

# **Copyright Law**

**TENTH EDITION**

**2017 SUPPLEMENT**

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Durham, North Carolina

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## Chapter 2

# **PREREQUISITES FOR COPYRIGHT PROTECTION**

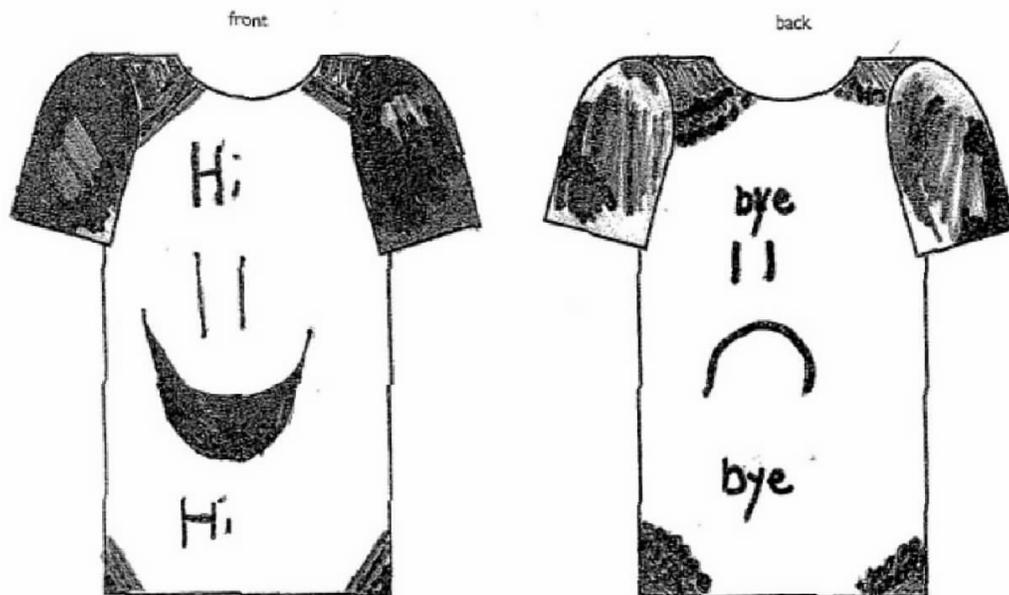
## **§ 2.02 ORIGINALITY**

### **[C] Originality in the New Millennium**

**USAGE:** On page 111, ADD the following text before Note (6):

(5A) Compare *Meshwerks* with *Home Legend, LLC v. Mannington Mills, Inc.*, 784 F.3d 1404 (11th Cir. 2015), which involved a digital photograph of a traditional wooden floor. Starting with a large number of wooden planks, Mannington employees had 1) added gouges, dents, nail holes, ripples, “chatter marks,” and other surface imperfections to the planks by hand; 2) applied stains of various colors, and added shadows and dark spots; 3) selected 30 of the planks and scanned them; 4) digitally retouched the resulting scans; and 5) selected 15 of the scans and combined them into the final photo. The court held that because Mannington had imagined what a distressed wooden floor might look like, instead of photographing an existing floor, the digital photo was sufficiently “original” to qualify for copyright protection.

(5B) Do you think the following t-shirt design is sufficiently original to qualify for copyright protection? Why or why not? See *I.C. ex rel. Solovsky v. Delta Galil USA*, 135 F. Supp. 3d 196 (S.D.N.Y. 2015).



## **[E] The Merger Doctrine**

**USAGE:** On page 122, SUBSTITUTE the following for the text of Note (2):

(2) *Rules and games.* In *Morrissey*, the plaintiff’s sweepstakes rule was held unprotectible not because its expression manifested insufficient originality, but because that expression was too closely tied to the underlying idea. *See also Allen v. Academic Games League of America, Inc.*, 89 F.3d 614 (9th Cir. 1996) (the merger doctrine “is particularly applicable with respect to games since they consist of abstract rules and play ideas”); *DaVinci Editrice, S.R.L. v. ZiKo Games, LLC*, 183 F. Supp. 2d 820 (S.D. Tex. 2016) (rules of role-playing card game are not protected).

**USAGE:** On page 122, SUBSTITUTE the following for the text of Note (4):

(4) *Recipes.* Recipes have long tried our understanding of the idea/expression distinction. How many different (and effective) ways are there in which to describe the preparation of a particular dish? *Compare Lorenzana v. South American Restaurants Corp.*, 799 F.3d 31 (1st Cir. 2015) (individual recipes are not protected under § 102(b)); *Publications Int’l, Ltd. v. Meredith Corp.*, 88 F.3d 473 (7th Cir. 1996) (same), *with Barbour v. Head*, 178 F. Supp. 2d 758 (S.D. Tex. 2001) (declining to grant summary judgment to defendants). The latter case also illustrates the dangers of relying too heavily on the Internet, which apparently is where the defendants had found the plaintiffs’ uncredited recipes.

## **§ 2.03 OTHER PRELIMINARY CONSIDERATIONS**

### **[B] U.S. Government Works**

**USAGE:** On page 131, SUBSTITUTE the following for the text of the second full paragraph:

Certain types of government works, however, are part of the public domain and cannot be subject to copyright ownership by any government, whether state or federal — the most important being statutes and ordinances that are, themselves, the law. For example, in *Georgia v. Harrison Co.*, 548 F. Supp. 110 (N.D. Ga. 1982), the court held that a new codification of Georgia statutes was not subject to copyright, in part because citizens must have free access to the laws governing them. The same logic holds for judicial opinions. *See Banks v. Manchester*, 128 U.S. 244 (1888); Patterson & Joyce, *Monopolizing the Law: The Scope of Copyright Protection for Law Reports and Statutory Compilations*, 36 UCLA L. Rev. 719 (1989). Annotations summarizing judicial opinions, however, are copyrightable, even when published in an official compilation. *Code Revision Comm’n v. Public.Resource.Org, Inc.*, 122 U.S.P.Q.2d 1350 (N.D. Ga. 2017).

## Chapter 3

### **WORKS OF AUTHORSHIP**

#### **§ 3.01 ORIGINAL WORKS OF AUTHORSHIP UNDER § 102**

##### **[B] Literary Works, Including Computer Software**

**USAGE:** On page 145, SUBSTITUTE the following for the first paragraph of Note (5):

(5) Besides ideas, facts, systems and so forth, are there other elements of a copyrighted work that should not be protected by the copyright on the work as a whole? What about protection for a distinct literary or pictorial *style*, which can represent an author’s or an artist’s most valuable innovation? See *Hayuk v. Starbucks Corp.*, 157 F. Supp. 3d 285 (S.D.N.Y. 2016) (artist’s style, consisting of colored rays arranged in geometric patterns, is not protectible). And what about titles? The regulations of the Copyright Office, at 37 C.F.R. § 202.1(a), state that “words and short phrases such as names, titles and slogans” are not “subject to copyright,” and generally speaking the courts have gone along. Why not protect short phrases by copyright?

##### **[C] Pictorial, Graphic and Sculptural Works**

**USAGE:** On pages 177-196, SUBSTITUTE the following for the *Pivot Point* case and the Notes and Questions that follow:

##### **Star Athletica, LLC v. Varsity Brands, Inc.**

Supreme Court of the United States  
\_\_\_ U.S. \_\_\_, 137 S.Ct. \_\_\_ (2017)

Justice THOMAS delivered the opinion of the Court.

Congress has provided copyright protection for original works of art, but not for industrial designs. The line between art and industrial design, however, is often difficult to draw. This is particularly true when an industrial design incorporates artistic elements. Congress has afforded limited protection for these artistic elements by providing that “pictorial, graphic, or sculptural features” of the “design of a useful article” are eligible for copyright protection as artistic works if those features “can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.” 17 U.S.C. §101.

We granted certiorari to resolve widespread disagreement over the proper test for implementing §101’s separate-identification and independent-existence requirements. . . . We hold that a feature incorporated into the design of a useful article is eligible for copyright protection only if the feature (1) can be perceived as a two- or three-dimensional work of art separate from the useful article and (2) would qualify as a protectable pictorial, graphic, or sculptural work — either on its own or fixed in some other tangible medium of expression — if it were imagined separately from the useful article into which it is incorporated. Because that test is satisfied in this case, we affirm.

## I

Respondents Varsity Brands, Inc., [and related companies] design, make, and sell cheerleading uniforms. Respondents have obtained or acquired more than 200 U.S. copyright registrations for two-dimensional designs appearing on the surface of their uniforms and other garments. These designs are primarily “combinations, positionings, and arrangements of elements” that include “chevrons . . . , lines, curves, stripes, angles, diagonals, inverted [chevrons], coloring, and shapes.” . . .

Petitioner Star Athletica, LLC, also markets and sells cheerleading uniforms. Respondents sued petitioner for infringing their copyrights in the five designs. . . .

## II

. . . The Copyright Act . . . establishes a special rule for copyrighting a pictorial, graphic, or sculptural work incorporated into a “useful article,” which is defined as “an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.” [§ 101] The statute does not protect useful articles as such. Rather, “the design of a useful article” is “considered a pictorial, graphical, or sculptural work only if, and only to the extent that, such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.” *Ibid.*

In this case, our task is to determine whether the arrangements of lines, chevrons, and colorful shapes appearing on the surface of respondents’ cheerleading uniforms are eligible for copyright protection as separable features of the design of those cheerleading uniforms. . . .

### B.

We must . . . decide when a feature incorporated into a useful article “can be identified separately from” and is “capable of existing independently of” “the utilitarian aspects” of the article. This is not a free-ranging search for the best copyright policy, but rather “depends solely on statutory interpretation.” *Mazer v. Stein*, 347 U.S. 201, 214 (1954). “The controlling principle in this case is the basic and unexceptional rule that courts must give effect to the clear meaning of statutes as written.” . . . We thus begin and

end our inquiry with the text, giving each word its “ordinary, contemporary, common meaning.” . . .



Design 299A

Design 299B



Design 074



Design 078



Design 0815

1.

The statute provides that a “pictorial, graphic, or sculptural featur[e]” incorporated into the “design of a useful article” is eligible for copyright protection if it (1) “can be identified separately from,” and (2) is “capable of existing independently of, the utilitarian aspects of the article.” §101. The first requirement — separate identification — is not onerous. The decisionmaker need only be able to look at the useful article and spot some two- or three-dimensional element that appears to have pictorial, graphic, or sculptural qualities. . . .

The independent-existence requirement is ordinarily more difficult to satisfy. The decisionmaker must determine that the separately identified feature has the capacity to exist apart from the utilitarian aspects of the article. . . . In other words, the feature must be able to exist as its own pictorial, graphic, or sculptural work as defined in §101 once it is imagined apart from the useful article. If the feature is not capable of existing as a pictorial, graphic, or sculptural work once separated from the useful article, then it was not a pictorial, graphic, or sculptural feature of that article, but rather one of its utilitarian aspects.

Of course, to qualify as a pictorial, graphic, or sculptural work on its own, the feature cannot itself be a useful article or “[a]n article that is normally a part of a useful article” (which is itself considered a useful article). §101. Nor could someone claim a copyright in a useful article merely by creating a replica of that article in some other medium—for example, a cardboard model of a car. Although the replica could itself be copyrightable, it would not give rise to any rights in the useful article that inspired it.

2.

The statute as a whole confirms our interpretation. The Copyright Act provides “the owner of [a] copyright” with the “exclusive righ[t] ... to reproduce the copyrighted work in copies.” § 106(1). The statute clarifies that this right “includes the right to reproduce the [copyrighted] work in or on any kind of article, whether useful or otherwise.” § 113(a). Section 101 is, in essence, the mirror image of § 113(a). Whereas § 113(a) protects a work of authorship first fixed in some tangible medium other than a useful article and subsequently applied to a useful article, § 101 protects art first fixed in the medium of a useful article. The two provisions make clear that copyright protection extends to pictorial, graphic, and sculptural works regardless of whether they were created as freestanding art or as features of useful articles. The ultimate separability question, then, is whether the feature for which copyright protection is claimed would have been eligible for copyright protection as a pictorial, graphic, or sculptural work had it originally been fixed in some tangible medium other than a useful article before being applied to a useful article.

