

No. 08-103

IN THE
Supreme Court of the United States

Reed Elsevier, Inc., *et al.*,

Petitioners,

-v.-

Irvin Muchnick, *et al.*,

Respondents.

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT
OF APPEALS FOR THE SECOND CIRCUIT

BRIEF OF AMERICAN INTELLECTUAL
PROPERTY LAW ASSOCIATION AS
AMICUS CURIAE IN SUPPORT OF PETITIONERS

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INTEREST OF AMICUS CURIAE¹

The American Intellectual Property Law Association (“AIPLA”) is a voluntary bar association of nearly 17,000 members who daily work with patents, trademarks, copyrights, and trade secrets, and with the legal issues that intellectual property presents. AIPLA’s members include attorneys in private and corporate practice as well as government service. AIPLA’s membership is intimately involved with the legal and business issues underlying the development, commercialization, and exploitation of intellectual property, including copyright registration issues.

AIPLA members are often on both sides of any matter, representing both plaintiffs and defendants for litigation and both licensors and licensees in transactions. As part of its central mission, AIPLA is dedicated to encouraging the healthy development of intellectual property law. Accordingly, AIPLA has

¹ The parties have consented to the filing of this brief. Counsel of record for all parties received notice at least ten days prior to the due date of the *amicus curiae*’s intention to file this brief. No counsel for a party authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than *amicus curiae*, its members, or its counsel made a monetary contribution to its preparation or submission.

After reasonable investigation, AIPLA believes that no member of its Board or Amicus Committee who voted to prepare this brief on its behalf, or any attorney in the law firm or corporation of such a Board or committee member or attorney who aided in preparing this brief, represents a party with respect to this litigation. Some committee members or attorneys in their respective law firms or corporations may represent entities which have an interest in other matters which may be affected by the outcome of this litigation.

a vital interest in the issues presented by this case, which will have a far-reaching impact on intellectual property rights and their exploitation.

BACKGROUND

In this case, a number of freelance and other writers filed four class actions seeking the royalties due to them under *New York Times Co. v. Tasini*, 533 U.S. 483 (2001), for unauthorized reproduction of works electronically. The cases were consolidated and, following three years of heated negotiations, the parties agreed on a settlement formula. *In re Literary Works in Electronic Databases Copyright Litigation*, MDL No. 1379 (S.D.N.Y., proposed settlement filed 3/29/05)(69 Pat. Trademark & Copyright J. (BNA) 592, 4/8/05). Under the settlement, some of the plaintiffs' copyrights were registered with the Copyright Office, others were subject to applications awaiting registration, while others were never included in an application for registration. *Id.* Each group was treated differently under the terms of proposed settlement formula. The District Court defined the class for purposes of settlement, approved the private settlement, and dismissed the claims as settled, with prejudice, by Order and Final Judgment dated September 27, 2005. It is from this settlement that the class objectors appealed to the Second Circuit Court of Appeals.

The District Court exercised subject matter jurisdiction over the entire action under 28 U.S.C. §§ 1331, 1338, and recognized that those claimants with registrations had satisfied the requirements of

17 U.S.C. § 411(a), suggesting that those who had not (and were otherwise so required) could have if the case had continued to final adjudication and judgment.

Raising the issue of subject-matter jurisdiction on appeal *sua sponte*, the Second Circuit vacated the order certifying the class and approving the parties' settlement, finding that the registration requirement of Section 411(a) had not been satisfied. *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, 125 (2d Cir. 2007). In a 2-1 decision, the Court concluded that the District Court had no subject-matter jurisdiction over those works for which copyright registrations had not been granted. Notwithstanding the resolution of all claims as part of a single private class action settlement, the Second Circuit reversed the lower court's order, dismissing the case without prejudice. *Id.* at 128.

The majority decision was based on Second Circuit case law that treats copyright registration as necessary for creating subject matter jurisdiction. *Well-Made Toy Mfg. Corp. v. Goffa International Corp.*, 354 F.3d 112, 114-16 (2d Cir. 2003) and *Morris v. Business Concepts, Inc.*, 259 F.3d 65, 72-73 (2d Cir. 2001).

SUMMARY OF ARGUMENT

The Second Circuit Court of Appeals in this case misinterpreted 17 U.S.C. § 411(a) by treating the requirement of copyright registration as a

condition precedent to subject matter jurisdiction over an action for copyright infringement. On this basis, it incorrectly barred an action for infringement where some of the works in suit had been registered at the Copyright Office and some had not.

The Second Circuit's decision raises a question of first impression for the Court, namely – what is the purpose and proper effect of 17 U.S.C. § 411(a), which compels the registration of previously unregistered copyrights in U.S. works prior to their enforcement in court?

The purpose of Section 411(a) is to create an accurate public record of claims to copyright and to facilitate infringement actions. The text of the statute is not directed to the authority of a court to hear a case, as in the undisputed subject matter jurisdiction provisions at 28 U.S.C. §§1331 and 1338. Instead, it expresses a limitation on a plaintiff's right to sue with the language “no action for infringement of the copyright in any United States work shall be instituted” This statute is not expressing the court's scope of authority over particular subject matter, but instead is imposing a requirement on one who would “institute” an action.

The “so-called” narrow view of Section 411(a), which imputes a subject matter jurisdiction condition to the statute, undermines the indisputable fact that registration is not a condition of copyright protection. 17 U.S.C. § 408(a). Section 411(a) simply makes registration a condition precedent to enforcing those rights in court. It is a

procedural “gating event” that is subject to a number of important exceptions, including one in particular that permits a lawsuit to proceed even where registration is refused by the Copyright Office. 17 U.S.C. § 411(a).

The statutory language, the policies disfavoring formalities, and the intent of Congress support treating Section 411(a) as a procedural prerequisite, akin to a “claims processing” rule or an “enforcement mechanism,” as correctly explained below in Judge Walker’s dissenting opinion, and in *Eberhart v. United States*, 546 U.S. 12 (2005) (per curiam) and *Kontrick v. Ryan*, 540 U.S. 443 (2004). *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, *129 (2d Cir. 2007).

