



United States Copyright Office

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Reporters, ALI Restatement of the Law, Copyright

Re: Preliminary Draft No. 7

Dear Professor Revesz, Ms. Middleton, and Reporters:

The U.S. Copyright Office is responsible for administering significant portions of the nation's copyright law and providing expert advice to Congress, federal agencies, and the courts on copyright matters.¹ We have reviewed Council Draft No. 7 of ALI's proposed Restatement of the Law of Copyright and offer the below commentary to help guide consideration of the draft.²

As we have stated in prior letters, the Copyright Office does not believe that the Restatement should displace any of the "traditional tools of statutory construction," including examination of the statute's text, structure, purposes, and legislative history. See *INS v. Cardoza-Fonseca*, 480 U.S. 421, 446-450 (1987). Nor should the Restatement supplant the Copyright Office's rules and regulatory guidance that interpret and apply the text of the Copyright Act, which are entitled to appropriate levels of judicial deference. Relatedly, we continue to urge the Reporters to avoid conflicts between the Restatement and Copyright Office regulations or other interpretive guidance, including the *Compendium of U.S. Copyright Office Practices (Third Edition)* ("*Compendium (Third)*"), as conflicts could produce significant confusion and adversely affect Copyright Office operations.

The following comments reflect the Office's primary areas of concern with the most recent draft, ordered by their appearance in the draft.

¹ 17 U.S.C. § 701(a), (b).

² The Office notes that Regan Smith is still listed as an advisor affiliated with the Copyright Office. Ms. Smith is no longer with the Copyright Office, and therefore we ask that her name be removed or her affiliation updated.

Section 10

Throughout this section, the draft states that when privately authored works are adopted into law, they become “excluded” or “ineligible” for copyright protection.³ The Office believes that this is an incomplete statement of the law, and the text should be revised to clarify the distinction between privately authored works and works created in the first instance by government officials.

Whether a work is eligible for copyright protection is a threshold question that turns on whether the work meets the statutory criteria at the time of its fixation.⁴ As the Supreme Court recently explained, the government edicts doctrine is effected “through construction of the statutory term ‘author.’”⁵ A work authored by a government official in the course of her lawmaking duties is not a “work of authorship” within the meaning of section 102(a). But a privately authored code is a work of authorship at the time of creation, and the Office would accept an application to register the code as a copyright-eligible work. For this reason, the *Compendium* states that the Office “will not register a government edict that has been issued by any federal, state, local, or territorial government” but does not address privately authored codes.⁶

The case law addressing this issue does not support the proposition that privately authored works lose all protection after incorporation into a government edict. Rather, the decision in *Veeck v. Southern Building Code Congress International* notes that privately authored works may retain protection as codes after incorporation. The court emphasized that “the result in this case would have been different if Veeck had published not the building codes of Anna and Savoy, Texas, but the SBCCI model codes, as model codes.”⁷ As the United States recognized, the application of the government edicts doctrine to the materials at issue in *Veeck* turned on several case-specific factors.⁸ In other contexts, courts have held that government uses of privately authored standards did not preclude the owner’s enforcement of copyright in those materials.⁹

The draft therefore should be revised to make clear the distinction between works authored in the first instance by judges or legislators in the course of their official duties and privately authored materials adopted into law. *Georgia* addresses only the first scenario. Indeed, we note that the

³ For example, Comment *c* states that when privately authored works are adopted into law, the work “is excluded from copyright protection.” See also Illustration 8 (stating that privately authored code, once adopted, becomes “ineligible for copyright protection”).

⁴ Reporters’ Note *a* states that the phrase “ineligible for copyright protection” is taken from the Court’s discussion in *Georgia v. Public.Resource.Org*. As explained here, that is because works authored in the first instance by government officials are not “works of authorship” protected by the Copyright Act.

⁵ *Georgia v. Public.Resource.Org*, 140 S. Ct. 1498, 1502 (2020).

⁶ *Compendium (Third)* § 313.6(C)(2).

⁷ 293 F.3d 791, 805 (5th Cir. 2002).