3.

This interpretation is also consistent with the history of the Copyright Act. [Here, the Court discusses *Mazer v. Stein*, 347 U.S. 201 (1954).] . . .

Shortly thereafter, the Copyright Office enacted a regulation implementing the holdings of *Mazer*. As amended, the regulation introduced the modern separability test to copyright law:

“If the sole intrinsic function of an article is its utility, the fact that the article is unique and attractively shaped will not qualify it as a work of art. However, if the shape of a utilitarian article incorporates features, such as artistic sculpture, carving, or pictorial representation, which can be identified separately and are capable of existing independently as a work of art, such features will be eligible for registration.” 37 C.F.R. § 202.10(c) (1960) (punctuation altered).

Congress essentially lifted the language governing protection for the design of a useful article directly from the post-*Mazer* regulations and placed it into § 101 of the 1976 Act. Consistent with *Mazer*, the approach we outline today interprets §§ 101 and 113 in a way that would afford copyright protection to the statuette in *Mazer* regardless of whether it was first created as a standalone sculptural work or as the base of the lamp. .

..

C.

In sum, a feature of the design of a useful article is eligible for copyright if, when identified and imagined apart from the useful article, it would qualify as a pictorial, graphic, or sculptural work either on its own or when fixed in some other tangible medium.

Applying this test to the surface decorations on the cheerleading uniforms is straightforward. First, one can identify the decorations as features having pictorial, graphic, or sculptural qualities. Second, if the arrangement of colors, shapes, stripes, and chevrons on the surface of the cheerleading uniforms were separated from the uniform and applied in another medium — for example, on a painter’s canvas — they would qualify as “two-dimensional . . . works of . . . art,” §101. And imaginatively removing the surface decorations from the uniforms and applying them in another medium would not replicate the uniform itself. Indeed, respondents have applied the designs in this case to other media of expression — different types of clothing — without replicating the uniform. The decorations are therefore separable from the uniforms and eligible for copyright protection.<sup>1</sup>

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<sup>1</sup> We do not today hold that the surface decorations are copyrightable. We express no opinion on whether these works are sufficiently original to qualify for copyright protection, . . . or on whether any other prerequisite of a valid copyright has been satisfied.

The dissent argues that the designs are not separable because imaginatively removing them from the uniforms and placing them in some other medium of expression — a canvas, for example — would create “pictures of cheerleader uniforms.” Petitioner similarly argues that the decorations cannot be copyrighted because, even when extracted from the useful article, they retain the outline of a cheerleading uniform.

This is not a bar to copyright. Just as two-dimensional fine art corresponds to the shape of the canvas on which it is painted, two-dimensional applied art correlates to the contours of the article on which it is applied. A fresco painted on a wall, ceiling panel, or dome would not lose copyright protection, for example, simply because it was designed to track the dimensions of the surface on which it was painted. Or consider, for example, a design etched or painted on the surface of a guitar. If that entire design is imaginatively removed from the guitar’s surface and placed on an album cover, it would still resemble the shape of a guitar. But the image on the cover does not “replicate” the guitar as a useful article. Rather, the design is a two-dimensional work of art that corresponds to the shape of the useful article to which it was applied. The statute protects that work of art whether it is first drawn on the album cover and then applied to the guitar’s surface, or vice versa. Failing to protect that art would create an anomaly: It would extend protection to two-dimensional designs that cover a part of a useful article but would not protect the same design if it covered the entire article. The statute does not support that distinction, nor can it be reconciled with the dissent’s recognition that “artwork printed on a t-shirt” could be protected.

To be clear, the only feature of the cheerleading uniform eligible for a copyright in this case is the two-dimensional work of art fixed in the tangible medium of the uniform fabric. Even if respondents ultimately succeed in establishing a valid copyright in the surface decorations at issue here, respondents have no right to prohibit any person from manufacturing a cheerleading uniform of identical shape, cut, and dimensions to the ones on which the decorations in this case appear. They may prohibit only the reproduction of the surface designs in any tangible medium of expression — a uniform or otherwise.<sup>2</sup> . . .

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<sup>2</sup> The dissent suggests that our test would lead to the copyrighting of shovels. But a shovel, like a cheerleading uniform, even if displayed in an art gallery, is “an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information.” 17 U.S.C. §101. It therefore cannot be copyrighted. A drawing of a shovel could, of course, be copyrighted. And, if the shovel included any artistic features that could be perceived as art apart from the shovel, and which would qualify as protectable pictorial, graphic, or sculptural works on their own or in another medium, they too could be copyrighted. But a shovel as a shovel cannot.

D.

Petitioner and the Government raise several objections to the approach we announce today. None is meritorious.

1.

Petitioner first argues that our reading of the statute is missing an important step. It contends that a feature may exist independently only if it can stand alone as a copyrightable work *and* if the useful article from which it was extracted would remain equally useful. In other words, copyright extends only to “solely artistic” features of useful articles. According to petitioner, if a feature of a useful article “advance[s] the utility of the article,” then it is categorically beyond the scope of copyright. The designs here are not protected, it argues, because they are necessary to two of the uniforms’ “inherent, essential, or natural functions”—identifying the wearer as a cheerleader and enhancing the wearer’s physical appearance. Because the uniforms would not be equally useful without the designs, petitioner contends that the designs are inseparable from the “utilitarian aspects” of the uniform.

The Government suggests that the appropriate test is whether the useful article with the artistic feature removed would “remain similarly useful.” In the view of the United States, however, a plain white cheerleading uniform is “similarly useful” to uniforms with respondents’ designs.

The debate over the relative utility of a plain white cheerleading uniform is unnecessary. The focus of the separability inquiry is on the extracted feature and not on any aspects of the useful article that remain after the imaginary extraction. The statute does not require the decisionmaker to imagine a fully functioning useful article without the artistic feature. Instead, it requires that the separated feature qualify as a nonuseful pictorial, graphic, or sculptural work on its own.

Of course, because the removed feature may not be a useful article — as it would then not qualify as a pictorial, graphic, or sculptural work — there necessarily would be some aspects of the original useful article “left behind” if the feature were conceptually removed. But the statute does not require the imagined remainder to be a fully functioning useful article at all, much less an equally useful one. Indeed, such a requirement would deprive the *Mazer* statuette of protection had it been created first as a lamp base rather than as a statuette. Without the base, the “lamp” would be just a shade, bulb, and wires. The statute does not require that we imagine a nonartistic replacement for the removed feature to determine whether that feature is capable of an independent existence.

Petitioner’s argument follows from its flawed view that the statute protects only “solely artistic” features that have no effect whatsoever on a useful article’s utilitarian function. This view is inconsistent with the statutory text. The statute expressly protects

two- and three-dimensional “applied art.” § 101. “Applied art” is art “employed in the decoration, design, or execution of useful objects,” Webster’s Third New International Dictionary 105 (1976) (emphasis added), or “those arts or crafts that have a *primarily utilitarian function*, or ... the designs and decorations used in these arts,” Random House Dictionary 73 (1966) (emphasis added). . . . An artistic feature that would be eligible for copyright protection on its own cannot lose that protection simply because it was first created as a feature of the design of a useful article, even if it makes that article more useful. . . .

Because we reject the view that a useful article must remain after the artistic feature has been imaginatively separated from the article, we necessarily abandon the distinction between “physical” and “conceptual” separability, which some courts and commentators have adopted based on the Copyright Act’s legislative history. *See* H.R. Rep. No. 94–1476, p. 55 (1976). According to this view, a feature is *physically* separable from the underlying useful article if it can “be physically separated from the article by ordinary means while leaving the utilitarian aspects of the article completely intact.” Compendium [of Copyright Office Practices (3d ed. 2015) § 924.2(A). . . . *Conceptual* separability applies if the feature physically could not be removed from the useful article by ordinary means. *See* Compendium § 924.2(B). . . .

The statutory text indicates that separability is a conceptual undertaking. Because separability does not require the underlying useful article to remain, the physical-conceptual distinction is unnecessary.

2.

Petitioner next argues that we should incorporate two “objective” components into our test to provide guidance to the lower courts: (1) “whether the design elements can be identified as reflecting the designer’s artistic judgment exercised independently of functional influence,” and (2) whether “there is [a] substantial likelihood that the pictorial, graphic, or sculptural feature would still be marketable to some significant segment of the community without its utilitarian function.”

We reject this argument because neither consideration is grounded in the text of the statute. . . . The statute’s text makes clear . . . that our inquiry is limited to how the article and feature are perceived, not how or why they were designed. *See Brandir Int’l, Inc. v. Cascade Pacific Lumber Co.*, 834 F. 2d 1142, 1152 (2d Cir. 1987) (Winter, J., concurring in part and dissenting in part) (The statute “expressly states that the legal test is how the final article is perceived, not how it was developed through various stages”).

The same is true of marketability. Nothing in the statute suggests that copyrightability depends on market surveys. Moreover, asking whether some segment of the market would be interested in a given work threatens to prize popular art over other forms, or to substitute judicial aesthetic preferences for the policy choices embodied in the Copyright Act. . . .

3.

Finally, petitioner argues that allowing the surface decorations to qualify as a “work of authorship” is inconsistent with Congress’ intent to entirely exclude industrial design from copyright. Petitioner notes that Congress refused to pass a provision that would have provided limited copyright protection for industrial designs, including clothing, when it enacted the 1976 Act ... and that it has enacted laws protecting designs for specific useful articles — semiconductor chips and boat hulls — while declining to enact other industrial design statutes. From this history of failed legislation petitioner reasons that Congress intends to channel intellectual property claims for industrial design into design patents. It therefore urges us to approach this question with a presumption against copyrightability.

We do not share petitioner’s concern. As an initial matter, “[c]ongressional inaction lacks persuasive significance” in most circumstances. . . . Moreover, we have long held that design patent and copyright are not mutually exclusive. . . . Congress has provided for limited copyright protection for certain features of industrial design, and approaching the statute with presumptive hostility toward protection for industrial design would undermine Congress’ choice. In any event, as explained above, our test does not render the shape, cut, and physical dimensions of the cheerleading uniforms eligible for copyright protection.

III.

We hold that an artistic feature of the design of a useful article is eligible for copyright protection if the feature (1) can be perceived as a two- or three-dimensional work of art separate from the useful article and (2) would qualify as a protectable pictorial, graphic, or sculptural work either on its own or in some other medium if imagined separately from the useful article. Because the designs on the surface of respondents’ cheerleading uniforms in this case satisfy these requirements, the judgment of the Court of Appeals is affirmed.

Justice GINSBURG, concurring in the judgment.

I concur in the Court’s judgment but not in its opinion. Unlike the majority, I would not take up in this case the separability test appropriate under 17 U.S.C. § 101. Consideration of that test is unwarranted because the designs at issue are not designs *of* useful articles. Instead, the designs are themselves copyrightable pictorial or graphic works *reproduced on* useful articles....

The designs here in controversy are standalone pictorial and graphic works that respondents Varsity Brands ... reproduce on cheerleading uniforms. Varsity’s designs

first appeared as pictorial and graphic works that Varsity’s design team sketched on paper. Varsity then sought copyright protection for those two-dimensional designs, not for cheerleading costumes; its registration statements claimed “2-Dimensional artwork” and “fabric design (artwork).” Varsity next reproduced its two-dimensional graphic designs on cheerleading uniforms, also on other garments, including T-shirts and jackets.

In short, Varsity’s designs . . . are standalone PGS works that may gain copyright protection as such, including the exclusive right to reproduce the designs on useful articles.

Justice BREYER, with whom Justice KENNEDY joins, dissenting.