The pragmatic procedural view of registration, adopted below by the District Court in approving the settlement of unregistered copyright claims, comports with the Copyright Act in recognizing that Section 411(a) is not essential to the existence of the underlying claim of copyright infringement. Judge Walker’s dissenting opinion goes one step further and offers a sound legal framework for distinguishing Section 411(a) from a traditional subject matter jurisdiction statute.

ARGUMENT

I. An Historical Perspective of Copyright Registration

A registration requirement has long been a part of the American copyright system, but its importance has been transformed significantly over time.

Beginning with the first copyright statute in 1790, registration was a necessary step to any statutory copyright protection. *See Wheaton v. Peters*, 33 U.S. 591, 662 (1834). The 1909 Copyright Act was less severe, and allowed a person to obtain a statutory copyright by alternative means, namely by the simple act of publishing copies of the work bearing a proper copyright notice. *See United States v. Backer*, 134 F.2d 533, 535 (2d Cir. 1943) (“It is well settled that publication with notice is sufficient to copyright whatever may be copyrighted at all.”) However, under Section 13 of the 1909 Act registration and deposit of a copy of the claimed work was set as a pre-condition for any infringement action, and under Section 14 a copyright owner’s failure to promptly comply after a Copyright Office demand for a deposit could result in fines and loss of copyright. In a departure from both of its predecessors, the current Copyright Act provides that, for works created on and after January 1, 1978, copyright automatically inheres in a work at the moment it is created, and expressly states that “registration is not a condition of copyright protection.” *See* 17 U.S.C. § 408(a).

Thus, registration was gradually eliminated as an impediment to acquiring statutory copyright protection in one’s work. However, it survives in a voluntary registration system that includes powerful

incentives for copyright owners to disclose their creative works to the public.

Generally, statutory damages and attorneys' fees provide the greatest incentive for registration, but they are available remedies only for copyright owners who registered their works prior to the infringing acts in dispute. *See* 17 U.S.C. § 412. In addition, a registration certificate constitutes *prima facie* evidence of the validity of the copyright and of the facts stated in the certificate, but only if the owner registered before or within five years after first publication of the infringed work. *See* 17 U.S.C. § 410. Perhaps less significant to many copyright owners, registration is also a prerequisite for securing relief from infringing importation through the United States Customs and Border Patrol, 19 C.F.R. § 133.33, and the International Trade Commission, 19 U.S.C. §§ 1337(a)(1)(B)(i), 1337(a)(1)(D). Here again, registration must precede the unlawful act to trigger the available remedy. Finally, registration incentives help to insure that works become part of the U.S. Copyright Office's record keeping system and the Library of Congress, and thus their content and identifying information made available to members of the public. As such, registration constitutes constructive notice of documents relating to ownership of a copyright in a work, such as assignments. *Tempo Music, Inc. v. Famous Music Corp.*, 838 F. Supp. 162, 166 (S.D.N.Y. 1993).

In addition to these incentives for voluntary registration, the imperative of registration for copyright infringement actions is subject to a variety

of exceptions in the statute. One critical exception is found in Section 411(a) itself:

[Once] the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute an action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights.

17 U.S.C. § 411(a).

This statutory exception allows a copyright owner in a U.S. work to litigate its claims without registration as long as it has applied for and received from the Copyright Office a refusal to register.

Another exception was created for works of foreign origin in connection with the United States accession to the Berne Convention for the Protection of Literary and Artistic Works (“Berne”). Accession to Berne required complying with Article 5(2) of the treaty, which provides that “[t]he enjoyment and the exercise of ... rights shall not be subject to any formality....” The legislative history of the Berne Convention Implementation Act (“BCIA”) reveals that the Senate took the position that the registration requirement of Section 411(a) was such a prohibited formality², and that the House of

² S. Rep. No 352, 100th Cong., 2d Sess. 13-15 (1998).

Representatives believed it was not³. The result of this disagreement was a two-tiered system that requires registration for works of U.S. origin only.⁴

Other exceptions to the registration requirement can be found in The Visual Artists Rights Act of 1990 (“VARA”), 17 U.S.C. § 106A(a), and in the recently enacted Prioritizing Resources and Organization for Intellectual Property Act of 2008 (“PRO-IP Act”). The VARA is another Berne concession which inserted into Section 411(a) an exemption to the registration requirement for Section 106A(a) infringement actions. The PRO-IP Act, signed into law in October 2008, made clear that the registration requirement of Section 411(a) does not apply to criminal copyright proceedings. Pub. L. 110-403, amending 17 U.S.C. §§ 411(a) and (b).

As further evidence of the checkered history of the registration requirement, a bill was passed in 1993 by the House of Representatives to eliminate this feature of Section 411(a).⁵ The House Report accompanying the bill found that requiring registration for a lawsuit and the incentives for voluntary registration were primarily designed to secure copies for the Library of Congress collection

³ H.R. Rep. No 609, 100th Cong., 2d Sess. 40-43 (1988).

⁴ 2-7 Nimmer on Copyright § 7.16[B][1][b][iv] (“In this way, although United States citizens were somewhat disadvantaged by Congress’s action, at least no foreign Berne claimants could contend that the United States was setting up impermissible formal roadblocks to the protection of their copyrights.”)

⁵ H.R. 897, 103d Cong., 1st Sess., passed by unanimous consent; *see* Congressional Record, 11/20/1993, pp. H10308-H10312.

through the related deposit requirements.⁶ 17 U.S.C. § 408(b).

Since 1978, registration has not been required to acquire a copyright, but somewhat paradoxically, has remained a hurdle to a copyright owner's ability to enforce its rights in court and to obtain certain legal remedies. While Section 411(a) affects only the ability to seek remedies in court, "a distinction between rights and remedies in this respect is elusive; a right is only as valuable as the remedy it commands." Perlmutter, Shira, *Freeing Copyright from Formalities*, 13 CARDOZO ARTS & ENT. L.J. 565, 575 (1993). Recognizing that a right without any remedy is less than a full right, and in an effort to conform to Berne, Congress has continued to chisel away at the Copyright Act's registration provisions, rendering Section 411(a) a mere "gating requirement" with significant exceptions to its application.

