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APRIL 2019

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Better file your copyright applications promptly, in the wake of the Supreme Court's *Fourth Estate* decision

By Thad
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The U.S. Copyright Act provides, with certain exceptions, “no civil action for infringement of the copyright in any United States work shall be instituted until preregistration or registration of the copyright claim has been made in accordance with this title.” 17 U.S.C. § 411(a). In some circuits, U.S. copyright owners were permitted to proceed with their copyright infringement suit as soon as they filed their application, deposit copies of the work, and the requisite fee, to the Copyright Office (the “Application Approach”). *See, e.g., Cosmetic Ideas, Inc. v. IAC/Interactivecorp*, 606 F.3d 612, 621 (9th Cir. 2010) (registration has been made under Section 411(a) when the copyright claimant’s “complete application” for registration is received by the Copyright Office); *Apple Barrel Prods., Inc. v. Beard*, 730 F.2d 384, 386–87 (5th Cir. 1984) (same). In other circuits, copyright owners had to wait until the Copyright Office actually processed the application, and issued or rejected the registration, in order to proceed with the copyright infringement suit (the “Registration Approach”). *See, e.g., Fourth Estate Pub. Benefit Corp. v. Wall-Street.com, LLC*, 856 F.3d 1338, 1341 (11th Cir. 2017) (registration has been made under Section 411(a) when the Register of Copyrights registers a copyright).

On March 4, 2019, the Supreme Court finally resolved the circuit split in *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*, 139 S.Ct. 881 (2019). In a unanimous opinion, Justice Ginsburg wrote that Section 411(a)’s requirement that “registration of the copyright claim has been made” is akin to an administrative exhaustion requirement that the owner must satisfy before suing to enforce ownership rights. The Court noted that if the mere filing of an application were sufficient to “make” registration, the second sentence of Section 411(a)—allowing suit upon the Copyright Office’s refusal of registration—would be rendered superfluous. The Court also observed that other provisions of the statute, such as Section 408(f) which permits infringement suits for certain classes of works (e.g. motion pictures and sound recordings) that are vulnerable to pre-distribution infringement upon the filing of a “preregistration,” would be rendered moot if the owner could simply file an application for registration and immediately commence an infringement suit.



“ IP LAWYERS HAVE LONG COUNSELED THEIR CLIENTS TO PROMPTLY REGISTER THEIR WORKS WITH THE COPYRIGHT OFFICE. THE BENEFITS OF DOING SO HAVE ALWAYS BEEN SIGNIFICANT. ”

The Court discounted concerns that the “Registration Approach” would adversely impact copyright owners’ ability to seek relief, stating:

If infringement occurs before a copyright owner applies for registration, that owner may eventually recover damages for past infringement, as well as the infringer’s profits. ... Once the Register grants or refuses registration, the copyright owner may also seek an injunction barring the infringer from continued violation of her exclusive rights and an order requiring the infringer to destroy infringing materials ...

The Court also discounted concerns that copyright owners could lose the ability to enforce their rights if the Copyright Act’s three-year statute of limitations runs out before the Copyright Office acts on its application. Although it acknowledged that the Copyright Office’s registration processing time has significantly increased “from one or two weeks in 1956 to many months today”, the Court found the copyright owners’ concerns were overstated because the average processing time for registration applications is currently seven months, “leaving ample time to sue after the Register’s decision, even for infringement that began before submission of an application.”

“ A COPYRIGHT OWNER WHO CANNOT FILE AN INFRINGEMENT ACTION UNTIL SEVEN OR MORE MONTHS AFTER FILING A COPYRIGHT APPLICATION COULD BE DENIED URGENT RELIEF IN THE FORM OF A TEMPORARY RESTRAINING ORDER OR PRELIMINARY INJUNCTION. ”

1. The registration requirement of Section 411(a) applies only to “United States work.” In 1988, Congress removed foreign works from Section 411(a)’s dominion in order to comply with the Berne Convention for the Protection of Literary and Artistic Works’ bar on copyright formalities for such works. See Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, Section 9(b)(1), 102 Stat. 2859 (1988).
2. A request for special handling currently requires payment a \$855 fee per application, compared to a fee of \$55 for a standard application.

Why does this decision matter to copyright owners?

IP lawyers have long counseled their clients to promptly register their works with the Copyright Office. The benefits of doing so have always been significant. Most notably, the ability to seek and recover statutory damages and attorneys’ fees depends on copyright registration prior to the commencement of the infringement. See 17 U.S.C. § 412. A certificate of registration also constitutes *prima facie* evidence of the copyright’s validity. See 17 U.S.C. § 410(c). However, the Supreme Court’s *Fourth Estate* decision makes the need to **promptly** file copyright applications more urgent than ever before.

Under *Fourth Estate*, owners of U.S. works are now barred from filing suit until the Copyright Office grants or refuses registration.¹ Although the Copyright Office’s current average processing time for all claims is seven months, if any issues are raised requiring correspondence, the average processing time for online claims increases to nine months. For mailed-in applications, Copyright Office’s average review takes 13 months without correspondence, and 20 months if there is correspondence. See U.S. Copyright Office, Registration Processing Times, <https://copyright.gov/registration/docs/processing-times-faqs.pdf> (last visited March 7, 2019).

