

No. 10-545

IN THE
Supreme Court of the United States

—◆—
LAWRENCE GOLAN et al.,

Petitioners,

v.

ERIC H. HOLDER, JR. et al.,

Respondents.

—◆—
**ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT**

—◆—
REPLY BRIEF
—◆—

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ARGUMENT

For over two hundred years, Congress placed works into the public domain by declaring them free of copyright restriction, and it recognized that choice was permanent. Section 514 reversed course and “restored” copyrights in millions of these works, restricting and prohibiting their ongoing performance and distribution by the public. In doing so, it violated the Copyright Clause and the First Amendment. Once Congress places a work in the public domain, the “limited Time[]” the Constitution permits has expired by definition. The government’s contention that it may choose a new “limit” decades after the first one passed renders this restriction meaningless. Independently, Section 514 violates the First Amendment because its restriction on the public’s ongoing use of millions of expressive works was not necessary to further any important governmental interest.

Section 514 is a dramatic departure from historical practice. The handful of counterexamples the government identifies provide limited and specific relief when global conflict or other external events made it impossible for authors of otherwise eligible works to comply with statutory requirements, or when eligible authors attempted to comply but failed. Even assuming the constitutionality of those measures, they provide no precedent for Section 514 and do not support the plenary power to “restore” any copyright the government asserts here.

I. Section 514 Violates The Specific Limitations Of The Copyright Clause.

A. The Text Of The Copyright Clause Shows Congress Cannot Remove Works From The Public Domain.

The government agrees the “limited Times” restriction requires Congress to set a fixed and specific date on which copyright protection terminates. U.S. CONST. art. I, § 8, cl. 8; *Eldred v. Ashcroft*, 537 U.S. 186, 199 (2003); Resp. Br. 14-15. The only dispute is whether that fixed and specific date must have any reliable consequence or meaning.

The government contends “limited Times” means only that a copyright must have a nominal expiration date. Resp. Br. 13-15. Once that date has passed, the government asserts Congress is free to ignore it, and may grant a new period of protection any time. *See id.*

That interpretation is inconsistent with the plain meaning of “limited Times” because it renders the “limit” attached to a copyright at any particular time illusory. If new protection may be granted long after a work enters the public domain, there is no way for the public to tell if the limit has been reached or rely on it. The “limit” the government proposes here does not “confine” “restrain” or “circumscribe.” *Eldred*, 537 U.S. at 199. It suggests no limit to Congress’s power: If the government can extend existing copyrights and remove works from the public domain any time it wishes, then nothing stops it from reaching back hundreds of years.

While *Eldred* held Congress may extend the termination date before that date is reached, it did

so because an extension leaves in place a meaningful boundary – a termination date with consequence that would, in fact, “confine” and “restrain” once reached. *See id.* The government’s interpretation of “limited Times” would destroy the very boundary *Eldred* demands.

A meaningful and permanent boundary is critical to the Copyright Clause’s fundamental purpose of promoting the creation and spread of knowledge and learning. Pet. Br. 28-30. The “limited Times” restriction furthers that purpose by guaranteeing a fixed and specific date on which every work will become public property. *See Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). It assures the unrestricted spread of existing works and provides the public with free access to the building blocks of future creativity. Removing works from the public domain destroys this guarantee, and frustrates the cycle of free expression and creativity the Copyright Clause is designed to ensure. It restricts the diffusion of works that once circulated freely, snatches back the building blocks of future creativity, and disrupts the settled expectations of those who used the public domain as the Framers intended. *See* Pet. Br. 16, 24.

The government suggests there is “no plausible definition” of “limited Times” that permits the extension of existing terms, but prohibits Congress from removing works from the public domain. Resp. Br. 16. But the rule is simple: Once a work reaches the limit Congress selects, it belongs to the public without further restriction. That rule is implicit in *Eldred* and confirmed by the long-standing Congressional practice *Eldred* identified. Every one of the extensions it cites left the public domain intact, as did each one of the nineteen amendments to the Copyright Act Congress enacted in its first two hundred years. Pet. Br. 31-41.

