

Saint Louis University School of Law
Scholarship Commons

All Faculty Scholarship

2017

Redefining the Intended Copyright Infringer

Yvette Joy Liebesman

Follow this and additional works at: <https://scholarship.law.slu.edu/faculty>

 Part of the [Intellectual Property Law Commons](#)

REDEFINING THE INTENDED COPYRIGHT INFRINGER

*Yvette Joy Liebman**

I.	Introduction	766
II.	Historical Infringers, Innocent Infringers, and Non-Infringers	771
	A. Historical Infringers	771
	1. Artistic Appropriation.....	771
	2. Unauthorized Mass Reproductions.....	774
	3. Not Worth the Effort: Bad Unlawful Copies for Personal Use	775
	B. Historical Innocent Infringers	776
	1. Consequences of Notice Failure at the Enactment of the 1976 Act	777
	2. “Innocent” Individuals.....	778
	3. “Innocent” Ongoing Concerns.....	779
	C. Historical Non-Infringers.....	781
	1. General Economic Incentive Theories of IP Protection.....	781
	2. Commercialization as the Dividing Line for Protection Prior to 1978.....	783
	3. Private Performance Non-Infringers	785
	4. Unprotected Works and Legal Copying	787
	5. The Non-Commercial Elements of Fair Use	790
	6. Beyond Copyright: Noncommercial Patent &	

* Professor of Law, Saint Louis University School of Law. The author wishes to thank participants at the 6th Annual Internet Law Works-in-Progress Conference held at New York Law School, the University of Akron School of Law’s Center for Intellectual Property Law & Technology’s 3rd Annual David and Ann Brennan IP Scholars Forum, and the comments from workshops at Michigan State University Law School and Washington University in Saint Louis School of Law. She is also grateful for comments and suggestions from James Grimmelmann, Lucas Osborn, Ryan Holte, Ryan Vacca, Guy Rubb, and Jason Mazzone. She wishes to thank Rebecca Schreiner, Editor-in-Chief of the Akron Law Review, for the personal attention she gave to this article during the editing process. Finally, the author is grateful to her faculty fellow, Rachel Jag, for her invaluable assistance, and always for the love and support of David Henderson, Erin, Hugo, and Oreo (the latter three are responsible for any and all errors).

	Trademark Exemptions.....	792
III.	Capturing Intended and Unintended Infringers	796
	A. Newly Captured Infringers	796
	1. Small-Scale Commercial Infringers	797
	2. Noncommercial Personal Copying.....	798
	3. Personal Infringers.....	803
	B. Limiting Liability Bases to Avoid Unintended Consequences.....	805
IV.	“One Size Fits All” Misfitted Statutory Damages.....	808
	A. The Current System of Undifferentiated Damages.....	808
	B. Tiered Damages and Class Actions	810
V.	Final Thoughts.....	812

I. INTRODUCTION

In the mid-1970s, Paul Edmond Dowling and William Samuel Theaker ran an “extensive bootleg record operation.”¹ The two men made unauthorized “phonorecords of unreleased [Elvis] Presley recordings. . . [using] material from a variety of sources, including studio outtakes, acetates, soundtracks from Presley motion pictures, and tapes of Presley concerts and television appearances.”² Dowling was a huge Elvis Presley fan, so he “handled the ‘artistic’ end of the operation, contributing his knowledge of the Presley subculture, seeking out and selecting the musical material, designing the covers and labels, and writing the liner notes.”³ Theaker, who lived in Los Angeles, handled the logistics of the operation. He “had some familiarity with the music industry, took care of the business end, arranging for the record pressings, distributing catalogs, and filling orders.”⁴

In the pre-digital era, their bootlegging was difficult work that required access to expensive equipment and a distribution network. Dowling and Theaker’s operation required them to contract with a record-pressing company—first in Burbank, California, and later in Los

1. Dowling v. U.S., 473 U.S. 207, 209 (1985). The Court defined a “bootleg phonograph” as “one which contains an unauthorized copy of a commercially available unreleased performance. . . . Though the terms frequently are used interchangeably, a ‘bootleg’ record is not the same as a ‘pirated’ one, the latter being an unauthorized copy of a performance already commercially available.” *Id.* at 209, fn 2.

2. *Id.* at 210.

3. *Id.* at 210-11 (noting that Dowling was “an avid collector of Presley recordings.”).

4. *Id.*

Angeles and Miami, Florida.⁵ In addition to the operation being quite labor-intensive for the infringers, discovering infringers was equally difficult—more difficult than merely doing a Google search, finding infringing works on Youtube, or obtaining the Internet Service Provider⁶ addresses of people who have performed unauthorized downloads from Napster.⁷ For Theaker and Dowling, it was a large operation that still required a two-year FBI investigation to gather enough evidence to support an infringement action, and even then, the bootleggers were able to evade authorities for several years before they were caught.⁸

At the enactment of the 1976 Act, Dowling and Theaker's business was typical of those pursued as infringers. The time and effort required to find a person who made an unauthorized single copy for personal use was not worth the effort. Dowling and Theaker's mass-scale infringement, on the other hand, had a large, detrimental effect on the

5. *Id.* (what defined these entrepreneurs' operation as "bootlegging" was the fact that these men "never obtained authorization from or paid royalties to the owners of the copyrights in the musical compositions.")

6. *Internet Service Provider*, WIKIPEDIA, https://en.wikipedia.org/wiki/Internet_service_provider (last visited April 29, 2017). When a person accesses the Internet through their ISP, their computer is given an identity—an "address" that identifies it to other computers also connected to the web.

7. Napster was a company that facilitated file sharing between individuals. It worked by allowing "its users to: (1) make MP3 music files stored on individual computer hard drives available for copying by other Napster users; (2) search for MP3 music files stored on other users' computers; and (3) transfer exact copies of the contents of other users' MP3 files from one computer to another via the Internet." *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1011 (9th Cir. 2003). In 2003, the Ninth Circuit affirmed the U.S. District Court for the District of Northern California's opinion that Napster was liable for secondary liability for the copyright infringement of its users and enjoined its operation. *Id.* at 1029.

8. *Dowling*, 473 U.S. at 211-12. According to the Court, "In early 1979, . . . having come to suspect that the FBI was investigating the west coast operation, Theaker began making shipments by commercial trucking companies of large quantities of the albums to Dowling in Maryland." *Id.* at 211.

Throughout 1979 and 1980, the venturers did their marketing through Send Service, a labeling and addressing entity, which distributed at least 50,000 copies of their catalog and advertising flyers to addresses on mailing lists provided by Theaker and Dowling. Theaker would collect customers' orders from post office boxes in Glendale, Cal., and mail them to Dowling in Maryland, who would fill the orders. The two did a substantial business: the stipulated testimony establishes that throughout this period Dowling mailed several hundred packages per week and regularly spent \$1,000 per week in postage. The men also had occasion to make large shipments from Los Angeles to Minor in Miami, who purchased quantities of their albums for resale through his own channels.

Id. While Dowling, Theaker, and the other codefendants were found liable for nine counts of copyright infringement under 17 U.S.C. § 506(a), the Supreme Court reversed their criminal convictions for "eight counts of interstate transportation of stolen property, in violation of 18 U.S.C. § 2314." *Id.* at 210. The Court held that "phonorecords that include the performance of copyrighted musical compositions for the use of which no authorization has been sought nor royalties paid" are not "stolen, converted or taken by fraud for the purposes of § 2314." *Id.*

sale of authorized copies of Elvis Presley's music.⁹

With newer technologies, it is now possible to create high-quality copies in minutes rather than hours, and without any loss in the sound quality. Before

the introduction of digital audio recording to the consumer electronics market in the 1980s . . . a person wishing to copy an original music recording—e.g., wishing to make a cassette tape of a record or compact disc—was limited to analog, rather than digital, recording technology. With analog recording, each successive generation of copies suffers from an increasingly pronounced degradation in sound quality. . . . With digital recording by contrast, there is almost no degradation quality, no matter how many generations of copies are made. Digital copying thus allows thousands of perfect or near perfect copies to be made from a single original recording.¹⁰

These advances have led to two new targets for infringement actions. First, there is a new class of infringers—small-scale bootleggers (those who made unauthorized copies “of a commercially available unreleased performance”)¹¹ and pirates (those who made unauthorized copies “of a performance already commercially available”).¹² Second, individual infringers who make unauthorized copies for personal use—and in the past did so with impunity and would not have been considered as objects to pursue—are more easily found because their activities now occur online, and are thus new targets for infringement actions. Both sets of infringers are also held to the same monetary damages that were originally meant for mass bootleggers and pirates.¹³ Technological advancements have also changed the ease with which one can sample music, print books, or add one's own creativity to the expression of another. Software programs give us the ability to easily mash up songs¹⁴ and alter photographs to be in the style of everyone from M.C. Esher to

9. According to the lawsuit, there were thousands of album sales by Dowling and Theaker which resulted in lost revenue by the copyright owners of the Elvis songs. *Dowling v. U.S.*, 739 F.2d 1445, 1446-47 (9th Cir. 1984).

10. *Recording Indus. Ass'n of Am. v. Diamond Multimedia Sys., Inc.*, 180 F.3d 1072, 1074-75 (9th Cir. 1999).

11. *Dowling*, 473 U.S. at 211.

12. *Id.*

13. See discussion *infra*, Section V.

14. A “mash-up” is a work that is created by combining parts from two or more sources, such as a musical composition created by digitally combining the instrumental and vocal tracks from different recordings, or combining a sound recording with an unrelated video. *Mash-Up*, MERRIAM-WEBSTER ON-LINE DICTIONARY, <http://www.merriam-webster.com/dictionary/mash%E2%80%93up> (last visited May 1, 2017).

Van Goth to Degas and others.¹⁵ Many of these activities may not be infringing or would fall under traditional fair use¹⁶ or other defenses.

There remains the assumption that an infringer is anyone who can be caught. Yet, as noted *supra*, when the Copyright Act of 1976¹⁷ was enacted, those who could be caught were very different than who are caught today. We had very different concepts about who was the intended target of an infringement action than who fits into that mold now. The internet and cyberspace has allowed IP owners, with very little effort, to capture infringers who were not originally intended to be caught in their net. The ability of individuals to both easily infringe and easily be found infringing has altered the IP landscape in a significant way that affects IP's fundamental values.

Changes in who is now liable for infringement leads to the question of who should be considered an intended infringer and held liable, and whether all infringers should be treated equally with regards to damages. For example, should individual creativity and curiosity, without a commercial purpose, be protected from infringement action because it enhances our lives and our enjoyment of the creative works of others? Based on Congress' policy considerations used when the acts were drafted, which only contemplated liability for mass infringers, it is imperative that we examine who should be the intended infringer, whether this definition needs adjustment, and whether all infringers should be treated the same with regards to remedies. Copyright law should advance and support the policies and philosophies behind copyright protection. If the law's application no longer reflects those policies, then it harms both individuals and society.

Technological advances have captured others as infringers in a net that was originally not supposed to hold them, and who are outside who was historically considered an intended infringer. If we are finding liability for people who should not be targets, how should this be resolved? If there should still be liability, should damages be at the same level as it is for the large-scale infringers originally envisioned by the drafters? We must question whether the consequences for infringement liability were intended to reach the individual infringer at such the harsh

15. DeepArt.io is one such site. DEEPART.IO, <https://deepart.io/> (last visited August 20, 2016). After uploading your picture onto their website, or downloading the iPhone App, one can render a photograph into any number of styles. Mindy Weisberger, *Turn Your Photos Into Fine-Art 'Paintings' on Free Website*, LIVESCIENCE (April 14, 2016), <http://www.livescience.com/54415-computer-turns-photos-into-fine-art.html>.

16. 17 U.S.C. § 107.

17. 17 U.S.C. §§ 101-810.

and devastating level that they now do. It is time to rethink, based on the values used to justify our intellectual property regimes, who should be an intended infringer, and develop a common philosophy in copyright to that already present in patent and trademark law; one that protects the rights of owners, yet is not so overly broad that it entraps individuals it was never meant to ensnare.

This Article argues we should no longer view the copyright infringer as the current, single, monolithic group, with regard to both liability and damages. Rather, there are several paradigm cases that can be used to distinguish different categories of contemporary infringers. These categories can be compared to historic innocent infringers and non-infringers, as well as to defenses, exceptions, and limits that distinguish an infringer from a non-infringer. Part II describes the major traditional infringers—non-creative copying mass infringers¹⁸ and artistic appropriators¹⁹—and analogizes the limits of rights of the copyright owner in 1976 to the concept of defining rights as they were present when enacted. This section also discusses the historic exceptions to either infringement or damages: the innocent infringer and the historical non-infringers; this section illustrates the dividing line of commerciality between what used to distinguish an infringer from a non-infringer. Part III looks at the metamorphoses of the infringer into its contemporary forms. While the intended infringer did not traditionally include individuals who copied for personal consumption, they may now be subject to the same liability and damages provision that was written with commercial, large-scale infringers in mind. This article then examines whether the new infringers should continue to be intended infringers, and asserts that copyright rights should be limited to those granted when the 1976 Act was enacted, and that intended infringers are those intended in 1976. Part IV discusses whether the remedies afforded for infringement should no longer be “one size fits all” but rather should be dependent on which type of infringer is liable. This article argues that a modification to the law should be considered to have the liability more fitting to the effect of the infringing activity on the copyright owner. This article concludes with final thoughts about how the identity of infringers changes when technological advancements disrupt the status quo and how, to ensure that unintended infringers are not captured, there should be a periodic reevaluation.

18. The Author defines “non-creative copying” as copying for the sake of making an exact duplicate of a work (either for a “bootleg” or “pirated” distribution or for personal use).

19. The Author defines “artistic appropriation” as copying and incorporating a work (or a portion thereof) into one’s own artistic/creative expression.

II. HISTORICAL INFRINGERS, INNOCENT INFRINGERS, AND NON-INFRINGERS

The rights of the copyright owner have historically been constrained by the technology available at the time of the enactment of the particular rendition. These limits defined the historical infringers and followed a pattern that is illustrated in the evolution of copyright protection, whereby new technologies—such as photography, sound recordings and motion pictures—as well as others not based on new technology (such as dramatic works) were added to the list of types of creative expression that warranted protection.²⁰

A. *Historical Infringers*

With regard to the reproduction right, this article will focus on historical infringement falling into two general categories: “artistic appropriation” and “non-creative copying.”²¹ I define the former as copying and incorporating a work (or a portion thereof) into one’s own artistic/creative expression. The latter I define as copying for the sake of making an exact duplicate of a work (either for a “bootleg” or “pirated” distribution or for personal use). Dowling’s large-scale bootlegging operation in the introduction is an illustration of “non-creative copying.”²² As discussed below, there is a commercial nature to both of these forms of copyright infringement, inducing Congress to establish causes of action for the copyright owner. Now, thanks to digitization, the Internet, and other emerging technologies, there are additional targets of these infringement claims.

1. Artistic Appropriation

Artistic appropriators—those who, without authorization, incorporate the copyrighted works of others into their own creative expression—are traditional targets of infringement actions.²³ Unlike the non-creative copiers,²⁴ however, these artists may have a viable Fair Use

20. See *infra* Section II.C.4.

21. These definitions are for the convenience of the reader, and each has different limits based on the public policy and incentives for which we have copyright protection.

22. Dowling v. U.S., 473 U.S. 207 (1985).

23. See, e.g., Bright Tunes Music Corp. v. Harrisongs Music, Ltd., 420 F. Supp. 177 (S.D.N.Y. 1976); Three Boys Music v. Michael Bolton, 212 F.3d 477 (9th Cir. 2000). Other examples can be found at *Music Copyright Infringement Resource*, U.S.C. GOULD SCHOOL OF LAW, <http://mcir.usc.edu/cases/Pages/default.html> (last visited May 1, 2017).