II. Copyright Registration Under 17 U.S.C. § 411(a)

A. Statutory Language and Legislative History

While there is much ambiguity surrounding the proper role of copyright registration, this much is certain — registration is not a condition of copyright protection, but an application for registration is a procedural precondition to litigating the

⁶ H.R. Rep. No. 388, 103d Cong., 1st Sess. 12 (1993).

infringement of a copyright in U.S. works under the 1976 Copyright Act.

Section 411(a) of the Copyright Act provides:

Except for an action brought for violation of the rights of the author under section 106A(a), and subject to the provisions of subsection (b), *no action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title.* In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute an action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights.

17 U.S.C. § 411(a). [emphasis added].

What is immediately apparent about this language is that it is easily distinguishable from the language of the indisputable subject matter jurisdiction statutes at 28 U.S.C. §§ 1331 (federal question jurisdiction) and 1338(a) (patent, trademark and copyright jurisdiction). Those provisions use the phrase “[t]he district courts shall

have original jurisdiction of all civil actions” to express limits on the district court’s authority to hear certain cases. By contrast, the language of Section 411(a) expresses no limitation on the jurisdiction of the court, but rather limits a plaintiff’s right to sue with the language “no action for infringement of the copyright in any United States work shall be instituted” The subject of Section 411(a) is “no action for infringement,” and the passive voice “shall be instituted” is a reference to the party instituting the action, not to the tribunal hearing the action. This statute is not expressing the court’s scope of authority over particular subject matter, but instead is applying a requirement on one who would “institute” an action.

The legislative history of Section 411(a) supports the conclusion that authors who bypass the registration scheme nonetheless acquire rights, even if those are rights cannot be enforced. “Except where, under section 405(a), registration is made to preserve a copyright that would otherwise be invalidated because of omission of the notice, registration is not a condition of copyright protection.” *See* H.R. Rep. No. 94-1476, at 152 (1976), reprinted in 1976 U.S.C.C.A.N. 5659, 5768. “Under [section 411(a)], a copyright owner who has not registered his claim can have a valid cause of action against someone who has infringed his copyright, but he cannot enforce his rights in the courts until he has made registration.” *Id.* at 157.

What is less clear is from the text and legislative history of the statute is whether Section 411(a) permits a copyright owner to file an

infringement action before the Copyright Office has acted to either issue or deny a certificate of registration, or even before the copyright owner has filed an application.

Although courts are divided on the question, the correct view is that the registration requirement is akin to a procedural condition precedent to prosecuting a lawsuit that may be satisfied “along the way.” This broader view of the requirement conforms to general proposition argued by Judge Walker in his dissenting opinion below that the registration requirement is more of a “claims processing rule.” The narrow view of the requirement improperly introduces a subject matter jurisdiction character into the statute by measuring compliance with the requirement only at the moment the action is commenced.

B. The Broad Approach to the Role of Registration

1. In General

Under the “broad” or “application” approach, copyright registration occurs when the registration applicant submits all necessary materials to the Copyright Office – that is, the plaintiff has a cause of action upon filing the application, necessary fees, and a copy of the work with the Copyright Office. 2-7 Nimmer on Copyright § 7.16[B][1][a][i]. Courts that have adopted the broad approach recognize the immateriality of whether a registration ultimately issues (or is denied) in considering whether to allow claims to proceed. In applying this pragmatic view

of registration, it is enough, these courts believe, that a proper application was submitted to the Copyright Office, otherwise a litigant would remain in “legal limbo” awaiting the administrative actions of the Copyright Office. *See Secure Servs. Tech., Inc. v. Time and Space Processing, Inc.*, 722 F. Supp. 1354, 1364 (E.D. Va. 1989). Courts that follow the broad approach impliedly acknowledge that registration is a procedural formality that may be satisfied “along the way,” and is not a requirement for invoking the authority of the Federal courts.

The decisive exception to the Copyright Act’s registration scheme under Section 411(a) allows a party who seeks to register a copyright to proceed to litigation, regardless of whether the Copyright Office ultimately issues the certificate, or denies it. Therefore, delaying the date on which a copyright owner can sue is a futile formality if, in the end, a copyright owner can sue whether or not an application for registration ultimately issues. For this reason, Professor Nimmer states that “it makes sense under the 1976 Act to refer to *application for registration* as a condition to filing an infringement action, whereas *issuance of a registration certificate* is a condition to statutory damages, *prima facie* presumption, and constructive notice.” 2-7 Nimmer on Copyright § 7.16[B][1][a][i].

According to Nimmer, the broad approach “better comports with the [Copyright Act’s] statutory structure.” *Id.* As Professor Nimmer explains:

[I]n contrast to the *prima facie* presumption of validity, which the statute limits to ‘*certificate of registration*’ [Section 410(c)], the jurisdictional provision [Section 411(a)] requires only that ‘*registration of the copyright claim has been made in accordance with this title.*’

Id. (emphasis original).

The effective date of a copyright registration “is the day on which an application, deposit, and fee ... are *received* in the Copyright Office.” 17 U.S.C. § 410(d) (emphasis added). According to the statute, the acceptability of these items for registration is determined thereafter by the Register of Copyrights or a court of competent jurisdiction, but all rights arising from the registration relate back to the date the application was received. Thus, a court’s jurisdiction over an infringement action does not depend on copyright examination, nor does it depend on the issuance or denial of a registration certificate since neither determines the right to proceed. 2-7 Nimmer on Copyright § 7.16[B][1][a][i]. Rather, a “court of competent jurisdiction,” including the court before which the copyright infringement action is pending, can determine the adequacy of the submission to the Copyright Office. *Id.*

The legislative history of the Copyright Act provides support for the broad approach in deemphasizing the role of registration, except as a precondition to statutory damages and attorney’s fees. See H.R. No. 94-1476, at 158. (“a copyright

owner whose work has been infringed before registration would be entitled to the remedies ordinarily available in infringement cases” whereas “section 412 would deny any award of the special or ‘extraordinary’ remedies of statutory damages or attorney’s fees...”). Although registration is not required for copyright protection, the Copyright act entices authors to register their works by offering the added remedies of statutory damages and attorneys’ fees to those who register their works before infringement commences. See H.R. No. 94-1476, at 158 (“The need for section 412 arises from [the fact that] ... [c]opyright registration for published works, which is useful and important to users and the public at large, would no longer be compulsory, and should therefore be induced in some practical way.”)

