.2d at 1257.

[315] *Id.* at 53, 53 U.S.P.Q.2d at 1256.

[316] *Id.* at 55, 53 U.S.P.Q.2d at 1257.

[317] *Id.* at 54, 53 U.S.P.Q.2d at 1256.

[318] 202 F.3d 1227, 53 U.S.P.Q.2d (BNA) 1661 (9th Cir. 2000).

[319] *Id.* at 1236, 53 U.S.P.Q.2d at 1667.

[320] *Id.* at 1231, 53 U.S.P.Q.2d at 1663; *see also* 17 U.S.C. § 101 (definition of "joint work").

[321] *See* Erickson v. Trinity Theatre, Inc., 13 F.3d 1061, 1069-71, 29 U.S.P.Q.2d (BNA) 1347, 1351-54 (7th Cir. 1994); Childress v. Taylor, 945 F.2d 500, 506, 20 U.S.P.Q.2d (BNA) 1191, 1195 (2d Cir. 1991).

[322] *Aalmuhammed*, 202 F.3d at 1232, 53 U.S.P.Q.2d at 1663-64 (citing Ashton-Tate Corp. v. Ross, 916 F.2d 516, 521, 16 U.S.P.Q.2d (BNA) 1541 (9th Cir. 1990)).

[323] *Id.*, 53 U.S.P.Q.2d at 1663.

[324] *Id.* at 1232-35, 53 U.S.P.Q.2d at 1664-66.

[325] *Id.* at 1234, 53 U.S.P.Q.2d at 1666.

[326] *Id.* at 1233, 53 U.S.P.Q.2d at 1665.

[327] *Id.* (citing Thomson v. Larson, 147 F.3d 195, 47 U.S.P.Q.2d (BNA) 1065 (2nd Cir. 1998); Erickson v. Trinity Theatre, Inc., 13 F.3d 1061, 29 U.S.P.Q.2d (BNA) 1347 (7th Cir. 1994); Childress v. Taylor, 945 F.2d 500, 20 U.S.P.Q.2d (BNA) 1191 (2d Cir. 1991)).

[328] *Id.* at 1234, 53 U.S.P.Q.2d at 1665.

[329] *See, e.g.*, Childress v. Taylor, 945 F.2d 500, 507, 20 U.S.P.Q.2d (BNA) 1191, 1196 (2d Cir. 1991).

[330] *Aalmuhammed*, 202 F.3d at 1235-36, 53 U.S.P.Q.2d at 1667.

[331] 197 F.3d 1256, 53 U.S.P.Q.2d (BNA) 1032 (9th Cir. 1999).

[332] *Id.* at 1257, 53 U.S.P.Q.2d at 1033.

[333] *Id.*, 53 U.S.P.Q.2d at 1032.

[334] *Id.* at 1258, 53 U.S.P.Q.2d at 1034.

[335] *Id.* at 1259, 53 U.S.P.Q.2d at 1034.

[336] *Id.* (citing Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 344, 18 U.S.P.Q.2d (BNA) 1275 (1991)).

[337] *Id.*

[338] *Id.*

[339] *Id* at 1260, 53 U.S.P.Q.2d at 1034.

[340] *Id.*, 53 U.S.P.Q.2d at 1035.

[341] *See* CCC Info. Servs., Inc. v. Maclean Hunter Market Reports, 44 F.3d 61, 63, 33 U.S.P.Q.2d (BNA) 1183, 1184 (2d Cir. 1994).

[342] *See id.* at 67, 33 U.S.P.Q.2d at 1187-1188.

[343] *See id.* at 67-68, 33 U.S.P.Q.2d at 1188.

[344] *See id.* at 66-67, 33 U.S.P.Q.2d at 1187-88.

[345] *CDN*, 197 F.3d at 1260, 53 U.S.P.Q.2d at 1033.

[346] *See id.*

[347] *See id.*

[348] 53 U.S.P.Q.2d (BNA) 2021 (S.D.N.Y. 2000).

[349] Boosey & Hawkes Music Publishers Ltd. v. Walt Disney Co., 145 F.3d 481, 484, 46 U.S.P.Q.2d 1577, 1578 (2d Cir. 1998).

[350] *Id.* at 492, 46 U.S.P.Q.2d at 1585 (2d Cir. 1998).

[351] *Id.* at 491, 46 U.S.P.Q.2d at 1584.

[352] *Boosey & Hawkes*, 53 U.S.P.Q.2d at 2022.

[353] *Id.* at 2022.

[354] FED. R. CIV. P. 44.1.

[355] *Boosey & Hawkes*, 53 U.S.P.Q.2d at 2022.

[356] *Id.* For a comparison of moral rights under U.S. and Continental law, see Neil Netanel, *Alienability Restrictions and the Enhancement of Author Autonomy in United States and Continental Copyright Law*, 12 CARDOZO ARTS & ENT. L.J. 1 (1994).

[357] *Boosey & Hawkes*, 53 U.S.P.Q.2d at 2023.