I agree with much in the Court’s opinion. But I do not agree that the designs that Varsity Brands, Inc., submitted to the Copyright Office are eligible for copyright protection. Even applying the majority’s test, the designs cannot “be perceived as . . . two- or three-dimensional work[s] of art separate from the useful article.”

Look at the designs that Varsity submitted to the Copyright Office. You will see only pictures of cheerleader uniforms. And cheerleader uniforms are useful articles. A picture of the relevant design features, whether separately “perceived” on paper or in the imagination, is a picture of, and thereby “replicate[s],” the underlying useful article of which they are a part. Hence the design features that Varsity seeks to protect are not “capable of existing independently o[f] the utilitarian aspects of the article.” 17 U.S.C. §101.

## I

. . . Consider . . . the explanation that the House Report for the Copyright Act of 1976 provides. It says:

“Unless the shape of an automobile, airplane, ladies’ dress, food processor, television set, or any other industrial product contains some element that, *physically or conceptually*, can be identified as separable from the utilitarian aspects of that article, the design would not be copyrighted . . . .” H. R. Rep. [94-1476], at 55 [(1976)] (emphasis added).

These words suggest two exercises, one physical, one mental. Can the design features (the picture, the graphic, the sculpture) be physically removed from the article (and considered separately), all the while leaving the fully functioning utilitarian object in place? If not, can one nonetheless conceive of the design features separately without replicating a picture of the utilitarian object? If the answer to either of these questions is “yes,” then the design is eligible for copyright protection. Otherwise, it is not. . . .

An example will help. Imagine a lamp with a circular marble base, a vertical 10-inch tall brass rod (containing wires) inserted off center on the base, a light bulb fixture emerging from the top of the brass rod, and a lampshade sitting on top. In front of the brass rod a porcelain Siamese cat sits on the base facing outward. Obviously, the Siamese cat is physically separate from the lamp, as it could be easily removed while leaving both cat and lamp intact. And, assuming it otherwise qualifies, the designed cat is eligible for copyright protection.

Now suppose there is no long brass rod; instead the cat sits in the middle of the base and the wires run up through the cat to the bulbs. The cat is not physically separate from the lamp, as the reality of the lamp's construction is such that an effort to physically separate the cat and lamp will destroy both cat and lamp. . . . But we can easily imagine the cat on its own, as did Congress when conceptualizing the ballet dancer [in *Mazer*]. . . .



Fig. 1



Fig. 2

By way of contrast, Van Gogh's painting of a pair of old shoes, though beautifully executed and copyrightable as a painting, would not qualify for a shoe design copyright. Courts have similarly denied copyright protection to objects . . . such as measuring spoons shaped like heart-tipped arrows, candleholders shaped like sailboats, and wire spokes on a wheel cover. None of these designs could qualify for copyright protection that would prevent others from selling spoons, candleholders, or wheel covers with the

same design. Why not? Because in each case the design is not separable from the utilitarian aspects of the object to which it relates. . . .

. . . The law has long recognized that drawings or photographs of real world objects are copyrightable as drawings or photographs, but the copyright does not give protection against others making the underlying useful objects. That is why a copyright on Van Gogh’s painting would prevent others from reproducing that painting, but it would not prevent others from reproducing and selling the comfortable old shoes that the painting depicts. Indeed, the purpose of § 113(b) [is] to ensure that “copyright in a pictorial, graphic, or sculptural work, portraying a useful article as such, does not extend to the manufacture of the useful article itself.” H.R. Rep., at 105. . . .

#### IV.

If we ask the “separateness” question correctly, the answer here is not difficult to find. The majority’s opinion . . . depicts the cheerleader dress designs that Varsity submitted to the Copyright Office. Can the design features in Varsity’s pictures exist separately from the utilitarian aspects of a dress? Can we extract those features as copyrightable design works standing alone, without bringing along . . . the dresses of which they constitute a part?

Consider designs 074, 078, and 0815. They certainly look like cheerleader uniforms. That is to say, they look like pictures of cheerleader uniforms, just like Van Gogh’s old shoes look like shoes. I do not see how one could see them otherwise. Designs 299A and 299B present slightly closer questions. They omit some of the dresslike context that the other designs possess. But the necklines, the sleeves, and the cut of the skirt suggest that they too are pictures of dresses. Looking at all five of Varsity’s pictures, I do not see how one could conceptualize the design features in a way that does not picture, not just artistic designs, but dresses as well.

Were I to accept the majority’s invitation to “imaginatively remov[e]” the chevrons and stripes as they are arranged on the neckline, waistline, sleeves, and skirt of each uniform, and apply them on a “painter’s canvas,” that painting would be of a cheerleader’s dress. The esthetic elements on which Varsity seeks protection exist only as part of the uniform design — there is nothing to separate out but for dress-shaped lines that replicate the cut and style of the uniforms. Hence, each design is not physically separate, nor is it conceptually separate, from the useful article it depicts, namely, a cheerleader’s dress. They cannot be copyrighted.

Varsity, of course, could have sought a design patent for its designs. Or, it could have sought a copyright on a textile design, even one with a similar theme of chevrons and lines.

But that is not the nature of Varsity’s copyright claim. It has instead claimed ownership of the particular “treatment and arrangement” of the chevrons and lines of the

design as they appear at the neckline, waist, skirt, sleeves, and overall cut of each uniform. The majority imagines that Varsity submitted something different — that is, only the surface decorations of chevrons and stripes, as in a textile design. As the majority sees it, Varsity’s copyright claim would be the same had it submitted a plain rectangular space depicting chevrons and stripes, like swaths from a bolt of fabric. But considered on their own, the simple stripes are plainly unoriginal. Varsity, then, seeks to do indirectly what it cannot do directly: bring along the design and cut of the dresses by seeking to protect surface decorations whose “treatment and arrangement” are coextensive with that design and cut. As Varsity would have it, it would prevent its competitors from making useful three-dimensional cheerleader uniforms by submitting plainly unoriginal chevrons and stripes as cut and arranged on a useful article. . . .

I fear that, in looking past the three-dimensional design inherent in Varsity’s claim by treating it as if it were no more than a design for a bolt of cloth, the majority has lost sight of its own important limiting principle. One may not “claim a copyright in a useful article merely by creating a replica of that article in some other medium,” such as in a picture. That is to say, one cannot obtain a copyright that would give its holder “any rights in the useful article that inspired it.”

With respect, I dissent.

## NOTES AND QUESTIONS

### Useful Articles

(1) Nothing in pre-1976 American copyright law barred protection for otherwise qualified works that were also “useful articles.” To the contrary, the 1909 Act may have been intended to rule out any discrimination on this basis. Nonetheless, the Copyright Office interpreted that Act narrowly, in a series of regulations culminating with the one in effect when the Supreme Court decided *Mazer*. That regulation, according to which protection was available for “works of artistic craftsmanship in so far as their form but not their mechanical or utilitarian aspects are concerned,” in turn became the basis for the approach taken in the 1976 Act.

In *Mazer v. Stein*, the Court deferred (as courts frequently do) to the interpretation placed on the statute by the Copyright Office. Why? Is it simply a matter of giving weight to expertise? When Justice Reed refers to the “practice of the Copyright Office” for guidance about the meaning of the terms “works of art” and “reproductions of works of art,” is his reference to *current* practice only? If not, what is its scope?

Following *Mazer*, the Copyright Office adopted a regulation setting forth its understanding of the case. The regulation stated:

If the sole intrinsic function of an article is its utility, the fact that the article is unique and attractively shaped will not qualify it as a work of art. However, if the shape of a utilitarian article incorporates features, such as artistic sculpture, carving, or pictorial representation, which can be identified separately and are capable of existing independently as a work of art, such features will be eligible for registration.

Former 37 C.F.R. § 202.10(c), quoted in *Esquire, Inc. v. Ringer*, 591 F.2d 796, 800 (D.C. Cir. 1978). This regulation also left its mark on the language adopted by Congress in the 1976 Act.

(2) Whatever the background, did Congress have to adopt an approach that discriminated between “artistic” features and “mechanical or utilitarian” aspects when it legislated in 1976? Was it wise to do so? Why not grant copyright protection to all pictorial, graphic, and sculptural works embodied in useful articles? Does the Copyright Clause afford Congress the power to do so? How did the drafters of the 1976 Act differ from the drafters of the 1909 Act and the Copyright Office regulations in their treatment of the problem?

(3) Be sure you understand the statutory basis for the separability limitation on copyright protection for useful articles. Section 102(a) provides copyright protection for “pictorial, graphic, and sculptural” works. The definition of that category in § 101 excludes “the design of a useful article,” unless that design contains “pictorial, graphic, or sculptural *features*” (emphasis added) that are separable from “the utilitarian aspects of the article.” If separable features exist, then “the design of a useful article” qualifies as a “pictorial, graphic, and sculptural” work that is protected under the Act. But before we can apply the separability limitation, we must also look to the § 101 definition of “useful article” to determine *which* works are subject to that limitation.

(4) Obviously, the concept of “utilitarian function” at work in the 1976 Act’s definition of a “useful article” is a relatively specialized one. In some sense, all copyrightable works aspire to usefulness. What could be more profoundly “useful,” for example, than the inspirational effect of great art or music? In thinking about your answer, and as you read the materials that follow, keep in mind that the “useful article” limit on copyrightability constrains a party’s ability to receive a “back door” utility (or design) patent through copyright.

(5) The definition of a “useful article” provides that an article is not “useful” if its only function is “to convey information.” The apparent purpose of this limitation is to exclude literary works, such as directories and textbooks, and some pictorial works, such as maps, from the definition. But what about computer programs? Aren’t most application programs “useful” for something other than to convey information? Yet we know that *Apple v. Franklin*, and the decisions following it, have rejected the notion that protection for computer programs in object code form is limited because of their “utility.” Is this because programs are considered “literary works” and the limitation on protection

for “useful article[s]” is contained in the statutory definition of “pictorial, graphic, and sculptural” works? Whatever its legal merit, does such a distinction have any basis in common sense?

(6) The Act also provides that an article is not “useful” if its only function is “to portray the appearance of the article.” But what, exactly, does this mean? In two cases involving taxidermy forms, both the Fourth Circuit and the Second Circuit concluded that animal and fish mannequins, respectively, fell within this exception. *See Superior Form Builders, Inc. v. Dan Chase Taxidermy Supply Co.*, 74 F.3d 488 (4th Cir. 1996); *Hart v. Dan Chase Taxidermy Supply Co.*, 86 F.3d 320 (2d Cir. 1996). The fact that the mannequins were used to display animal and fish skins was not sufficient to make them “useful articles.” Some human mannequins are used to display clothing, which may be considered to be a utilitarian purpose. *See Carol Barnhart Inc. v. Economy Cover Corp.*, 594 F. Supp. 364, 370 (S.D.N.Y. 1984) (discussed in more detail below). In *Pivot Point Int’l, Inc. v. Charlene Products, Inc.*, 372 F.3d 913 (7th Cir. 2004), the court expressed doubt as to whether a female mannequin head (dubbed “Mara”) that was used by cosmetology students to practice makeup application and hair styling was a “useful article” at all. Does Mara have “an intrinsic utilitarian function” other than to portray her own appearance? The *Pivot Point* court dodged the issue, assuming without deciding that Mara was a useful article, and rested its decision instead on “conceptual separability.”

(7) Applying the “useful article” doctrine to fashion or apparel has proven to be particularly challenging because it requires analysis of both what the “utilitarian aspects” of a design are and whether there is copyrightable expression that is separable from these. Perhaps a look into the recent history of protection for apparel would be helpful.