2. Case Law

The Federal Circuit Courts for the Fifth and Seventh Circuits⁷ have adopted the broad or application approach, deeming registration to have occurred as of the first step in the registration process in at least a majority of the cases where the issue has been addressed. In *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 386-87 (5th Cir. 1984),

⁷ The Eighth and Ninth Circuits have addressed the issue and applied the broad approach, but only in the context of claims for injunctive relief. *Olan Mills, Inc. v. Linn Photo Co.*, 23 F.3d 1345, 1349 (8th Cir. 1994) (Injunctive relief is not limited by the registration requirement; notes that the timing of registration only affects actual versus statutory damages); *Perfect 10, Inc. v. Amazon.com, Inc.*, 487 F.3d 701, 710, n.1 (9th Cir. 2007) (Court had jurisdiction to issue injunctive relief for unregistered copyrights where at least some of the copyrights were registered).

the Fifth Circuit allowed the plaintiffs to maintain an action for copyright infringement although the plaintiffs had received neither an actual registration certificate nor a formal refusal from the Copyright Office. The court held that plaintiffs' proof of payment of the required fee, their deposit of the work, and the Copyright Office's receipt of the application was sufficient to maintain an action for copyright infringement. *Id.* See also *Positive Black Talk Inc. v. Cash Money Records Inc.*, 394 F.3d 357, 365 (5th Cir. 2004) ("Although some circuits require that a plaintiff actually obtain a certificate from the Copyright Office before bringing suit, the Fifth Circuit requires only that the Copyright Office actually receive the application, deposit, and fee before a plaintiff files an infringement action."); *Lakedreams v. Taylor*, 932 F.2d 1103, 1108 (5th Cir. 1991) ("a plaintiff has complied with the statutory formalities when the Copyright Office receives the plaintiff's application for registration, fee and deposit."); *Brooks-Ngwenya v. Indianapolis Pub. Schs.*, 564 F.3d 804 (7th Cir. 2009) (Section 411(a) is not jurisdictional, but rather prescribes manner in which federal court exercises its exclusive jurisdiction over copyright claims and is a prerequisite to suit); *Chicago Bd. of Educ. v. Substance, Inc.*, 354 F.3d 624, 631 (7th Cir. Ill. 2003) ("Although a copyright no longer need be registered with the Copyright Office to be valid, an application for registration must be filed before the copyright can be sued upon.").

In addition, on at least two occasions, district courts in the D.C. Circuit have endorsed the broad approach. In *Int'l Kitchen Exhaust Cleaning Ass'n v.*

Power Washers of North America, 81 F. Supp. 2d 70, 72 (D.D.C. 2000), Judge Kennedy writing for the majority stated: “the court endorses the position that a plaintiff may sue once the Copyright Office receives the plaintiff’s application, work, and filing fee.”⁸ See also *Prunte v. Universal Music Group*, 484 F. Supp. 2d 32, 39-40 (D.D.C. 2007) (“[t]he more common practice is for courts to allow suit to go forward as soon as the application has been completed and submitted to the Copyright Office, along with the deposit of the work in question and the fee.”)

Moreover, numerous district courts, including those in the Second, Third, Fourth, Eighth, and Ninth Circuits, have applied the broad approach to registration, in a case-by-case fashion. See, e.g., *Havens v. Time Warner, Inc.*, 896 F. Supp. 141, 142-43 (S.D.N.Y. 1995) (“in order to bring suit for copyright infringement, it is not necessary to prove possession of a registration certificate”; citing *Apple Barrel*, 730 F.2d 384 (5th Cir. 1984)); *Salerno v. City University of New York*, 191 F. Supp. 2d 352, 356 (S.D.N.Y. 2001) (filing copyright application, deposit, and fee with the Register of Copyrights were sufficient to establish subject matter jurisdiction to bring copyright infringement action); *Chateau Hip v. Gilhuly*, 1996 U.S. Dist. LEXIS 11055 (S.D.N.Y. Aug. 1, 1996) (stating that “[a]n infringement action may

⁸Subsequently, in *Strategy Source v. Lee*, 233 F. Supp. 2d 1, 3 (D.D.C. 2002), the court appeared to endorse the narrow approach, with criticism of the holding *Int’l Kitchen Exhaust Cleaning Ass’n*.

be commenced once the plaintiff has delivered to the Copyright Registrar the application, deposit, and appropriate fee” and *citing Havens*, 896 F. Supp. 141 (S.D.N.Y. 1995), and *Apple Barrel*, 730 F.2d 384 (5th Cir. 1984)); *Wilson v. Mr. Tee’s*, 855 F. Supp. 679, 682-83 (D.N.J. 1994) (accepting copies of the copyright applications and deposits along with a receipt from the Copyright Office, indicating that the Office received the application, fee and deposit, as sufficient to satisfy the registration requirement); *Tang v. Hwang*, 799 F. Supp. 499, 502-03 (E.D. Pa. 1992) (holding that Section 411(a) “has been broadly construed to allow for the commencement of an infringement action upon the Copyright Office’s receipt of the application, the required number of copies of the work, and the filing fee in proper form”); *SportsMEDIA Technology Corp. v. Upchurch*, 839 F. Supp. 8 (D. Del. 1993) *citing Tang v. Hwang*, 799 F. Supp. 499 (D.N.J. 1994) and construing Section 411 as allowing for the commencement of a copyright infringement action upon the Copyright Office’s receipt of the application); *Commence Corp. v. Selltis, L.L.C.*, 2006 U.S. Dist. LEXIS 8833 (D.N.J. Mar. 3, 2006) (“this Court has adopted the Fifth Circuit’s holding that the requirements of Section 411 are satisfied when an application for registration, fee, and deposit are received at the Copyright Office”; *citing Apple Barrel*, 730 F.2d 384 (5th Cir. 1984)); *Iconbazaar, L.L.C. v. Am. Online, Inc.*, 308 F. Supp. 2d 630, 634 (M.D.N.C. 2004) (the filing of a completed copyright application meets the registration requirement of Section 411(a)); *Secure Servs. Tech., Inc.*, 722 F. Supp. at 1364 (E.D. Va. 1989) (“[u]nder the copyright laws, copyright registration is presumed to have occurred from the