Congress already chose a limit for every work at issue here by placing every one into the public domain expressly, unambiguously and without qualification. It is Congress's attempt to set a second limit long after the first has been reached that violates the "limited Times" restriction.

The government itself recognized this "bright line" in *Eldred*. Pet. Br. 20. The Solicitor General did not merely acknowledge that Congress could "distinguish between a work whose copyright had very recently expired and a work whose copyright was on the verge of expiring." *Contra* Resp. Br. 16 n.5. He was asked whether the government's justification for extending existing copyrights would also apply to "works already in the public domain" like those of "Ben Jonson." Trans. of Oral Arg. 43-44, *Eldred v. Ashcroft*, 537 U.S. 186 (Oct. 9, 2002), available at <http://bit.ly/lcdn2F>. He specifically resisted that suggestion based upon the "bright line" he identified and the reliance interests it implicates. *Id.*

That "bright line" is also relevant to Section 514's second defect. A statute that does no more than remove works from the public domain cannot "promote the Progress" of knowledge and learning, as the Copyright Clause demands. Pet. Br. 23-25. Unlike the term extension statute in *Eldred*, Section 514 provides no plausible incentive to create new works, and contravenes Congress's two-hundred-year practice of leaving the public domain intact. Pet. Br. 24, 31-41. It is the paradigmatic example of a monopoly that stifles expression without providing any concomitant benefit that would plausibly advance the "Progress of Science." See *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) (quoting U.S. CONST. art. I, § 8, cl. 8).

The government contends the purpose specified by the Copyright Clause imposes no restrictions on Congress's power, and insists without explanation that copyright statutes promote "progress" whenever they involve "'participation' in [the] international system." Resp. Br. 17. The Framers' articulation of a specific purpose – unique among all Article I powers – is not just surplusage, and none of the limits specified by the Copyright Clause may yield to the "international system."

B. Two Centuries Of Unbroken Practice Confirm Congress Cannot Remove Works From The Public Domain.

The first Copyright Act followed the Statute of Anne by creating a uniform system that guaranteed every work would be placed into the public domain quickly, predictably, and permanently. Pet. Br. 25-33. It did so by displacing a patchwork of state law protection that was inconsistent and unclear. *Id.* After the First Congress established the public domain, nineteen amendments expanded the scope and duration of copyright protection over the next two hundred years, but left the public domain completely intact. This is not merely "common practice" followed "more often than not." Resp. Br. 11, 31. It is an unbroken practice and the "page of history" that confirms Congress has no power to remove works from the public domain. Pet. Br. 31-41; *Eldred*, 537 U.S. at 200.

The government tries to rewrite history by misconstruing the first Copyright Act. The government insists the "unmistakable effect" of the 1790 Act was to remove works from the public domain because it applied to works that were "already printed" and not protected

by copyright. Resp. Br. 18. The text of the 1790 Act shows exactly the opposite.

The 1790 Act authorized protection for maps, charts, and books that were “already printed” but *only* for authors who “have not transferred to any other person the *copyright*” in such works, or others who “have purchased or legally acquired the *copyright* of any such” work. Copyright Act of 1790, ch. 15, § 1, 1 Stat. 124 (emphasis added). In both cases the 1790 Act explicitly *presupposes existing copyrights*. It does not suggest any intent to protect works that were previously unprotected, or remove anything from the public domain. Its evident purpose is not to provide copyrights where there were none, but to make sure all copyrights are subject to the uniform federal scheme it creates. *See* J.A. 68-71 (Rose Report ¶¶ 22-24); Gomez-Arostegui & Ochoa Br. 29; Yale Information Society Project Br. 6-7.

Even if the 1790 Act were not so limited, the government’s theory is still wrong. First, it assumes there was no common law protection for published works in 1790. Resp. Br. 20, 22. But there was such protection, as a decision of New York’s highest court illustrates. Pet. Br. 32 (citing *Capitol Records, Inc. v. Naxos of Am., Inc.*, 830 N.E.2d 250 (N.Y. 2005)). The government does not identify any state that rejected common law protection for published works, and three state copyright statutes recognized common law rights. Pet. Br. 32.

