

No. 07-189

In the Supreme Court of the United States

BREWSTER KAHLE, ET AL., PETITIONERS

v.

MICHAEL B. MUKASEY, ATTORNEY GENERAL

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT*

BRIEF FOR THE RESPONDENT IN OPPOSITION

PAUL D. CLEMENT
*Solicitor General
Counsel of Record*

JEFFREY S. BUCHOLTZ
*Acting Assistant Attorney
General*

WILLIAM KANTER
JOHN S. KOPPEL
*Attorneys
Department of Justice
Washington, D.C. 20530-0001
(202) 514-2217*

QUESTION PRESENTED

Whether the automatic renewal provisions of the Copyright Renewal Act, Pub. L. No. 102-307, § 102(a)(2)(A)(ii), 106 Stat. 264 (1992), in conjunction with the 20-year copyright extension contained in the Copyright Term Extension Act of 1998, Pub. L. No. 105-298, 112 Stat. 2827, alter the “traditional contours of copyright protection” within the meaning of *Eldred v. Ashcroft*, 537 U.S. 186 (2003).

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OPINIONS BELOW

The amended opinion of the court of appeals (Pet. App. 1a-8a) is reported at 487 F.3d 697. The original opinion of the court of appeals (Pet. App. 9a-16a) is reported at 474 F.3d 665. The order of the district court (Pet. App. 17a-51a) is unreported.

JURISDICTION

The judgment of the court of appeals was initially entered on January 22, 2007. The court of appeals issued an amended opinion on May 14, 2007, and a petition for rehearing was denied on the same date (Pet. App. 2a). The petition for a writ of certiorari was filed on August 10, 2007. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. The Constitution grants Congress the power “[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” U.S. Const. Art. I, § 8, Cl. 8. The First Amendment provides, in pertinent part, that “Congress shall make no law * * * abridging the freedom of speech, or of the press.” U.S. Const. Amend. I.

2. a. In 1790, the year after the adoption of the Constitution, the First Congress enacted the Nation’s first Copyright Act, establishing a 14-year initial term of copyright protection from the date of publication, renewable for an additional 14 years if the author survived the first term—for a potential total term of 28 years. Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. In 1831, Congress extended the initial term to 28 years (while retaining the 14-year renewal term), extending the potential total term to 42 years. Act of Feb. 3, 1831, ch. 16, §§ 1, 16, 4 Stat. 436, 439. In 1909, Congress then extended the copyright’s renewal term to 28 years, further extending the total copyright term to 56 years. Act of Mar. 4, 1909, ch. 320, §§ 23-24, 35 Stat. 1075, 1080-1081 (1909 Act).

In 1976, Congress altered the method for computing copyright terms for works created on or after January 1, 1978 (as well as for unpublished works that were “fixed” before 1978 and previously enjoyed perpetual copyright protection), and established a single term of copyright protection for the life of the author plus 50 years. 17 U.S.C. 302-304 (1976 Act). “In these respects, the 1976 Act aligned United States copyright terms with the then-dominant international standard adopted under the Berne Convention for the Protection of Literary and Artistic Works” (Berne Convention). *Eldred v. Ashcroft*,

537 U.S. 186, 195 (2003) (citing H.R. Rep. No. 1476, 94th Cong., 2d Sess. 135 (1976)). In 1998, Congress enacted the Copyright Term Extension Act of 1998, Pub. L. No. 105-298, 112 Stat. 2827 (CTEA), which extended the copyright term by 20 years to the life of the author plus 70 years for all works not created by January 1, 1978 (17 U.S.C. 302(a), 303(a)), to “harmonize[] the baseline United States copyright term with the term adopted by the European Union in 1993.” *Eldred*, 537 U.S. at 196. By matching the United States’ copyright term with the European Union’s, “Congress sought to ensure that American authors would receive the same copyright protection in Europe as their European counterparts.” *Id.* at 205-206.