moment the owner of the copyrightable material delivers his application and filing fee to the Copyright Office. [...] Were the law otherwise, the owner of a copyright would be left in legal limbo while the Copyright Office considers whether he qualifies for a certificate of registration.”); *Phoenix Renovation Corp. v. Rodriguez*, 403 F. Supp. 2d 510, 515 (E.D. Va. 2005) (“In this Court’s view, a complaint alleging that the copyright holder properly applied for registration with the Copyright Office is sufficient to satisfy the precondition to an infringement action); *Tri-Marketing v. Mainstream Mktg. Servs.*, 2009 U.S. Dist. LEXIS 42694 (D. Minn. May 19, 2009)(endorsing “application approach” to Section 411(a)); *Dielsi v. Falk*, 916 F. Supp. 985 (C.D. Cal. 1996) (following Nimmer’s reasoning, and holding that the requirements of 411(a) are not particularly onerous, and once the Copyright Office receives the application, the plaintiff can bring suit).

Many courts, without articulating a formal position on the role of registration, avoid directly confronting the issue by simply permitting the filing of an amended complaint once a registration certificate has issued. See *Quincy CableSystems, Inc. v. Sully’s Bar, Inc.*, 650 F. Supp. 838, 850 (D. Mass. 1986) (defects in failure to comply with Section 411(a) registration requirement could be cured in amended complaint); *Oyster Software, Inc. v. Forms Processing, Inc.*, 2001 U.S. Dist. LEXIS 22520 (N.D. Cal. Dec. 6, 2001) (Plaintiff can amend complaint when registration is received).

C. Narrow Approach to the Role of Registration

1. In General

Under the “narrow” or “registration” approach, Section 411(a) is satisfied only when the Copyright Office registers, or refuses to register, a work – that is, the plaintiff must await the Copyright Office’s actual registration (or denial) before ever filing suit. 2-7 Nimmer on Copyright § 7.16[B][1][a]. See *Miller v. CP Chems.*, 808 F. Supp. 1238, 1242 (D.S.C. 1992) (“Without the copyright certificates, the plaintiffs have no *prima facie* evidence of registration and thus have no standing to sue for copyright infringement.”); *Goebel v. Manis*, 39 F. Supp. 2d 1318, 1320 (D. Kan. 1999) (dismissing copyright infringement claim where plaintiff had not yet received a copyright registration certificate or denial at the time of filing action); *Boyle v. Stephens, Inc.*, 1997 U.S. Dist. LEXIS 12780, at *9 (S.D.N.Y. Aug. 25, 1997) (finding no viable copyright infringement claim for plaintiff whose registration was pending, but not yet completed); *Int’l Trade Mgmt., Inc. v. United States*, 553 F. Supp. 402, 403 (Cl. Ct. 1982) (“A suit for copyright infringement is conditioned on obtaining (or being denied) a certificate of registration”).

In other words, according to some courts, including the Second Circuit in the case at bar, copyright registration or refusal under Section 411(a) is an absolute requirement of subject matter jurisdiction for filing an infringement action, which may be raised by a court at any time, *sua sponte*, and cannot be waived. Thus, the “narrow” or “registration” approach has also been termed the “jurisdictional” approach.

2. Case Law

Several Circuits, including the First, Fourth, Sixth, Tenth, Eleventh, and D.C. Circuits have, at least on one occasion each, applied in varying forms, the “narrow” or “jurisdictional” approach to copyright registration, which conditions subject-matter jurisdiction on whether the plaintiff’s work has been registered or finally refused by the Copyright Office at the time of filing an infringement action.⁹ See *Data Gen. Corp. v. Grumman Sys. Support Corp.*, 36 F.3d 1147, 1163 (1st Cir. 1994); *Xoom, Inc. v. Imageline, Inc.*, 323 F.3d 279, 283 (4th Cir. 2003) (“Copyright registration is a jurisdictional prerequisite to bringing an action for infringement under the Copyright Act.”); *Murray Hill Publ’ns, Inc. v. ABC Commc’ns, Inc.*, 264 F.3d 622, 630-32 (6th Cir. 2001) (registration requirements under Section 411 are jurisdictional prerequisite to right of holder to enforce copyright in federal court); *La Resolana Architects, P.A. v. Clay Realtor Angel Fire*, 416 F.3d 1195, 1200-02 (10th Cir. 2005) (“no language in the Act suggests that registration is accomplished by mere receipt of copyrightable material by the Copyright Office.”); *M.G.B. Homes v. Ameron Homes*, 903 F.2d 1486, 1488-89 (11th Cir. 1990) (“The registration requirement of 17 U.S.C. § 411(a) is a

⁹As Judge Walker notes in his dissenting opinion below, there is some question as to whether all of these courts have considered Section 411(a) “jurisdictional” in the sense of subject matter jurisdiction, or merely casually labeled Section 411(a) as such, a practice to which the Supreme Court itself has acknowledged falling victim. *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, 135 (2nd Cir. 2007) (citing *Kontrick v. Ryan*, 540 U.S. 443, 454 (2004)).

jurisdictional prerequisite to an infringement action... .”); *Strategy Source v. Lee*, 233 F. Supp. 2d 1, 3 (D.D.C. 2002) (“permitting an infringement lawsuit to go forward in the absence of a registration certificate or denial of the same is in tension with the language of section 411(a) of the Copyright Act.”).