Second, the government’s theory assumes the First Congress *believed* there was no common law protection for published works. If the First Congress believed published works were protected by common law, or might

be, then there is no basis to conclude the 1790 Act reflects any intent to remove works from the public domain. All of the authority contemporaneous to the First Congress suggests common law *did* provide copyright protection for published works. *See* Gomez-Arostegui & Ochoa Br. 25-27.

English common law was especially clear (Pet. Br. 27), yet the government ignores it. In 1769, the King's Bench held common law provides perpetual copyrights in published works. *See* *Millar v. Taylor*, 4 Burr. 2303, 98 Eng. Rep. 201 (K.B. 1769). In 1774, the House of Lords overruled that decision, and held the time limitations in the Statute of Anne cut off any common law copyrights. *See* *Donaldson v. Beckett*, 4 Burr. 2408, 98 Eng. Rep. 257 (H.L. 1774). While *Donaldson* settled the preemptive effect of the Statute of Anne, it also recognized the common law protection for published works that was displaced. The official report states that seven of eleven judges who spoke before the Lords concluded common law rights over published works did exist prior to the Statute of Anne, and six judges concluded the statute preempted those rights. *See* 34 H.L. Jour. 23-32 (1774); *accord* *Donaldson*, 4 Burr. at 2417, 98 Eng. Rep. at 262. Both *Millar* and *Donaldson* recognize common law rights in published works, and both shaped the Framers' understanding of copyright. *See* *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 57 (1884).

So did the first American edition of Blackstone's Commentaries. *See* J.A. 64-65 (Rose Report ¶ 17). In 1771, it explained that under *Millar* "an exclusive copyright in authors subsists by the common law." *See id.* James Madison – a key member of the First Congress and drafter of the Copyright Clause – echoed this conclusion in 1788:

“The copyright of authors has been solemnly adjudged, in Great Britain, to be a right of common law.” *The Federalist* No. 43 at 281 (Paul Leicester Ford ed., 1898); *see also* J.A. 65 (Rose Report ¶ 17).

The only authority the government cites to establish the state of mind of the First Congress is *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591 (1834), a decision published forty-four years after the 1790 Act was passed. Resp. Br. 20. *Wheaton* concluded Pennsylvania provided no common law protection for published works based largely on the language of the 1790 Act. *See Wheaton*, 33 U.S. at 659-61. That question of Pennsylvania law, however, is not one for a federal court or Congress to decide. *See Erie R.R. Co. v. Tompkins*, 304 U.S. 64 (1938). *Wheaton* also ignores the fact that *Millar* and *Donaldson* recognized common law copyrights for published works. *Wheaton* could have properly concluded that the 1790 Act, like the Statute of Anne, preempted common law copyright for published works, but its conclusion that no such protection existed under Pennsylvania common law is both improper under *Erie* and “unpersuasive.” *See Naxos*, 830 N.E.2d at 258 n.5 (citing 1 *Nimmer on Copyright* § 4.03, at 4-18).

There is no basis to conclude the First Congress believed it was removing anything from the public domain, much less vast quantities of important expressive works. The question here is whether Congress may place millions of works into the public domain expressly and unequivocally, only to remove them *en masse* decades later. Congress itself answered that question nineteen times in the next two hundred years. It first expanded the scope of eligible works in 1802 by adding engravings, but only those created after the amendment; it first

extended the duration of copyrights in 1831, but not for any copyright “the term of which has expired.” Pet. Br. 34. It followed that pattern when it expanded eligibility again in 1831 (musical compositions), 1856 (plays), 1865 (photographs), 1870 (art works) and 1891 (certain foreign authors). Pet. Br. 34-35. It continued that pattern in the 1909 and 1976 Acts, and in the nine extensions leading up to the 1976 Act, by providing substantial expansions of copyright protection but expressly declining to provide protection for any works that had already entered the public domain. Pet. Br. 35-36.