⁸ Br. of the United States as Amicus Curiae at 14, *S. Bldg. Code Cong. Int’l, Inc. v. Veeck*, 539 U.S. 969 (2003) (No. 02-355) (“The towns’ building codes were created for the sole purpose of enactment into law, they comprehensively regulate a very broad area of primary conduct, they do not involve exceptional and unusually pervasive government regulation of a highly specialized industry, they are backed by criminal sanctions, and the party seeking to make copies seeks only to copy the portions of the codes actually enacted into law.”).

⁹ See, e.g., *Practice Mgmt. Info. Corp. v. AMA*, 121 F.3d 516, 518–20 (9th Cir. 1997); *CCC Info. Servs. v. MacLean Hunter Mkt. Reports, Inc.*, 44 F.3d 61, 74 (2d Cir. 1994).

D.C. Circuit recently left “for another day” the question of whether “the Constitution permits copyright to persist in works incorporated by reference into law.”¹⁰

Finally, this section makes several references to the May 2020 district court opinion in *International Code Council, Inc. v. UpCodes, Inc.* Given that the *UpCodes* case is ongoing and may be subject to appeal, the Office cautions against relying on the case until proceedings are complete.

Section 20, Comment g

Comment *g* states that “priority between conflicting transfers of copyright ownership is determined *in part* by recordation in the Copyright Office” pursuant to 17 U.S.C. § 205(d) (emphasis added). The Comment proceeds to recite the text of section 205(d), but it does not elaborate on what else, beyond recordation, determines priority of conflicting transfers of ownership. While “in part” is presumably used here to signal that section 205(d) does not address priority of conflicting transfers where none of the transfers are recorded, we suggest that this paragraph be revised to clarify that if one or more of the conflicting transfers of ownership is recorded, then section 205(d) will govern.

Similarly, Comment *g* further states that “priority between a conflicting transfer of copyright ownership and nonexclusive license is also determined *in part* by recordation” pursuant to 17 U.S.C. § 205(e) (emphasis added). We believe that “in part” is misplaced here as well, since recordation may not impact priority at all where “the license was taken before execution of the transfer.”¹¹ We suggest that this sentence be rephrased to bring it into line with the statutory text and to clarify that recordation may be relevant in determining priority between a conflicting transfer of copyright ownership and a nonexclusive license.

Section 40

Comment *b* discusses the relevant procedures for recordation. The Office suggests including a note and citation to regulations explaining that recordation is not a determination of legal validity by the Office.¹²

Reporters Note *b* briefly mentions recording designations of DMCA agents. We suggest removing or modifying that discussion given that the Office no longer accepts paper documents for that purpose. As explained in the *Compendium*, the Office now requires online service providers to provide that information digitally in the Office’s online directory.¹³

¹⁰ *Am. Soc’y for Testing & Materials v. Public.Resource.Org, Inc.*, 896 F.3d 437, 447 (2018).

¹¹ 17 U.S.C. § 205(e).

¹² See 37 C.F.R. 201.4(g) (“The fact that the Office has recorded a document is not a determination by the Office of the document’s validity or legal effect. Recordation of a document by the Copyright Office is without prejudice to any party claiming that the legal or formal requirements for recordation have not been met, including before a court of competent jurisdiction.”).

¹³ *Compendium (Third)* § 2312.

Section 41

Reporters' Notes *f* and *h*, which discuss copyright term for an anonymous work or a pseudonymous work and the statutory presumption as to date of the author's death, respectively, both note that as of 2019, the Copyright Office had not issued any regulations regarding recordation of statements related to either issue. These Notes, while accurate, would benefit from additional context to avoid an erroneous conclusion that the Copyright Office does not record such statements. The Office will record such documents pursuant to its general policies and procedures governing recordation.¹⁴ The Office follows the same examination process as set forth in the *Compendium*,¹⁵ and the filing fee is the same as for other recordation filings.¹⁶

Section 45

Comments *i* and *j* address the calculation of the effective date of registration and the remedies available upon timely registration. We suggest adding a reference to the authority provided by the CARES Act, under which the Register may adjust certain statutory timing provisions upon a determination that a national emergency declared by the President has generally disrupted or suspended the ordinary functioning of the copyright system.¹⁷ Adjustments made under this authority could have an impact on registration timeliness.¹⁸

Reporters' Note *n* points to the *Compendium* as the Office's definitive statement about how to fulfill the best edition requirement. The draft should instead cite Appendix B to Part 202, in Title 37 of the C.F.R.¹⁹ Those are the regulatory provisions that set out the best edition requirements in binding form.