Various district courts have applied the narrow approach to litigants’ claims, proclaiming that their hands are tied until after the Copyright Office has spoken on registrability. *See, e.g., Morgan, Inc. v. White Rock Distilleries, Inc.*, 230 F. Supp. 2d 104, 107 (D. Me. 2002) (“copyright registration is a jurisdictional prerequisite to the right of the holder to enforce the copyright in federal court.”); *Corbis Corp. v. UGO Networks, Inc.*, 322 F. Supp. 2d 520, 521 (S.D.N.Y. 2004) (holding that “[t]he combination of sections 410 and 411 thus make plain that the federal district courts do not have jurisdiction over a claim for federal copyright infringement until the Copyright Office has either approved or refused the pending application for registration”); *Mays & Assocs. v. Euler*, 370 F. Supp. 2d 362, 366 (D. Md. 2005) (“It is axiomatic that copyright registration is a jurisdictional prerequisite to bringing an action for infringement under the Copyright Act.”); *Miller*, 808 F. Supp. at 1242 (D.S.C. 1992) (“Plaintiff’s lack of registration is fatal to his copyright infringement cause of action and requires its dismissal. Without the copyright certificates, the plaintiff has no prima facie evidence of registration, and thus has no standing to sue for copyright infringement.”); *Nat’l Info. & Communs. Equip. Network Inc. v. Willigan*, 2007 U.S. Dist. LEXIS

75799, *29 (E.D. Ky. Oct. 11, 2007) (lack of registration “dooms” the party’s federal copyright claims); *Ripple Junction Design Co. v. Olaes Enters.*, 2005 U.S. Dist. LEXIS 32866, *13 (S.D. Ohio Sept. 8, 2005) (merely filing an application is not enough); *Marshall & Swift v. BS & A Software*, 871 F. Supp. 952, 958 (W.D. Mich. 1994) (“registration is a jurisdictional prerequisite to the initiation of an infringement action in federal court”); *Dodd v. Forst Smith Special Sch. Dist. No. 100*, 666 F. Supp. 1278, 1282 (W.D. Ark. 1987) (“Under the Copyright Act ... registration of the copyright, while not a prerequisite to having a protectable interest, is a jurisdictional prerequisite to the initiation of an infringement suit in federal court”); *Proulx v. Hennepin Tech. Ctrs. Dist. No. 287*, 1981 U.S. Dist. LEXIS 17634, *10 (D. Minn. Dec. 7, 1981) (section 411 requirements are jurisdictional; federal court cannot hear copyright infringement claims unless such prerequisites have been met); *Sun Media Sys. v. KDSM, LLC*, 564 F. Supp. 2d 946, 975 (S.D. Iowa 2008) (adopting Sixth Circuit rule that even a derivative work must be registered prior to filing suit); *Berry v. Penguin Group, Inc.*, 448 F. Supp. 2d 1202, 1203 (W.D. Wash. 2006) (“Only those who have ‘applied and obtained registration and those who have applied and failed’ have the right to file suit in federal court.”); *Ryan v. Carl Corp.*, 1998 U.S. Dist. LEXIS 9012, *5 (N.D. Cal. June 15, 1998) (“A close reading of the Act indicates that registration does not occur until after the Copyright Office issues a certificate of registration.”); *Loree Rodkin Mgmt. Corp.*, 315 F. Supp. 2d 1053, 1056 (C.D. Cal. 2004) (“the plain language of the Copyright Act unambiguously mandates the actual issuance of a registration

certificate before a copyright action is brought”); *Westport Historical Soc’y v. Lee*, 1997 U.S. Dist. LEXIS 11909, *7 (D. Kan. July 11, 1997) (Court would not even grant leave to amend complaint in light of pending application); *Kaye Homes, Inc. v. Original Custom Homes Corp.*, 2007 U.S. Dist. LEXIS 60847, *7 (M.D. Fla. Aug. 20, 2007) (“In the Eleventh Circuit, simply filing an application for copyright registration is not sufficient to provide federal courts with jurisdiction.”).

Application of the narrow approach within individual Circuits has not been entirely uniform. And even courts nominally following the narrow approach to registration have made exceptions to their general rule. Several Circuits that have applied the narrow approach have enjoined the infringement of unregistered copyrights based on varying theories. *See, e.g., Pac. & S. Co., Inc. v. Duncan*, 744 F.2d 1490, 1499 & n. 17 (11th Cir. 1984) (Court allowed injunctive relief for unregistered copyrights because otherwise the fact that registration is not a condition of copyright would be rendered meaningless).

Where an error in the certificate of registration would necessitate correction or reissue by the Copyright Office, most courts have looked the other way and permitted the case to proceed, creating yet another exception to the jurisdictional application of Section 411(a). *See Roth Greeting Cards v. United Card Co.*, 429 F.2d 1106 (9th Cir. 1970) (copyright registration that was revised to correct an improper classification only after a lawsuit was commenced was overlooked by the

court). These cases are generally in keeping with the liberal approach to upholding registrations that contain erroneous information, absent a showing of fraud on the Copyright Office, *see e.g. Gates Rubber Co. v. Bando Am., Inc.*, 798 F. Supp. 1499, 1507 (D. Colo. 1992), which approach was recently codified as part of the PRO-IP Act. Public Law 110-403, amending 17 U.S.C. §§ 411(a) and (b) (even substantive factual errors contained in a copyright registration cannot frustrate a civil infringement claim absent fraud on the Register of Copyrights that would have caused the Register to refuse registration).

In another exception that disproves the narrow rule, a plaintiff was allowed to proceed in court, even though his registration, which he held at the time he filed suit, was *permanently cancelled* during the litigation after the bank dishonored the check written for the filing fee. *Macklin v. Mueck*, 373 F. Supp. 2d 1334, 1335 (S.D. Fla. 2005).