The government would have the Court ignore this unequivocal history in favor of a trickle of private bills that ended in the nineteenth century, and two unchallenged statutes that provided additional time for foreign authors to register and deposit their works when two world wars made it impossible for them to do so. Resp. Br. 17-31. Most of these acts were unchallenged, and their constitutionality remains questionable. But they are hardly irreconcilable with petitioners’ position. The patent acts are consistent with the power to extend existing protection or correct legal errors. The copyright acts merely suggest Congress may provide limited relief in the rare case in which it is factually impossible for an author or inventor to comply with statutory requirements, or makes an honest mistake in doing so.

In three of the five patent bills the government identifies, the patentee had applied for an extension *before* the original patent expired. See P. J. Federico, *The Patent Trials of Oliver Evans*, 27 J. PAT. OFF. SOC’Y 586, 597-98 (1945); H.R. REP. NO. 27-671 (1842) (Gale); H.R. REP. NO. 37-47 (1862) (Goulding). In another case, the application

date is unspecified, *see* H.R. REP. NO. 23-397, at 1-2 (1834) (Blanchard), but the 1832 Patent Amendments required such applications to be “made before [the patent’s] expiration” and nothing indicates that requirement was not met. Act of July 3, 1832, ch. 162, § 2, 4 Stat. 559. All four are therefore consistent with the power to extend existing terms recognized by *Eldred*. In the fifth bill, Congress found an inventor was improperly denied patent protection upon his original application, and permitted his heirs to renew that application. S. REP. NO. 45-238, at 1 (1878) (Graham). In other words, it corrected a legal error made by the patent office.¹

Although it appears the private patent bills were upheld by lower courts against constitutional challenges, this Court has never ruled on the constitutional issues they presented, much less the specific questions petitioners present here. *See Evans v. Jordan*, 13 U.S. (9 Cranch) 199 (1815) (considering only the statutory construction of the private bill Congress enacted). Indeed, none of the patent bills implicate any expressive rights.

1. The 1832 Amendments also established a re-issue procedure by which patentees could correct inadvertent application errors. Resp. Br. 26. This procedure applied only to patents that were issued, not unprotected inventions. Act of July 3, 1832, ch. 162, § 3, 4 Stat. 559. Far from removing anything from the public domain, it put the public on notice that inadvertent errors in the applications for existing patents could be corrected and did not place an invention into free and permanent public use. Similarly, the one-year on-sale bar in the current Patent Act notifies the public that public use of an invention will not place an invention into free and permanent public use unless it goes on for more than a year before the patent application is filed. Resp. Br. 30 n.14 (citing 35 U.S.C. § 102(b)).

The lower court decisions that take up constitutional questions are not authoritative or illuminating. *Evans v. Jordan*, 8 F. Cas. 872 (C.C.D. Va. 1813), rejected a challenge under the Ex Post Facto Clause. *See id.* at 873-74. *Blanchard v. Sprague*, 3 F. Cas. 648, 650 (C.C.D. Mass. 1839), concluded without analysis that the constitutional challenge in that case was “put at rest” by this Court’s decision in *Evans v. Eaton*, 16 U.S. (3 Wheat.) 454 (1818), but the only constitutional issue this Court discussed in *Evans v. Eaton* was “whether Congress, in the exercise of its power [under the Patent Clause] . . . may decide the fact that an individual is an author or inventor,” and the Court did not decide that question. *See* 16 U.S. at 513. *Jordan v. Dobson*, 13 F. Cas. 1092 (C.C.E.D. Pa. 1870), and *The Fire Extinguisher Cases*, 21 F. 40 (C.C.D. Md. 1884), rejected Fifth Amendment takings claims.

The private copyright bills are less illuminating. They provide relief to authors who attempted to comply with statutory requirements within the proper time, but made technical mistakes in doing so. *See* Act of Feb. 19, 1849, ch. 57, 9 Stat. 763 (Levi Corson) (deposited title in wrong judicial district); Act of June 23, 1874, ch. 534, 18 Stat. 618 (Tod Helmuth) (deposited imperfect copy of title page); Act of Feb. 17, 1898, ch. 29, 30 Stat. 1396 (Judson Jones) (printing delay). The 1893 statute provided similar relief to authors who already deposited their works. *See* Act of Mar. 3, 1893, ch. 215, 27 Stat. 743 (limiting relief to authors who had deposited their works by March 1, 1893). None were challenged.