358 *Id.*

359 *Id.*

360 *Id.*

361 *Id.*

362 *Id.* (quoting Bournias v. Atlantic Maritime Co., 220 F.2d 152, 154 (2d Cir. 1955)).

363 *Id.*

364 28 U.S.C. §§ 1332 (diversity jurisdiction), 1367 (supplemental jurisdiction). *But see* 3 NIMMER & NIMMER, *supra* note 95, § 17.03 (contending that since copyright is a transitory cause of action, state courts in the United States have jurisdiction to hear claims of foreign copyright infringement).

365 *See* Allarcom Pay Television, Ltd. v. General Instrument Corp., 69 F.3d 381, 36 USPQ2d 1654 (9th Cir. 1995).

366 91 F. Supp. 2d 628, 54 U.S.P.Q.2d (BNA) 1539 (S.D.N.Y. 2000).

367 *Id.* at 630, 54 U.S.P.Q.2d at 1541.

368 *Id.* at 636, 54 U.S.P.Q.2d at 1545.

369 *Id.*

370 *Id.* at 637-38, 54 U.S.P.Q.2d at 1546.

371 53 U.S.P.Q.2d (BNA) 1831 (W.D. Pa. 2000) (consolidated with Twentieth Century Fox Film Corp. v. iCraveTV).

372 *Id.* at 1834.

373 *Id.*

374 *Id.* at 1834-35 (citing Los Angeles News Service v. Conus Communications Company, 969 F. Supp. 579 (C.D. Cal. 1997)).

375 *Id.*

376 211 F.3d 10 (2d Cir. 2000).

[377] *Id.* at 12.

[378] *Id.* at 13.

[379] 693 F.2d 622, 624-25 (7th Cir. 1982).

[380] 69 F.3d 381, 387 (9th Cir. 1995).

[381] *National Football League*, 211 F.3d at 13.

[382] *See* Subafilms, Ltd. v. MGM-Pathe Communications Co., 24 F.3d 1088, 1095-98, 30 U.S.P.Q.2d (BNA) 1746 (9th Cir. 1994) (citing EEOC v. Arabian American Oil Co. (Aramco), 499 U.S. 244 (1991)).

[383] Report of the W.T.O. Panel, *United States—Section 110(5) of the U.S. Copyright Act*, WT/DS160/R (June 15, 2000), 2000 WL 816081. *See also* United States—Section 110(5) of the U.S. Copyright Act, WT/DS160/8 (July 31, 2000), 2000 WL 1126746 (adopting the report of the W.T.O. Panel).

[384] TRIPS came into effect on January 1, 1995, as part of the agreement that established the WTO and substantially revamped the General Agreement on Tariffs and Trade ("GATT"). *See* Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization [hereinafter WTO Agreement], Annex 1C, LEGAL INSTRUMENTS—RESULTS OF THE URUGUAY ROUND vol. 31; 33 I.L.M. 81 (1994) [[hereinafter TRIPS].

[385] *See* Report of the W.T.O. Panel, *supra* note 383, at 64.

[386] Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, *as last revised* July 24, 1971, S. TREATY DOC. NO. 99-27 (1986), 828 U.N.T.S. 221 [hereinafter Berne Convention].

[387] *See* TRIPS, *supra* note 384, art. 9(1).

[388] 17 U.S.C. § 110(5)(A).

[389] Fairness in Music Licensing Act of 1998, Pub. L. No. 105-298, 202-205, 112 Stat. 2827, 2830-2834 (codified at 17 U.S.C. §§ 110, 512).

[390] 17 U.S.C. § 110(5)(B).

[391] *Id.*

[392] *See* Report of the W.T.O. Panel, *supra* note 383, at 8.

[393] *Id.* at paras. 6.47-6.55, 6.60-6.66.

[394] *Id.* at para. 6.94.

[395] TRIPS, *supra* note 384, art. 13.

[396] *Id.* at para. 6.133.

[397] *Id.* at paras. 6.133 (special case), 6.211 (normal exploitation), 6.266 (legitimate interests of the rights holder).

[398] Civil Appeal Nos. 2790/93, 2811/93 (Israel S. Ct. 2000) (as yet unpublished opinion on file with author).

[399] *Id.* at 14-15.

[400] *Id.* at 3.

[401] *Id.* at 5-6.

[402] The district court had held that U.S. law governed the question of copyrightability and infringement since the acts of infringement occurred in the United States, but nevertheless applied Israeli copyright law on the evidentiary presumption that, absent evidence to the contrary, it is the essential equivalent of U.S. copyright law. Kimron v. Shanks, (1993) 69 (3) P.M. 10, 21-22 (District Court of Jerusalem). The Supreme Court found that a number of copies of defendants' book had been sold in Israel and thus applied Israeli copyright law directly. *Shanks*, at 15-16.

[403] *Id.* at 14 (my translation).

[404] *Id.* at 15-16.

[405] *Id.*