In *Masquerade Novelty, Inc. v. Unique Industries, Inc.*, 912 F.2d 663 (3d Cir. 1990), the court considered the copyrightability of the plaintiff’s “nose masks” (representing the characteristic proboscises of pigs, parrots, and so forth). The District Court had granted summary judgment on the ground that the animal shapes were “conceptually inseparable from the product’s utilitarian purpose of creating humor.” *Id.* at 670 (quoting District Court opinion). The Circuit Court agreed that, *if* the masks were considered “useful,” effective separation of form and function would be difficult indeed, but it rejected the underlying premise:

That nose masks are meant to be worn by humans to evoke laughter does not distinguish them from clearly copyrightable works of art like paintings. When worn by a human being, a nose mask may evoke chuckles or guffaws from onlookers. When hung on a wall, a painting may evoke a myriad of human emotions, but we would not say that the painting is not copyrightable because its artistic elements could not be separated from the emotional effect its creator hoped it would have on persons viewing it. The utilitarian nature of an animal nose mask or a painting of the crucifixion of Jesus Christ inheres solely in its appearance, regardless of the fact that the nose mask’s appearance is intended to evoke mirth and the

painting's appearance a feeling of religious reverence. Thus, Masquerade's nose masks are not "useful articles" for purposes of 17 U.S.C. § 101, and are copyrightable as sculptural works.

*Id.* at 671.

The reasoning in *Masquerade* seemed to conflict with a previous case involving Halloween costumes, *Whimsicality, Inc. v. Rubie's Costume Co.*, 891 F.2d 452 (2d Cir. 1989), in which the court stated bluntly: "[T]he Copyright Office considers costumes to be wearing apparel and consistently rejects applications to register them." *Id.* at 454. The conflict led the Copyright Office to clarify its position. In *Registrability of Costume Designs*, 56 Fed. Reg. 56530 (Nov. 5, 1991), the Register agreed that masks were not useful articles, but he maintained that costumes "serve a dual purpose of clothing the body and portraying their appearance." Since the former was "an intrinsic utilitarian function" of the costumes, the Register continues to treat "fanciful" costumes as "useful article[s]" subject to separability analysis. *See, e.g., Chosun Int'l, Inc. v. Chrisha Creations, Ltd.*, 413 F.3d 324, 329 & n.3 (2d Cir. 2005) (reversing District Court's holding that "Halloween costumes may not be copyrighted" and remanding for determination of separability).

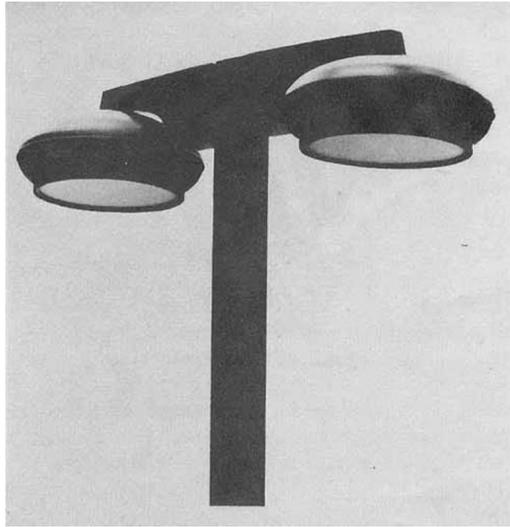
(8) In the Register's view, "the general policy of nonregistrability of garment designs will be applied not only to ordinary wearing apparel, but also to period and historical dress, and uniforms." 56 Fed. Reg. at 56532; *see also* Compendium III § 924.3. Will this still be true after *Star Athletica*? In *Star Athletica*, the Supreme Court implicitly assumes, without discussion, that cheerleading uniforms are "useful articles." Moreover, it repeatedly says that the "shape, cut, and dimensions" of the uniforms are not protected, without expressly identifying what "utilitarian aspects" those features serve. What are the "utilitarian aspects" of a cheerleading uniform? In the opinion below, the Sixth Circuit identified three such aspects: to "cover the body, wick away moisture, and withstand the rigors of athletic movements." 799 F.3d 468, 490 (6th Cir. 2016). Do you agree? Can you think of any others? The defendant argued that identifying the team to which one belonged was also a utilitarian function, but this argument was rejected by the Sixth Circuit because it merely "convey[ed] information."

By contrast, in *Jovani Fashion, Inc. v. Fiesta Fashions*, 500 Fed. App'x 42, 44 (2d Cir. 2012), the Second Circuit affirmed the District Court's holding that aspects of a prom dress — the selection and arrangement of sequins and beads, their patterns on the bust portion, and the wire-edged tulle added to the lower portion — were inseparable from its function as clothing for a special occasion, observing that "clothing, in addition to covering the body, serves a 'decorative function,' so that the decorative elements of clothing are generally 'intrinsic' to the overall function, rather than separable from it." Is this analysis still good law after *Star Athletica*? Does *Star Athletica* open the door to greater protection for wearing apparel and fashion designs than was the case under the Register's prior interpretation?

### “Conceptual Separability”: A Potpourri of Analyses

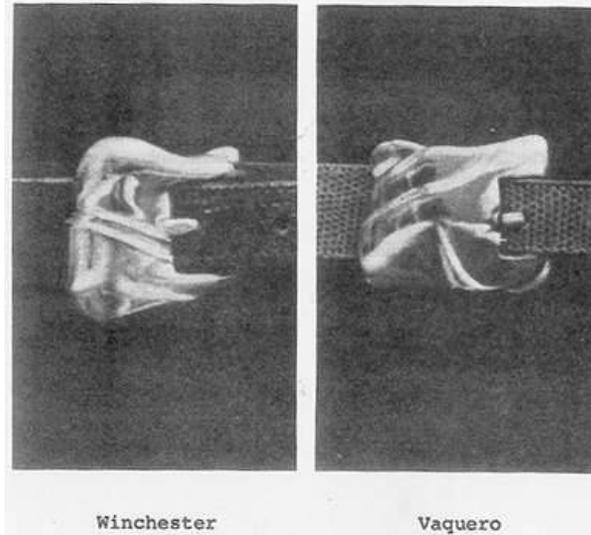
(9) By its definition of “pictorial, graphic, and sculptural works,” § 101 of the 1976 Act indicates that the “design of a useful article” may itself qualify as such a copyrightable work only to the extent that it incorporates artistic features “that can be identified separately from, and are capable of existing independently of, the utilitarian aspects of the article.” Just what does the last-quoted language mean? Before confronting the Supreme Court’s opinion in *Star Athletica*, it may be useful to briefly review the tortured treatment this phrase had previously received in the Courts of Appeals. As you do, ask yourself: would any of these cases be decided differently under the Supreme Court’s opinion?

(10) In *Esquire, Inc. v. Ringer*, 591 F.2d 796 (D.C. Cir. 1978), the court considered the copyrightability of a lighting fixture (pictured nearby). The court held that “the overall design or configuration of a utilitarian object, even if it is determined by aesthetic as well as functional considerations, is not eligible for copyright.” 591 F.2d at 803-04. The opinion implies that “conceptual separability” can exist only where the physical disaggregation of an object’s useful and decorative features could be imagined but, for some practical reason, cannot be accomplished. The removal of an incised *bas relief* from the wall of a building might be an example.



The *Esquire* Lighting Fixture

(11) The Second Circuit took up the “separability” problem in *Kieselstein-Cord v. Accessories by Pearl, Inc.*, 632 F.2d 989 (1980), a case involving claims of copyright in decorative belt buckles, which the evidence suggested were sometimes worn as jewelry in their own right. The majority’s analysis, however, was less than helpful. It simply concluded that “the primarily ornamental aspect of the ... buckles is conceptually separate from their subsidiary utilitarian function.” *Id.* at 993.



The *Kieselstein-Cord* Buckles

(12) The Second Circuit’s next foray into the territory of “useful article[s]” was in *Carol Barnhart Inc. v. Economy Cover Corp.*, 773 F.2d 411 (2d Cir. 1985). *Barnhart* involved four life-size human torso forms made of styrene, each without neck, arms, or a back, which were designed and used to display sweaters, blouses and dress shirts. The majority concluded that “the features claimed to be aesthetic or artistic ... are inextricably intertwined with the utilitarian feature, the display of clothes.” *Id.* at 419. Isn’t asking whether the decorative features of a work are “inextricably intertwined” with its utilitarian aspects an essentially subjective inquiry? Perhaps the inquiry into “conceptual separability” is *inherently* subjective, and the real question is *whose* subjectivity should control.

Judge Newman, dissenting in *Barnhart*, answered that he thought “the relevant beholder must be that most useful legal personage — the ordinary, reasonable observer.” But what, exactly, should the ordinary observer be asked to determine? Judge Newman suggested:

I think the requisite “separateness” exists whenever the design creates in the mind of the ordinary observer two different concepts that are not inevitably entertained simultaneously. ... [T]he example of the artistically designed chair displayed in a museum may be helpful. The ordinary observer can be expected to apprehend the design of a chair whenever the object is viewed. He may, in addition, entertain the concept of a work of art, but if this second concept is engendered in the observer’s mind simultaneously with the concept of the article’s utilitarian function, the requisite “separateness” does not exist. The test is not whether the observer fails to recognize the object as a chair but only whether the concept of

the utilitarian function can be displaced in the mind by some other concept. ... The separate concept will normally be that of a work of art.

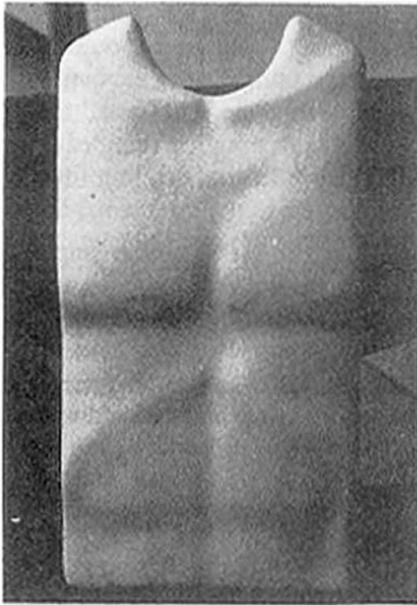


Figure 1



Figure 2



Figure 3

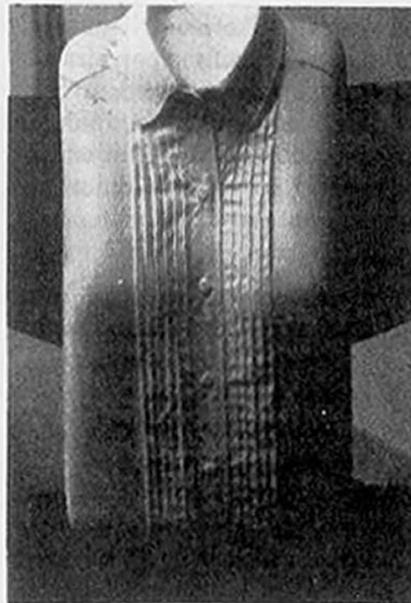


Figure 4

#### The Four Torsos in *Barnhart*

*Id.* at 422-23. The majority in *Barnhart* criticized Judge Newman's standard as "so ethereal as to amount to a 'non-test' that would be extremely difficult, if not impossible,

to administer or apply.” *Id.* at 419 n.5. Other courts apparently agree, as no court has yet adopted Judge Newman’s proposal. On the other hand, his test bears a striking resemblance to some of the language used by the Supreme Court in *Star Athletica*.

(13) The next case involved the copyrightability of a design for a bicycle rack constructed of metal tubing bent to create a serpentine form. In *Brandir International, Inc. v. Cascade Pacific Lumber Co.*, 834 F.2d 1142 (2d Cir. 1987), the court adopted a test for “conceptual separability” proposed by Professor Denicola in the article cited in *Pivot Point*. In the *Brandir* court’s words:

[I]f design elements reflect a merger of aesthetic and functional considerations, the artistic aspects of a work cannot be said to be conceptually separable from the utilitarian aspects. Conversely, where the design elements can be identified as reflecting the designer’s artistic judgment exercised independently of functional influences, conceptual separability exists.

834 F.2d at 1145. Because the artist had modified his original sculpture in order to produce a more useful bike rack, the court concluded that the bike rack was not copyrightable.