The wartime statutes allowed additional time for foreign authors to register, deposit, or publish their works in the United States following World Wars I and II.

Resp. Br. 26-27. They did so because the disruption and suspension of communications caused by these wars made it impossible for authors of otherwise eligible works to comply on time. *E.g.*, S. REP. NO. 66-326, at 3 (1919); H.R. REP. NO. 77-619, at 1 (1941).²

These statutes were not challenged, either. It is clear they presented substantial constitutional questions that were simply swept under the rug. *See* 4 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 9A.07[A] (2010). *McClurg v. Kingsland*, 42 U.S. (1 How.) 202 (1843), provides no insight into the constitutionality of these statutes (or any others) because no party in that case challenged the constitutionality of any statute on any ground. Although *McClurg* did consider whether the 1839 amendments to the Patent Act applied to existing patents, the patent at issue was granted in 1835 and remained in force, so the invention was not in the public domain. *See id.* at 205; *Eldred*, 537 U.S. at 202 (*McClurg* approved the “legislative expansion of existing patents”). Opaque as it may be, the holding of *McClurg* is that defendants did not infringe because they had a license. *See McClurg*, 42 U.S. at 208 (holding it was not error for circuit court to find defendants had a license without deciding patent’s validity).

Section 514 does not relieve authors who missed deadlines despite their best efforts in securing protection

2. The 1941 Act was almost entirely prospective. It was passed before the United States formally entered World War II, and empowered the President to grant extensions of time for foreign authors. In doing so, it provided notice that non-compliance by foreign authors due to the disruptions of war would *not* place works into free and permanent public use.

for otherwise eligible works. It applies to millions of works the Copyright Act made categorically and expressly ineligible for protection, and removes them from the public domain decades after Congress placed them there. *See, e.g.*, Copyright Act of 1909, Pub. L. No. 60-349, § 8, 35 Stat. 1075, 1077 (copyrights shall not extend to foreign authors unless they are domiciled in the United States or citizens of a designated country with which the United States maintains copyright relations), § 23, 35 Stat. 1075, 1080 (terminating protection after twenty-eight years absent renewal). No statute has ever done that.

If the government believes the private bills and other acts it identifies suggest plenary power to remove works from the public domain, Congress was unconvinced. In the years after World War II, Congress passed nine extensions that were premised on Congress's inability to remove works from the public domain, Pet. Br. 37-38, and recognized "[t]here can be no protection for any work that has fallen into the public domain" and "lost or expired copyrights cannot be revived." H.R. REP. NO. 94-1476, at 180 (1976).

II. Section 514 Violates The First Amendment.

A. Section 514 Is Subject To Intermediate Scrutiny Because It Alters The Traditional Contours Of Copyright Protection.

The government does not dispute Section 514 took core speech rights held by petitioners and the American public for decades and placed them under the control of foreign authors and their heirs. Instead, the government contends *Eldred* immunizes Section 514 from the First Amendment

scrutiny that would apply to any other statute restricting core speech in this manner. Resp. Br. 34.

Eldred provides no such immunity. It found intermediate scrutiny inapplicable where Congress did something it had been doing for two centuries. It held copyright statutes are not “categorically immune” from First Amendment scrutiny, and announced a rule based on tradition and history: “when . . . Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.” *Eldred*, 537 U.S. at 221.

Here, Congress did something it has never done before. It removed millions of works from the public domain. It departed from a “bedrock principle” of copyright law that is established by that very two hundred years of congressional practice: what enters the public domain remains in the public domain. Pet. App. 98a. Removing works from the public domain is not a “traditional feature” of copyright law. Resp. Br. 34. It is a radical departure.

The government insists Section 514 should remain immune from First Amendment scrutiny because it “does nothing to alter the traditional balance between the rights of the copyright holder and those of the public.” Resp. Br. 37. On the contrary, it is hard to imagine a more substantial alteration of that balance.