24. Discussed *infra* Section IV.

or other defense that is not available to the non-creative copier.²⁵ George Harrison's appropriation of The Chiffons' melody in "He's so Fine" for his composition "My Sweet Lord,"²⁶ or the Beach Boys' use of Chuck Berry's melody in "Sweet Little Sixteen" for their "Surfin' U.S.A.,"²⁷ exemplify this form of infringement of the reproduction right.²⁸

In *Bright Tunes Music Corp. v. Harrisongs Music, Ltd.*,²⁹ for example, Ronald Mack, composer of the song "He's So Fine,"³⁰ accused George Harrison of unauthorized copying of a copyrightable melody portion in Harrison's 1970 song "My Sweet Lord."³¹ There are a plethora of examples of artists who infringe on the creative expression of others—similar to George Harrison's copying and appropriation. Michael Bolton's melody "Love is a Wonderful Thing" and Sam Smith's song "Stay With Me" are just as liable today (and should be) for their use of the Isley Brothers' "Love is a Wonderful Thing"³² and Tom Petty's "Won't Back Down,"³³ respectively, as earlier infringing artists

25. The fair use defense "exempts from liability certain modest uses of copyrighted work when those uses do not undermine the economic interests of the copyright owner." ROGER E. SCHECHTER & JOHN R. THOMAS, *PRINCIPLES OF COPYRIGHT LAW* 432 (West 2010). Section 107 of the Copyright Act provides a non-exclusive list of activities that may fall under the fair use exception, "such as criticism, comment, news reporting, teaching . . . or research." 17 U.S.C. § 107. Fair Use and other defenses and their relevance are discussed *infra* Parts III and IV.

26. *Bright Tunes Music Corp.*, 420 F. Supp. 177.

27. Under the threat of a lawsuit, the two parties settled, and Berry eventually received songwriting credit. Jordan Runtagh, *Songs on Trial: 10 Landmark Music Copyright Cases*, ROLLING STONE (June 8, 2016), <http://www.rollingstone.com/music/lists/songs-on-trial-10-landmark-music-copyright-cases-20160608/the-beach-boys-vs-chuck-berry-1963-20160608>.

28. 17 U.S.C. § 106(1) ("the owner of copyright . . . has the exclusive rights . . . to reproduce the copyrighted work in copies or phonorecords").

29. 420 F. Supp. 177.

30. In 1963, the sound recording of "He's So Fine" by The Chiffons was one of the most popular songs in Great Britain, when Harrison was living in Liverpool, UK. *He's So Fine by The Chiffons*, SONGFACTS, <http://www.songfacts.com/detail.php?id=1215> (last visited Mar. 5, 2017).

31. *Bright Tunes Music Corp.*, 420 F. Supp. at 178.

32. *Three Boys Music v. Michael Bolton*, 212 F.3d 477 (9th Cir. 2000).

33. Daniel Creps, *Sam Smith on Tom Petty Settlement: Similarities but Complete Coincidence*, ROLLING STONE (Jan. 26, 2015), <http://www.rollingstone.com/music/news/sam-smith-tom-petty-settlement-20150126>. Sam Smith's song "Stay with Me" was incredibly similar to Tom Petty's "Won't Back Down." The parties avoided litigation and as part of the settlement agreement, Tom Petty and Jeff Lynn are now listed as authors of the song along with Sam Smith, James Napier, and William Phillips. While Smith—through his attorney—claimed it was a coincidence that his song was incredibly similar to Petty's hit tune, even "unconscious copying" results in infringement liability. See *Bright Tunes Music Corp.*, 420 F. Supp. at 181 ("[U]nder the law, infringement of copyright . . . is no less so even though subconsciously accomplished.").

Tom Petty handled the entire thing with class:

About the Sam Smith thing. Let me say I have never had any hard feelings toward Sam.

All my years of songwriting have shown me these things can happen. Most times you catch it before it gets out the studio door but in this case it got by. Sam's people were

were. Regardless of the technology used to create, disseminate, or perform the copies, proving infringement of the reproduction right remains as it always was—the defendant copied the copyright owner’s creative expression in a way that amounts to unauthorized or unlawful appropriation.³⁴ Likewise, for artistic appropriators, the Fair Use defense is still available.³⁵

Newer technologies have allowed for smaller and smaller sound bites to be used in other creative works that rely on “sampled” music. Courts, however, have already adapted to and dealt with this phenomenon, and have reaffirmed the parameters for authorized versus unauthorized copying. For example, in *Newton v. Diamond*, the Ninth Circuit reaffirmed that “[t]he principle that trivial copying does not constitute actionable infringement has long been a part of copyright law.”³⁶ The courts have long been able to draw a line whereby the quantity taken fails to rise above a trivial amount which no jury would recognize as belonging to the copyright owner.³⁷ Thus, there is no reason or policy rationale to adjust how liability is determined merely because new methods of artistic appropriation are available. For now, courts have been able to adequately apply the old principles governing Copyright

very understanding of our predicament and we easily came to an agreement. The word lawsuit was never even said and was never my intention. And no more was to be said about it. How it got out to the press is beyond Sam or myself. Sam did the right thing and I have thought no more about this. A musical accident no more no less. In these times we live in this is hardly news. I wish Sam all the best for his ongoing career. Peace and love to all.

Mark Schneider, *Tom Petty Addresses Sam Smith’s Songwriting Snafu: ‘The Word Lawsuit Was Never Even Said’*, BILLBOARD (Jan. 29, 2015), <http://www.billboard.com/articles/news/6457834/tom-petty-sam-smith-stay-with-me-american-girl-i-wont-back-down> (last visited July 29, 2016).

34. See *Arnstein v. Porter*, 154 F.2d 464, 468 (2d Cir. 1946) (holding that, in order to establish copyright infringement, there are “two separate elements essential to a plaintiff’s case . . . : (a) that defendant copied from plaintiff’s copyrighted work and (b) that the copying (assuming it to be proved) went to far as to constitute improper appropriation.”). There has recently been disagreement in the courts regarding whether the actual melody or words are copied versus an artist’s uncopyrightable style, but that is not relevant to this discussion.

35. 17 U.S.C. § 107.

36. 388 F.3d 1189, 1193 (9th Cir. 2004) (noting that, “as Judge Learned Hand observed over 80 years ago: ‘Even where there is some copying, that fact is not conclusive of infringement. Some copying is permitted. In addition to copying, it must be shown that this has been done to an unfair extent.’” (citing *West Publishing Co. v. Edward Thompson Co.*, 169 F. 833, 861 (E.D.N.Y. 1909)); see also *Fisher v. Dees*, 794 F.2d 432, 434 (9th Cir. 1986) (“As a rule, a taking is considered *de minimis* only if it is so meager and fragmentary that the average audience would not recognize the appropriation.”)

37. *Newton*, 388 F.3d at 1193 (noting “[t]his principle reflects the legal maxim, *de minimis non curat lex* (often rendered as, “the law does not concern itself with trifles”)) (applying *Ringgold v. Black Entm’t Television, Inc.*, 126 F.3d 70, 74–75 (2d Cir. 1997).

Infringement by artistic appropriators to new technologies.

2. Unauthorized Mass Reproductions

The second major group that was historically targeted for infringement actions were those with the resources for large-scale unauthorized copying and distribution. They were not the artist and creator who appropriated another's work into their own, but were individuals and "businesses" that made unauthorized copies of songs, books, sound recordings, and other artistic expression and sold them to consumers. Recording equipment was expensive.³⁸ The example *supra* in the Article introduction, whereby Dowling and Theaker's creation and sale of thousands of bootlegged songs³⁹ required utilization of a vinyl pressing plant, was a typical mass copying operation that was the object of infringement actions in the pre-digital age.⁴⁰

These large undertakings, however, also required large-scale publicizing which enabled copyright owners to find these infringers—Dowling and Theaker even had a catalog which was printed and mailed to their potential customers.⁴¹ The commercial harm from these infringers made them worthwhile to pursue, as exemplified in the infringement of the distribution right that occurred in *Fonovisa v. Cherry Auction*.⁴²

38. Henry H. Perritt, Jr., *New Business Models for Music*, 18 VILL. SPORTS & ENT. L.J. 63, 73 (2011) ("[M]anufacturing the vinyl disks from the master recording was a big deal, and within the capability of only a handful of pressing plants.").

39. Dowling v. U.S., 739 F.2d 1445, 1446-47 (9th Cir. 1984) ("[D]uring 1979-80 Dowling mailed hundreds of packages of albums every week. The mailings ranged from one record to packages weighing 20 to 30 pounds each. Dowling was spending at least \$1,000 per week on postage during this period."). In 1979, First Class postage was \$0.15/ounce. *Rates for Domestic Letters Since 1863*, U.S. POSTAL SERVICE, <https://about.usps.com/who-we-are/postal-history/domestic-letter-rates-since-1863.pdf> (last visited August 20, 2016). If Dowling and Theaker were averaging over \$1,000 per week in postage, that is approximately 416 pounds of bootleg phonorecords sent weekly. The typical vinyl record (including its jacket) weighs approximately 7.8 ounces (the Author weighed several of her own vinyl albums, and determined the average). Even if one conservatively brought that weight up to one pound to account for shipping materials, that would mean that Theaker and Dowling were shipping at least 400 bootleg albums each week for two years, or over 40,000 bootleg albums during the two years of operation from 1979-1980.

40. Sculptural works were also targets of unauthorized mass reproduction. In *Mazer v. Stein*, for example, Emanuel Mazer mass-produced unauthorized copies of sculptures created by Benjamin and Rita Stein. *Mazer v. Stein*, 347 U.S. 201, 205 (1954).

41. *Dowling*, 739 F.2d at 1446 ("At the direction of both Dowling and Theaker, Send Service, an addressing and mailing service located in Glendale, California, mailed over 50,000 catalogs and flyers advertising defendants' phonorecords. The catalogs were mailed throughout the United States during 1979 and 1980. Theaker collected the orders and then sent them to Dowling who mailed the requested albums from Maryland.") *Id.*

42. 845 F. Supp. 1492 (E.D. Cal. 1994).

In *Fonovisa*, one police raid seized over 38,000 counterfeit tapes being sold at a swap meet in Fresno County, California, and later witnessed several independent vendors conducting sales of counterfeit copyrighted phonorecords at the same swap meet.⁴³ Pre-internet, in order to sell their wares, these unauthorized distributors needed open public venues, and large volumes of sales to justify the expenses involved in creating the bootlegged and counterfeited phonorecords. The sales volume and its effect on a copyright owner's profits justified legal action. Again, in *Sony Discos, Inc. v. E.J.C. Family Partnership*, a 2001 police raid at a flea market in Pearland, Texas⁴⁴ resulted in the seizure of 2,200 counterfeit cassette tapes and compact discs.⁴⁵ This raid was also the result of countless hours of investigators observing infringing activities at the flea market to accumulate evidence against the infringers.⁴⁶

3. Not Worth the Effort: Bad Unlawful Copies for Personal Use

When I was in high school in the early 1980s, a cute boy⁴⁷ who had a crush on me gave me a present—knowing I was a Pink Floyd fan, he copied his “The Wall” album onto a pair of cassette tapes and gave them to me. The quality was just so-so, and the approximately 80-minute album⁴⁸ took him even longer than that to make the copy—the boy's efforts in making this copy were not inconsequential.⁴⁹ There was no way the owners of the copyrights in those songs would have ever known about this infringing action, and any person in a similar circumstance would be almost impossible to locate and be found liable for this form of copyright infringement.

In addition to the difficulty in locating unauthorized tape copiers,

43. *Id.* at 1494. On their various visits to the Cherry Auction swap meet between 1991 and 1993, Fresno County Sheriff's deputies regularly witnessed ten to twelve vendors selling counterfeits.

44. Michael Alterio, *Flea market beats music giant Sony in copyright suit*, FLEA MARKET ZONE (April 16, 2010), <http://fleamarketzone.com/2010/04/coles-v-sony/>.

45. *Sony Discos, Inc. v. E.J.C. Family P'ship*, 2010 WL 12703442 (S.D. Tex. 2010). Unlike in *Fonovisa*, where the flea market owner was found contributorily liable, the defendants in *Sony Discos* did not benefit from the sale of the counterfeit goods, and therefore were not found liable as third-party infringers.

46. *Id.* at *1; see also *Arista Records, Inc. v. Flea World, Inc.*, 78 U.S.P.Q.2d 1339 (D.N.J. 2006).

47. Even though the statute of limitations has long passed, to protect his identity as a copyright infringer, the boy's name will remain anonymous.

48. *The Wall*, WIKIPEDIA, https://en.wikipedia.org/wiki/The_Wall (last visited July 27, 2016).

49. He never asked me out, though.

the poor quality of the copies and the amount of time required to make an individual copy limited the harm to the copyright owners. My taped songs degraded quickly, and after a few months, I ended up buying my own copy of *The Wall*. We made “mix tapes” and recorded off the radio; we were infringers, but we slipped below the radar. The Copyright Act never intended for our actions to incur liability for infringement.

If individuals made unauthorized copies, the scale and quality of copying—and the enormous difficulty of even identifying these small-time infringers—made any action in copyright a worthless endeavor. As we will discuss *infra*, however, with the advent of technologies that make high quality, fast copying a common commodity, individual small-scale infringers are caught in a trap that had previously been set solely for large-scale infringers who had economic incentives to make unauthorized copies.

In addition to boys making cassette tapes for girls they liked, there was also a tradition of using well-known tunes as the melody for other songs—which legally would also constitute infringement of the reproduction and adaptation rights.⁵⁰ Historically, most of these “artistic appropriations” would be difficult to discover. Camp songs were sung around a fire by young boys and girls who created their own lyrics—those lyrics were written down and passed along year after year, as well as passing under the radar of the copyright owners, the creator of the new lyrics lost through time.⁵¹ These elusive infringers were not viable targets for copyright owners, which should be a relief to those who long ago created and sang the unauthorized derivative works.⁵²

B. *Historical Innocent Infringers*

The limitations on copyrightability itself illustrate that Congress has, at times, condoned certain forms of unauthorized copying⁵³ beyond

50. 17 U.S.C. § 106(1)-(2) (“The owner of copyright under this title has the exclusive rights to do and to authorize any of the following: (1) to reproduce the copyrighted work in copies or phonorecords; (2) to prepare derivative works based upon the copyrighted work.”).

51. The author’s own experience included camp songs sung to the tune of the Notre Dame Fight Song, among others.

52. Most likely the campfire singing would not be considered a “public performance,” relieving the campers of liability under §106(4), the right “to perform the copyrighted work publicly.” But if a Youtube video of this activity were posted, thereby exposing the infringement, should campers today face infringement liability?

53. Melvin L. Halpern, *The Sound Recording Act of 1971: An End to Piracy on the High Seas?*, 40 GEO. WASH. L. REV. 964 (1971-72) (noting that—until the enactment of the Sound Recording Act of 1971 (Pub. L. No. 92-140, 85 Stat. 391 (1971))—sound recordings were not protected under copyright law. Only the underlying musical composition received protection.).

the traditional defenses such as Fair Use. This section will discuss several of these relevant innocent infringers—those infringers who did so under the mistaken belief that their actions did not constitute infringement. Subpart C explores exceptions to copyright infringement, where Congress has placed limits on actions that would otherwise be considered infringing actions. In both these sub-sections, the non-commercial nature of the defendants' actions plays a key role in that determination, either removing liability or limiting damages as a remedy.

1. Consequences of Notice Failure at the Enactment of the 1976 Act

In the 1970s, when Congress conducted its most recent major drafting of the Copyright Act, legislators continued to have a particular image of infringement for the reproduction, adaptation, distribution, public performance, and public display rights. Especially with regard to the reproduction right, there was concern that the statute's changes to the formalities surrounding copyright protection would capture innocent infringers who were accustomed to the former regime, where lack of copyright notice rendered a work in the public domain. As Congress noted, unlike the current law at the time—the Copyright Act of 1909 (1909 Act)⁵⁴—under the proposed revision, “omission of a copyright notice [did] not automatically forfeit protection and throw the work into the public domain.”⁵⁵ Instead, authors had a five-year grace period to remedy the lack of notice,⁵⁶ and lack of notice on the work no longer

54. Copyright Act of 1909, Pub. L. 60-349, 35 Stat. 1075 [hereinafter Copyright Act of 1909].

55. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5762-63.

56. 17 U.S.C. § 405(a):

Effect of Omission on Copyright. — With respect to copies and phonorecords publicly distributed by authority of the copyright owner before the effective date of the Berne Convention Implementation Act of 1988, the omission of the copyright notice described in sections 401 through 403 from copies or phonorecords publicly distributed by authority of the copyright owner does not invalidate the copyright in a work if

(1) the notice has been omitted from no more than a relatively small number of copies or phonorecords distributed to the public; or

(2) registration for the work has been made before or is made within five years after the publication without notice, and a reasonable effort is made to add notice to all copies or phonorecords that are distributed to the public in the United States after the omission has been discovered.