3. Critique of Narrow Approach

The narrow approach has been criticized as exalting form over substance and as contrary to the objectives of copyright law. “Section 411(a) does not, by its terms, provide the copyright holder with any of the sticks in his bundle of rights.” *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, 130 (2d Cir. 2007) (Walker, J. dissenting). Copyright infringement litigation can be delayed or derailed altogether while extraneous fights over technical registration requirements or defects in certificates of registration are used, in

some cases, to gain a tactical advantage to the detriment of an action's legal merits. *See Lotus Dev. Corp. v. Paperback Software Int'l*, 740 F. Supp. 37, 79-82 (D. Mass 1990) (defendant's contention that plaintiff's registration certificate for literal source code does not convey jurisdiction to adjudicate matters relating to screen displays "borders on the frivolous.")

Courts that have addressed the registration of derivative works have permitted copyright infringement suits to proceed on claims that the underlying unregistered original work was infringed where the registered derivative work was created by the same author.¹⁰ *See, e.g., Christopher Phelps & Associates LLC v. Galloway*, 492 F.3d 532, 539 (4th Cir. 2007); *Streetwise Maps, Inc. v. VanDam, Inc.*, 159 F.3d 739, 746-47 (2d Cir. 1988); *In re Independent Services Organizations Antitrust Litigation*, 964 F. Supp. 1469, 1473 (D. Kan. 1997); *Young Design, Inc. v. Teletronics Intern., Inc.*, 2001 WL 35804500 at *12 (E.D. Va. 2001). These holdings support the view that it is not the technical act of registering the work at issue that secures the right to initiate a lawsuit.

Finally, Section 411(a)'s explicit exception for registration of foreign works is further evidence that

¹⁰Even though the copyright in the derivative work technically extends only to a derivative work if based in whole or in part on a preexisting work (or works), the new material must amount, in and of itself, to an original work of authorship. A derivative work is entitled to copyright protection so long as it is sufficiently distinct from the original to be considered a new work.

the requirement is not applied uniformly as an absolute bar to subject matter jurisdiction. *Id.* (citing 17 U.S.C. § 411(a)). Treating Section 411(a)'s registration requirement as a subject matter jurisdiction requirement that must be fully perfected upon filing exacerbates this two-tier treatment of works and disadvantages U.S. copyright owners.

III. Judge Walker's Dissent States the Correct Approach to Section 411(a)

Judge Walker's dissenting opinion in this case correctly argues that the Majority decision below disregards Supreme Court case law that critically distinguishes jurisdiction rules from "claim processing rules." *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, *128-29 (2d Cir. 2007) (Walker, J., dissenting) (citing *Eberhart v. United States*, 546 U.S. 12, 13 (2005))(per curiam).

As stated by the Supreme Court in *Kontrick*, the term "jurisdictional" is easily misunderstood, or simply misused because of its different meanings:

Clarity would be facilitated if courts and litigants used the label ‘jurisdictional’ not for claim-processing rules, but only for prescriptions delineating the classes of cases (subject-matter jurisdiction) and the persons (personal jurisdiction) falling within a court’s adjudicatory authority. *Kontrick v. Ryan*, 540 U.S. 443, 456 (2004).

As Judge Walker notes, there is some question whether courts who have considered the issue have truly analyzed whether Section 411(a) is “jurisdictional” in the sense of subject matter jurisdiction, or have casually labeled Section 411(a) as such, a practice to which the Supreme Court itself has acknowledged falling victim. *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, *128 (2d Cir. 2007) (citing *Kontrick v. Ryan*, 540 U.S. 443, 454 (2004)). AIPLA agrees with his conclusion that the statute is not jurisdictional and that its language addresses copyright holders, not courts. *Id.* at *130.

Judge Walker next determines that, in the context of the Copyright Act’s clear provisions, Section 411(a) cannot be a rights-creating statute, and concludes that it is merely an enforcement mechanism as is often the case with a procedural claims processing rule. *Id.* (citing *Boos v. Runyon*, 201 F.3d 178, 182 (2d Cir. 2000)(discussing statutory provision allowing employees of federal agencies to sue in district courts), *Arbaugh v. Y&H Corp.*, 546

U.S. 500 (2006)(addressing Title VII prerequisites to suit)).

Finally, Judge Walker stresses the purpose of Section 411(a), which is *to facilitate the enforcement of copyrights*, and the fact that Section 411(a) is “riddled with” exceptions, for example allowing suit to proceed regardless of whether the Copyright Office ultimately accepts or rejects the claimant’s request for issuance of a certificate. *Id.* at *132.

These factors, according to Judge Walker, demonstrate that “the registration requirement appears simply to be a procedural or ‘administrative prerequisite’ which may be waived by the parties, designed to ensure that the application materials have been delivered to the Copyright Office in proper form.” *Id.* (citing *Boos v. Runyon*, 201 F.3d 178, 183 (2d Cir. 2000)).

Professor Nimmer endorses Judge Walker’s reasoning deeming his conclusions “eminently sensible” reasoning that Section 411(a)’s registration prerequisite, with its “multiple twists and turns” seems “far closer to a processing rule than a ‘prescription delineating the classes of cases... falling within a court’s adjudicatory authority,’ which is how the Supreme Court characterizes ‘subject-matter jurisdiction.’” 2-7 Nimmer on Copyright § 7.16[B][1][c]¹¹.

¹¹As Professor Nimmer observes, in many cases, whatever the distinction may be between a so-called “claims processing rule” and a subject matter jurisdictional requirement, these will not be significant. After all, whether labeled by the court as a “hard” requirement for subject-matter jurisdiction or a “soft” rule required to proceed with the claim, a plaintiff will have to

A. Policy Considerations Favor Walker
Approach to Registration

Applying Section 411(a)'s registration requirements in a procedural fashion promotes the public policies of registration without undermining the organic protections afforded by the Copyright Act.