b. Under the 1909 Act, a copyright holder could secure a 28-year renewal term only “after filing a renewal registration with the Register of Copyrights” in the last year of the first 28-year term of protection. S. Rep. No. 194, 102d Cong., 1st Sess. 3 (1991). “In 1976, Congress concluded years of debate and study on all aspects of the Copyright Act by passing a comprehensive revision to the 1909 law.” *Ibid.* The copyright renewal revision was viewed as “[o]ne of the worst features of the present copyright law.” H.R. Rep. No. 1476, *supra*, at 134. “A substantial burden and expense, this unclear and highly technical requirement results in incalculable amounts of unproductive work. In a number of cases it is the cause of inadvertent and unjust loss of copyright.” *Ibid.* Thus, the 1976 Act “abolished the renewal requirement for future works created on or after January 1, 1978”—the effective date of the 1976 Act—and “established a single term of copyright protection for the life of the author plus 50 years.” S. Rep. No. 194, *supra*, at 3. Congress “retained the existing renewal registration requirement”

for copyrights still subsisting in their first term on the 1976 Act's effective date, however, because "Congress was concerned that eliminating the renewal requirement for these works altogether could potentially disrupt existing expectancies or contractual interests." S. Rep. No. 194, *supra*, at 3-4; H.R. Rep. No. 1476, *supra*, at 139.¹

The Copyright Office, publishers, authors, academics, and others "criticized the registration renewal provision for being burdensome and unfair to thousands of copyright holders and their heirs." S. Rep. No. 194, *supra*, at 4. In 1991, the Senate Judiciary Committee conducted a hearing on the registration renewal issue and concluded that the public domain "should not be enlarged because of an author's error in recordkeeping, or any other innocent failure to comply with overly technical formalities in the copyright law." *Id.* at 6. Significantly, the Committee recognized that authors of earlier works who were still subject to the 1976 Act's renewal requirements should retain the same rights enjoyed by authors of more recent works created after the 1976 Act's effective date. *Ibid.* The Committee also sought to modify the 1976 Act's renewal requirement because foreign authors faced an additional dilemma as they were even less familiar than domestic authors with the formality of a renewal requirement that is unique to United States law. The Committee understood that "[t]he domestic laws of most developed countries contain very few formalities condi-

¹ Although Congress retained the renewal registration requirement for copyrights still in their first term prior to the 1976 Act's effective date, the length of the renewal term for such copyrights was extended from 28 to 47 years (for a total potential term of 75 years), and copyrights already in their renewal term at that time were extended by an amount sufficient to extend their total term to 75 years. H.R. Rep. No. 1476, *supra*, at 139-140.

tioning copyright protection,” and that compliance with such formalities is “antithetical to the major international treaty on copyright relations, the Berne Convention.” *Id.* at 5.

Based on those concerns, Congress enacted the Copyright Renewal Act of 1992 (CRA), Pub. L. No. 102-307, § 102(a), 106 Stat. 264, which amended the renewal provisions set forth in 17 U.S.C. 304 to “make[] clear that a timely registration by the proper statutory claimant vests the right to the renewal term on the date of registration in the Copyright Office and, if a registration is not made, the right in the renewal term vests automatically in the proper statutory claimant on the last day of the first term.” S. Rep. No. 194, *supra*, at 4. The automatic renewal provisions apply only to those pre-January 1, 1978, works still in their first 28-year copyright term when the CRA was enacted, *i.e.*, works that acquired a first term of copyright protection between January 1, 1964, and December 31, 1977. See *id.* at 7. Thus, the CRA puts protection of such works on equal footing with the protection of qualifying works for which renewal registration was made. *Ibid.* At the same time, the CRA’s legislative history recognized that a renewal registration system “provides a useful public record for users of copyright material so they may locate the copyright holder and arrange to license a work, or determine when copyright material falls into the public domain.” *Id.* at 6-7. Accordingly, the CRA offers incentives to authors to continue to voluntarily renew their copyright in a timely manner, while it “eliminates the harsh consequences of failing to renew.” *Id.* at 7.

c. As the Court stated in *Washingtonian Publishing Co. v. Pearson*, 306 U.S. 30, 41 (1939), the purpose of the deposit requirement (currently set forth in 17 U.S.C.