See also H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5762-63 (“Under the proposed law a work published without any copyright notice will still be subject to statutory protection for at least 5 years, whether the omission was

guaranteed that the work was free to copy. “This not only represents a major change in the theoretical framework of American copyright law, but it also seems certain to have immediate practical consequences in a great many individual cases.”⁵⁷

Because of this change to the law regarding the grace period for remedying the lack of notice, Congress expressed concern that those who relied on a lack of actual notice of registration that was later cured could be liable for their “innocent infringement.” Who did Congress envision these innocent infringers to be? The legislators divided these “innocent infringers” into two groups: (1) those for whom the infringement had been short-lived and had limited ability to research for a cured omission, and (2) those who would have ongoing use of the work and would also be better able to research and determine if the notice omission had been cured.

2. “Innocent” Individuals

For the former group, Congress established limited damages liability under Section 405(b) of the Act,⁵⁸ and in certain cases, the court

partial or total, unintentional or deliberate.”).

57. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5762-63.

58. 17 U.S.C. § 405(b) Effect of Omission on Innocent Infringers. —

Any person who innocently infringes a copyright, in reliance upon an authorized copy or phonorecord from which the copyright notice has been omitted and which was publicly distributed by authority of the copyright owner before the effective date of the Berne Convention Implementation Act of 1988, incurs no liability for actual or statutory damages under section 504 for any infringing acts committed before receiving actual notice that registration for the work has been made under section 408, if such person proves that he or she was misled by the omission of notice. In a suit for infringement in such a case the court may allow or disallow recovery of any of the infringer’s profits attributable to the infringement, and may enjoin the continuation of the infringing undertaking or may require, as a condition for permitting the continuation of the infringing undertaking, that the infringer pay the copyright owner a reasonable license fee in an amount and on terms fixed by the court.

See also H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5764:

The general postulates underlying [Section 405(b)] are that a person acting in good faith and with no reason to think otherwise should ordinarily be able to assume that a work is in the public domain if there is no notice on an authorized copy or phonorecord and that, if he relies on this assumption, he should be shielded from unreasonable liability.

Under section 405(b) an innocent infringer who acts ‘in reliance upon an authorized copy or phonorecord from which the copyright notice has been omitted’, and who proves that he was misled by the omission, is shielded from liability for actual or statutory damages with respect to ‘any infringing acts committed before receiving actual notice’ of registration. Thus, where the infringement is completed before actual notice has been served— as would be the usual case with respect to relatively minor infringements

was prohibited from exacting damages at all.⁵⁹ In its legislative history of Section 504(c)(2), Congress took note of

the special situation of teachers, librarians, archivists, and public broadcasters, and the nonprofit institutions of which they are a part. Section 504 (c)(2) provides that, where such a person or institution infringed copyrighted material in the honest belief that what they were doing constituted fair use, the court is precluded from awarding any statutory damages.⁶⁰

Thus, individuals received a broad exemption from liability based on lack of notice, even to the point where no damages were to be awarded the copyright owner. It is noteworthy that those individuals or non-profit entities that received this exemption were using the copyrighted work in a non-commercial manner. One can conclude, therefore, that protecting unauthorized commercialization was one of Congress' major policy objectives when it drafted the Copyright Act.

3. "Innocent" Ongoing Concerns

For the latter group—those ongoing concerns—Congress deemed them sufficiently sophisticated to face more substantial damages. These were for-profit entities that sought to commercialize and financially benefit from the copyrighted works, and generally had a profit-seeking motive accounting for the company's existence. For these "innocent infringers" who copied either during the "grace period" of notice omission or relied on lack of notice on a copy,

by teachers, librarians, journalists, and the like—liability, if any, would be limited to the profits the infringer realized from the act of infringement.

59. 17 U.S.C. § 504(c)(2):

In a case where the infringer sustains the burden of proving, and the court finds, that such infringer was not aware and had no reason to believe that his or her acts constituted an infringement of copyright, the court in its discretion may reduce the award of statutory damages to a sum of not less than \$200. The court shall remit statutory damages in any case where an infringer believed and had reasonable grounds for believing that his or her use of the copyrighted work was a fair use under section 107, if the infringer was: (i) an employee or agent of a nonprofit educational institution, library, or archives acting within the scope of his or her employment who, or such institution, library, or archives itself, which infringed by reproducing the work in copies or phonorecords; or (ii) a public broadcasting entity which or a person who, as a regular part of the nonprofit activities of a public broadcasting entity. . . infringed by performing a published nondramatic literary work or by reproducing a transmission program embodying a performance of such a work.

60. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.A.N. 5659, 5764.

[w]here the infringing enterprise is one running over a period of time, the copyright owner would be able to seek an injunction against continuation of the infringement, and to obtain full monetary recovery for all infringing acts committed after he had served notice of registration. *Persons who undertake major enterprises of this sort should check the Copyright Office registration records before starting, even where copies have been published without notice.*⁶¹

This is in harmony with their concept of how infringement was harming the recording industry in particular via large-scale bootlegging operations, and these should be the targets for the economic harm they cause to the copyright owner. This position is also illustrated in how damages were delineated in the statute for profit-making entities. “Where an infringer made profits from infringing acts committed innocently before receiving notice from the copyright owner, the court may allow or withhold their recovery in light of the circumstances.”⁶² Courts had the option of enjoining the defendant from continuing the infringing activity, or requiring that the defendant pay a reasonable royalty and continue its operation.⁶³

Congress described these large-scale innocent infringers when it set forth limited statutory damages in Section 504(c)(2) for this group. Unlike the librarians and the like, there was no waiver of statutory damages for these “innocent infringers.” The exception to statutory damages for this group both placed the burden on the defendant, and did not completely remove the damages remedy.⁶⁴

The exception, which would allow reduction of minimum statutory damages . . . where the infringer ‘was not aware and had no reason to believe that his or her acts constituted an infringement of copyright,’ is sufficient to protect against unwarranted liability in cases of occasional or isolated innocent infringement, and it offers adequate insulation to users, such as broadcasters and newspaper publishers, who are particularly vulnerable to this type of infringement suit. On the other hand, by

61. *Id.* (emphasis added).

62. 17 U.S.C. § 405(b) (“In a suit for infringement in such a case [of innocent infringement] the court may allow or disallow recovery of any of the infringer’s profits attributable to the infringement, and may enjoin the continuation of the infringing undertaking or may require, as a condition for permitting the continuation of the infringing undertaking, that the infringer pay the copyright owner a reasonable license fee in an amount and on terms fixed by the court.”).

63. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5764.

64. 17 U.S.C. § 504(c)(2) (“In a case where the infringer sustains the burden of proving, and the court finds, that such infringer was not aware and had no reason to believe that his or her acts constituted an infringement of copyright, the court in its discretion may reduce the award of statutory damages to a sum of not less than \$200.”).

establishing a realistic floor for liability, the provision preserves its intended deterrent effect; and it would not allow an infringer to escape simply because the plaintiff failed to disprove the defendant's claim of innocence.⁶⁵

Thus, Congress viewed the innocent infringer who still deserved to suffer from some monetary damages as the commercial infringer, while proscribing courts from eliciting monetary damages on singular non-commercial use by an innocent infringer.

C. *Historical Non-Infringers*

While Subpart B discussed the limits of liability for innocent infringers, in this subsection we look at historical exceptions to copyright infringement, where Congress has placed limits on actions that would otherwise be considered infringing actions. This section also continues the overarching theme: a lack of commercialization of the defendants' actions is a commonality in creating these categories of non-infringers and differentiating them from the intended infringer.

1. General Economic Incentive Theories of IP Protection

The Supreme Court first rejected a natural rights theory⁶⁶ of intellectual property in favor of economic incentives in *Wheaton v. Peters*,⁶⁷ and reiterated its rejection of a natural rights theory in *Fox Film*

65. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5764.

66. A "natural right" is a right that exists independent of legislative enactment, even if there are legislative enactments, and usually first attributed to John Locke. *See* JOHN LOCKE, SECOND TREATISE OF GOVERNMENT (1690):

The "labour" of his body and the "work" of his hands, we may say, are properly his. Whatsoever, then, he removes out of the state that Nature hath provided and left it in, he hath mixed his labour with it, and joined to it something that is his own, and thereby makes it his property. It being by him removed from the common state Nature placed it in, it hath by this labour something annexed to it that excludes the common right of other men. For this "labour" being the unquestionable property of the labourer, no man but he can have a right to what that is once joined to, at least where there is enough, and as good left in common for others.

As applied to intellectual property, the Natural Rights Theory stresses the inherent authority of innovators to control works they have created. *Id.*

67. 33 U.S. 591, 661 (1834):

[C]ongress, in passing the act of 1790, did not legislate in reference to existing rights . . . Now if this exclusive right existed at common law, and congress were about to adopt legislative provisions for its protection, would they have used this language? Could they have deemed it necessary to vest a right already vested. Such a presumption is refuted by the words above quoted, and their force is not lessened by any other part of the act.

Corp. v. Doyal:⁶⁸ “[C]opyright is the creature of the federal statute passed in the exercise of the power vested in the Congress. As this Court has repeatedly said, the Congress did not sanction an existing right, but created a new one.”⁶⁹

A great many scholars have written about the underlying economic incentive theories behind copyright protection and their application to a variety of copyright issues.⁷⁰ Some like to quote Samuel Johnson’s famous adage, “[n]o man but a blockhead ever wrote, except for money.”⁷¹ In general, the underlying rationale for the economic incentive theory is that obtaining protection as well as the ability to enforce one’s copyright rights is based on the author’s desire to seek economic benefits from her creative endeavor, whether or not the alleged infringer was financially benefiting from her use of the work.⁷² “[C]opyright law *celebrates* the profit motive, recognizing that the incentive to profit from the exploitation of copyrights will redound to the public benefit by resulting in the proliferation of knowledge.”⁷³

Congress, then, by this act, instead of sanctioning an existing right, as contended for, created it. This seems to be the clear import of the law, connected with the circumstances under which it was enacted. *Id.*

68. 286 U.S. 123 (1932).

69. *Id.* at 127; see also *Am. Tobacco Co. v. Werkmeister*, 207 U.S. 284, 291 (1907) (“[i]n this country it is well settled that property in copyright is the creation of the Federal statute passed in the exercise of the power vested in Congress by the Federal Constitution in article I, § 8.”).

70. See, e.g., Minjeong Kim, *Show Me the Money: The Economics of Copyright in Online News*, 58 J. COPYRIGHT SOC’Y U.S.A. 301 (2011); Steven Hetcher, *Desire Without Hierarchy: The Behavioral Economics of Copyright Incentives*, 48 U. LOUISVILLE L. REV. 817, 817 (2010); Alina Ng, *The Author’s Rights in Literary and Artistic Works*, 9 J. MARSHALL REV. INTELL. PROP. L. 453, 461 (2010); Richard Watt, *Copyright and Contract Law: Economic Theory of Copyright Contracts*, 18 J. INTELL. PROP. L. 173 (2010); Christopher S. Yoo, *Copyright and Public Good Economics: A Misunderstood Relation*, 155 U. PA. L. REV. 635 (2007); Matthew J. Sag, *Beyond Abstraction: The Law and Economics of Copyright Scope and Doctrinal Efficiency*, 81 TUL. L. REV. 187 (2006); Douglas Lichtman, William Landes, *Indirect Liability for Copyright Infringement: An Economic Perspective*, 16 HARV. J.L. & TECH. 395 (2003); Edward Samuels, *Economic Justice: Copyright Owners, Performers, and Users*, 22 N.Y.L. SCH. J. INT’L & COMP. L. 379 (2003); William M. Landes, *Copyright, Borrowed Images, and Appropriation Art: An Economic Approach*, 9 GEO. MASON L. REV. 1 (2000); Adam R. Fox, *The Economics of Expression and the Future of Copyright Law*, 25 OHIO N.U. L. REV. 5 (1999); Stanley M. Besen, *An Economic Analysis of Copyright Collectives*, 78 VA. L. REV. 383 (1992); Frank P. Darr, *Testing an Economic Theory of Copyright: Historical Materials and Fair Use*, 32 B.C. L. REV. 1027 (1991).

71. Alina Ng, *The Author’s Rights in Literary and Artistic Works*, 9 J. MARSHALL REV. INTELL. PROP. L. 453, 461 (2010), citing JAMES BOSWELL, II, *BOSWELL’S LIFE OF JOHNSON*, 14 (Henry Frowde ed., Oxford 1904) (1791).

72. C.f. *id.* at 467-68 (“Noting that the author seeks to recover her cost of investing in the creation and production of creative works, and receives remuneration from her readers through the copyright system.”).

73. *Am. Geophysical Union v. Texaco Inc.*, 802 F. Supp. 1, 27 (S.D.N.Y. 1992), amended (Oct. 26, 1992), *aff’d*, 37 F.3d 881 (2d Cir. 1994), order amended and superseded, 60 F.3d 913 (2d

2. Commercialization as the Dividing Line for Protection Prior to 1978

Using commercialization as the dividing line—either for liability or for a determination of damages—would fall in line with the intention of copyright to protect the commercial and creative interests of artists under the economic incentive theory adopted by Congress. Under the 1909 Act,⁷⁴ federal copyright protection was triggered with publication of the work.⁷⁵

For example, in *American Tobacco Co. v. Werckmeister*,⁷⁶ publication of copies for sale was differentiated from individual paintings, the latter which “are often sold to private individuals and go into private collections, whilst the copies, photographs, or photogravures, may have a wide and extended sale.”⁷⁷ At issue was whether a painting that lacked the copyright notice on its face fell into the public domain. The Supreme Court held that it did not.⁷⁸

Until the passage of the 1976 Act—and the removal of all formalities with the enactment of the Berne Convention Implementation Act of 1988⁷⁹—federal copyright protection for a work depended on compliance with strict formalities. Indeed, under the 1909 Act,⁸⁰ federal copyright protection itself was not available until the work was published to the general public. Professors Brauneis and Schechter have succinctly described the meaning of this dividing line:

The question of publication was central to the entire scheme of the 1909 Copyright Statute—as the Ninth Circuit put it, it was of “immense importance.” Under the 1909 law, publication was the dividing line between perpetual protection under state law and either of two possibilities under federal law: Publication with a valid copyright notice would terminate or “divest” the common law copyright and “in-

Cir. 1994), and aff'd, 60 F.3d 913 (2d Cir. 1994).

74. Copyright Act of 1909.

75. See ROBERT BRAUNEIS & ROGER SCHECHTER, COPYRIGHT: A CONTEMPORARY APPROACH 471 (West Academic Publishing 2012).

76. 207 U.S. 284 (1907).

77. *Id.* at 294 (“It would seem clear that the real object of the statute is not to give notice to the artist or proprietor of the painting or the person to whose collection it may go, who need no information, but to notify the public who purchase the circulated copies of the existing copyright, in order that their ownership may be restricted.”)

78. *Id.*

79. Pub. L. 100-568 (1988). See generally Jane C. Ginsburg, *The US Experience with Copyright Formalities: A Love/Hate Relationship* (Columbia Law Sch. Pub. Law & Legal Theory Working Paper, Paper No. 9181, 2010), http://lsr.nellco.org/columbia_pllt/9181.

80. Acts prior to the 1909 Act also had this commercialization dividing line, often with harsher requirements to avoid a work falling into the Public Domain.

vest” federal statutory copyright of the limited period specified in the statute. Alternatively, publication *without notice* would also terminate the common law copyright, but operated as well to forfeit any federal statutory copyright and inject the work into the public domain.⁸¹

Prior copyright acts had even harsher formalities, all of which was for the purpose of protecting the economic interests of U.S. citizens. First, the Copyright Act of 1790 made protection available only to an author who was “a citizen or citizens of these United States, or resident therein,”⁸² thus forbidding copyright protection for works created by foreign authors. Formalities also required “that no person shall be entitled to the benefit of this act . . . unless he shall before publication deposit a printed copy of the title of such map, chart, book or books, in the clerk’s office of the district court where the author or proprietor shall reside.”⁸³ Eventually, in 1855, deposit could be accomplished by mail and could be done simultaneously with publication.⁸⁴

Commercialization as the delineation for protection under the federal regime began with the first sentence of the first copyright act: “Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passing of this act, the author and authors of any map, chart, book or books . . . shall have the sole right and liberty of printing, reprinting, publishing and vending.”⁸⁵ There was “a dual system of ‘common law copyright’ for unpublished works and statutory copyright for published works, which has been the system in effect in the United States since the first copyright statute in 1790.”⁸⁶ Until 1978, unpublished works were treated as privacy interests, protected by common law.⁸⁷

81. BRAUNEIS & SCHECHTER, *supra* note 75, at 471 (emphasis in original), citing *Am. Vitagraph, Inc. v. Levy*, 659 F.2d 1023, 1026 (9th Cir. 1981).