The *Brandir* Bike Rack

The *Brandir*-Denicola test was subsequently endorsed by both the Seventh Circuit, in *Pivot Point*, and the Fourth Circuit, in *Universal Furniture Int’l, Inc. v. Collezione Europa USA, Inc.*, 618 F.3d 417, 434 (4th Cir. 2010) (involving the “decorative elements” on plaintiff’s furniture, consisting of “three-dimensional shells, acanthus leaves, columns, finials, rosettes, and other carvings”). The Supreme Court, however, expressly rejects this test in *Star Athletica*, stating that “our inquiry is limited to how the article and feature are perceived, not how or why they were designed.”

(14) Three federal appellate courts had also used the test proposed by Professor Nimmer, asking whether “there is any substantial likelihood that even if the article had no utilitarian use it would still be *marketable* to some significant segment of the community simply because of its aesthetic qualities[?]” See 1 Nimmer on Copyright § 2.08[B][3] (2015) (emphasis added); *Galiano v. Harrah’s Operating Co.*, 416 F.3d 411, 422 (5th Cir. 2005); *Poe v. Missing Persons*, 745 F.2d 1238, 1243 (9th Cir. 1984); *Magnussen Furniture, Inc. v. Collezione Europa USA, Inc.*, 43 U.S.P.Q.2d (BNA) 1218 (4th Cir. 1997). Once again, however, the Supreme Court expressly rejects this test in *Star Athletica*, stating it “threatens to prize popular art over other forms, or to substitute judicial aesthetic preferences for the policy choices embodied in the Copyright Act.”

(15) Both the District Court opinion and the dissent in *Pivot Point* endorsed yet another test, this one proposed by Professor Goldstein in his treatise. Goldstein’s test asks whether there is a pictorial, graphic, or sculptural feature that “can stand on its own as a work of art traditionally conceived,” and whether “the useful article in which it is embodied would be equally useful without it.” See *Leicester v. Warner Bros.*, 232 F.3d 1212, 1219 n.3 (9th Cir. 2000) (endorsing Goldstein test in *dicta*).

Yet again, however, the Supreme Court rejects this test in *Star Athletica*, stating that “[t]he focus of the separability inquiry is on the extracted feature and not on any aspects of the useful article that remain after the imaginary extraction.” Does this omission threaten to grant copyright protection to any of the “utilitarian aspects” of useful articles? Or is this possibility foreclosed by the majority opinion’s caveat that “[o]f course, . . . the feature cannot itself be a useful article or ‘[a]n article that is normally a part of a useful article’ (which is itself considered a useful article)”?

(16) As the foregoing material amply demonstrates, “[c]ourts have twisted themselves into knots trying to create a test to effectively ascertain whether the artistic aspects of a useful article can be identified separately from and exist independently of the article’s utilitarian function.” *Masquerade Novelty*, 912 F.2d at 670. But are all these contortions really necessary? Justice Thomas apparently thinks not, opining in *Star Athletica* that the answer “depends solely on statutory interpretation.” How useful, however, is the two-part test that his majority opinion adopts? Try applying the majority’s test to any of the cases that preceded it. Are the answers any clearer than they were before?

Perhaps the best that can be said about *Star Athletica* is that it clears out some of the underbrush that had developed in the case law. Three of the standards that had been adopted in the Courts of Appeals are unequivocally rejected, and they are replaced by a two-part test that purports to be straightforward. It may be some years, however, before we know whether the Supreme Court succeeded in clarifying this area, or whether another intervention may be needed to straighten things out.

(17) *Additional limitations concerning useful articles.* In addition to the limitation on copyright protection for useful articles in § 101’s definition of “pictorial, graphic, and sculptural” works, the Copyright Act contains two other limitations pertinent to useful articles. First, when the design of a useful article *does* qualify for copyright protection, § 113(c) still allows others to make, distribute, and display pictures or photos of such articles in advertisements, commentaries, or news reports. Second, when a pictorial, graphic, or sculptural work “portrays a useful article as such,” then under § 113(b), the copyright owner has no greater or lesser rights in such a work than she did under the law, as interpreted by the courts, in effect on December 31, 1977. This section was intended to preserve pre-1978 case law holding that the copyright in a drawing of a useful article does not prevent others from manufacturing the useful article itself. *See, e.g., Niemi v. American Axle Mfg. & Holding, Inc.*, 2006 U.S. Dist. LEXIS 50153 (E.D. Mich. 2006).

In *Tire Engineering & Distribution, LLC v. Shandong Linglong Rubber Co.*, 682 F.3d 292 (4th Cir. 2012), both the parties and the court seem to have entirely overlooked the last of these limitations. Because the defendant had infringed the plaintiff’s blueprints, which were protected pictorial works, in the United States, the court held that the plaintiff could recover damages for the subsequent manufacture in China of the useful articles (tires) depicted in those blueprints. Putting aside the problem of the extraterritorial reach of the Copyright Act (discussed in § 8.04), this holding gave the plaintiff more relief than it was entitled to under § 113(b).

## § 3.02 DERIVATIVE WORKS AND COMPILATIONS UNDER § 103

### [B] Derivative Works

**USAGE:** On page 235, SUBSTITUTE the following for the first paragraph of Note (13):

(13) Under § 103(a), copyright in a derivative work “does not extend to any part of the work in which [the preexisting] material has been used unlawfully.” This provision sometimes denies copyright to a derivative work that otherwise would meet the standard of sufficient originality. *See, e.g., Palladium Music, Inc. v. EatSleepMusic, Inc.*, 398 F.3d 1193 (10th Cir. 2005) (holding karaoke sound recording copyrights invalid and unenforceable for failure to obtain compulsory or consensual licenses from the copyright owners of the underlying musical works). Note, however, that permission does not have to be granted in writing; an implied nonexclusive license (discussed in § 4.02 below) will suffice. *See Latimer v. Roaring Toyz, Inc.*, 601 F.3d 1224 (11th Cir. 2010) (assuming photos of custom-painted motorcycles were derivative works of the artwork, copyrights were nonetheless valid, because artist was aware that the motorcycles would be photographed for promotional purposes). Indeed, neither express nor implied permission is needed if statutory authorization exists. Thus, where a second author makes a “fair use” parody of an original work (see Chapter 10), the parodist can claim a copyright in the resulting derivative work. *See Keeling v. Hars*, 809 F.3d 43 (2d Cir. 2015).

## Chapter 5

### **DURATION AND TERMINATIONS**

#### **§ 5.01 DURATION OF COPYRIGHTS**

##### **[B] Duration Basics Under the CTEA**

**USAGE:** On pages 336, ADD the following text after the end of Note (6):

(6A) For an example of a particularly complicated conflict concerning the song “Happy Birthday,” see *Marya v. Warner/Chappell Music, Inc.*, 131 F. Supp. 3d 975 (C.D. Cal. 2015). The melody was first published in 1893, with the lyrics “Good Morning to You,” and is now in the public domain; but Warner claimed that there was no authorized publication of the “Happy Birthday” lyrics until 1934, when the lyrics were assigned to the Summy Corp., Warner’s predecessor in interest. Plaintiffs countered with evidence that the lyrics were published by Summy in 1922, and by others in 1911, 1924, and 1928. The trial court found that genuine issues of material fact precluded summary judgment on duration, but instead ruled that no reasonable jury could find that the 1934 agreement (which refers only to “piano arrangements”) transferred any copyright in the lyrics to Summy. The parties eventually settled, declaring the song to be in the public domain, with Warner agreeing to refund up to \$14 million to those who had paid licensing fees to use the lyrics.

##### **[B] Duration Basics Under the CTEA**

###### **[2] Renewal Basics**

**USAGE:** On page 343, ADD the following paragraph at the end of the section “*Who Was Entitled to Renew?*”:

A renewal filed by the wrong claimant was ineffective and placed the work in the public domain. *Cf. TCA Television Corp. v. McCollum*, 839 F.3d 168 (2d Cir. 2016) (Abbott & Costello’s “Who’s on First” routine was a preexisting, freestanding work that was not covered by Universal’s renewal in a motion picture in which it appeared).

## § 5.02 TERMINATIONS OF TRANSFERS

### [D] The Mechanics of Termination

#### [1] Summary

**USAGE:** On pages 373–374, SUBSTITUTE the following for the first four paragraphs of the section titled “*Step One — Which Statute Applies?*”:

Sections 304(c) and 304(d) apply only to transfers of the renewal period, executed before January 1, 1978, in works copyrighted before January 1, 1978. Unlike § 203, § 304(c) and § 304(d) apply not only to grants made by the author, but also to those made by the author’s widow, widower, or children, and his/her next of kin.

Because § 304(d) is limited to works in their renewal term on October 27, 1998 (the effective date of the CTEA), for which the termination right in § 304(c) had expired by such date, § 304(d) is limited to works whose copyright was first secured between January 1, 1923 and October 26, 1939. *See* 37 C.F.R. § 201.10. In addition, § 304(d) applies only if the owner of the § 304(c) termination right has not previously exercised that right. *See Baldwin v. EMI Feist Catalog, Inc.*, 989 F. Supp. 2d 344, 355 (S.D.N.Y. 2013), *rev’d on other grounds*, 805 F.3d 18, 23–24 (2d Cir. 2015) (specifically acknowledging this point).

Section 203 applies to all grants executed by the author on or after January 1, 1978. The fact that the work was created before 1978, or that copyright was secured before 1978, is irrelevant. It is the date of the transfer to be terminated that is determinative, not the date when copyright was secured. *See Baldwin*, 805 F.3d at 27–31 (where parties replaced their 1951 agreement with a new agreement in 1981, author’s heirs could use § 203 to terminate 1981 transfer).

As to any particular grant, § 304 and § 203 are mutually exclusive. But an interest which was the subject of a pre-1977 grant that has been terminated under § 304(c), and was re-granted, may potentially be reclaimed once again by a termination under § 203.

**USAGE:** On pages 375, SUBSTITUTE the following for the second paragraph (the last paragraph of “*Step Two — Calculate the Termination Window?*”):

Under § 203(a)(3), the five-year termination window generally opens 35 years after the date of the transfer to be terminated. If the transfer “covers the right of publication of the work,” however, the opening of the five-year termination window is postponed to the earlier of 35 years after publication or 40 years after the date of the transfer. *See Baldwin*, 805 F.3d at 33 (construing this phrase to mean the right of *first* publication of the work: “the publication of a work is a one-time event.”).

## [2] Decisional Law

**USAGE:** On pages 387–388, SUBSTITUTE the following for Note (8):

(8) The subsequent history of the Superman copyright is a long and arduous one. After Shuster’s sister and heir, Jean Peavy, filed a termination notice under § 304(d) to reclaim her brother’s half-share, DC Comics went on the offensive, filing an action for a declaratory judgment that the notice was invalid. The Ninth Circuit agreed, holding that a 1992 agreement between the parties superseded all previous agreements; and because the 1992 agreement was entered into after 1978, it was subject to termination, if at all, only under § 203. *DC Comics v. Pacific Pictures Corp.*, 504 Fed. App’x 582 (9th Cir. 2013). (For the legal basis, see Note 11 below.) DC’s claims that Peavy’s attorney tortiously interfered with the 1992 agreement, and with a 2001 settlement agreement with the Siegel heirs, were dismissed on statute of limitations grounds. *DC Comics v. Pacific Pictures Corp.*, 938 F. Supp. 2d 941 (C.D. Cal. 2013).

Meanwhile, the Ninth Circuit ruled that the Siegel heirs had accepted Warner Brothers’ settlement offer in October 2001, thereby rendering moot all of the other issues raised on appeal. See *Larson v. Warner Bros. Ent’m, Inc.*, 504 Fed. App’x 586 (9th Cir. 2013). After remand, the Ninth Circuit affirmed the District Court’s rulings that the 2001 Agreement not only re-granted the rights to *Action Comics No. 1*, but also precluded later-filed termination notices under § 304(d) purporting to recapture the copyrights to the two promotional advertisements and to *Superboy*, *Larson v. Warner Bros. Ent’m, Inc.*, 640 Fed. App’x 630 (9th Cir. 2016), thereby bringing “this litigation of superhero proportions ... to a close.”