407) is not proof or preservation of copyright, but the acquisition of books for the Library of Congress. “Until 1976, failure to deposit with the Library of Congress resulted in a forfeiture of copyright.” *Ladd v. Law & Tech. Press*, 762 F.2d 809, 813 (9th Cir. 1985), cert. denied, 475 U.S. 1045 (1986). With the enactment of the 1976 Act, Congress changed the deposit enforcement provisions because:

A realistic fine, coupled with the increased inducements for voluntary registration and deposit under other sections of the bill, seems likely to produce a more effective deposit system than the present one. The bill’s approach will also avoid the danger that, under a divisible copyright, one copyright owner’s rights could be destroyed by another owner’s failure to deposit.

Id. at 813 (quoting H.R. Rep. No. 1476, *supra*, at 150). Under the 1976 Act, therefore, deposit is still required of a copyright holder, but failure to deposit results, not in forfeiture, but in fines in the amount of the cost to the Library of obtaining the work, plus penalties. *Ibid.*

d. Under the 1909 Act, a work also had to bear a valid copyright notice upon publication in order to secure copyright protection. 17 U.S.C. 10, 19 *et seq.* At the time of its enactment, the 1976 Act continued to require that notice be affixed to all published copies and phonorecords of a work. 17 U.S.C. 401, 402. Congress also made clear, however, that the requirement was no longer absolute, took steps to avoid the harsh consequences of the omission of notice, and prescribed remedial measures that could be taken in cases where notice was omitted. 17 U.S.C. 405.

In 1988, Congress enacted the Berne Convention Implementation Act (BCIA), Pub. L. No. 100-568, 102 Stat. 2853 (1988), to bring the United States into conformity with the Berne Convention. Pursuant to the BCIA, the attachment of copyright notice is no longer required in order to gain copyright protection for works first published after March 1, 1989, but it is still encouraged through various incentives. 17 U.S.C. 401(d), 402(d).

3. a. Petitioners filed this action in federal district court seeking, *inter alia*, a declaratory judgment that the automatic copyright renewal provisions of the CRA, in conjunction with the 20-year copyright extension contained in the CTEA, violate the First Amendment.² Respondent moved to dismiss petitioners' amended complaint for failure to state a claim upon which relief can be granted. Respondent relied primarily upon this Court's recent decision in *Eldred*, in which the Court rejected a Copyright Clause and First Amendment challenge to the CTEA.

The district court granted respondent's motion. Pet. App. 17a-51a. The district court rejected petitioners' claim that the CRA and the CTEA violate the First Amendment "by imposing an unconstitutional burden on speech with respect to works created after January 1, 1964 and before January 1, 1978 as a result of having altered the 'traditional contours' of copyright law from a conditional copyright regime to an unconditional copyright regime." *Id.* at 47a. The court focused on *Eldred's* analysis and rejection of the argument that the CTEA violates the First Amendment (*id.* at 47a-49a), and dis-

² Although the complaint raised other claims, petitioners narrowed their claims on appeal to their challenge to the effect of the CRA and the CTEA on works published after 1963 and before 1978. See Pet. Am. C.A. Br. 28.

missed petitioners' assertion that "Congress, by eliminating the registration, renewal, deposit, and notice requirements as a condition of obtaining and maintaining a copyright, has altered the traditional contours of copyright protection." *Id.* at 49a. The court reasoned that, unlike "the idea/expression dichotomy and the fair use exception," *ibid.*, "the registration, renewal, deposit, and notice requirements do not define the scope of copyright protection but, rather, the procedural steps necessary to obtain and maintain a copyright." *Id.* at 50a. The court observed that "Congress has repeatedly stated that these [latter] requirements are mere 'formalities'" (*ibid.* (citations omitted)), which the court held "do not alter the scope of copyright protection, but merely determine the procedures necessary to obtain or maintain such protection." *Ibid.*

Accordingly, "[b]ecause changes to requirements of this nature do not alter the substantive rights granted by copyright," the court "f[ound] that the challenged amendments do not alter the 'traditional contours of copyright protection.'" Pet. App. 50a. The court therefore found immaterial petitioners' promise to "show at trial the 'real world effect' of the challenged changes to copyright law," because "no such evidence can alter this fundamental defect in their case." *Ibid.* (citation omitted).