It is clear to most copyright owners and practitioners that the primary impetus for registration is the availability of statutory damages and attorney's fees. But these incentives are only available where registration has preceded infringement, and otherwise are forever lost. *See* 17 U.S.C. § 412 (statutory damages and attorney's fees are available remedies only for copyright owners who registered their work prior to the alleged infringing acts in dispute). However, Section 411(a) promotes particular public benefits by encouraging the voluntary registration of *previously unregistered works*. The two most obvious are: (1) to foster public disclosure of works¹² and (2) to support the U.S. Copyright Office's record keeping system by requiring submission of indentifying information and submission of a formal deposit copy for the Library

comply *at some point* or face dismissal and very rarely will a determined plaintiff be thwarted by Section 411(a)'s requirements. But an important distinction may be that while a required procedural rule may be waived if not challenged, subject matter jurisdiction can never be waived and can even be raised *sua sponte* in the court of appeals. 2-7 Nimmer on Copyright § 7.16[B][1][c].

¹²This incentive became more evident once the Copyright Act of 1976 eliminated the publication requirement.

of Congress – both practical policies intended to benefit the public at large. Professor Patry in his treatise emphasizes the broader public benefits of registration, in contrast to the private incentives of damages, served through Section 411(a). William F. Patry, 5 *Patry on Copyright* §17:122 (2009) (“The primary purpose of our registration system is to create an accurate public record of claims to copyright.”) *citing* Compendium II of Copyright Office Practices § 602 (“Copyright registration is intended to make a public record of the basic facts of a particular copyright.”). Permitting *post-suit* registration continues to serve the purposes of building the public “library” of works (as a deposit is on file as soon as it is received by the Copyright Office).¹³

In the instant case, publication of the unregistered works served both to disclose the works to the public, and in many cases, arguably created a public record of the work through inclusion as part of a registered collective work. In contrast, requiring registration to protect previously published, yet unregistered works prior to reaching a private settlement of infringement claims, creates a disincentive to both creation of new works and to

¹³Electronic dissemination of works arguably enhances technological means for voluntarily providing information about licensing. *See, e.g., Information Infrastructure: Task Force, Intellectual Property and the National Information Infrastructure: A Preliminary Draft of the Report on the Working Group in Intellectual Property Rights* 108-16 (July 1994).

their disclosure to the public, contrary to the primary purpose of U.S. copyright laws.¹⁴

Section 411(a) helps define the allegedly infringed work at issue for the parties and the court in a civil action, and provides an opportunity for the court to consider the views of the Copyright Office by allowing the Register to become a party to the action should registration be refused. As Judge Walker notes, neither policy is served where as here, a case is settled before trial.

Registration is not a condition of copyright protection. Treating Section 411(a) as a procedural “gating event” under Judge Walker’s “broad approach” places registration in its proper role, i.e. though a plaintiff must register its work at some time prior to the adjudication of an infringement claim in order to proceed, it need not have a registration in hand at the time a suit is commenced to invoke the adjudicatory authority of the court. Thus, consistent with its purpose, Section 411 should not limit (or preclude) subject matter jurisdiction in connection with the settlement of otherwise proper claims.

¹⁴Respondents argue that most freelance authors/class members will not spend the \$ 35 or \$45 to register works in order to bring an actual damages claim for articles sold for \$50 or \$100. Brief of Respondents in Support of Petitioners, p. 3. Additionally, the sheer number of copyrightable works created by freelance authors, designers and photographers make it impracticable to register and deposit copies of each work.

B. Application of Walker Approach to this Case

While Judge Walker suggests in his dissent that not all members of a settlement-only class must possess a valid cause of action at the time of settlement under Second Circuit precedent, he also suggests that class members who did not hold registrations could have sought to register prior to a trial on the merits, *In re Literary Works*, 509 F.3d at *129 (“After several years of intense negotiation, and prior to trial (and hence without registration of many of the copyrights held by class members)”, or could have attempted registration later in the context of individual actions. *Id.* (“Of course, should any [class member] wish to sue individually, the formality of prior registration could be met.”))

Under the Walker approach to Section 411(a), an individual class member’s failure to comply should not deprive the district court of its ability to exercise subject matter jurisdiction over the case for settlement purposes. Therefore, the District Court acted properly in exercising subject matter jurisdiction in the case and was within its authority to approve the final settlement of unregistered claims without running afoul of Section 411(a). Therefore, the Second Circuit was in error in holding, *sua sponte*, that the settlement could not stand.¹⁵

¹⁵Because a proper reading of Section 411(a) would permit the District Court’s actions, AIPLA does not address other issues raised by Second Circuit’s holding, such as whether all members of a class must satisfy the requirements of Section 411(a).

CONCLUSION

Registration of works with the Copyright Office serves a number of important policies. Registration discloses works and their identifying information by making them publicly available. Registration, or its attempt, allows a court to consider the opinions of the Copyright Office on what constitutes copyrightable subject matter. Registration helps define the allegedly infringed work at issue, by requiring the author to describe and deposit that work in conjunction with its application to register. And registration narrows the issues in dispute during litigation by providing *prima facie* evidence of ownership without additional proofs. All of these objectives are furthered through offering the powerful incentive of additional remedies in the event of infringement of works registered with the Copyright Office under 17 U.S.C. § 412(a) – not at issue here.

While registration may have begun its life as a pre-condition for copyright protection, legal and policy developments, including accession to international conventions, have motivated Congress and the courts to recognize that it is not fundamental to the essence of copyrights, and should not be used as a bar to the enforcement of those rights in court. The practical public benefits of creating a publicly available repository of works — arguably the primary policy underlying Section 411(a)'s requirement to register previously unregistered and allegedly infringed works — is a goal that is consistent with the Walker approach to interpreting Section 411(a). For these reasons, the

Second Circuit Court of Appeals' decision vacating the private settlement of copyright claims on subject matter jurisdiction grounds should be reversed.

Respectfully submitted,

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President
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