**USAGE:** On page 389, SUBSTITUTE the following for the last two paragraphs of Note (11):

By contrast, in *Classic Media, Inc. v. Mewborn*, 532 F.3d 978 (9th Cir. 2008), the court held that the daughter of author Eric Knight could terminate a 1976 agreement granting rights in her father’s story *Lassie Come Home*, notwithstanding a 1978 agreement confirming and modifying the 1976 agreement. The court distinguished *Milne*, noting that although *Milne* used the threat of termination to negotiate a more favorable deal, *Mewborn* did not “intend to relinquish a known termination right” and did not receive any additional consideration. See also *Brumley v. Albert E. Brumley & Sons, Inc.*, 822 F.3d 926 (6th Cir. 2016) (1979 transfer confirmed and did not replace 1975 transfer, which remained subject to termination; distinguishing *Milne* and *Steinbeck*).

Are you persuaded that the courts reached the right results in these four cases? Which, if any, is most questionable? Congress could ameliorate the situation by amending § 203 to permit grants made by an author’s heirs to be terminated. Should it do so? Would such an amendment be constitutional?

**USAGE:** On page 389, ADD the following after Note (12):

(13) Can foreign law override U.S. law on the non-alienation of U.S. termination rights? In *Gloucester Place Music Ltd. v. Le Bon*, [2016] EWHC 3091 (Ch.), an English judge ruled that British law governed the contracts between the band Duran Duran and its publisher, and that the contracts were breached by serving termination notices in the U.S. If this ruling is upheld on appeal, what is to prevent publishers from routinely stipulating that British law applies in the future? What happens if a U.S. judge holds that the British contracts are void and cannot be enforced in the U.S.? *See also* § 8.04, below.

## Chapter 6

# **PUBLICATION AND FORMALITIES**

## **§ 6.04 THE COPYRIGHT OFFICE**

### **[C] Combining the Copyright Office With the Patent and Trademark Office**

**USAGE:** On page 445, SUBSTITUTE the following for the fourth full paragraph:

After Register Maria Pallante was fired by Librarian of Congress Carla Hayden in 2016 (the first time a Register had ever been terminated), the House passed a bill that would require that the Register be appointed by the President for a ten-year term, from a list of three people recommended by a committee of seven people, consisting of the Librarian and the six highest-ranking members of Congress. The Register would also be subject to removal by the President, rather than by the Librarian. As of this writing, the Senate is considering the House bill. Would these amendments, if adopted into law, make the Register more or less susceptible to political pressure?



## Chapter 7

# **EXCLUSIVE RIGHTS AND THEIR LIMITATIONS**

## § 7.01 OVERVIEW

### **[D] Miscellaneous Rights: In and Beyond Copyright**

#### **[2] Copyright Management Information**

**USAGE:** On page 456, SUBSTITUTE the following for the last paragraph of this section:

*Id.* Do these facts really negate a finding of the requisite “knowledge”? How important, practically, is such a disclaimer? Should it matter how easy (or difficult) it was to print or download images retrieved by the Arriba Soft service? *See also Gordon v. Nextel Communications*, 345 F.3d 922 (6th Cir. 2003) (even though defendant intentionally removed notice, it did not have reasonable grounds to know that it would facilitate infringement, because it believed a license had been obtained to use the work); *but see Friedman v. Live Nation Merchandise, Inc.*, 833 F.3d 1180 (9th Cir. 2016) (circumstantial evidence was sufficient to create a triable issue of fact as to defendant’s knowledge that CMI had been removed). Litigation about CMI issues has been fairly sparse to date, but it has started to increase as courts and litigants become more familiar with § 1202’s provisions.

## § 7.02 THE REPRODUCTION RIGHT

### **[D] Electronic Reproduction**

**USAGE:** On pages 481-482, SUBSTITUTE the following for the first paragraph of Note (14):

(14) *Netcom*’s holding that direct infringement requires some element of volition or causation has proven influential in subsequent cases. *See, e.g., BWP Media USA, Inc. v. T&S Software Assocs., Inc.*, 852 F.3d 436 (5th Cir. 2017); *Perfect 10, Inc. v. Giganews, Inc.*, 847 F.3d 657 (9th Cir. 2017). Thus, in *Cartoon Network*, the court relied on both *Netcom* and *CoStar* in holding that Cablevision was not directly liable for setting up a RS-DVR system for its customers, because it was the customers, and not Cablevision, who made copies for later viewing. Note that *Netcom* ordinarily does not result in a finding of no liability, but only serves to distinguish direct infringement from secondary liability. (We will consider secondary liability in Chapter 9.) In *Cartoon Network*, however, plaintiffs made a strategic decision not to plead secondary liability, because the

U.S. Supreme Court had held (in the *Sony Betamax* case considered below in § 9.02) that it is a “fair use” for viewers to make copies of television programs for later viewing. Thus, once the court decided that direct liability was not appropriate in *Cartoon Network*, Cablevision was entitled to summary judgment.

## § 7.03 THE ADAPTATION RIGHT

### [B] Case Law

**USAGE:** On page 496, SUBSTITUTE the following for the last paragraph of Note (18):

Some courts have shown little sympathy for unauthorized sampling. *See, e.g., Grand Upright Music Ltd. v. Warner Bros. Records, Inc.* 780 F. Supp. 182 (S.D.N.Y. 1991) (granting motion for preliminary injunction); *Jarvis v. A&M Records*, 827 F. Supp. 282 (D.N.J. 1993) (denying defendants’ motion for summary judgment in relevant part). In *Bridgeport Music, Inc. v. Dimension Films*, 410 F.3d 792 (6th Cir. 2005), for example, the Sixth Circuit held that because § 114(b) is limited to the manipulation of fixed sounds, *any* sampling of an existing sound recording is an infringement of copyright *per se*, without regard to whether the amount sampled was *de minimis* or whether the allegedly infringing work was “substantially similar.” The court reasoned that sampling was unnecessary because, under § 114(b), a second comer could always make a new recording that imitated the original. *Id.* at 800-02. Do you find this rationale persuasive? The Ninth Circuit has expressly rejected the Sixth Circuit’s reasoning, holding that an electronically manipulated sample of less than one second, repeated six times, was *de minimis* as a matter of law. *VMG Salsoul, LLC v. Ciccone*, 824 F.3d 871 (9th Cir. 2016). The *de minimis* doctrine and the requirement of “substantial similarity” will be examined at greater length in Chapter 8.

## § 7.04 THE PUBLIC DISTRIBUTION RIGHT

### [B] Domestic Distribution

**USAGE:** On page 511, SUBSTITUTE the following for the text of Note (12):

(12) Note that the first-sale doctrine applies only to copies that are “lawfully made under this title,” and that according to the House Report, “the burden of proving whether a particular copy was lawfully made or acquired should rest on the defendant.” *But see Adobe Systems, Inc. v. Christenson*, 809 F.3d 1071 (9th Cir. 2015) (once defendant produces evidence that copies were lawfully made, burden shifts back to copyright owner to show otherwise). May a copy that was *not* lawfully made ever be resold without violating the distribution right? In *Christopher Phelps & Assoc. v. Galloway*, 477 F.3d

128 (4th Cir. 2007), the plaintiff sought an injunction against the future lease or sale of a house found to be infringing. The Fourth Circuit rejected this request, initially holding that once a judgment for damages was satisfied, the house “became a lawfully made copy” for purposes of the first-sale doctrine. On rehearing, however, the court removed this language, holding instead that an injunction should not issue because it would encumber real property. The court also drew an analogy to the law of conversion, in which satisfaction of a judgment for damages gives the defendant good legal title. 492 F.3d 532 (4th Cir. 2007). Should this holding be extended to infringing copies of other copyrighted works? Or is there something special about architectural works that justifies a departure from the “plain language” of the statute?

**USAGE:** On page 514, SUBSTITUTE the following for the second paragraph of Note (19):

Is the CRRA preempted by the Copyright Act, on the ground that it directly interferes with the purchaser’s § 109 right to distribute lawfully purchased copies of a work? *See Morseburg v. Balyon*, 621 F.2d 972 (9th Cir. 1980) (holding the CRRA was *not* preempted under the 1909 Act, on the doubtful theory that California merely supplemented the federal statute by providing an additional right). More recently, the Ninth Circuit held that the CRRA violates the dormant Commerce Clause, because it attempts to regulate transactions taking place wholly outside the state. *See Sam Francis Foundation v. Christie’s, Inc.*, 784 F.3d 1320 (9th Cir. 2015) (*en banc*). The court, however, held that the unconstitutional portion of the statute was severable; and on remand, the District Court held that the CRRA was preempted because it conflicted with the first-sale doctrine. *Estate of Graham v. Sotheby’s, Inc.*, 178 F. Supp. 3d 974 (C.D. Cal. 2016). For more details on preemption, see Chapter 11 below.

## **§ 7.04 THE PUBLIC PERFORMANCE RIGHT**

### **[A] Public Performances**

#### **[7] Performance Rights in Sound Recordings**

**USAGE:** On page 548, SUBSTITUTE the following for the last paragraph before the Notes and Questions:

In 2013, Flo & Eddie, Inc., which owns the copyright in sound recordings made by the 1960s band The Turtles, began a quixotic campaign to force Sirius XM and other digital broadcasters to pay performance royalties for pre-1972 sound recordings. To everyone’s surprise, Flo & Eddie succeeded in getting federal courts to recognize a public performance right under state statute in California, *see Flo & Eddie, Inc., v. Sirius XM Radio, Inc.*, 2014 U.S. Dist. LEXIS 139053 (C.D. Cal. Sept. 22, 2014), and under state

common-law in New York, *see Flo & Eddie, Inc. v. Sirius XM Radio, Inc.*, 62 F. Supp. 3d 325 (S.D.N.Y. 2014). (A third federal court declined to recognize a public performance right under Florida law. *Flo & Eddie, Inc., v. Sirius XM Radio, Inc.*, 2015 U.S. Dist. LEXIS 80535 (S.D. Fla. June 22, 2015).) Suits by other recording companies against Sirius XM, Pandora, and other digital broadcasters followed. Following certification, however, the New York Court of Appeals held that “New York common-law copyright does not recognize a right of public performance for creators of sound recordings.” *Flo & Eddie, Inc. v. Sirius XM Radio, Inc.*, 70 N.E.3d 936 (N.Y. 2016). The other two cases have been certified to the California Supreme Court and the Florida, Supreme Court, respectively. The rationale of these decisions is not limited to digital broadcasts. If any states chooses to recognize such a right, the decisions would cover *all* public performances of pre-1972 sound recordings, including those by terrestrial radio and television broadcasters. Such a sea-change might force Congress to reconsider a general public performance right for post-1972 sound recordings as well.

## **[B] Secondary Transmissions**

### **[2] Case Law**

**USAGE:** On pages 568–569, SUBSTITUTE the following for the text of Note (11):

(11) If Aereo is sufficiently like a cable system to fall under the Transmit Clause, can it use the statutory license for cable systems in § 111? The definition of “cable system” in § 111(f)(3) is arguably broad enough:

A “cable system” is a facility ... [that] receives signals transmitted or programs broadcast by one or more television broadcast stations ... and makes secondary transmissions of such signals or programs by wires, cables, microwave, or other communications channels to subscribing members of the public who pay for such service.

Ironically, however, the Copyright Office has consistently taken the position that Internet retransmitters are not “cable systems” within the meaning of § 111 (in part because they are not regulated by the FCC), and the Courts of Appeals have agreed. *See Fox TV Stations, Inc. v. AereoKiller, LLC*, 851 F.3d 1002 (9th Cir. 2017); *CBS Broadcasting, Inc. v. FilmOn.com, Inc.*, 814 F.3d 91 (2d Cir. 2016); *WPIX, Inc. v. IVI, Inc.*, 691 F.3d 275 (2d Cir. 2012). These rulings leave Internet retransmitters in a “Catch-22”: they are sufficiently like cable systems to be liable for publicly performing copyrighted works, but they are not sufficiently like cable systems to use the statutory license. Their only recourse is to seek relief from Congress, as cable systems and satellite retransmitters previously had to. (See below.)