b. The court of appeals affirmed. Pet. App. 1a-8a.³ The court concluded that petitioners provided no "legal argument explaining why [it] should ignore the clear holding in *Eldred*." *Id.* at 5a. The court stated that petitioners "assert that the change from discretionary to

³ All references are to the court of appeals' amended opinion (Pet. App. 1a-8a), rather than to its original opinion (*id.* at 9a-16a).

automatic renewal and subsequent extension of copyrights for works created between 1964 and 1977 altered the ‘traditional contours of copyright protection.’” *Ibid.* (quoting *Eldred*, 537 U.S. at 221). “However, *Eldred* also upheld the CTEA, in effect answering [petitioners’] challenge.” *Ibid.*

The court concluded that under *Eldred*, “extending existing copyrights to achieve parity with future copyrights does not require further First Amendment scrutiny,” because “traditional First Amendment safeguards such as fair use and the idea/expression dichotomy are sufficient to vindicate the speech interests affected by the CRA and the CTEA.” Pet. App. 6a (citing *Eldred*, 537 U.S. at 219-220). The court held that the CRA “effectively extended copyright protection for works that would otherwise have fallen into the public domain,” and that the “CTEA further extended those works’ protection.” *Ibid.* Because “*Eldred* tells us that such extensions would not violate the First Amendment,” *ibid.* (citing *Eldred*, 537 U.S. at 221), “[i]t therefore follows that the materially indistinguishable CRA and CTEA provisions are constitutional as well.” *Ibid.* Thus, the court concluded that notwithstanding petitioners’ “attempt to frame the issue in terms of the change from an opt-in to an opt-out system rather than in terms of extension, they make essentially the same argument, in different form, that the Supreme Court rejected in *Eldred*,” which “fails here as well.” *Id.* at 6a-7a.

ARGUMENT

The decision of the court of appeals is correct and is fully consistent with this Court’s decision in *Eldred v. Ashcroft*, 537 U.S. 186 (2003). Further review is not warranted.

1. The court of appeals correctly interpreted and applied this Court's decision in *Eldred*. In *Eldred*, this Court upheld the CTEA's 20-year extension of existing copyrights in the face of a First Amendment challenge. *Eldred*, 537 U.S. at 218-221. In so doing, this Court reasoned that "copyright's limited monopolies are compatible with free speech principles"; "[i]ndeed, copyright's purpose is to *promote* the creation and publication of free expression." *Id.* at 219. This Court observed that "copyright law contains built-in First Amendment accommodations," namely, the "idea/expression dichotomy" and the "fair use" defense. *Id.* at 219-220. While the Court concluded that copyrights may not be "categorically immune from challenges under the First Amendment," *id.* at 221 (citation omitted), it held that, "when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." *Id.* at 221.

The court of appeals' decision is a straightforward application of the decision in *Eldred*. "[T]he CRA eliminated the renewal requirements for works created between 1964 and 1977 and thus extended their term; the CTEA effected a further extension." Pet. App. 4a.⁴ As the court of appeals observed, under *Eldred*, "Congress could have achieved the identical result by extending the term of existing copyrights before their renewal was required." *Id.* at 6a. Accordingly, as the court of appeals correctly concluded, "the materially indistinguishable CRA and CTEA provisions are constitutional as well." *Ibid.*

⁴ As in *Eldred*, 537 U.S. at 219 n.23, petitioners here "confine[d] their First Amendment challenge to the extensions granted to those works." Pet. App. 4a.