Throughout American history, the entry of a work into the public domain has marked the end of its copyright protection. The public’s right to copy and use works in the public domain emanates from the Copyright Clause itself. See *Compco Corp. v. Day-Brite Lighting, Inc.*, 376

U.S. 234, 237 (1964). It protects critical First Amendment interests, because it guarantees free and unrestricted access to works in the public domain for any expressive purpose. It assures each work in the public domain will continue to circulate freely, and will remain available as ingredients for future creations. It assures copyright will remain the engine of free expression and serve its ultimate purpose of promoting the creation and spread of knowledge and learning. Pet. Br. 23-24. Section 514 not only destroys this balance, it provides copyrights to foreign authors that are broader than any copyright provided to U.S. authors. By eliminating first sale rights, it impedes the dissemination of foreign works in ways no other copyright does. Pet. Br. 59-61.

The government tries to avoid First Amendment scrutiny by insisting the only “traditional contours” that trigger it are the fair use doctrine and the “idea/expression dichotomy.” Resp. Br. 36-37. But *Eldred* implies no such limitation. It recognized these doctrines represent two “built-in First Amendment accommodations” or “safeguards” that are “generally adequate” to address First Amendment concerns. *Eldred*, 537 U.S. at 219-21. It does not say or suggest these are the *only* “accommodations” or “safeguards,” or that any specific set of “accommodations” or “safeguards” exhaust the “traditional contours of copyright protection.” *Id.* See also Pet. App. 103a-06a (fair use and idea/expression do not define the “traditional contours of copyright protection”).

It is not surprising that *Eldred* focused on these two safeguards. They provide partial protection for some First Amendment interests during the period of initial protection a work may enjoy. That was the only period

relevant in *Eldred* because nothing had been removed from the public domain. The public's right to copy and use works in the public domain is a third safeguard that attaches once that period ends, and is designed to provide complete and permanent protection for all First Amendment interests. Copyright's protection of First Amendment interests has always progressed from *partial* protection to *complete* protection of those interests. The government's suggestion that Congress can reverse that sequence at will is precisely the departure from tradition that triggers First Amendment scrutiny.

Whatever historic compatibility exists between copyright and the First Amendment cannot rest solely on the fair use doctrine and idea/expression dichotomy. There is no indication the Framers attached special significance to them, and they only began to assume their modern forms in the nineteenth century. *See Folsom v. Marsh*, 9 F. Cas. 342 (1841); *Baker v. Selden*, 101 U.S. 99 (1879). The tradition of protecting the public's right to unrestricted use of the public domain dates back to 1710 and the Statute of Anne. That tradition was plainly important to the Framers, who assured the creation of a stable and growing public domain, the First Congress, which followed through on that promise in the 1790 Act, and subsequent Congresses, which left the public domain intact through nineteen amendments over two hundred years.

Unlike the statute at issue in *Eldred*, or any ordinary copyright statute, Section 514 destroyed existing public speech rights at the core of the First Amendment, and did so on a vast scale. It cannot evade First Amendment scrutiny under *Eldred* or any other rule.

B. Section 514 Fails Intermediate Scrutiny And Is Substantially Overbroad.

None of the interests identified by the government is sufficient to justify the speech burdens Section 514 imposes.

1. The Government's Interest In Complying With The Berne Convention Cannot Justify Section 514.

The primary interest the government asserts is compliance with the Berne Convention. Resp. Br. 43-49. But the government does not contend Berne required the United States to remove anything from the public domain, or enact Section 514. *See id.* That is because the United States complied with the Berne Convention in 1988 *without* removing anything from the public domain. Pet. Br. 5-7. Congress concluded that approach satisfied all Berne obligations following extensive consultation with other Berne members and careful analysis of Article 18. H.R. REP. NO. 100-609, at 7-9, 51 (1988).

