



## U.S. SUPREME COURT UPHOLDS FEDERAL COURT JURISDICTION OVER COPYRIGHT INFRINGEMENT CLAIMS FOR UNREGISTERED WORKS: REED ELSEVIER, INC. v. MUCHNICK

March 9, 2010

By [Belinda J. Scrimenti, Esq.](#)

Nearly nine years after its seminal decision regarding copyright law and electronic publication in *New York Times Co. v. Tasini*,<sup>1</sup> the United States Supreme Court addressed jurisdictional issues arising from authors' post-*Tasini* claims. On March 2, 2010, the Court held in *Reed Elsevier, Inc. v. Muchnick*,<sup>2</sup> that, while Section 411(a) of the Copyright Act makes registration a precondition to filing a copyright infringement suit, it is not a jurisdictional requirement. The decision likely will lead to final resolution of an \$18 million settlement in the underlying litigation. The Supreme Court's unanimous holding<sup>3</sup> reversed the Second Circuit Court of Appeals' decision,<sup>4</sup> which held that the district court lacked jurisdiction to certify a class and approve a settlement because some of the class members' copyrighted works were unregistered.

Section 411(a) of the Copyright Act provides that "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 . . ."<sup>5</sup>

In *Tasini* in 2001, the Supreme Court affirmed a Second Circuit holding that several owners of online databases and print publishers infringed freelance authors' copyrights by reproducing the

---

<sup>1</sup> 533 U.S. 483 (2001).

<sup>2</sup> 559 U.S. \_\_\_, No. 08-103 (Mar. 2, 2010), available at <http://www.supremecourtus.gov/opinions/09pdf/08-103.pdf>.

<sup>3</sup> Justice Sotomayor did not take part in the Opinion. Justice Thomas wrote the Opinion for the Court, joined by Justices Roberts, Scalia, Kennedy, and Alito. Justice Ginsburg wrote a Concurring Opinion, joined by Justices Stevens and Breyer.

<sup>4</sup> *In re Literary Works in Electronic Databases Copyright Litigation*, 509 F.3d 116, 85 U.S.P.Q.2d 1217 (2d Cir. 2007).

<sup>5</sup> 17 U.S.C. § 411(a).



GERALDSON LLP • 311 South Wacker Drive, Suite 5000 • Chicago IL 60606 • T (312) 554-8000 • F (312) 554-8015 • [www.pattishall.com](http://www.pattishall.com)

These materials have been prepared by Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP for general informational purposes only. They are not legal advice. They are not intended to create, and their receipt by you does not create, an attorney-client relationship.

authors' works electronically without their permission. The courts stayed various similar cases pending the Court's decision in *Tasini*. These cases resumed after the Supreme Court endorsed the authors' theory of liability and the Judicial Panel on Multidistrict Litigation consolidated the cases in the United States District Court for the Southern District of New York. The pending cases involved plaintiffs that owned both registered and unregistered copyrighted works. The 20,000-plus author plaintiffs and electronic-publisher defendants agreed upon terms for settlement in mediation. These parties requested that the district court certify the plaintiffs' class and approve the settlement. Ten authors objected, including plaintiff Muchnick. The district court overruled the objections, certified the class, approved the settlement, and entered final judgment. The objecting Muchnick plaintiffs appealed.

The Second Circuit, *sua sponte*, ordered briefing on the question of whether the federal district court had jurisdiction in light of Section 411(a) and the existence of plaintiffs' claims for unregistered works. The appellate court ruled that Section 411(a) was jurisdictional and thus concluded that the district court lacked jurisdiction to certify the class or approve the settlement. All parties sought a *writ of certiorari*.<sup>6</sup>

The Supreme Court reversed the Second Circuit in the recent *Reed Elsevier, Inc. v. Muchnick* decision, holding that Section 411(a) was not jurisdictional. The Court distinguished between "jurisdiction" and "claim processing rules."<sup>7</sup> Expressing a desire to curtail "drive-by jurisdictional rulings," the Supreme Court outlined the difference between "true jurisdictional conditions and nonjurisdictional limitations on causes of action."<sup>8</sup> The Court followed the rationale outlined in *Arbaugh v. Y & H Corp.*,<sup>9</sup> which addressed claims under Title VII of the Civil Rights Act of 1964. In *Arbaugh*, the Supreme Court held that Title VII's numerosity requirement (that Title VII applies only to employers with 15 or more employees) was not a factor in subject matter jurisdiction, but rather "a substantive ingredient of a Title VII claim."<sup>10</sup>