82. 1790 Copyright Act (Act of May 31, 1790), ch. 15, § 1, 1 Stat. 124 [hereinafter Copyright Act of 1790].

83. *Id.* at Sec. 3.

84. AN ACT making appropriations for the service of the Post-Office Department during the fiscal year, ending the thirtieth of June, one thousand eight hundred and fifty-six, Sec. 5. (“*And be it further enacted*, That all books, maps, charts, or other publications, entered for copyright, and which, under the act of August tenth, eighteen hundred and forty-six, are required to be deposited in the Library of Congress, and in the Smithsonian Institution, may be sent through the mails free of postage, under Much regulations as the Postmaster-General may prescribe.”).

85. Copyright Act of 1790.

86. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5764.

87. *See, e.g.*, Copyright Act of 1909, Sec. 2 (“Nothing in this title shall be construed to annul or limit the right of the author or proprietor of an unpublished work, at common law, or in equity, to prevent the copyright, publication, or use of such unpublished work without his consent, and to obtain damages hereafter.”); BRAUNEIS & SCHECHTER, *supra* note 75.

3. Private Performance Non-Infringers

Based on the private nature of the performance, copyright law does not label a person who invites friends and family to listen to a sound recording during a dinner party as an infringer.⁸⁸ Implicit in this private performance exemption is the lack of a for-profit nature, or the ability of the copyright owner to learn about the performance or demonstrate harm by the performance. There is also an element of a right to privacy implied in this exemption—we value our privacy, and the ability to perform silly dances or sing in the shower in the privacy of our homes should not open us up to infringement liability. Copyright owners suffer no meaningful economic harm through these performances.

Under the 1909 Act, protecting privacy and tying copyright to commercial exploitation and economic incentives was resolved by limiting the public performance right to the exclusive right “to perform or represent the copyrighted work publicly for profit if it be a musical composition.”⁸⁹ In addition, Section 1(b) provided a similar “for profit” limitation for nondramatic literary works.⁹⁰ Thus, the “for profit nature” was the dividing line for both protection and creating actionable infringement. The public performance right under the 1909 Act provided the exclusive right “to perform or represent the copyrighted work publicly for profit if it be a musical composition.”⁹¹ In addition, Section 1(b) provided a similar “for profit” requirement for nondramatic literary works to be infringing,⁹² which was reiterated with the enactment of the Sound Recording Act of 1971.⁹³ The commercial nature of reproduction

88. 17 U.S.C. § 101 (“To perform or display a work “publicly” means . . . to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered.”); *see also* Nat’l Football League v. McBee & Bruno’s, Inc., 792 F.2d 726, 729 (8th Cir. 1986) (noting that on one of the dates when one of the defendant used his bar’s “satellite dish to intercept the blacked-out home game played . . . his establishment . . . [did] not have a Sunday liquor license and [was] not open for business on Sunday; on that date, the bar was closed and the game watched only by [the defendant] and three friends. . . . and . . . such a viewing is not a public performance under Section 101 of the Copyright Act.”).

89. Copyright Act of 1909 § 1(e).

90. §1(b) (“Any person entitled thereto . . . shall have the exclusive right to deliver, authorize the delivery of, read, or present the copyrighted work in public for profit, if it be a lecture, sermon, address or similar production, or other nondramatic literary work . . . by any method . . . and to play or perform it in public for profit.”).

91. §1(e).

92. §1(b) (“Any person entitled thereto . . . shall have the exclusive right to deliver, authorize the delivery of, read, or present the copyrighted work in public for profit, if it be a lecture, sermon, address or similar production, or other nondramatic literary work . . . by any method . . . and to play or perform it in public for profit.”).

93. §1(f) (“Any person entitled thereto . . . shall have the exclusive right to produce and

or distribution of the sound recording was a requirement for this right to be infringed.⁹⁴

This “for profit” requirement seemed to have been removed, but actually remained, though it was extremely narrowed through the inclusion of Section 110 of the 1976 Act, providing exemptions for non-profit performances such as non-profit educational institutions,⁹⁵ religious services,⁹⁶ and other non-profit enterprises.⁹⁷ Congress declared and explained this change:

The right of public performance under section 106(4) . . . unlike the equivalent provisions now in effect, is not limited by any ‘for profit’ requirement. The approach of the bill . . . is first to state the public performance right in broad terms, and then to provide specific exemptions for educational and other nonprofit uses.

This approach is more reasonable than the outright exemption of the 1909 statute. The line between commercial and ‘nonprofit’ organizations is increasingly difficult to draw. Many ‘non-profit’ organizations are highly subsidized and capable of paying royalties, and the widespread public exploitation of copyrighted works by public broadcasters and other noncommercial organizations is likely to grow.⁹⁸

In Congress’ pivot away from a “for profit” requirement for infringement of the public performance right, it recognized that, with emerging technologies and the expansive role that television and radio were having in how individuals viewed or heard public performances—no longer limited to viewing them live—public performances would “supplant markets for printed copies and that in the future a broad ‘not for profit’ exemption could not only hurt authors but could dry up their

distribute to the public by sale or other transfer of ownership, or by rental, lease or lending, reproductions of the copyrighted work if it be a sound recording.”).

94. §104(b) (“Any person who willfully and for profit shall infringe any copyright provided by Section 1(f)”).

95. Copyright Act of 1976 § 110(1)-(2), Pub. L. No. 94-553, 90 Stat. 2541 (1976).

96. § 110(3).

97. § 110(4) (“Notwithstanding the provisions of section 106, the following are not infringements of copyright: performance of a nondramatic literary or musical work otherwise than in a transmission to the public, without any purpose of direct or indirect commercial advantage and without any payment of any fee or other compensation for the performance to any of its performers, promoters or organizers, if (A) there is no direct or indirect admission charge; or (B) the proceeds, after deducting the reasonable costs of producing the performance, are used exclusively for educational, religious, or charitable purposes and not for private financial gain, except where the copyright owner has served notice of objection to the performance.”).

98. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.A.N. 5659, 5764.

incentive to write.⁹⁹

Under the 1976 Act, garage bands that played “concerts” for their friends would not be “intended infringers.”¹⁰⁰ Their performances would most likely not be considered a “public” performance,¹⁰¹ even if the concert could be classified as “public” or the copyright owner would be unaware of the infringing activity. The copyright owner would have no cause of action regarding her reproduction, adaptation, or distribution rights due to the unfixed nature of the performances.¹⁰² Under the 1909 Act, the lack of performing “for profit” would save these musicians from infringement liability.

4. Unprotected Works and Legal Copying

Congress has clearly desired that certain forms of copying be allowed. Beyond our current Fair Use doctrine, there is a historical record of Congress protecting only certain forms of expression from unauthorized copying. Early iterations of the Copyright Act also placed hurdles in the way of those looking to secure rights, thereby allowing more works to enter the public domain, available for all to copy. The first Copyright Act of 1790 protected only maps, charts and books.¹⁰³ Copyrightable subject matter was expanded to include musical compositions in 1831¹⁰⁴ and to public performances in dramatic compositions in 1856.¹⁰⁵ Photographs were included in 1865,¹⁰⁶ and

99. *Id.*

100. *See, e.g.,* Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 468-69 (1984).

101. 17 U.S.C. § 101 (“to perform or display a work ‘publicly’ means to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of family and its social acquaintances are gathered.”).

102. H.R. REP. 94-1476, H.R. Rep. No. 1476, 94TH Cong., 2ND Sess. 1976, 1976 U.S.C.C.A.N. 5659, 5764 (“[A]n unfixed work of authorship, such as an improvisation or an unrecorded choreographic work, performance, or broadcast, would continue to be subject to protection under State common law or statute, but would not be eligible for Federal statutory protection under section 102.”).

103. Copyright Act of 1790, § 1.

104. *White-Smith Music Pub. Co. v. Apollo Co.*, 209 U.S. 1, 15 (1908) (“[m]usical compositions have been the subject of copyright protection since the statute of February 3, 1831 (4 Stat. at L. 436, chap. 16).”).

105. An act to amend the several acts respecting copyright, approved February third, eighteen hundred and thirty-one, enacted August 18, 1856:

Be it enacted ~ the Senate ~ House of Representatives of the United States of America in Congress assembled, That any copyright hereafter granted under the laws of the United States to the author or proprietor of any dramatic composition, designed or suited for public representation, shall be deemed and taken to confer upon the said author or proprietor. . . along with the sole right to print and publish the said composition, the sole right also to act, perform, or represent the same, or cause it to be acted, performed, or

motion pictures became protectable subject matter in 1912.¹⁰⁷

At the time of its enactment, works that could not be viewed with the human eye were not protected under the 1909 Act. In *White-Smith Music Pub. Co. v. Apollo*,¹⁰⁸ the Supreme Court was faced with its first consideration of whether a work that could not be “perceived, reproduced, or otherwise communicated . . . with the aid of a machine or device”¹⁰⁹ should be considered the “writings of an author.”¹¹⁰ The Apollo Company sold “player pianos and perforated rolls of music used in connection therewith.”¹¹¹ At the turn of the century, player pianos and the rolls were extremely popular. In “1902 from seventy to seventy-five thousand of such instruments were in use in the United States and . . . from one million to one million and a half of such perforated musical rolls . . . were made in this country in that year.”¹¹² White-Smith Music Publishing Company held the copyrights in several of the compositions that Apollo used on the player piano rolls.¹¹³

A lot was at stake in this decision. If Apollo could create the player piano rolls of copyrighted musical compositions without paying royalties to the copyright owners, Apollo would reap millions in profits that would otherwise be diminished through the payment of royalties to

represented, on any stage or public place during the whole period for which the copyright is obtained.

106. An Act supplemental to an act entitled: An act to amend the several acts respecting copyright, approved February third, eighteen hundred and thirty-one, and to the acts in addition thereto and amendment thereof. (March 3, 1865):

Be it enacted 'by The Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of said act shall extend to and include photographs and the negatives thereof which shall hereafter be made, and shall enure to the benefit of the authors of the same in the same manner, and to the same extent, and upon the same conditions as to the authors of prints and engravings.

107. An Act to amend sections five, eleven, and twenty-five of an Act entitled “An Act to amend and consolidate the Acts respecting copyright,” approved March fourth, nineteen hundred and nine (Aug. 24, 1912).

108. 209 U.S. 1.

109. 17 U.S.C. § 102.

110. Copyright Act of 1909, Sec. 4 (March 4, 1909) (“[t]hat the works for which copyright may be secured under this Act shall include all the writings of an author.”).

111. *White-Smith*, 209 U.S. at 8-9. Player pianos rolls were perforated sheets, which are passed over ducts connected with the operating parts of the [player piano] mechanism in such manner that the same are kept sealed until, by means of perforations in the rolls, air pressure is admitted to the ducts which operate the pneumatic devices to sound the notes. . . . As the roll is drawn over the tracker board the notes are sounded as the perforations admit the atmospheric pressure, the perforations having been so arranged that the effect is to produce the melody or tune for which the roll has been cut.

112. *Id.* at 9.

113. *Id.*

the copyright owners. The Court held that the player piano rolls did not constitute “copies” of the musical composition, and therefore Apollo was not infringing. The Court looked to define what was meant by a “copy”¹¹⁴ and whether the player piano rolls met that definition. Justice Day, writing for a unanimous court, held that they did not.¹¹⁵ Justice Day noted Congress chose to protect some creative expressions and not others, supported the argument that certain forms of unauthorized copying have historically been permitted, and only when specified by statute are forms of expression protected.¹¹⁶ The Court concluded that, “[a]s the act of Congress now stands we believe it does not include these records as copies or publications of the copyrighted music involved in these cases.”¹¹⁷ In answering the question of what constituted a copy, the Court noted several cases which held that copying required duplication of the original; sheet music was not equivalent to a piano roll that required a machine to reproduce the music, and could not be perceived with the human eye.¹¹⁸

114. *Id.* at 17.

115. *Id.* Justice Day defined “a copy of a musical composition to be ‘a written or printed record of it in intelligible notation.’” *Id.* In holding that the player piano rolls were not “copies,” he reasoned that

It may be true that in a broad sense a mechanical instrument which reproduces a tune copies it; but this is a strained and artificial meaning. When the combination of musical sounds is reproduced to the ear it is the original tune as conceived by the author which is heard. These musical tones are not a copy which appeals to the eye. In no sense can musical sounds which reach us through the sense of hearing be said to be copies, as that term is generally understood, and as we believe it was intended to be understood in the statutes under consideration. A musical composition is an intellectual creation which first exists in the mind of the composer; he may play it for the first time upon an instrument. It is not susceptible of being copied until it has been put in a form which others can see and read. The statute has not provided for the protection of the intellectual conception apart from the thing produced, however meritorious such conception may be, but has provided for the making and filing of a tangible thing, against the publication and duplication of which it is the purpose of the statute to protect the composer.

116. *Id.* at 18 (“It may be true that the use of these perforated rolls, in the absence of statutory protection, enables manufacturers thereof to enjoy the use of musical compositions for which they pay no value. But such considerations properly address themselves to the legislative, and not to the judicial, branch of government.”).

117. *Id.*

118. Among many examples cited by the White-Smith Court is *Boosey v. Whight* [1899] 1 Ch. 836, 80 L. T. N. S. 561:

‘The defendants have taken those sheets of music and have prepared from them sheets of paper with perforations in them, and these perforated sheets, when put into and used with properly constructed machines or instruments, will produce or enable the machines or instruments to produce the music indicated on the plaintiffs’ sheets. . . . But is this the kind of copying which is prohibited by the copyright act; or rather, is the perforated sheet, made as above mentioned, a copy of the sheet of music from which it is made? Is it a copy at all? Is it a copy within [the meaning of] the copyright act? A sheet of music is

While Congress amended the Copyright Act to include these works under its purview,¹¹⁹ the Court continued to confine copies of musical works under the Act to those specific mediums of expression defined by Congress.¹²⁰ This history of rationing what fell within the definition of copyrightable subject matter resulted in a larger reach of legal copying and consequently a smaller cohort of who was an intended infringer.

5. The Non-Commercial Elements of Fair Use

Congress bases some of its choices regarding what deserves protection under the Copyright Act on socioeconomic considerations and the general purpose of the Constitution's patent and copyright clause.¹²¹ Illustrative of this are the economic and commercial analyses in two of the four elements of a fair use determination. As previously noted,¹²² the fair use defense "exempts from liability certain modest uses of copyrighted work when those uses do not undermine the economic interests of the copyright owner."¹²³ It "is a privilege in others than the owner of a copyright to use the copyrighted material in a reasonable

treated in the copyright act as if it were a book or sheet of letter press. Any mode of copying such a thing, whether by printing, writing, photography, or by some other method not yet invented, would no doubt be copying. So, perhaps, might a perforated sheet of paper to be sung or played from in the same way as sheets of music are sung or played from. But to play an instrument from a sheet of music which appears to the eye is one thing; to play an instrument with a perforated sheet which itself forms part of the mechanism which produces the music is quite another thing.'

White-Smith, 209 U.S. at 13-14 (citing *Boosey v. Whight* [1899] 1 Ch. 836, 80 L. T. N. S. 561).

119. An Act to amend sections five, eleven, and twenty-five of an Act entitled "An Act to amend and consolidate the Acts respecting copyright," approved March fourth, nineteen hundred and nine (Aug. 24, 1912):

Whenever the owner of a musical copyright has used or permitted the use of the copyrighted work upon the parts of musical instruments serving to reproduce mechanically the musical work, then in case of infringement of such copyright by the unauthorized manufacture, use, or sale of interchangeable parts, such as disks, rolls, bands, or cylinders for use in mechanical music-producing machines adapted to reproduce the copyrighted music . . . in a civil action an injunction may be granted upon such terms as the court may impose, and the plaintiff shall be entitled to recover in lieu of profits and damages a royalty as provided 'in section one, subsection (e), of this Act.

Section 25(e).

120. *White-Smith*, 209 U.S. at 16 ("When we turn to the consideration of the act it seems evident that Congress has dealt with the tangible thing, a copy of which is required to be filed with the Librarian of Congress, and wherever the words are used (copy or copies) they seem to refer to the term in its ordinary sense of indicating reproduction or duplication of the original.").