The government contends Congress “revisited” these issues in 1994, and “concluded that granting full and permanent [protection] to reliance parties would not ensure actual and perceived compliance with Berne.” Resp. Br. 46-47. Not so. The URAA was drafted by the USTR and sent to Congress under a fast track procedure that precluded amendment. Pet. Br. 9-10. The USTR told Congress that removing works from the public domain was optional, not mandatory, under TRIPS. Pet. Br. 52-53. Congress did not revisit any of the findings it made in 1988, or find that Berne or TRIPS required the United

States to remove anything from the public domain, or enact Section 514. *See* H.R. REP. NO. 103-826, at 8 (1994); S. REP. NO. 103-412, at 225 (1994). Nor did Congress make any finding about “perceived compliance,” or undertake any of the “further study” it said was required to assess the serious constitutional questions identified in 1988. *See id.*; Pet. Br. 39. These questions were not limited to the Just Compensation Clause. Resp. Br. 45 n.19. They related specifically to the Copyright Clause and the First Amendment. Pet. Br. 39.

Insofar as the United States had not already complied with Berne and TRIPS, petitioners identified three ways in which the government plainly could have done so while burdening substantially less speech and providing full and complete protection for reliance parties like petitioners. Pet. Br. 54-61. The government does not deny the express terms of Berne permit all three. Resp. Br. 43-49. So there is no dispute that the government could have complied with Berne (and TRIPS) while burdening substantially less speech, either by maintaining the approach Congress took in 1988, or by adopting substantially less restrictive alternatives. Pet. Br. 54-61.

It is not surprising the government left this uncontested. The government itself proposed complete and permanent protection for reliance parties in 1988. Pet. Br. 58-59. At least *nine* Berne signatories provide varying forms of permanent protection to reliance parties (J.A. 206-09 (Bently Decl. ¶¶ 33-38)), and the district court invalidated Section 514 precisely because Berne permits the complete and permanent protection of reliance parties like petitioners. Pet. App. 61a-62a. The suggestions that Berne does not permit the United States to adopt the rule

of the shorter term, or avoid unprecedented restrictions on the first sale doctrine, are similarly implausible on the face of Berne. Pet. Br. 59-61.³

Far from suggesting any of these approaches fail to comply with Berne, the government suggests they would have been “arduous” and other Berne members might view them as “insufficient.” Resp. Br. 46-47. It therefore contends it has an important interest in avoiding the “appearance” of potential non-compliance, and “minimiz[ing] the likelihood” the United States would become a defendant in a formal dispute before the WTO. Resp. Br. 44-45, 48.

That is refuted by the fact the United States has been named as a respondent in at least 128 formal disputes before the WTO, and lost at least 37. *See* USTR, *Snapshot of WTO Cases Involving the United States* (Feb. 17, 2009), available at <http://bit.ly/po41j0>. In one of those disputes, the WTO concluded Section 110(5)(B) of the Copyright Act violates TRIPS, yet the United States has done nothing to correct that violation in the ten years following that ruling. *See* 4 *Nimmer on Copyright, supra*, § 18.09[C] & [D].

Whatever government interests treaty participation might create, it does not create an interest in burdening more speech than a treaty requires. *See Boos v. Barry*, 485 U.S. 312, 324-29 (1988) (interest in complying with treaty does not permit government to ignore less restrictive

3. The government cannot avoid these less restrictive means via waiver. Resp. Br. 43. Petitioners have always contended Section 514 is not narrowly tailored to Berne, and it is the government’s burden to prove narrow tailoring in any event. *See Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622, 665 (1994).

alternatives permitted by treaty). Nor can the government create an important interest in restricting speech by signing a treaty, and then claim *still further* leeway to impose speech burdens based not on the actual terms of the treaty, but in response to any demand a foreign country might make based on that country's interpretation of those terms. If it can, then First Amendment protections can be dismantled at will on the demands of foreign countries.

2. The Government's Interest In Promoting The Rights Of U.S. Authors Abroad Cannot Justify Section 514.

The second interest the government asserts is securing greater protection for American authors abroad. Resp. Br. 49. It acknowledges that upon joining Berne in 1988, the United States had already "secure[d] the highest available level of multilateral copyright protection" for U.S. authors. Resp. Br. 3. By definition, the only things left to secure in 1994 were private economic benefits for existing works – windfalls for authors whose works entered the public domain long ago. Pet. Br. 49.