Notwithstanding petitioners’ “attempt to frame the issue in terms of the change from an opt-in to an opt-out system rather than in terms of extension, they make essentially the same argument, in different form,” that the Court rejected in *Eldred*. Pet. App. 6a-7a. “Here, as in *Eldred*, extending existing copyrights while preserving speech-protective measures does not alter the ‘traditional contours of copyright protection.’” *Id.* at 6a. That correct application of *Eldred* does not warrant this Court’s review.⁵

2. Petitioners contend (Supp. Pet. 1-3) that a recent decision of a Tenth Circuit panel creates a conflict with the decision below. See *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007) (Supp. Pet. App. 1a-35a), petition for reh’g pending (filed Nov. 16, 2007). In *Golan*, the Tenth Circuit held that Section 514 of the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, 108 Stat. 4976-4981 (17 U.S.C. 104A, 109(a) (1994)), alters “the traditional contours of copyright protection” within the meaning of *Eldred*, and remanded to the district court for further First Amendment scrutiny. Pet. Supp. App. 1a-35a. Although the ruling and reasoning in *Golan* is in tension with the decision here, the panel’s decision in *Golan*—which is the subject of a pending petition for rehearing en banc filed by the government—does not justify further review in this case.

Section 514 of the URAA—the statute at issue in *Golan*—implements the Berne Convention by granting copyright protection for a limited time to a limited number of foreign works whose copyright terms had not yet

⁵ Moreover, the justification for review by this Court is further attenuated in light of the fact that petitioners are challenging statutes concerning only a finite, 14-year period (January 1, 1964-December 31, 1977), rather than challenging an ongoing feature of copyright law.

expired in their countries of origin. See Supp. Pet. App. 2a-4a nn.1, 2. Section 514 retains intact the two “traditional First Amendment safeguards” to which this Court referred in *Eldred*. 537 U.S. at 220. The copyrights granted to foreign authors are coextensive with those enjoyed by American authors. They last for precisely the same term, expire on precisely the same day, offer precisely the same protections against others’ exploitation, and include precisely the same exceptions for pure ideas and fair use.⁶ The “built-in free speech safeguards” of copyright law, *id.* at 221, are thus preserved. See *Luck’s Music Library, Inc. v. Ashcroft*, 321 F. Supp. 2d 107, 119 (D.D.C. 2004) (holding that “Congress has not altered the traditional contours of copyright protection,” because the URAA “does not alter First Amendment accommodations such as the idea/expression dichotomy or the fair-use doctrine”), *aff’d* on other grounds, 407 F.3d 1262 (D.C. Cir. 2005).

In *Golan*, the Tenth Circuit panel read *Eldred*’s phrase “the traditional contours of copyright protection,” 537 U.S. at 221, to refer to more than the “traditional First Amendment safeguards” discussed in the passages in the *Eldred* opinion that immediately precede that phrase, *id.* at 219-220. See Supp. Pet. App. 15a-35a. Instead, in the view of the Tenth Circuit panel, that phrase established a new standard—never before articulated in the Court’s jurisprudence—that mandates First Amendment scrutiny whenever a copyright statute “deviates

⁶ The only difference between American works and foreign works restored under Section 514 is that the latter have gone unprotected in the United States for much of their existence, to the detriment of their foreign authors. URAA-restored works thus by definition enjoy a considerably shorter span of copyright protection than their American counterparts.

from [a] time-honored tradition,” *id.* at 25a, even if that “time-honored tradition” has been breached by Congress on a number of occasions over the centuries. See *id.* at 21a-25a. Such a standard is inconsistent with the context and reasoning of *Eldred*, as well as with First Amendment doctrine.

The error by the Tenth Circuit panel in *Golan*, however, does not warrant issuance of a writ of certiorari to the Ninth Circuit in this case. *Golan* involves a different statutory provision with different effect than the provisions at issue here, and the Tenth Circuit, while citing the decision below several times in its opinion in *Golan*, never suggested that its ruling was in conflict with the ruling below. While the results and reasoning of the two decisions are in tension, there is no actual conflict. The decision below is correct and represents nothing more than a straightforward application of *Eldred* to statutes (the CRA and CTEA) that accomplished essentially the same term extension as that upheld in *Eldred*. Moreover, as noted, respondent has filed a petition for rehearing en banc in *Golan*, and the court of appeals recently ordered a response to that petition. If rehearing is granted, the tension between the two decisions may dissipate without the need for any action by this Court.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

PAUL D. CLEMENT
Solicitor General

JEFFREY S. BUCHOLTZ
*Acting Assistant Attorney
General*

WILLIAM KANTER
JOHN S. KOPPEL
Attorneys

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