121. U.S. CONST. art. I, § 8., cl. 8. ("To 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.").

122. See *supra* note 25 and accompanying text.

123. SCHECHTER & THOMAS, *supra* note 25, at 432.

manner without his consent, notwithstanding the monopoly granted to the owner.”¹²⁴

The first Fair Use element looks to the nature of the allegedly infringing work, including “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes.”¹²⁵ The Supreme Court regularly emphasizes this commercial attribute as a factor against Fair Use (and thus toward infringement liability) in several decisions, including *Harper & Row Publishers, Inc. v. Nation Enterprises*,¹²⁶ where it cites to its earlier decision in *Sony Corporation of America v. Universal City Studios*:¹²⁷

[E]very commercial use of copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belongs to the owner of the copyright. . . . The crux of the profit/nonprofit distinction is not whether the sole motive of the use is monetary gain but whether the user stands to profit from exploitation of the copyrighted material without paying the customary price.¹²⁸

The commercial nature of the infringement is again at issue in *Campbell v. Acuff-Rose Music*,¹²⁹ where the Court weighed the transformativeness of a parody against the commercial nature of a song, holding: “the more transformative the new work, the less will be the significance of other factors, like commercialism, that may weigh against a finding of fair use.”¹³⁰ The Supreme Court noted that it is a balancing act with regard to how a copyrighted work is used and transformed and its commercial or non-commercial nature. Thus, under the current Act, while it is not dispositive,¹³¹ lack of commercialization is a factor to be heavily

124. *Rosemont Enter., Inc. v. Random House, Inc.*, 366 F.2d 303, 306 (2d Cir. 1966):

The fundamental justification for the privilege lies in the constitutional purpose in granting copyright protection in the first instance, to wit, ‘To Promote the Progress of Science and the Useful Arts.’ To serve that purpose, courts in passing upon particular claims of infringement must occasionally subordinate the copyright holder’s interest in a maximum financial return to the greater public interest in the development of art, science and industry.

Id. at 307 (internal citations and quotations omitted).

125. 17 U.S.C. § 107(1).

126. 471 U.S. 539 (1985).

127. 464 U.S. 417, 451 (1984).

128. *Harper & Row*, 471 U.S. at 562, citing *Sony Corp. of Am.*, 464 U.S. at 451; *Roy Export Co. Establishment of Vaduz v. Columbia Broad. Sys., Inc.*, 503 F. Supp. 1137, 1144 (S.D.N.Y. Dec 17, 1980); 3 Nimmer § 13.05[A][1], at 13–71, n. 25.3.

129. 510 U.S. 569 (1994)

130. *Id.* at 579.

131. *Id.* at 584 (“the mere fact that a use is educational and not for profit does not insulate it from a finding of infringement, any more than the commercial character of a use bars a finding of fairness.”).

considered when applying the Fair Use exception of Section 107.¹³²

The fourth Fair Use factor also has a commercial element. It examines “the effect of the use upon the potential market for or value of the copyrighted work.”¹³³ In *Random House*, the Supreme Court considered this factor “undoubtedly the single most important element of fair use. Fair use, when properly applied, is limited to copying by others which does not materially impair the marketability of the work which is copied.”¹³⁴

Thus, the intended infringer in 1976 was in many ways considered to be someone who caused serious harm to the economic interests of the copyright owner, as illustrated in the first and fourth elements of the Fair Use defense of Section 107: whether the defendant’s use is commercial in nature and whether that use will affect the market for the original.¹³⁵

6. Beyond Copyright: Noncommercial Patent & Trademark Exemptions

Historically, the private creative experimenter¹³⁶ and the personal user¹³⁷ were, for the most part, given a “pass” on infringement liability. Under patent law’s “experimental use” exception, “[i]t has been held, and no doubt is now well settled, that an experiment with a patented article for the sole purpose of gratifying a philosophical taste, or curiosity, or for mere amusement, is not an infringement of the rights of

132. 17 U.S.C. §107.

133. § 107(4).

134. *Harper & Row*, 471 U.S. at 566–67, quoting 3 Nimmer § 13.05[A] at 13–76 and 1 Nimmer § 1.10[D] at 1–87 (internal quotations omitted); see also *Sony Corp. of Am.*, 464 U.S. at 451 (“What is necessary is a showing by a preponderance of the evidence that *some* meaningful likelihood of future harm exists. If the intended use is for commercial gain, that likelihood may be presumed. But if it is for a noncommercial purpose, the likelihood must be demonstrated.”).

135. 17 U.S.C. § 107(4) (“... the effect of the use upon the potential market for or value of the copyrighted work.”); *Campbell*, 510 U.S. at 571 (“The fourth factor requires courts also to consider the potential market for derivative works.”).

136. *Whitmore v. Cutter*, 1 Gall. 429 (1813) (“[I]t could never have been the intention of the legislature to punish a man, who constructed such a machine merely for philosophical experiments, or for the purpose of ascertaining the sufficiency of the machine to produce its described effects.”).

137. See 1 Callmann on Unfair Comp., Tr. & Mono. § 2.9 (4th Ed.) (“[N]either § 32 of the Lanham Act (infringement of a registered mark) nor § 43 (any false designation of origin) applies unless the defendant’s use of the plaintiff’s mark is done in a commercial context.”) (citing *Obolensky v. G.P. Putnam’s Sons*, 628 F. Supp. 1552 (S.D.N.Y. 1986), decision aff’d, 795 F.2d 1005 (2d Cir. 1986) (“A false designation of origin by itself is not enough; the requirement that the defendant cause the goods in question to *enter* into commerce is an additional jurisdictional requirement, apart from the interstate nature thereof.”) (emphasis in the original)); *Cognotec Services, Ltd. v. Morgan Guar. Trust Co of NY*, 862 F. Supp. 45 (S.D.N.Y. 1994); *Charles Greiner & Co., Inc. v. Mari-Med Mfg., Inc.*, 754 F. Supp. 951 (D.R.I. 1991); *Hunn v. Dan Wilson Homes, Inc.*, 789 F.3d 573 (5th Cir. 2015).

the patentee.”¹³⁸ To establish a *prima facie* case under the Lanham Act, the plaintiff must demonstrate that the defendant was using the mark “in commerce.”¹³⁹ The intended infringers under these regimes were never meant to include individuals who were acting within the privacy of their homes. The private individual could quietly experiment on a patented article, or create works for her private consumption or for a non-commercial endeavor. Crossing the line into commercialism and public exposure, however, is what opened her up to liability. Many pre-Internet cases of trademark infringement went unnoticed; the decision to advertise one’s wares in cyberspace, however, increases the risk of infringement actions to such individuals.

The enterprise of a young man, who we will call “James,”¹⁴⁰ is one example of this phenomenon. James attended Northeastern University (NU); he, along with his buddies, came up with the “great” idea of creating T-shirts with sayings such as “Just NU it” and “NUMA,”¹⁴¹ playing off of the Nike and PUMA slogan designs and logos and using marks and creative expressions that these athletic apparel companies use for their products (Figure 1).¹⁴²

138. *Poppenhusen v. Falke*, 19 F. Cas. 1048, 1049 (S.D.N.Y. 1861).

139. Trademark infringement liability requires the defendant to be using the plaintiff’s mark “in commerce.” See 15 U.S.C. § 1114(1)(a) [§ 32(1)(a)] (“Any person who shall, without the consent of the registrant *use in commerce* any reproduction, counterfeit, copy, or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution, or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or cause mistake or to deceive . . . shall be liable in a civil action by the registrant . . .”) (emphasis added). See also *Rescuecom Corp. v. Google, Inc.*, 562 F.3d 123, 128 (2d Cir. 2009) (“Sections 32 and 43 of the [Lanham] Act . . . impose liability for unpermitted ‘use in commerce’ of another’s mark which is ‘likely to cause confusion, or to cause mistake, or to deceive as to the affiliation . . . or as to the origin, sponsorship or approval of his or her goods [or] services . . . by another person.’”) (internal citations omitted).

140. Not his real name.

141. Letter from Nike to “James” on file with author. With regard to copyright, this activity was more than just non-creative copying and entered the realm of artistic appropriation, but not by much.

142. The owners of PUMA were not a party.



Figure 1

If James and his friends had merely made these shirts and wore them around campus, they would not have been using Nike’s mark “in commerce,”¹⁴³ and would not be infringing on Nike’s mark. If they had quietly sold their shirts on campus, even though they would have been infringing on Nike’s mark, Nike would likely never notice it. One can easily imagine such a pre-internet scenario (or if the shirts were not advertised on a website), where James and his friends made the shirts, sold them, and Nike would remain blissfully unaware of their enterprise. James and his buddies had other plans in mind, however, and decided to sell these shirts to other Northeastern undergrads. And they had a website.¹⁴⁴ It did not take long for Nike’s army of people who look for these infringing actions to find them and tell the young men to stop.¹⁴⁵

143. *1-800Contacts, Inc. v. WhenU.com, Inc.* 414 F.3d 400, 407 (2d Cir. 2005) (holding that showing “use in commerce” by the defendant is an essential element in establishing a trademark infringement claim).

144. Documented in Nike Letter.

145. Nike was quite kind in their letter, stating that while Nike appreciated their “entrepreneurial efforts and goal of increasing school spirit . . . [their] use of ‘JUST NU IT,

The young men might try to claim that their t-shirts fell within the trademark parody “fair use”¹⁴⁶ exception as a play-on-words, and in all likelihood would not succeed. Under *Rogers v. Grimaldi*,¹⁴⁷ “the landmark case for balancing trademark and first amendment rights,” the Second Circuit held “that in general the [Lanham] Act should be construed to apply to artistic works only where the public interest in avoiding consumer confusion outweighs the public interest in free expression.”¹⁴⁸

In *Harley Davidson, Inc. v. Grottanelli*,¹⁴⁹ the Second Circuit again faced the issue of parodies in logos. Ronald Grottanelli owned a repair shop called The Hog Farm where he fixed Harley-Davidson motorcycles. Grottanelli used hand-drawn variations of Harley-Davidson’s bar-and-shield logo in his business advertisements;¹⁵⁰ Harley-Davidson sought to enjoin Grottanelli from using the logo.¹⁵¹ The court granted Harley-Davidson an injunction, holding that a defendant’s mark which makes no comment on the plaintiff’s mark is infringing because the defendant “simply uses it somewhat humorously to promote his own products and services, which is not a permitted trademark parody.”¹⁵²

especially along with the font and color scheme [used] . . . will likely confuse customers into believing that [NUde Wear’s] products come from or are authorized by Nike.” Nike asked that the men cease using the slogan but was “willing to allow [NUde Wear] to sell through any existing inventory, provided that [Nike] receive . . . written confirmation that there will be no further use of ‘JUST NU IT.’” Nike did not have to do this—under the Lanham Act, Nike was entitled to all profits and require that the remaining shirts be destroyed. Under Sections 35 and 36 of the Lanham Act (15 U.S.C. § 1117 & 1118), Nike was entitled to seek NUde Wear’s profits, any damages sustained by Nike and court costs, and could seek the destruction of the infringing articles. § 1117(a), § 1118.

146. *Harley-Davidson, Inc. v. Grottanelli*, 164 F.3d 806, 813 (2d Cir. 1999).

147. 875 F.2d 994 (2d Cir 1989).

148. *Id.* at 999.

149. 164 F.3d 806.

150. *Id.* at 808-809.

151. Harley Davidson also sought an injunction over the word “hog” but was denied by the Second Circuit, which held that it was a generic term for motorcycles. *Id.* at 811.

152. *Id.* at 813; *see also* *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 569–70 (1994) (“The heart of any parodist’s claim to quote from existing material is the use of some elements of a prior author’s composition to create a new one that, at least in part, comments on that author’s work.”). The Supreme Court’s copyright parody/satire distinction made in *Campbell* has been borrowed by courts in trademark infringement analysis. Juli Wilson Marshall & Nicholas J. Siciliano, *The Satire/Parody Distinction in Copyright and Trademark Law—Can Satire Ever be a Fair Use?*, ABA SECTION OF LITIGATION, IP LITIGATION COMMITTEE, https://apps.americanbar.org/litigation/committees/intellectual/roundtables/0506_outline.pdf (last visited May 1, 2017) (citing to *Harley Davidson Inc. v. Grottanelli*, 164 F.3d 806 (2d Cir. 1999); *Elvis Presley Enters., Inc. v. Capese*, 141 F.3d 188 (5th Cir. 1998); *Tommy Hilfiger Licensing, Inc., v. Nature Labs, LLC*, 221 F. Supp. 2d 410 (S.D.N.Y. 2002)). The ABA Section also notes that other

Grottanelli's conflict with Harley Davidson occurred in the early days of the Internet. The exponential growth of the worldwide web has made it easier for rights owners to uncover those previously overlooked small-scale bootlegger/pirate/trademark/patent infringers, who can now be found and held liable. And as will be discussed next, even copying done for personal use now blurs the line and detrimentally affects the copyright owner's market for her expression: that boundary needs to be examined to determine where a new line should be drawn between infringers and non-infringers, and if a change in the current "one size fits all" statutory damages remedy for infringement is appropriate.

III. CAPTURING INTENDED AND UNINTENDED INFRINGERS

As discussed *supra*, in the past, lack of resources limited infringers to those with sufficient means to copy inventions and creative works—the gatekeeper system effectively controlled the system.¹⁵³ While there were disadvantages to the gatekeeper system,¹⁵⁴ it did, for the most part, effectively prevent free-riding¹⁵⁵ on the inventive and creative skills of others. The technology at the time of its enactment did not provide the intellectual property owners the ability to find infringers, and it was not economically feasible to pursue these people.

A. Newly Captured Infringers

As previously stated, technological advancements in copying have led to the ability to both more easily infringe and more easily be caught. This section will first discuss newly-created infringers: small-scale

courts have applied a nominative fair use test to determine whether parody is a successful defense.

153. See, e.g., Perritt, Jr., *supra* note 38, at 74-75 ("Record labels were the initial gatekeepers, although radio stations were gatekeepers for building a fan base. An aspiring star would first get a record deal with a local label and, if things went well, eventually graduate to a major label with a national market presence.").

154. Gatekeepers limited the music to which the public was exposed based on the record producer's own tastes and proclivities, which meant that many musical tastes could be underrepresented in what was recorded and broadcast. Paul Rogers, *A&R Star Markers: The Vanishing Gatekeepers*, LAWEEKLY (Feb. 11, 2010), <http://www.laweekly.com/music/aandr-star-makers-the-vanishing-gatekeepers-2163762>. But c.f. Perritt, Jr., *supra* note 38, at 72 ("[M]usicians had no prayer of making a record unless he hooked up with a recording studio. Elvis hung out for weeks before he made such a pest of himself that Sun Records' Sam Phillips finally agreed to talk to him.").

155. Free-riding is an economics term used to describe a situation where people benefit from the use of good or services without paying for them, leading to scarcity of the goods or services or disincentives for people to create or provide the goods/services. *Freeriding*, INVESTOPEDIA, <http://www.investopedia.com/terms/f/freeriding.asp?ad=dirN&qo=investopediaSiteSearch&qsrc=0&o=40186> (last visited Mar. 5, 2017).

commercial infringers who, in the past, did not have the resources to have a successful bootlegging/pirating enterprise. A newly-discovered type of infringer will then be discussed: noncommercial personal copiers who copy for the purpose of media shifting.¹⁵⁶ Finally, there is a discussion of where personal infringers who download songs from the internet fit in the intended/unintended infringer paradigm.