## § 7.08 MORAL RIGHTS

### [C] Copyright Protection: The Visual Artists Rights Act of 1990

#### [1] Introduction

**USAGE:** On page 599, SUBSTITUTE the following for the text of Note (1):

(1) *Works protected.* VARA does not cover all possible works, but instead is limited, like the California and New York acts, to works of visual art. Qualifying works include paintings, drawings, prints, sculptures, and still photographic images produced for exhibition purposes only, and existing in single copies or in limited editions of 200 or fewer copies, signed by the artist. *See, e.g., Lilley v. Stout*, 384 F. Supp. 2d 83 (D.D.C. 2005) (photographic prints were not produced “for exhibition purposes only”); *Landrau v. Solis Betancourt*, 554 F. Supp. 2d 102 (D.P.R. 2007) (architectural works are not “works of visual art” under VARA). Works not covered include reproductions of qualifying works, works made for hire, and works destined for commercial purposes, *e.g.*, posters, maps, and works of applied art. *See Cheffins v. Stewart*, 825 F.3d 588 (9th Cir. 2016) (wooden replica of a Spanish galleon, constructed over the shell of a school bus, continued to serve a utilitarian function of transportation, so it was “applied art” excluded from VARA).



## Chapter 8

### **INFRINGEMENT ACTIONS**

#### **§ 8.02 FRAMING THE LAWSUIT**

##### **[C] Jurisdictional Matters**

**USAGE:** On page 627, SUBSTITUTE the following for the text of Note (6):

(6) The third prong of the *Harms* test concerns instances in which “a distinctive policy of the Act requires that federal principles control the disposition of the claim.” The principal question under this prong is whether federal preemption permits the removal of state-law claims from state court to federal court in order to dismiss them. Although the “well-pleaded complaint” rule (discussed below) may bar consideration of defenses in determining jurisdiction, the Supreme Court has upheld removal in some cases in which state-law claims are “completely preempted” by federal law. *See, e.g., Metropolitan Life Ins. Co. v. Taylor*, 481 U.S. 58 (1987) (ERISA). Several Courts of Appeals have held that this exception applies to copyright preemption as well. *See, e.g., GlobeRanger Corp. v. Software AG*, 836 F.3d 477 (5th Cir. 2016); *Ritchie v. Williams*, 395 F.3d 283 (6th Cir. 2005); *Briarpatch Ltd. v. Phoenix Pictures, Inc.*, 373 F.3d 296 (2d Cir. 2004); and *Rosciszewski v. Arete Associates, Inc.*, 1 F.3d 225 (4th Cir. 1993). *But see Dunlap v. G&L Holding Group, Inc.*, 381 F.3d 1285 (11th Cir. 2004) (exception does not apply to state-law claims for copying ideas which are not “fixed”) *see also Leto v. RCA Corp.*, 341 F. Supp. 2d 1001, *on reconsideration*, 355 F. Supp. 2d 921 (N.D. Ill. 2004) (exception does not apply to copyright claims at all).

#### **§ 8.03 PROVING THE CLAIM**

##### **[B] Copying**

**USAGE:** On page 655, SUBSTITUTE the following for the text of Note (5):

(5) Of course, to support a finding of access, “a plaintiff must show a reasonable possibility, not merely a bare possibility, that an alleged infringer had the chance to view the protected work.” *Art Attacks Ink, LLC v. MGA Ent’mt, Inc.*, 581 F.3d 1138, 1143 (9th Cir. 2009). In *Art Attacks Ink*, evidence that the plaintiff sold its “Spoiled Brats” t-shirts at the L.A. County Fair beginning in 1998, and that one of the defendant’s employees attended the fair sometime between 1995 and 2005, was deemed insufficient to demonstrate access before the defendant began marketing its “Bratz” dolls in 2001.

Courts have also held that “evidence of corporate receipt of unsolicited work is insufficient to raise a triable issue of access where there is no evidence of any connection between the individual recipients of the protected work and the [individual] alleged infringers”). *Jorgensen v. Epic/Sony Records*, 351 F.3d 46, 48 (2d Cir. 2003). Along the same lines, see *Loomis v. Cornish*, 836 F.3d 991 (9th Cir. 2016) (Jessie J); *Jones v. Blige*, 558 F.3d 485 (6th Cir. 2009) (Mary J. Blige); and *Armour v. Knowles*, 512 F.3d 147 (5th Cir. 2007) (Beyoncé).

**USAGE:** On page 661, SUBSTITUTE the following for the first paragraph of Note (3):

(3) Does it help to characterize the issue in terms of whether the access may be inferred from evidence of striking similarity? Would it be equally correct to say that “[i]f the two works are so strikingly similar as to preclude the possibility of independent creation, ‘copying’ may be proved without a showing of access”? *Ferguson v. National Broadcasting Co.*, 584 F.2d 111, 113 (5th Cir. 1978); accord *Lipton v. Nature Co.*, 71 F.3d 464, 471 (2d Cir. 1995); see also *Unicolors, Inc. v. Urban Outfitters, Inc.*, 853 F.3d 980 (9th Cir. 2017). In *Bouchat v. Baltimore Ravens, Inc.*, 241 F.3d 350 (4th Cir. 2001), the court rejected this view, stating:

**USAGE:** On page 667, SUBSTITUTE the following for the last paragraph of the section titled “Infringement and *De Minimis* Use”:

The argument that any copying was merely *de minimis* is frequently made but is only rarely successful. In addition to the cases cited in § 7.06, see *Newton v. Diamond*, 349 F.3d 591 (9th Cir. 2003) (sampling of a three-note sequence from a musical work, where the sound recording of the work had been licensed); *VMG Salsoul, LLC v. Ciccone*, 824 F.3d 871 (9th Cir. 2016) (digital sample of less than one second, electronically manipulated and repeated six times). VMG expressly rejected the contrary holding of the Sixth Circuit, in *Bridgeport Music, Inc. v. Dimension Films*, 410 F.3d 792 (6th Cir. 2005), that *any* sampling of a sound recording is infringement *per se*, without regard to *de minimis* use or substantial similarity.

## § 8.04 EXTRATERRITORIALITY AND CONFLICTS OF LAW

### [A] Extraterritoriality

**USAGE:** On page 733, SUBSTITUTE the following for the text of Note (3):

(3) *Subafilms* relied in part on *Robert Stigwood Group, Ltd. v. O’Reilly*, 530 F.2d 1096, 1100-01 (2d Cir. 1976), in which the Second Circuit excluded public performances in Canada when calculating statutory damages, despite the argument that “the defendants

assembled and arranged in the United States all the necessary elements for the performances in Canada, and then simply travelled to Canada to complete the performances.” More recently, the Fifth Circuit agreed with *Subafilms* and *Stigwood* that conduct in the U.S. that contributes to infringement outside the U.S. is not actionable under U.S. law. *Geophysical Service, Inc. v. TGS-NOPEC Geophysical Co.*, 850 F.3d 785 (5th Cir. 2017).

For an interesting application of *Stigwood*, see *Jacobs v. Carnival Corp.*, 2009 U.S. Dist. LEXIS 31374 (S.D.N.Y. Mar. 25, 2009) (allegation that “within the United States [defendants] planned, prepared, authorized, [and] developed” public performances of Broadway shows on cruise ships were insufficient to state a claim without specifically alleging that the performances occurred in the United States’ territorial waters). Does that mean that public performances in international waters are beyond the reach of any nation’s laws?

**USAGE:** On page 734, SUBSTITUTE the following for the second paragraph of Note (5):

Other courts have taken the position that “a distinction should be drawn between purely extraterritorial conduct, which is itself nonactionable, and conduct that crosses borders, so that at least a part of the offense takes place within the United States. . . . U.S. courts may entertain such multiterritorial infringement claims.” *Litecubes, LLC v. Northern Light Prods., Inc.*, 523 F.3d 1353, 1371 (Fed. Cir. 2008) (quoting 4 NIMMER ON COPYRIGHT § 17.02). In *Litecubes*, a seller located outside the U.S. sold infringing goods to a U.S. buyer “f.o.b.” (“free on board”), meaning that the title and the risk of loss passes to the buyer as soon as the goods are loaded for shipping in the foreign country. The court nonetheless held that this was a public distribution of goods in the United States for purposes of applying § 106(3). See also *Geophysical Service*, 850 F.3d at 792-93 (complaint alleging that U.S. company ordered infringing materials from Canadian agency stated a claim of unlawful importation).

## **[B] Conflict of Laws**

**USAGE:** On page 742, ADD the following after the end of Note (4):

(4A) One limitation on *Itar-Tass* may be the “act of state” doctrine, which holds that courts of one nation will not determine the validity of governmental acts of another nation. The doctrine prevents U.S. courts from adjudicating the validity of registered rights in another country, such as patents and trademarks. But because copyrights under the Berne Convention arise automatically, the doctrine generally has not been applied to the validity of copyrights that arise abroad. Cf. *Geophysical Service, Inc. v. TGS-NOPEC Geophysical Co.*, 850 F.3d 785 (5th Cir. 2017) (“act of state” doctrine does not prevent a U.S. court from determining whether copies made by a Canadian government agency were “lawfully made under this title” in determining whether importation was permitted under the first-sale doctrine).



## Chapter 9

### **SECONDARY LIABILITY**

#### **§ 9.02 COPYING DEVICES AND SOFTWARE**

##### **[B] The Audio Home Recording Act**

**USAGE:** On page 766, ADD the following text at the bottom of the page:

(8) In *Alliance of Artists and Recording Companies, Inc. v. General Motors Co.*, 162 F. Supp. 3d 8 (D.D.C. 2016), plaintiffs alleged that certain audio systems installed in Ford and GM cars were “digital audio recording devices” (or DARDs). The court held that in order for a device to be a DARD, it must make a “digital audio copied recording” (DACR), *and* that under the plain language of the statute, the DACR must itself also meet the definition of a “digital music recording” (DMR). Although the court thought it likely that defendants would prevail, it nonetheless denied their motion for judgment on the pleadings, to allow plaintiffs to take discovery on the nature of the devices.

#### **§ 9.03 INTERNET SERVICE PROVIDERS**

##### **[A] Introduction**

**USAGE:** On page 781, SUBSTITUTE the following for the first full paragraph:

Several recent cases illustrate the application of secondary liability principles to Internet service providers. In *Luvdarts, LLC v. AT&T Mobility, LLC*, 710 F.3d 1068 (9th Cir. 2013), the court held that mobile wireless carriers were *not* liable for providing messaging services over which users allegedly sent infringing material. The carriers were not contributorily liable, because they did not have knowledge of specific instances of infringement, nor did they take steps to avoid learning about infringing activity (“willful blindness”). The carriers were not vicariously liable, because the plaintiff failed to plausibly allege that the carriers could implement an effective system to supervise user activity. Similarly, in *Perfect 10, Inc. v. Giganews, Inc.*, 847 F.3d 657 (9th Cir. 2017), the court held that defendant was *not* liable for providing a Usenet service that automatically forwarded messages posted by users, including allegedly infringing photos. Giganews did not materially contribute by failing to remove the messages, because it could not easily do so without being provided with message IDs in machine-readable form. Giganews was not vicariously liable, because “there was no evidence indicating that anyone subscribed to Giganews because of infringing Perfect 10 material.” *Id.* at 674.