Applying the *Arbaugh* test in *Muchnick*, the Supreme Court analogized Section 411(a)'s registration requirement to Title VII's numerosity requirement, recognizing that the requirements in both statutes are located in provisions "separate" from those granting federal courts subject matter jurisdiction.<sup>11</sup> The Court noted that neither 28 U.S.C. § 1331, which confers subject matter jurisdiction over questions of federal law, nor 28 U.S.C. § 1338(a), which specifically confers subject matter jurisdiction over copyright claims, conditions the grant of jurisdiction on whether copyright holders have registered their works before suing for infringement.<sup>12</sup>

The Supreme Court also pointed out exceptions in the Copyright Act that allow courts to adjudicate claims regarding unregistered works, such as where the work is not a U.S. work, where the

---

<sup>6</sup> Since no party supported the Court of Appeals' holding, the Supreme Court appointed an *amicus curiae* to brief and argue the position of the Second Circuit, assigning the task to Professor Deborah Jones Merritt of The Ohio State University Moritz College of Law.

<sup>7</sup> *Muchnick*, slip op. at 5-6.

<sup>8</sup> *Id.*

<sup>9</sup> 546 U.S. 500 (2006).

<sup>10</sup> *Muchnick*, slip op. at 6-7.

<sup>11</sup> *Id.* at 9.

<sup>12</sup> *Id.*

infringement claim concerns moral rights, where registration is refused, and in certain cases where registration is made three months after first transmission of the work.<sup>13</sup>

The Court concluded that Section 411(a) "imposes a precondition to filing a claim that is not clearly labeled jurisdictional, is not located in a jurisdiction-granting provision, and admits of congressionally authorized exceptions."<sup>14</sup> The Court distinguished its opinion in *Bowles v. Russell*,<sup>15</sup> which addressed the jurisdictional statutory time limit for an appeal, focusing on "context" and recognition of the Court's "interpretation of similar provisions in many years past" as relevant to whether a statutory requirement is jurisdictional.<sup>16</sup>

In effect, the *Reed Elsevier, Inc. v. Muchnick* ruling is narrow, since it did not address whether Section 411(a)'s registration requirement is a mandatory precondition to suit that district courts should enforce by dismissing copyright infringement claims involving unregistered works *sua sponte*. However, the decision holds conclusively that a plaintiff's lack of a federal registration before filing suit will not deprive the court of subject matter jurisdiction.

Prospectively, the Court's recent decision likely will result in the final settlement of the long running post-*Tasini* cases concerning the electronic rights of authors. It may also affect the class settlement in the Google Book Search case, *The Authors Guild, Inc., et al. v. Google Inc.*,<sup>17</sup> which the parties fashioned specifically to exclude non-registered works following the Second Circuit's now-reversed 2007 *Muchnick* decision. The objectors to the *Google* settlement argued in advance of the Supreme Court's *Muchnick* decision that, should the Supreme Court rule as it has now done, the district court should order the *Google* parties to renegotiate their settlement to include authors with unregistered rights.

*Muchnick* will have little impact on the majority of routine single-plaintiff copyright cases, but may make it less risky for a plaintiff to file suit before obtaining a registration, particularly when the plaintiff seeks urgent relief. Nonetheless, plaintiffs in such circumstances should still obtain copyright registration quickly through the Copyright Office's special handling procedures.

\* \* \*

*Belinda J. Scrimenti is a partner with [Pattishall, McAuliffe, Newbury, Hilliard & Geraldson LLP](#), a [leading intellectual property law firm](#) based in Chicago, Illinois. [Pattishall McAuliffe](#) represents both plaintiffs and defendants in [trademark](#), [copyright](#), and [unfair competition trials and appeals](#). The firm advises its clients on a broad range of domestic and international intellectual property matters, including [brand protection](#), [Internet](#), and [e-commerce](#) issues. Belinda's practice focuses on domestic and international [trademark](#), [copyright](#), [trade dress](#), and [Internet](#) law and litigation.*

---

<sup>13</sup> *Id.* at 10. See 17 U.S.C. §§ 106A, 411(a), 411(c)(1)-(2)).

<sup>14</sup> *Muchnick*, slip op. at 11.

<sup>15</sup> 551 U.S. 205 (2007).

<sup>16</sup> *Muchnick*, slip op. at 13. Justice Ginsburg's Concurring Opinion seeks to reconcile *Bowles* differently, focusing on the *stare decisis* impact of the ruling addressing a statute of limitations. *Muchnick*, Concur. Op., slip op. at 3.

<sup>17</sup> Case No. 05 CV 8136 (S.D.N.Y.).