The government insists Section 514 does not provide "windfalls," but "compensat[ion]" for foreign authors of works created long ago. Resp. Br. 49-50. While it suggests Congress is entitled to provide this compensation in the hope foreign countries will provide reciprocal compensation for U.S. authors – "a (belated) opportunity to receive a reasonable return" on creative investments (Resp. Br. 49-50) – the point remains the same: Section 514 creates nothing more than private economic benefits on works created long ago. The government is hard-pressed to show Section 514 produced even those benefits. It points

to exactly one country (Russia) that removed works of American authors from its public domain and that did not happen until 2004. Resp. Br. 51; J.A. 156-57.⁴

The government tries to obscure this by suggesting that “protecting foreign authors’ copyrights furthers First Amendment values” by creating “additional incentives” for U.S. and foreign authors, but it concedes that is *only* so “[a]s applied to works created *after* the United States entered the Berne Convention.” Resp. Br. 50 (original emphasis). That is precisely the point. Section 514 applies only to works created long *before* the United States joined Berne. All of the prospective incentives the government identifies were secured by joining Berne in 1988, not by Section 514.

While the government insists it has an important interest in creating strictly private benefits (Resp. Br. 50), it ignores the mechanism by which it does so. All of the “compensat[ion]” and “returns” on investments the government identifies are secured by sacrificing the public’s First Amendment rights. Pet. Br. 49-50. The government simply ignores this fact, and does not attempt to explain why it has any proper interest in giving away public speech rights to create private economic benefits. If Congress cannot restrict the speech of some Americans

4. The government’s suggestion that Section 514 creates billions of dollars in benefits for U.S. authors (Resp. Br. 50) is misleading. The Senate report it cites does not address the restoration of copyrights; it estimates the amount of money U.S. companies lost due to “piracy” and “inadequate legal protection” of all types of intellectual property in all countries across the world. S. REP. No. 100-352, at 2 (1988). It says joining Berne may reduce these losses but does not say restoration would. *Id.*

to enhance the voice of others, *Arizona Free Enterprise Club's Freedom Club PAC v. Bennett*, 131 S. Ct. 2806, 2821 (2011), it certainly should not be permitted to restrict the speech of all Americans to enhance the income of others.

3. Section 514 Is Not Justified By Any Supposed Interest In Equitable Treatment.

The final interest the government asserts is correcting the supposedly inequitable treatment of foreign authors. Resp. Br. 53-54. But there is no inequity to correct, because U.S. authors were subject to the same formalities, and were denied protection for their works in countries where the United States did not have copyright relations. Indeed, Section 514 creates inequity where none existed by providing relief to foreign authors that is unavailable to American authors. Even if Section 514 did correct inequities, the government cannot claim any legitimate interest in sacrificing the speech rights of the American public to benefit foreign authors.

III. Congress Cannot Avoid The Explicit Restrictions Of The Copyright Clause Or The First Amendment By Invoking Other Powers.

The government contends the Court should not reach the Treaty Power question because it was not decided below. Resp. Br. 33 n.15. But that was because the government did not present it as an alternative ground to affirm, so it has not been preserved. *Ryder v. United States*, 515 U.S. 177, 184 n.4 (1995); *Therrien v. Target Corp.*, 617 F.3d 1242, 1252-53 (10th Cir. 2010); Gov't C.A. Br. 56 n.23. If this issue has been preserved, it presents pure questions of law that are inseparable from the other issues before

the Court, and turn strictly on the construction of the Constitution and the relationship between the Treaty Clause and Congress's Article I Powers. *See* Cato Institute Br. 3-28. These are questions this Court "can and should resolve without need for remand." *Union Pacific R.R. Co. v. Bhd. Locomotive Eng'rs*, 130 S. Ct. 584, 595 (2009).

CONCLUSION

The judgment of the court of appeals should be reversed.

Respectfully submitted,

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