1. Small-Scale Commercial Infringers

As previously discussed, for the most part, prior to the age of digital copying, there were two categories of non-creative infringers pursued by copyright owners: the person who made an unauthorized copy for personal use and the mass producer. The personal user, for the most part, lacked the sophisticated equipment to make a fast, high quality copy, and was not a target who was easily discovered,¹⁵⁷ while the mass producer was the intended defendant of infringement actions.¹⁵⁸ With the digitized revolution, a new player emerged—the small-scale commercial infringer. Professor Henry H. Perritt, Jr., described this evolution and its implications for the recording industry, which began in the late 1990s,¹⁵⁹

although the effects were felt most dramatically after the turn of the century. The wide availability of inexpensive portable music players, the introduction of digital formats and compression software pre-installed on almost every personal computer, and the ubiquity of the Internet destroyed the control exercised by traditional gatekeepers and made intellectual property in recorded music essentially unenforceable. As distribution channels shifted dramatically to downloadable formats delivered through the Internet, new kinds of search engine technologies challenged broadcast radio's preeminence.¹⁶⁰

The ability to make small-scale copies for small-scale distribution—and be caught—affects all three forms of intellectual property. For copyright, this can take the form of both small-scale non-creative copying, as well as alteration and appropriation of a well-known logo for commercial advantage, such as when Ronald Grottanelli appropriated the Harley Davidson logo. The explosive growth of easy infringement increases the “policing” costs for the copyright and trademark owner, as there are more players to catch, but exposure of the

156. See generally Jessica Litman, *Lawful Personal Use*, 85 TEX. L. REV. 1871 (2007).

157. See *supra* Section II.A.3.

158. See *supra* Section II.A.2.

159. Perritt, Jr., *supra* note 38, at 74–75 (2011).

160. *Id.*

infringing works on the internet increases the ease of finding them.

2. Noncommercial Personal Copying

Like many people of my generation, I have a large collection of compact discs¹⁶¹ containing my favorite music. But now I have an mp3 player and wish to have that music loaded onto that device. Should my copying from the CD onto my mp3 player be considered infringement because I have made an unauthorized reproduction of those songs? Would requiring me to repurchase a song I already own amount to rent seeking by the copyright owner? Professor Jessica Litman tackled this issue of lawful personal use, focusing on the argument that without an audience, copyright has no meaning, and thus users' and consumers' rights should be at the center of our copyright system.¹⁶² Rather than reargue her points and re-illustrate her many examples whereby the courts have upheld the legality of noncommercial personal use,¹⁶³ this author supports Professor Litman's contention that personal noncommercial use, even in creating a derivative work in the privacy of one's own home, is a legal use of the copyrighted work. This author goes further, in support of her own argument, that these personal users, even if they may now be discovered and located, are not intended infringers. The new ability to find these individuals does not support the historical design of copyright that such use is a legal, non-infringing use.

Congress hinted at its reluctance to create an infringement action for noncommercial copying in an early draft of the Audio Home Recording Act (AHRA) of 1992.¹⁶⁴ The Senate Report for the AHRA of 1991 was clear in drawing the line between noncommercial personal copying¹⁶⁵ and copying for direct or indirect commercial gain.¹⁶⁶ While

161. I also have a large collection of vinyl records.

162. Litman, *supra* note 156, at 1878.

163. Among other examples, Professor Litman notes *Lewis Galoob Toys, Inc., v. Nintendo of Am., Inc.*, 780 F. Supp. 1283 (N.D. Cal 1991), *aff'd*, 964 F.2d 965 (9th Cir. 1992) (holding that in the case of a software program that allowed "consumers to create unauthorized derivative works by varying the Nintendo games' audiovisual display . . . the alleged infringer . . . [was] not a commercial licensee, but rather a consumer utilizing the Game Genie for noncommercial personal enjoyment."). Litman, *supra* note 156, at 1889-90 (internal quotations omitted).

164. S. Rep. 102-294, 51 ("[A] key purpose of S. 1623 is to insure the right of consumers to make analog or digital audio recordings of copyrighted music for private noncommercial use.").

165. *Id.* ("Section 1002(a)(2) states that the copying of an audiogram by a consumer for private, noncommercial use is not for direct or indirect commercial advantage and is therefore not actionable.").

166. *Id.* ("Protection against copyright infringement actions does not extend to infringement claims by virtue of the making of one or more audiograms, or other material objects in which works are fixed, for direct or indirect commercial advantage.").

“the making of an audiogram by a consumer for use in his or her home, car, or portable tape player, or for a family member, is protected by the prohibition against copyright infringement actions”¹⁶⁷ in Section 1002¹⁶⁸ and 1003,¹⁶⁹ copying for a commercial advantage is actionable. The language of Section 1003 was altered and renumbered as Section 1008, and gives slightly more ambiguous protection:

No action may be brought under this title alleging infringement of copyright based on . . . the noncommercial use by a consumer of [a digital audio recording device, a digital audio recording medium, an analog recording device, or an analog recording medium] for making digital musical recordings or analog musical recordings.¹⁷⁰

To Congress, the intended infringer was “a person who makes multiple copies of a particular audiogram and sells those copies to others [and] would not be protected by the prohibition against copyright infringements actions”¹⁷¹ afforded to noncommercial copiers under the AHRA.

In his 2009 article, Robert Masterson makes the argument that such copying is a noninfringing use based on several arguments. First, he claims that for obsolete musical media, the owner of a particular copy has “the right of an owner to maintain a piece of property as fit for its intended purpose,”¹⁷² as well as other “limitations of a copyright owner’s rights in copyright law,” and “the right of maintaining a piece of property as fit for its intended purpose.”¹⁷³ Masterson also relies on the Sound Recording Act legislative history¹⁷⁴ (noting that Justice Stevens

167. *Id.* An audiogram is defined in the draft AHRA in S. Rep. 102-294 as “a material object (i) which are fixed, by any method now known or later developed, only sounds (and not, for example, a motion picture or other audiovisual work even though it may be accompanied by sounds), and material, statements or instructions incidental to those fixed sounds, if any, and (ii) from which the sounds and material can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device.” The “audiogram” was renamed a “digital audio copied recording” in the enacted AHRA, defined as “a reproduction in a digital recording format of a digital musical recording, whether that reproduction is made directly from another digital musical recording or indirectly from a transmission.”

168. S. Rep. 102-294 § 1002(a)(2) (“Example.- For the purposes of this section, the copying of an audiogram by a consumer for private, noncommercial use is not for direct or indirect commercial advantage, and is therefore not actionable.”).

169. S. Rep. 102-294 § 1003.

170. 17 U.S.C. § 1008.

171. S. Rep. 102-294, 51-52.

172. Robert L. Masterson, *Converting Obsolete Musical Media to Current Formats: A Copyright Infringement Defense Arising from the Right to Repair and Implied Warranty of Fitness*, 82 TEMPLE L. REV. 281, 282 (2009).

173. *Id.* at 296.

174. *Id.* at 289 (“[T]he legislative history of the Sound Recording Amendment explicitly

did so when he authored *Sony Corp. of America v. Universal City Studios*¹⁷⁵) in supporting his argument that personal, noncommercial copying of sound recordings is not an infringement.¹⁷⁶

RIAA and other copyright owners focused litigation on manufacturers such as Sony¹⁷⁷ and Diamond Multimedia¹⁷⁸ because the people using these devices are unlikely to be discovered. As discussed previously, however, there are strong arguments that even if such defendants were to be found, they should not be liable.¹⁷⁹ When faced with an alleged charge of infringement from a copyright owner, these individuals would most likely pay for a license rather than face the possibility of a large damages remedy should they choose to fight in court. Rather than allow copyright owners to rent seek from these individuals or rely on the courts to continue pushing back against this abuse, Congress should amend the Copyright Act to reassure the long-held principle that individuals who engage in media shifting for noncommercial use are not intended infringers, and are exempt from liability under the Act. Media shifting copying for personal use was meant to be “protected by the prohibition against copyright infringement actions;”¹⁸⁰ to include this group as one with infringement liability would be contrary to whom Congress considers an intended infringer. The Court in *Sony* infers that a viewer has a right to personal, noncommercial use through time shifting—whereby the viewer records a broadcast that she legally has the right to view. The person making the recording is merely choosing to view the performance at a time of her own convenience,¹⁸¹ thus making a copy for a lawful personal use long recognized by the courts¹⁸² as a form of media shifting—from no

stated that Congress did not intend to “restrain the home recording . . . form tapes or records . . . for private use.”) (citing H.R. Rep. No. 92-487, at 5 (1971), reprinted in 1971 U.S.C.C.A.N. 1566, 1572).

175. *Id.* at 290 (citing Peter Menell & David Nimmer, *Unwinding Sony*, 95 CAL. L. REV. 941, 965-66 (2007)).

176. *Id.* at 289-90.

177. *See Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

178. *RIAA v. Diamond Multimedia Sys., Inc.*, 180 F.3d 1072 (9th Cir. 1999).

179. *See supra* Section IV.A.2.

180. AHRA § 1003.

181. *Sony*, 464 U.S. at 454-55 (concluding that there was ample evidence on the record to support “the District Court’s conclusion that home time-shifting is fair use.”).

182. Litman, *supra* note 156, at 1889. Professor Litman observes that in decisions such as *Stowe v. Thomas*, 23 F. Cas. 201 (C.C.E.D. Pa. 1853) (No. 13,513), *White-Smith Music Publ’g Co. v. Apollo Co.*, 209 U.S. 1 (1908), and *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984), the courts continually upheld the rights of readers, listeners, and viewers, respectively. *Id.* (citing to *Williams & Wilkins v. United States*, 487 F.2d 1345 (Ct. Cl. 1973), *aff’d* by an equally divided Court, 420 U.S. 376 (1975)).

medium to some form of media.¹⁸³

This right to control how we personally desire to view and listen to content for which we have the right to listen/view is currently at issue with regard to the “cable box” proposed regulations.¹⁸⁴ Currently, cable and satellite companies have moved towards a model whereby not only do they charge a fee for the content they provide to consumers, but then, in order to actually view the content, the consumer is required to rent devices from the cable and satellite providers to descramble the signal.¹⁸⁵ Essentially, the cable and satellite companies are controlling access to the content twice. The Federal Communications Commission has sought to enact a rule that would end this rent-seeking.¹⁸⁶ Under the proposed rule—which has faced strong opposition from cable providers—the monopoly on “navigation devices”¹⁸⁷ would require that:

any device on which a multichannel video programming distributor makes available an application to access multichannel video programming, must support at least one Compliant Security System that offers access to the same Navigable Services with the same rights to use those Navigable Services as the multichannel video programming distributor affords to its own application.”¹⁸⁸

The distributor would also be prohibited from impeding the reception

183. Among Litman’s examples that the courts infer that “copyright law has always excused strictly personal copying,” she cites *Recording Industry Association of America v. Diamond Multimedia Systems, Inc.*, where the Ninth Circuit held that a person who transferred a song onto his MP3 player was merely rendering “portable, or space shift[ing] those files that already reside on a user’s hard drive. . . . Such copyright is paradigmatic noncommercial personal use entirely consistent with the purposes of the Act.” *Id.* at 1892, citing *Recording Indus. Ass’n Of Am., v. Diamond Multimedia Sys., Inc.*, 180 F.3d 1072, 1079 (9th Cir. 1999).

184. Cable companies are currently fighting the loss of their monopoly over set-top boxes necessary to access cable television content. See FR Vol. 81, No. 51, 14033. (“[W]e propose new rules to empower consumers to choose how they wish to access the multichannel video programming to which they subscribe, and promote innovation in the display, selection, and use of this programming and of other video programming available to consumers . . . to assure a commercial market for devices that can access multichannel video programming We proposed rules intended to allow consumer electronics manufacturers, innovators, and other developers to build devices or software solutions that can navigate the universe of multichannel video programming with a competitive user interface.”).

185. Annemarie Bridy, *Unlock The Box Meets Lochner*, THE CENTER FOR INTERNET AND SOCIETY (Aug. 4, 2016), <http://cyberlaw.stanford.edu/blog/2016/08/unlock-box-meets-lochner>.

186. Unfortunately, the FCC has delayed its final vote on this Rule. Cecilia Kang, *Vote is Delayed on a Plan to Let People Pick Their Cable Box*, NY TIMES B2 (Sept. 30, 2016).

187. Navigation devices are defined under the proposed rules as “[d]evices such as converter boxes, interactive communications equipment, and other equipment used by consumers to access multichannel video programming and other services offered over multichannel video programming systems.” Federal Register, Vol. 81, No. 51 § 76.1200(j) 14051 (March 16, 2016).

188. FR 14052, § 76.1211(d) (Mar. 16, 2016).

and use of others' devices through a slow-down of service or other method.¹⁸⁹

Currently, content providers are limiting access to copyrighted works which one has already paid to view,¹⁹⁰ which goes beyond the rights enumerated under the Copyright Act.¹⁹¹ Copyright owners do not have plenary rights over their works.¹⁹² Extending these rights via a

189. § 76.1211(c):

Each multichannel video programming distributor shall support at least one Compliant Security System.

(1) At least one supported Compliant Security System shall enable access to all resolutions and formats of the multichannel video programming distributor's Navigable Services with the same Entitlement Data to use those Navigable Services as the multichannel video programming distributor affords Navigation Devices that it leases, sells, or otherwise provides to its subscribers.

(2) Entitlement Data shall not discriminate on the basis of the affiliation of the Navigation Device.

190. As explained by Professor Lemley,

The studios have already been paid for the movies shown on a cable or satellite service. Indeed, they've been paid specifically for the right to publicly perform the work by transmitting it to my (and everyone else's) home.

And here, copyright law says something very important to copyright owners: that's all you get. Once the cable companies have paid the MPAA for the right to deliver their movie into my home, the MPAA loses control over how I choose to watch their movie in the privacy of my home. . . . most importantly, I can swatch it on any device I want, including my computer, my iPad, or my phone.

Mark Lemley, *Don't Let Copyright Box Us In*, THE HILL (Sept. 21, 2016), <http://thehill.com/blogs/congress-blog/technology/297059-dont-let-copyright-box-us-in>.

191. 17 U.S.C. § 106; *see also* Federal Communications Commission, Reply Comments of Copyright Law Scholars and the Electric Frontier Foundation, In the Matter of Expanding Customers' Video Navigation Choices (May 23, 2016), <https://ecfsapi.fcc.gov/file/60002014169.pdf> ("when one uses copyright works in ways that fall outside the exclusive rights of the rightsholder, nothing in the law compels the user to comply with additional terms or restrictions that the rightsholder seeks to impose"); *see also* Lemley, *supra* note 190 ("Copyright gives its owner the right to control the making of copies and public performances of a work. But it does not give them control over any use of a work. That is no accident. Once the copyright owner has been paid once for a particular copy, its control over that copy ends. This is why I can lend a book to friends, or sell my used record collection outright. . . . [T]here are some things I can't do even with a copy of a movie or sing that I own. I can't upload it onto a file-sharing site, . . . and I can't play it on the radio. But that's because doing those things either makes a new copy or makes a new, public performance of the work."); *see also* Sony Pictures, Inc. v. Universal Studios, Inc., 464 U.S. 417, 447 (1984) ("Even unauthorized uses of a copyrighted work are not necessarily infringing. An unlicensed use of the copyright is not an infringement unless it conflicts with one of the specific exclusive rights conferred by the copyright statute."); *see also* Bridy, *supra* note 185 ("[T]here is no general 'right to manage the exploitation of a copyrighted work' under federal copyright law. Rather, the five rights specifically enumerated in Section 106, and those five rights alone, define the extent of copyright entitlement. It is true that rights holders are generally free to strike bargains in the commercial marketplace that give them broader control over the disposition of their protected works than the Copyright Act affords. Those deals, however are private law bargains that are legitimately subject to regulatory limits.").

192. Sony Corp., 464 U.S. at 432–33 (1984) (affirming that "[c]opyright protection . . . has

contract of adhesion which ties copyright rights to the rental of a device in order to view the already lawfully-purchased content is an attempt to extend copyright rights outside of those enumerated in the statute.¹⁹³ The FCC is thus attempting to use its regulatory authority to end this affront to lawful personal use.

3. Personal Infringers

Unlike making media-shifting copies of copyrighted works that one already lawfully owns, unlawfully obtaining a copy of a song that one does not currently own via an internet download or other method is likely to always incur infringement liability. It is also likely to be the kind that Congress and the courts would consider to be an intended infringer to be retained in the infringement net.

The internet has made it easy to find songs to download, and until the music industry changed its model to make it efficient to only download the songs an individual wanted, many infringers were those who were looking for ways to acquire a single song at a reasonable price and without having to buy an entire album.¹⁹⁴ Older, now-defunct services such as Napster¹⁹⁵ and Grokster,¹⁹⁶ as well as their successors, made it easy to accomplish this, and their users were able to obtain unauthorized copies of songs via downloads. The on-line nature of the activity also made it easy for the infringer to be tracked down by the copyright owner and face infringement liability. It is much easier to find unauthorized downloaders than it was to find individuals who copied music from a CD onto an mp3 player, or from the radio onto a cassette.