“Injunctions go to the speedy, or at least the diligent.” Nimmer on Copyright, §14.06[A][3][c][ii], p. 14-231 (2017). Thus, a copyright owner who cannot file an infringement action until seven or more months after filing a copyright application could be denied urgent relief in the form of a temporary restraining order or preliminary injunction. See *e.g.*, *New Era Publ’ns Int’l, ApS v. Henry Holt & Co.*, 684 F. Supp. 808, 811 (S.D.N.Y. 1988) *aff’d* 873 F.2d 576 (2d Cir. 1989) (plaintiff’s delay for strategic reasons, although reasonable, bars entry of TRO). And in this era of instantaneous global distribution, even if an applicant seeks expedited review under the “special handling” process—in which the Copyright Office endeavors to process the claim within five working days—the delay could make the difference between global dissemination or not.² These delays are likely to get worse, not better, as Copyright Office processing times probably will increase due to the influx of new applications and the limited funding currently allocated to the Copyright Office by Congress. ■

APPOINTMENTS

■ Jonathan S. Jennings



The ABA Section of Intellectual Property Law appointed Jonathan to chair the Sponsorship Subcommittee of the 125th Anniversary Committee.

■ Thad Chaloehtiarana



Thad was nominated by the ABA Section of Intellectual Property Law Diversity Action Group, and has been selected, to serve on its 2019 Young Lawyer Fellows Selection Committee.

The Young Lawyer Fellows program promotes diversity and selects promising young lawyers for future Section leadership. Fellows participate in IP Law Section meetings and activities, help recruit new Section members, and serve as mentors. Each year two fellows are selected for three-year terms, based on proven achievement, participation, excellence, and commitment in the IP field.

PRESENTATIONS

■ Thad Chaloehtiarana

Thad spoke at the Automotive Aftermarket Supplier Association's Intellectual Property Council (IPC) Meeting on "Protection of Catalogs and Other Databases" at the AASA Vision Conference in Dearborn, Michigan, on April 2.

■ Janet A. Marvel

Janet was a speaker in a LIVE Webcast entitled "A Guide on the Trademark Law: Recent Developments, Enforcement and Protection Approach Explored!" on April 9.

■ Robert W. Sacoff



Bob will be a speaker in a Workshop on "Constructing Evidence Based on Disclosure on the Internet" at the ECTA (European Communities Trade Mark Association, www.ecta.org) 38th Annual Conference in Edinburgh, Scotland, from June 26-29.

PUBLICATIONS

■ Seth I. Appel



Seth's case note, "Multi-Color Marks on Product Packaging Must Acquire Distinctiveness for Registration," was published in the February edition of *AIPPI e-News*.

■ Jonathan S. Jennings

Jonathan authored the 2019 update to the Illinois chapter of the International Trademark Association's online book *U.S. State Trademark and Unfair Competition Law*.

■ Sarah E. Ligon



Sarah's article, "AI Can Create Art, but Can It Own Copyright in It, or Infringe?" was published in the Spring edition of the *Lexis Practice Advisor Journal*.

*firm*NOTEWORTHY

ROBERT W. SACOFF RECEIVES CHAMPION OF INTELLECTUAL PROPERTY AWARD

Bob was honored on March 12 by the D.C. Bar with its annual Champion of Intellectual Property ("ChIP") Award. Speakers at the dinner event in Washington D.C. included U.S. Federal Circuit Court of Appeals Judge Pauline Newman, and USPTO Deputy Commissioner Sharon Marsh. Bob was introduced by Lisa Dunner, Managing Partner, Dunner Law PLLC.

The D.C. Bar presents this career-achievement award to a lawyer "who has served the intellectual property community with distinction, whose efforts have had an impact on intellectual property policy, who has encouraged innovation and the protection of intellectual property rights, and who continues to inspire and advocate for the intellectual property community."

WORLD TRADEMARK REVIEW (WTR) 1000

Pattishall McAuliffe received the top Gold Band ranking for both the United States and Illinois in the 2019 WTR 1000 report. **David C. Hilliard** was honored as one of two Intellectual Property Luminaries in Illinois. **Robert W. Sacoff** was nationally ranked Silver for “enforcement and litigation.” **Jonathan S. Jennings** was ranked Gold in Illinois for “enforcement and litigation” and “prosecution and strategy.” **Brett A. August, Phillip Barengolts, Bradley L. Cohn, Janet A. Marvel, Robert W. Sacoff** and **Joseph N. Welch II** were ranked Silver in Illinois for “enforcement and litigation.” **Janet A. Marvel** and **Belinda J. Scrimenti** were ranked Silver in Illinois for “prosecution and strategy.” **Thad Chaloeintiarana** was ranked Bronze in Illinois for “enforcement and litigation.”

WTR writes, “Protecting and nurturing brands is the passion of historic firm Pattishall. It has been at the forefront of trademark practice for over 135 years, acts for a panoply of marquee brands and is active in nearly every country of the world. It also has one of the deepest reservoirs of top trademark talent of any firm in the United States, even those with large groups in multiple offices. The meritocratic group has many famous names within it.”

Pattishall McAuliffe

The Firm co-sponsored the program on “The Grit and Growth Mindset: Traits of Successful Lawyers,” held on March 21 at the John Marshall Law School. The program was also co-sponsored by JMLS, the ABA Commission on Women in the Profession, and the ABA Section of Intellectual Property Law.

Leading Lawyers Magazine

Brett August, Thad Chaloeintiarana, Bradley Cohn, David Hilliard, Jonathan Jennings, Robert Sacoff and **Joseph Welch II** have been selected as Illinois “Leading Lawyers.”

Illinois Super Lawyers 2019

Brett August, Phillip Barengolts, Ashly Boesche, Thad Chaloeintiarana, Bradley Cohn, David Hilliard, Jonathan Jennings, Janet Marvel, Robert Sacoff, Belinda Scrimenti and **Joseph Welch II** have been designated Illinois Super Lawyers, and **Jessica Ekhoft** has been designated an Illinois Rising Star.