## **[B] Limitation of Liability for Service Providers**

**USAGE:** On page 793, SUBSTITUTE the following for the second paragraph of Note (4):

In *Capitol Records, LLC v. Vimeo, LLC*, 826 F.3d 78 (2d Cir. 2016), the Second Circuit addressed the issue and held that although ISPs bear the burden of proving their compliance with § 512 generally, copyright owners have the burden of proving actual or red-flag knowledge; and merely showing that an employee viewed a video containing “recognizable” music was insufficient to demonstrate red-flag knowledge with respect to that video.

**USAGE:** On page 794, ADD the following text to the end of Note (7):

In *Mavrix Photographs, LLC v. LiveJournal, Inc.*, 853 F.3d 1020 (9th Cir. 2017), celebrity photos submitted by users were reviewed by a team of volunteer moderators, supervised by an employee of the defendant. Only about one in three photos were approved for posting. The court held that the common law of agency applied in determining whether the volunteers were “agents” of the defendant; therefore, there was a triable issue of fact as to whether the photos were posted “at the direction of a user,” or by the defendant itself. Manual screening for infringement or pornography, however, would not be disqualifying. Will this uncertainty encourage ISPs to avoid reviewing user-submitted material altogether? Compare *Mavrix* with *BWP Media USA, Inc. v. Clarity Digital Media, LLC*, 820 F.3d 1175 (10th Cir. 2016) (writers who were independent contractors were “users” within the meaning of § 512).

**USAGE:** On page 794, SUBSTITUTE the following for the text of Note (8):

(8) YouTube also recommends “related” websites to its users, relying on a software algorithm to identify “related” videos. Does this activity occur “by reason of storage at the direction of a user”? How do these “related” videos differ from the videos that YouTube “syndicated” to third parties? If the lower court finds that some of those “syndicated” videos were owned by Viacom, does that disqualify YouTube from reliance on the safe harbor at all, or only just for those specific videos? See *Capitol Records v. Vimeo*, 826 F.3d at 93-99 (adopting district court’s specific-video approach).

**USAGE:** On pages 794–795, SUBSTITUTE the following for the text of Note (10):

(10) Do the § 512 safe harbors apply to alleged infringement of pre-1972 sound recordings under state law? On the one hand, § 512 is not expressly limited to federal statutory copyrights, and the safe harbors could hardly serve their purpose of shielding

service providers if they did not apply to state-law copyrights. On the other hand, § 301(c) provides that, for pre-1972 sound recordings, “any rights or remedies under the common law or statutes of any State *shall not be annulled or limited by this title* until February 15, 2067” (emphasis added). Relying on this language, an intermediate appellate court in New York has held that § 512 does *not* apply to state-law copyrights. *UMG Recordings, Inc. v. Escape Media Group, Inc.*, 107 A.D.3d 51 (N.Y. App. Div. 2013). *But see Capitol Records v. Vimeo*, 826 F.3d at 87-93 (reaching the opposite conclusion).

**USAGE:** On pages 794–795, SUBSTITUTE the following for the text of Note (11):

(11) To qualify for the safe harbors, a service provider must have “adopted and reasonably implemented . . . a policy that provides for the termination in appropriate circumstances of subscribers . . . who are repeat infringers.” 17 U.S.C. § 512(i)(1)(A). This section already has proven to be difficult for some service providers to overcome. *See Ellison v. Robertson*, 357 F.3d 1072, 1080 (9th Cir. 2004) (finding a triable issue of fact as to whether AOL “reasonably implemented” its policy); *BMG Rights Mgmt. (US) LLC v. Cox Comm’ns, Inc.*, 199 F. Supp. 3d 958, 966-67 (E.D. Va. 2016) (evidence that Cox ignored certain notices and routinely reactivated accounts that had been terminated). But because Congress required only “reasonable” implementation, and not perfect implementation, individual instances of non-enforcement are not sufficient to overcome evidence of a general policy of enforcement. *See, e.g., UMG Recordings, Inc. v. Veoh Networks, Inc.*, 620 F. Supp. 2d 1081 (C.D. Cal. 2008) (hypothetical possibility that a rogue infringer might reappear under a different user name did not defeat reasonableness); *Vimeo*, 972 F. Supp. 2d at 514–17. In addition, a service provider has no independent duty to monitor its system to identify repeat infringers; instead, it need only respond to notices that comply with the “notice-and-take-down” provisions of § 512(c). *See Perfect 10, Inc. v. CCBill, LLC*, 488 F.3d 1102 (9th Cir. 2007).

**USAGE:** On page 795, SUBSTITUTE the following for the first paragraph of the section titled “Notice-and-Take-Down Provisions”:

To qualify for three of the four safe harbors, a service provider must comply with the “notice-and-take-down” provisions of § 512(c). Those provisions require that every service provider designate an agent to receive notices of alleged infringement from copyright owners, by filing with the U.S. Copyright Office *and* by posting the agent’s name and address (including an e-mail address) on a publicly accessible website. § 512(c)(2); *see BWP Media USA, Inc. v. Hollywood Fan Sites, LLC*, 115 F. Supp. 3d 397 (S.D.N.Y. 2015) (agent designation by parent company does not allow subsidiary to claim the § 512 safe harbor). The function of this agent is to receive notices of claimed infringement from copyright owners. Under § 512(c)(3)(A), such a notice must:

**USAGE:** On pages 796–797, SUBSTITUTE the following for the paragraph that crosses the page:

But users who receive overreaching notices are not entirely without recourse: They can seek affirmative relief under § 512(f), which imposes liability on “any person who knowingly materially misrepresents under this section ... that material or activity is infringing.” In *Lenz v. Universal Music Group*, 815 F.3d 1145 (9th Cir. 2016), for example, the plaintiff sued under 512(f) after a video of her baby dancing to a song on the radio was taken down at the behest of UMG. The Ninth Circuit held that a copyright owner must “consider fair use before sending a takedown notification, and that in this case, there is a triable issue as to whether the copyright holder formed a subjective good faith belief that the use was not authorized by law.” *Id.* at 1148.

## Chapter 10

# **FAIR USE AND AFFIRMATIVE DEFENSES**

## **§ 10.02 THE FUNDAMENTALS OF FAIR USE**

### **[B] Analyzing Fair Use Today**

**USAGE:** On pages 839–840, SUBSTITUTE the following for the text of Note (8):

(8) *Parody and satire.* The Capitol Steps, a Washington, D.C.-based political parody group, submitted an *amicus* brief in *Campbell*, arguing for a presumption in favor of political parodies. The group takes well-known songs and substitutes new lyrics targeting contemporary political events. The Capitol Steps are quite successful, selling tapes and compact discs throughout the country. How should a lower court analyze a case brought against the Capitol Steps after *Campbell*? Is Justice Souter’s distinction between *parody* and *satire* relevant here? What is the import of Justice Kennedy’s concurrence? Should a defendant be allowed to appropriate someone else’s copyrighted work solely in order to make a political statement? *See also Katz v. Google, Inc.*, 802 F.3d 1178 (11th Cir. 2015) (use of unflattering portrait of plaintiff in blog post criticizing him was a fair use); *Kienitz v. Scottie Nation LLC*, 766 F.3d 756 (7th Cir. 2014) (use of mayor’s official portrait on t-shirts mocking him was a fair use); *MasterCard Int’l Inc. v. Nader 2000 Primary Comm., Inc.*, 70 U.S.P.Q.2d (BNA) 1046 (S.D.N.Y. 2004) (political commercial which mimicked MasterCard’s “Priceless” ad campaign was a fair use).



## Chapter 11

# **REMEDIES, PREEMPTION, AND RELATED BODIES OF LAW**

## **§ 11.01 REMEDIES UNDER FEDERAL LAW**

### **[C] Damages**

#### **[2] Statutory or “In Lieu” Damages**

**USAGE:** On pages 963-964, SUBSTITUTE the following for the first two paragraphs of Note (7):

(7) *The number of infringements.* In addition to assessing damages for a willful infringement, the court in *Krypton* was confronted with the problem of deciding the number of infringements that would serve as the basis for statutory damages. In this regard, consider those portions of § 504(c)(1) and its legislative history that concern multiple infringements. Are they intended to govern situations in which the copyright holder joins, in a single action, a series of claims for infringements of his/her rights in multiple works? If not, what situations are governed by § 504(c)(1)? See *Bryant v. Media Right Prods.*, 603 F.3d 135 (2d Cir. 2010) (one award of statutory damages per album, as a “compilation,” rather than per song). But see *EMI Christian Music Group, Inc. v. MP3Tunes, LLC*, 844 F.3d 79 (2d Cir. 2016) (separate awards are appropriate when songs are issued as singles, even if those songs were also made available on albums); *WB Music Corp. v. RTV Communication Group, Inc.*, 445 F.3d 538 (2d Cir. 2006) (§ 504(c)(1) applies only to a compilation made by the copyright owner, and does not apply to a new compilation of 13 songs made by the defendant). What if eight registrations are obtained for eight episodes of a popular television program, where the basic plot continues throughout all eight episodes? Would your answer change if a book written as a unitary work was later adapted for television as a series of eight episodes? See *Twin Peaks Prods., Inc. v. Publ’ns Int’l, Ltd.*, 996 F.2d 1366, 1381 (2d Cir. 1993). You also may wish to consider a later episode in the *Feltner* saga itself: *MCA Television Ltd. v. Feltner*, 89 F.3d 766 (11th Cir. 1996) (TV series episodes considered as separate works for statutory damages purposes, leading to a total award of \$9 million and a vigorous dissent).

When a sound recording of a musical work is infringed, should there be one award of statutory damages, or two? Resolving a split in the district courts, the Second Circuit has held that only one award may be made, even if the two copyrights were owned by different parties. *EMI Christian Music Group*, 844 F.3d at 94-95.

## **[D] Costs and Attorneys Fees**

**USAGE:** On page 967, ADD the following text after the second full paragraph, and DELETE the paragraph that begins at the end of page 967 and ends at the top of page 968:

Two decades after *Fogerty*, the Supreme Court again addressed the standard for awarding attorneys' fees in *Kirtsaeng v. John Wiley & Sons*, 136 S. Ct. 1979 (2016) (after remand from the decision in § 7.04). The Court agreed that "objective unreasonableness" of a claim or defense was an "important factor" in awarding fees, reasoning that "it both encourages parties with strong legal positions to stand on their rights and deters those with weak ones from proceeding with litigation." *Id.* at 1986. It also rejected Kirtsaeng's argument that courts should consider "a lawsuit's role in settling significant and uncertain legal issues," largely because such an assessment "would typically reflect little more than educated guesses." *Id.* at 1988. Nonetheless, it remanded the fee award to the District Court for reconsideration, emphasizing that trial courts should exercise discretion in awarding fees, "giving substantial weight to the reasonableness of [the parties'] litigating position, but also taking into account all other relevant factors." *Id.* at 1989.

## **§ 11.03 RELATED BODIES OF FEDERAL AND STATE LAW**

### **[C] The Right of Publicity**

**USAGE:** On page 1043, SUBSTITUTE the following for the text of Note (12):

(12) *Preemption*. The courts remain divided as to whether the right of publicity is preempted by the Copyright Act. Although courts finding no preemption are still in the majority, recent cases are trending in favor of preemption. *See Brown v. Ames*, 201 F.3d 654 (5th Cir. 2000); *Landham v. Lewis Galoob Toys, Inc.*, 227 F.3d 619 (6th Cir. 2000); *Wendt v. Host International, Inc.*, 125 F.3d 806 (9th Cir. 1997) (actors' claims against the use of animatronic figures representing characters in the TV series *Cheers* were not preempted, despite a sharp dissent by Judge Kozinski). *But see Laws v. Sony Music Entertainment, Inc.*, 448 F.3d 1134 (9th Cir. 2006) (singer's right of publicity claim was preempted by licensed use of copyrighted sound recording); *Dryer v. National Football League*, 814 F.3d 938 (8th Cir. 2016) (former football players' claims for use of likenesses in highlight videos were preempted); *Maloney v. T3 Media, Inc.*, 853 F.3d 1004 (9th Cir. 2017) (college athletes' claims for sale of game photos to the general public were preempted).