Personal infringement has also taken on a new dimension with the advent of easily affordable three-dimensional printing.¹⁹⁷ This new technology expands what was once only available for literary, pictorial, and graphical works—the ability to use computer technology to make a copy—to the realm of sculptural works. Now, one can download a

never accorded the copyright owner complete control over all possible uses of his work. Rather, the Copyright Act grants the copyright holder “exclusive” rights to use and to authorize the use of his work in five qualified ways.” (internal citations omitted).

193. 17 U.S.C. § 106.

194. See generally Alan Greenblatt, *Future of the Music Industry*, 13 CQ RESEARCHER 989 (2003), available at <http://library.cqpress.com/cqresearcher/cqresrre2003112100> (last visited Nov. 19, 2016).

195. *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001).

196. *MGM Studios, Inc. v. Grokster, Inc.*, 545 U.S. 913 (2005). There are still many websites whereby one can make an unlawful download via a peer-to-peer network.

197. See generally Lucas S. Osborn, *Of PhDs, Pirates, and the Public: Three-Dimensional Printing Technology and the Arts*, 1 TEXAS A&M L. REV. 811 (2014).

program and “print” a sculptural work in a way similar to downloading songs and movies. It will lead to new ways to express one’s creativity—imagine drawing a picture of an animal, scanning it into a CAD file, and then making a sculptural work based on the drawing.¹⁹⁸ Works may be created out of new forms of media.¹⁹⁹ Should those who create and distribute digital “blueprints” for copyrighted sculptural works for use on three-dimensional copiers be held as contributory infringers, or even as direct infringers of the adaptation right? In this manner, the digital blueprint of the CAD file would be similar to the photograph that constitutes a two-dimensional representation of a three-dimensional work.²⁰⁰ While “a mere shift in medium, without more, is generally insufficient to satisfy the requirement of originality for copyright in a derivative work,”²⁰¹ “[i]f the photographer’s rendition of a copyrighted work varies enough from the underlying work to enable the photograph to be distinguished from the underlying work (aside from the obvious shift from three dimensions to two), then the photograph contains sufficient incremental originality to qualify for copyright.”²⁰²

Even if it does not qualify as a derivative work, the CAD file may be infringing on the reproduction right as a substantially similar unauthorized reproduction of a copyrighted work.²⁰³ In addition, the use of the CAD file itself to recreate the copyrighted three-dimensional object would be an infringement of the copyright owner’s reproduction right.²⁰⁴

198. Lucas Osborn, *Regulating Three-Dimensional Printing: The Converging Worlds of Bits and Atoms*, 51 SAN DIEGO L. REV. 553, 592 (2014) (The author asserts that the advancement of 3D printing “will bring the fields of art, science and technology into more intimate contact . . . [and] generate new forms of art. Further, the technology will allow the dissemination and preservation of 3D art. Priceless artifacts can be replicated with exact precision so that thousands may touch and experience perfect copies.”).

199. *Id.*

200. *Schrock v. Learning Curve*, 586 F.3d 513 (7th Cir. 2009); Osborn, *supra* note 198, at 592 (noting that “like the earlier song and movie pirating, the ability to create CAD files of 3D structures such as sculptures or buildings will likely lead to numerous, often innocent or unintentional, acts of infringement.”).

201. *Schrock*, 586 F.3d at 520, n.3; *see also* L.A. News Serv. v. Tullo, 973 F.2d 791, 794 (9th Cir. 1992) (“[C]ourts have recognized repeatedly that the creative decisions involved in producing a photograph may render it sufficiently original to be copyrightable and have carefully delineated selection of subject, posture, background, lighting, and perhaps even perspective alone as protectible [sic] elements of a photographer’s work.”) (internal quotations and citations omitted).

202. *Schrock*, 586 F.3d at 521–22.

203. *See, e.g.*, N. Coast Indus. v. Jason Maxwell, Inc., 972 F.2d 1031, 1033 (9th Cir. 1992) (“To establish copyright infringement, the holder of the copyright . . . must establish infringement by showing both access to its copyrighted material on the part of the alleged infringer and substantial similarity between the copyrighted work and the alleged infringing work.”).

204. *Id.*

B. *Limiting Liability Bases to Avoid Unintended Consequences*

We have seen who was an intended infringer in 1978, and how a copyright owner's rights were limited through what Congress considered the extent of rights based on the technology at the time. There are several ways that this can be accomplished, two of which will be discussed. One method to define infringers and draw limits today is to use the presuppositions on copyright rights when the 1976 Act was enacted. Another is to account for new technologies in a way that maintains the balance of rights in a manner faithful to copyright's basic purpose via a dynamic interpretation of the statute.

Regarding the former—defining infringers and drawing limits using the presuppositions on copyright rights when the 1976 Act was enacted—Lawrence Lessig, in his seminal work, *Fidelity in Translation*,²⁰⁵ argues for an overall new approach to maintain fidelity to the constitution in the advent of new technology,²⁰⁶ through what he calls “a translation to accommodate a change in nonlegal presuppositions.”²⁰⁷ Lessig provides several illustrations of his “translation” approach. One involves the “Fourth Amendment protect[ion of] the right ‘of the people to be secure in their persons, houses, papers, and effects’ against unreasonable ‘searches and seizures.’”²⁰⁸ The amendment was limited to physical invasions of property, but at the time of its ratification in 1791, “given the crude state of surveillance technology, the only possible invasions were physical. Thus, in practice, the amendment protected against the vast majority of possible state invasions.”²⁰⁹

By 1928, when *Olmstead v. United States*²¹⁰ was decided,

the technology of possible state invasion had of course changed. New technology permitted the state to extract all the information it could ever want without ever crossing trespass law's barrier . . . the practical effect of a protection that extended only against physical invasions was very little at all.²¹¹

Lessig uses Brandeis' dissent in *Olmstead* to illustrate the concept that, regardless of technological advancements, we should protect against

205. Lawrence Lessig, *Fidelity in Translation*, 71 TEX. L. REV. 1165, 1239-40 (1993)

206. *Id.* at 1238.

207. *Id.*

208. *Id.* (citing U.S. Const. amend. IV.).

209. *Id.*

210. 277 U.S. 438 (1928).

211. Lessig, *supra* note 205, at 1238.

new risks of invasion not contemplated when the Fourth Amendment was ratified:

[T]o preserve the same amount of protection originally afforded . . . the protections of the Fourth Amendment must be applied to acts that fall outside the literal scope of the test. If, counting eavesdropping, the amendment protected citizens against ninety percent of the practical means of governmental invasion when adopted, so too must it be applied to protection against ninety percent of those means today.²¹²

Thus, with regard to Fourth Amendment privacy protections, Lessig argues that we should have the same security in our homes today that we did in 1791.

Lessig's concept of translation can be applied to our intended infringer issue, and how new technology is catching infringers in a net never meant for them. If we use Lessig's theory of translation, we would take as our starting point the 1976 Copyright Act and determine what rights and limits copyright owners had on January 1, 1978.²¹³ Copyright owners would have the same rights and protections that they had in 1976, and no more. The copyright rights owners could exert would be limited to the extent it existed on that date and infringers would be those intended as infringers on that date. This would curb who was an intended infringer to those who were intended to be caught in 1978. Personal copying for media shifting was not infringement at that time, and would thus limit liability to personal copiers today.

As noted previously, as second way to draw limits is to account for new technologies in a way that maintains the balance of rights in a manner faithful to copyright's basic purpose, via a dynamic interpretation of the statute. As the Supreme Court stated in *Aiken*, "[w]hen technological change has rendered its literal terms ambiguous, the Copyright Act must be construed in light of this basic purpose."²¹⁴ This necessitates interpreting the statute in a manner that ensures copyright's "balance of competing claims upon the public interest: Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts."²¹⁵ It is impossible to legislate fast enough to account for newer technologies in almost any area of law as soon as a law is enacted. At any moment there may be unintended

212. *Id.* at 1240.

213. The date of implementation of the Copyright Act of 1976.

214. *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975).

215. *Id.*

consequences due to newer technology developed after the law became effective and before it can be amended to account for the advancement. To remediate the effect of this phenomenon to avoid unintended consequences—such as the capture of our unintended infringers—effectuating the intent of the law means that courts may have to interpret statutes dynamically rather than statically.²¹⁶ Understanding how newer technology maps to what was in place when a law was enacted may require courts to avoid a static interpretation of the statute, but rather apply the current technology and circumstances and construe the law dynamically so that its purpose is not eviscerated. New technologies such as three-dimensional printing would also be accounted for in this paradigm, for both the infringing and noninfringing uses.²¹⁷ Infringement actions against unauthorized reproduction for commercial use have been part of copyright law since the first Act of 1790.²¹⁸ Thus, a finding of infringement is not an unintended consequence for this unauthorized use; one does not even need to look at the statute beyond its ordinary meaning when enacted or translate to the scope of rights that copyright owners held in 1978 to find that using three-dimensional printing to make a reproduction of a copyrighted work without authorization would be an infringement.

Three-dimensional printing files used to create a copyrighted work may also fall within the requirements to be copyrightable under Section 102.²¹⁹ Using a translation model mapping to the time of the 1976 Act's effective date²²⁰ would thus ensure that liability under the law would capture only those who were intended infringers, based on the rights of

216. See generally William N. Eskridge, Jr., *Dynamic Statutory Interpretation*, 135 U. PA. L. REV. 1479 (1987).

217. The devices themselves have substantial non-infringing uses, and would therefore qualify under *Sony* and *Grokster* as immunizing the manufacturers from infringement liability. See *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 442 (1984) (“[T]he sale of copying equipment, like the sale of other articles of commerce, does not constitute contributory infringement if the product is widely used for legitimate, unobjectionable purposes. Indeed, it need merely be capable of substantial noninfringing uses.”).

218. Copyright Act of 1790, Sec. 1 (“[I]f any other person or persons . . . shall print, reprint, publish, or import . . . without the consent of the author or proprietor thereof. . . then such offender . . . shall forfeit all and every sheet and sheets, being part of the same. . . to the author or proprietor of such map, chart, book or books, who shall forthwith destroy the same.”).

219. See Osborn, *supra* note 197, at 825-35 (arguing and describing how CAD files which satisfy the originality requirement and “represent nonessential, creative expression”—that is, are not categorized as “useful articles”—can be considered either a “literary work” or a “pictorial, graphic [or] sculptural work” and thus be copyrightable under Section 102(a) under the Copyright Act.). The method itself would not be copyrightable, as it runs afoul of Section 102(b) as a method of operation. See *id.*

220. January 1, 1978.

copyright owners at that time.

IV. “ONE SIZE FITS ALL” MISFITTED STATUTORY DAMAGES

We must also examine whether new classes of infringers should face the same monetary remedies that were originally intended for commercial bootleggers and pirates. This leads to our next discussion: whether the Due Process clause precludes these large punitive damages awards, and whether it is up to Congress to modify the statutory damages section of the Copyright Act away from a single, monolithic remedy and instead create a tiered remedy similar to both previous iterations of the Copyright Act²²¹ as well as how other nations have chosen to address different types of intended infringers.

During the latter part of the twentieth and the early twenty-first centuries, the recording industry energetically pursued individuals who downloaded songs from unauthorized sites,²²² and courts routinely found the defendants liable for infringement, who then faced astronomical damages. Despite challenges to the validity of multimillion-dollar damages for unauthorized file sharing, federal courts continue to find such remedies constitutional.²²³

A. *The Current System of Undifferentiated Damages*

Currently, there is no differentiation regarding damages between large scale, small scale, or personal infringement. Courts have repeatedly upheld as constitutional outrageous damages for peer-to-peer downloads.²²⁴ “The Supreme Court long ago declared that damages awarded pursuant to a statute violate due process only if they are so severe and oppressive as to be wholly disproportioned to the offense and obviously unreasonable. Under this standard, Congress possesses a wide latitude of discretion in setting statutory damages.”²²⁵ Thus, for minimal

221. See *supra* notes 60-61 and accompanying text.

222. See, e.g., *London-Sire v. Doe 1*, 542 F. Supp. 2d 153 (D Mass. 2008); *Capitol Records, Inc. v. Thomas*, 579 F. Supp. 2d 1210 (D Minn. 2008).

223. See Jeffrey Stavroff, *Damages in Dissonance: the ‘Shocking’ Penalty for Illegal Music File-Sharing*, 39 CAP. U. L. REV. 659 (2011).

224. See, e.g., *Sony BMGH Music Entm’t v. Tenenbaum*, 719 F.3d 67, 68 (1st Cir 2013) (upholding an award of \$675,000—\$22,500 for each of the thirty songs the defendant infringed on though an unauthorized peer-to-peer download—against Due Process arguments); *Capitol Records, Inc. v. Thomas-Rasset*, 692 F.3d 899, 907 (8th Cir. 2012) (holding that “statutory damages award of \$9,250 for each of the twenty-four infringed songs, for a total of \$222,000, does not contravene the Due Process Clause.”).

225. *Thomas-Rasset*, 692 F.3d at 907, citing *St. Louis, I. M. & S. Ry. Co. v. Williams*, 251 U.S. 63, 67 (1919) (internal quotations omitted). Courts have ignored the Due Process test of *BMW*

actual damages, copyright owners are able to exact exponentially greater financial awards.²²⁶

In their article arguing for reforming statutory damages, Professors Samuelson and Wheatland observed that “[i]n the modern world in which the average person in her day-to-day life interacts with many copyrighted works in a way that may implicate copyright law, the dangers posed by a lack of meaningful constraints on statutory damage awards are acute.”²²⁷ Professors Samuelson and Wheatland note that historically, the intent behind statutory damages was compensatory in nature,²²⁸ yet oftentimes the awards are inconsistent with this intent.²²⁹ The exploitation of this remedy today has made it a *de facto* punitive remedy, whereby the copyright owners claim hundreds of thousands of dollars in damages for significantly lower economic losses, oftentimes claiming the deterrent effect of their approach. Because courts have refused to consider these awards as putative damages, however, it is now up to Congress to address any perceived fundamental unfairness.²³⁰

With regard to piracy and bootlegging, there is a valid argument that when the purpose of the infringement is for commercial gain, then the size of the operation is irrelevant—large and small-scale bootleggers and pirates who copy for commercial gain should be treated the same with regard to remedies. If the goal is to discourage this form of infringement—which causes commercial harm to the copyright owner²³¹—then there is no rationale for distinguishing based on the size of the infringement. Indeed, since statutory damages are based on the

of North America v. Gore, 517 U.S. 559, 562-63 (1996), used for punitive damages. For a further discussion arguing for the use of the *Gore* standard for determining statutory damages in Copyright Law, see generally Pamela Samuelson & Tara Wheatland, *Statutory Damages in Copyright Law: A Remedy in Need of Reform*, 51 WM. & MARY L. REV. 439, 464-473 (2009).

226. Stavroff, *supra* note 223, at 661 (noting that courts have repeatedly upheld large monetary damages for unauthorized file sharing against arguments that such awards “are excessive and . . . violate of notions of fairness and due process of law.”).

227. Samuelson & Wheatland, *supra* note 225, at 443. For an in-depth discussion on the problems of statutory damages, see generally *id.*

228. *Id.* at 446 (“Statutory damages in U.S. copyright law have historically been intended to ensure that copyright owners could obtain at least some measure of compensation when it was difficult to prove how much damage they had suffered as a result of the defendants’ infringement.” (citing to the legislative history and stenographic reports of the 1909 Act)).

229. *Id.* at 480-91.

230. *Eldred v. Ashcroft*, 537 U.S. 186, 208 (2003) (“[W]e are not at liberty to second-guess congressional determinations and policy judgments [regarding extending the copyright term under the Copyright Term Extension Act], however debatable or arguably unwise they may be.”). See *discussion infra* for how Congress could address the issue.

231. See, e.g., *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 568 (1985) (holding: “a use that supplants any part of the normal market for a copyrighted work would ordinarily be considered an infringement”).

“work” and not the “copy,” the same liability is incurred whether one makes 2, 20, 200 or 20,000 unauthorized copies.²³² In these instances, a plaintiff would likely be better off seeking the greater award of actual damages.

Even when the infringement results in minimal actual damages, if the resulting infringement is for commercial gain, we must still question whether the plaintiff should be able to seek more than recovery of economic loss. Retention of the current provision for statutory damages morphs the compensatory nature of statutory damages into punitive damages. For example, in *Zomba Enterprises v. Panorama Records*,²³³ Panorama was in the business of selling CDs for use in karaoke machines,²³⁴ and was found liable for copyright infringement through its copying and distributing unauthorized songs.²³⁵ The Eighth Circuit upheld the district court’s award of \$806,000 in statutory damages (\$31,000 each for twenty-six counts of willful infringement), as well as \$76,456.26 and \$1,058.91 in attorney fees and costs, respectively.²³⁶ While the commercial nature of Panorama Records’ infringement is outside any of the traditional noncommercial exemptions Congress has historically afforded that are discussed *supra*,²³⁷ we must question whether this is a rational reason for awarding such disproportionate damages to the copyright owner.²³⁸

B. Tiered Damages and Class Actions

Beyond the issue of disproportionate statutory damages, if we choose to retain a newly discovered infringer as a legitimate target for liability, we should consider adjusting our statutory damages regime to account for the contemporary noncommercial infringers who are now caught in the infringement net.²³⁹ As discussed *supra*, our own history of

232. 17 U.S.C. § 504(c)(1) (“[T]he copyright owner may elect . . . to recover, instead of actual damages and profits, an award of statutory damages for all infringements involved in the action, with respect to any one work, for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, in a sum of not less than \$750 or more than \$30,000 as the court considers just.”) (emphasis added).

233. 491 F.3d 574 (6th Cir. 2006).

234. *Id.* at 578.

235. *Id.* at 580.

236. *Id.* The Eighth Circuit rejected Panorama’s arguments that (1) their copying fell within copyright’s Fair Use defense and that (2) the damages award violated the Eighth Amendment’s prohibition against excessive fines and violated their due process rights.

237. See *supra* Part II.A.

238. See generally Samuelson & Wheatland, *supra* note 225.

239. See *supra* Part III.A.2.

infringement remedies recognizes that noncommercial copying deserves some protection from monetary damages.²⁴⁰ For non-media shifting, noncommercial copying (e.g. unauthorized infringing file sharing) the history and intent of copyright damages support limiting statutory damages or eliminating them completely.

Other nations have recognized the absurdity of large monetary awards for small actual economic damages. Under the Canadian Copyright Act,²⁴¹ for example, statutory damages for individuals whose infringement was for non-commercial purposes is limited to \$5,000 Canadian Dollars (\$CAD),²⁴² an amount “that the court considers just.”²⁴³ Even commercial infringement has a maximum damages award of 20,000 \$CAD.²⁴⁴ Incorporating a similar regime into our own copyright act would return us to the intent behind statutory damages—to account for economic loss that is difficult to determine.²⁴⁵

As with most litigation, unless the potential damages award is sufficiently high, there is a disincentive for suing individuals. However, as noted in a previous article,²⁴⁶ while individually suing every consumer who made an unauthorized download of a song would be

240. See *supra* Part II.C.

241. Copyright Act (R.S.C., 1985, c. C-42).

242. \$1 CAD = \$0.75 USD, as of March 2017, GOOGLE FINANCE, <https://www.google.com/finance?q=CADUSD&ei=2lm8WPC5JsXO2Aa66rrQCg> (last visited Mar. 5, 2017).

243. Copyright Act § 38.1(1)(b):

Subject to this section, a copyright owner may elect, at any time before final judgment is rendered, to recover, instead of damages and profits referred to in subsection 35(1), an award of statutory damages for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, in a sum of not less than \$100 and not more than \$5,000 that the court considers just, with respect to all infringements involved in the proceedings for all works or other subject-matter, if the infringements are for noncommercial purposes.

244. § 38.1(1)(a):

Subject to this section, a copyright owner may elect, at any time before final judgment is rendered, to recover, instead of damages and profits referred to in subsection 35(1), an award of statutory damages for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, (a) in a sum of not less than \$500 and not more than \$20,000 that the court considers just, with respect to all infringements involved in the proceedings for each work or other subject-matter, if the infringements are for commercial purposes.

245. See Samuelson and Wheatland, *supra* note 225, at 446.

246. Yvette Joy Liebesman, *Downstream Copyright Infringers*, 60 U. KAN. L. REV. 1, 15-17 (2011) (discussing the plausibility of having a defendant class for a copyright infringement claim against a group of individual infringers who downloaded an infringing song); see also Francis X. Shen, *The Overlooked Utility of the Defendant Class Action*, 88 DENV. U. L. REV. 73, 105-106 (2010) (discussing unauthorized online file sharing as a potential application for the use of the defendant class).

burdensome, a plaintiff copyright owner could seek certification of a defendant class for those identified as making unauthorized copies via download.²⁴⁷

V. FINAL THOUGHTS

Congress was cognizant that the changes enacted in the 1976 Act would capture entities that were not intended to be infringers. They did this when enacting several sections of the Copyright Act that exempted certain noncommercial uses.²⁴⁸ For example, when including Section 110(5)²⁴⁹—the Homestyle Exemption—Congress realized that because of new technologies, without an exemption, small businesses would be held liable for the simple act of playing a radio on their premises. While Congress was loathe to adopt the rationale of the Supreme Court in *Twentieth Century v. Aiken*,²⁵⁰ the legislature still wanted this noncommercial personal use to be exempted from copyright liability. These individuals were not intended infringers, and Congress statutorily protected them. New technologies have resulted in liability that could not be contemplated when the 1976 Act was written—and had never been contemplated throughout the history of copyright—but now endangers what had been previously and consistently held to be a non-infringing personal use.²⁵¹ How we protect these unintended infringers is of paramount importance to maintain faith in our copyright system.

247. A “class action” suit is one:

in which the court authorizes a single person or a small group of people to represent the interests of a larger group; [specifically, it is] a lawsuit in which the convenience either of the public or of the interested parties requires that the case be settled through litigation by or against only a part of the group of similarly situated persons and in which a person whose interests are or may be affected does not have an opportunity to protect his or her interests by appearing personally or through a personally selected representative, or through a person specially appointed to act as a trustee or guardian.

Black’s Law Dictionary 284 (9th ed. 2009).

248. See generally Litman, *supra* note 156, at 1895-98 (outlining many of exemptions to copyright infringement based on noncommercial personal use embodied in the Copyright Act).

249. 17 U.S.C. § 110(5)(A):

[E]xcept as provided in subparagraph (B), communication of a transmission embodying a performance or display of a work by the public reception of the transmission on a single receiving apparatus of a kind commonly used in private homes, unless (i) a direct charge is made to see or hear the transmission; or (ii) the transmission thus received is further transmitted to the public.

250. 422 U.S. 151 (1975) (holding that, by merely playing the radio, Aiken was not publicly performing the works in question).

251. See Litman, *supra* note 156, at 1882 (noting that “[f]or most of the history of copyright, the law left reading, listening and viewing unconstrained . . . [and] functioned as historical copyright liberties, implicit in the copyright statutory scheme and essential to its purpose.”).

By redefining the intended infringer, historically non-infringing uses that are now caught in the infringement net may be set free and realign our copyright regime to its historical boundaries and intentions. For example, fanfiction—a historically non-infringing use—is now facing infringement liability. Fanfiction is almost as old as the written word. Virgil’s *Aeneid*²⁵² was fan fiction of the *Iliad*, and John Milton’s fanfiction of the Bible in *Paradise Lost*²⁵³ are two of its oldest examples.²⁵⁴ Sir Arthur Conan Doyle’s fans created countless stories involving Sherlock Holmes and Dr. Watson and “effectively invented modern fandom.”²⁵⁵ A fan—that is, an enthusiast for an amusement or artist—takes many forms, some of which result in the fan creating her own creative expression. Sports teams regularly have fans dressing as “characters” that illustrate their love for their team. Ram Man was a fixture in Saint Louis (Figure 2).

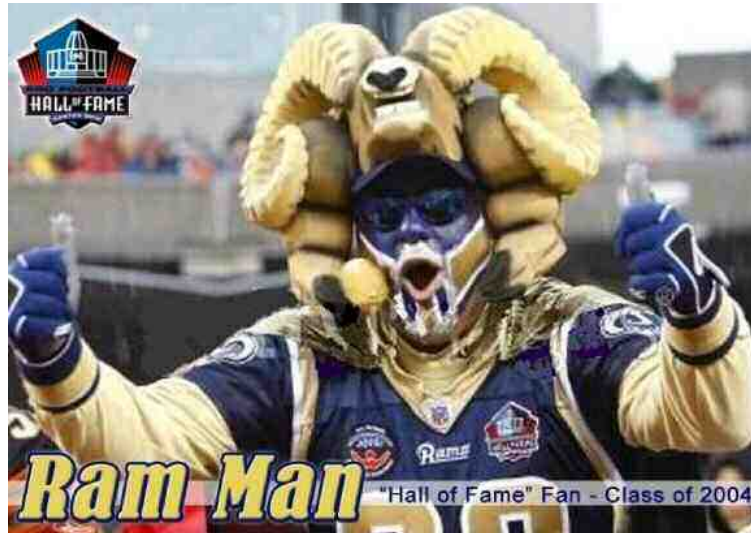


Figure 2: Ram Man²⁵⁶

252. VIRGIL, AENEID (19-32 BCE). In the *Aeneid*, Virgil writes about the adventures of Aeneas, who was a character in Homer’s *Iliad*.

253. JOHN MILTON, PARADISE LOST (1667). Milton’s epic poem retells the stories of Satan, Adam and Eve, and the latter two’s fall from grace and banishment from the Garden of Eden.

254. Stacey M. Lantagne, *Sherlock Holmes and the Case of the Lucrative Fandom: Recognizing the Economic Power of Fanworks and Reimagining Fair Use in Copyright*, 21 MICH. TELECOMM. & TECH L. REV. 263, 267 (2015).

255. *Id.* at 270.

256. Blake Fehl, *Vote for The Flick Fanatic/Ram Man in STL Today’s Rams Fanatic Blog Contest*, REVIEWSTL.COM (Sept. 2, 2009), <http://www.reviewstl.com/vote-for-the-flick-fanaticram->

We now have various fandom conventions, meet-ups, cosplay, and the creation of fanart and fanfiction.²⁵⁷ “Fanworks can be essays, stories, art, videos, songs, or any other form of art. With limited exceptions, they circulate outside the money economy, shared freely with other fans.”²⁵⁸

Throughout its long history, the vast majority of fan fiction stays unpublished and solely in the hands of the author. Notebooks where we write our stories never see the light of day, created for the creator’s own amusement or to be shared only with a close circle of friends, which is shared in similar manners today.

[H]undreds of years ago, many women wrote extensively but typically only for private circulation amongst friends and acquaintances[.] [F]anfiction is part of an informal, communal cultural exchange, functioning not as a capitalistic enterprise but as a kind of gift economy: I’ll write you this story, a fanfic writer might say, e-mailing her friend snippets of prose; you write me something back.²⁵⁹

Fan fiction, like any creative endeavor, is an integral part of the human condition. “Creativity is often experienced as an autonomic function, like making antibodies. People create as a function of their humanity; people who can’t think of themselves as creators are damaged.”²⁶⁰ Children dress in capes and act as their favorite superheroes in ways that were never anticipated by the original authors. They create stories, draw pictures, and make sculptures of their idols. When I was in elementary school, my childhood friend Sally was a huge fan of the mid-1970s TV show “Planet of the Apes.” Together, we created our own fan fiction—in the form of an “audio drama” where we voiced all of the characters. We had a (very bad) script and would spend our days recording and then listening to our “episodes.”²⁶¹ Were we infringing? Under the 1909 Act, these would be considered unpublished works, and therefore not within the purview of federal copyright law.²⁶²

man-in-stltodays-rams-fanatic-blog-contest/. While Ram Man is unlikely to be infringing on any copyrights (costumes generally are not copyrightable), there are aspects of the costume that could be copyrightable, and it is a cool example of fandom.

257. Lantagne, *supra* note 254, at 275-76

258. Rebecca Tushnet, *Economies of Desire: Fair Use and Marketplace Assumptions*, 51 WM. & MARY L. REV. 513, 527 (2009).

259. Lantagne, *supra* note 254, at 315 (quoting Morgan L. Davies, *A Brief History of Slash*, THE TOAST (Sept. 19, 2013), <http://the-toast.net/2013/09/19/brief-history-slash/>).

260. Tushnet, *supra* note 258, at 526.

261. From what I recall, we immediately “killed off” all of the characters we hated.

262. 1909 Act, Sec. 10 (“Any person entitled thereto by this title may secure copyright for his work by publication thereof with notice of copyright required by this title; and such notice shall be affixed to each copy thereof published or offered for sale in the United States by authority of the

We were not intended infringers,²⁶³ and should continue having that status under the current law. It seems absurd that something so central a part of humanity and human creativity could be labeled an unlawful appropriation.

If, instead, we made our audio drama under the regime of the 1976 Act, would our creative expression fall under fair use? If this defense failed, it mattered little—we were not intended infringers. We did not seek economic recompense for our efforts, and since no one knew about our creative venture, there was no way for 20th Century Fox Television²⁶⁴ to be aware of our work. Should it matter if we unwisely uploaded our performance onto the internet? Professor Stacey Lantagne identified the value of non-publication that fanfiction authors understood:

Fandom seems to recognize that it is not really the lack of monetization of their works that protects them, but their ability to fly under the radar and beneath the copyright-holder's notice so as to not provoke the copyright-holder's sense of moral outrage and violation. Monetization of a fanwork raises the profile of the work and attracts too much attention in the copyright regime, making monetization unattractive for creators of fanworks, even though such development may even benefit copyright holders.²⁶⁵

Creating one's own "fan fiction" in a spiral notebook or on our cassette tape would be undetectable to the copyright owner. Yet, as recognized by fandom, posting those same works to a blog could open one up to liability, and it is unclear under what circumstances the Fair Use defense would offer a shield from a finding of infringement.²⁶⁶ In essence, copyright law is being used to take an art form that historically has been a freely available public good and privatizing it.

When evaluating the fair use defense as applied to fanfiction infringement litigation, judges are often influenced by (1) the commercial or noncommercial nature of the first factor, and (2) their own subjective judgment regarding the "transformativeness" of the new

copyright proprietor.”).

263. State common law copyright infringement might still be available, but again, it would be incredibly difficult for the copyright owner to become cognizant of our work, and again, our actions should not be considered the intended target under common law, either.

264. *Planet of the Apes*, IMDB, http://www.imdb.com/title/tt0071033/companycredits?ref_=tt_q1_dt_5 (last visited May 1, 2017)

265. Lantagne, *supra* note 254, at 289.

266. *Id.* at 283 (The author notes that “while fanworks occupy an important space in the creative culture, their legal status is unsettled. The systemic lack of support in the precedents for fanworks as a form of accepted expression should be of concern.”).

work, inadvertently acting as art and literary critics.²⁶⁷ Disparate holdings in the limited fan fiction litigation on record illustrates a focus on fair use's subjective first factor of transformativeness, leading "to an unpredictability that breeds inefficiency. Indeed, this unpredictability may actually deter creation, contrary to the intended effect of copyright law, as creators will be unable to predict whether their creations will be subsequently stifled."²⁶⁸ By redefining the intended infringer to exclude these traditional outlets of creativity, we can loosen the net that has captured artists and authors who historically were not intended to be liable for infringement.

An effective copyright system requires the ability of authors and other rights holders to commercially exploit and capture the traditional intended infringers. Without limitations, however, these rights could result in rent-seeking and interfere with the rights of readers, listeners, and viewers to enjoy those works.²⁶⁹ Ensuring that a copyright owner's rights are limited as they were intended to be limited, and that the law captures only those who were intended to be captured in the infringement net, is key to maintaining copyright's precarious balance.²⁷⁰

267. *Id.* at 291. This aesthetic determination contradicts the long held nondiscrimination doctrine—that courts will not act as art critics. *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239 (1903) (“It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations.”); *see also* Lantagne, *supra* note 254, at 295 (arguing that, when courts focus on transformativeness under the first fair use factor, they are making inappropriate aesthetic value judgments of the allegedly infringing work).

268. *Id.* at 294.

269. *See* Litman, *supra* note 156, at 1918.

270. *See* *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975).

The limited scope of the copyright holder's statutory monopoly, like the limited copyright duration required by the Constitution, reflects a balance of competing claims upon the public interest: Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts.

The immediate effect of our copyright law is to secure a fair return for an 'author's' creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good. 'The sole interest of the United States and the primary object in conferring the monopoly,' this Court has said, 'lie in the general benefits derived by the public from the labors of authors.'

Id.