Section 47

This draft section does not cite to relevant regulations in 37 C.F.R. § 202.2 or Copyright Office practices. We suggest adding that notice placement was required under the 1976 Act from January 1, 1978 until February 28, 1989, the effective date of the Berne Convention Implementation Act ("BCIA"). For reference, notice requirements under these terms are addressed in Chapter 2200 of the *Compendium*.²⁰

¹⁴ See *Compendium (Third)* §§ 2304.2, 2305.

¹⁵ *Compendium (Third)* §§ 2306, 2306.7.

¹⁶ 37 C.F.R. § 201.3(c)(18). The Copyright Office recently published a final rule adjusting fees, in which the paragraph establishing the fees for recordation of a document has been redesignated as 201.3(c)(20). 85 Fed. Reg. 9,374, 9,386–87 (Feb. 19, 2020).

¹⁷ See 17 U.S.C. § 710 (authorizing the Register of Copyrights, on a temporary basis and subject to certain exceptions, to "toll, waive, adjust, or modify any timing provision . . . or procedural provision" in the Copyright Act if she determines that a national emergency declared by the President "generally disrupts or suspends the ordinary functioning of the copyright system . . . or any component thereof").

¹⁸ See *Operations Updates During the COVID-19 Pandemic*, U.S. Copyright Office, <https://www.copyright.gov/coronavirus/> (last visited Oct. 4, 2021).

¹⁹ 37 C.F.R. § 202, app. B.

²⁰ *Compendium (Third)* § 2203.

Section 48

Similarly, this draft section does not cite to regulations in 37 C.F.R. § 202.17 or Copyright Office practices. We suggest adding that registration was required within five years of any copyrighted work published without notice from January 1, 1978 until February 28, 1989, the BCIA effective date.²¹

Section 9.01

At the outset, we note that the quotation in black letter section 9.01(b)(1) is from two separate paragraphs of the statute without an indication (*e.g.*, an ellipsis) that this is the case.²² Additionally, we believe that the summary in section 9.01(c) of the items that may be impounded in an infringement action (“infringing articles and other materials and tools related to infringement”) could suggest that more items are subject to impoundment than is the case under the statute. We recommend revising this language to track the statutory text, which sets out a specific list of items subject to impoundment.²³

Regarding the language in 9.01(f) concerning the Copyright Claims Board (“CCB”), we do not believe it is accurate that a “separate set of remedies is available” in CCB proceedings. Actual damages, profits, and statutory damages are available in CCB proceedings,²⁴ as they are in federal court, albeit subject to different limitations and restrictions. In addition, the source note should be revised to include the CASE Act.

Our suggested revisions to the Comments and Reporters’ Notes to section 9.01 pertain to the CASE Act. First, we suggest that the reference in Comment *a* to section 512(f) claims for misrepresentation and associated remedies be revised to note that the CASE Act also provides remedies for such claims.²⁵ In addition, we note that the citation to 17 U.S.C. § 1502(c) in Comment *c* should be to 17 U.S.C. § 1504(e)(1)(D), which establishes the limitation on total monetary recovery. We also suggest that the draft include a citation to 17 U.S.C. § 1506(i), under which a respondent may opt out of a CCB proceeding.

Additionally, Reporters’ Note *c* states that statutory damages are available “if the work was timely registered.” The CASE Act, however, also provides for statutory damages for works that were not timely registered, albeit subject to lower caps on awards.²⁶ The Note further states that “[a] copyright owner may file a claim with the CCB without having registered the relevant copyright with the Copyright Office, but the CCB may not proceed until the copyright owner submits a registration application (with the required fee and deposit).” We believe that this language is ambiguous and should be revised to align with the statutory text, which makes clear that, in order to file an infringement claim or counterclaim, the copyright owner must “first deliver[] a completed application, a deposit, and the required fee for registration of the copyright

²¹ See *Compendium (Third)* § 2203.4.

²² See 17 U.S.C. § 504(a)(1), (b).

²³ *Id.* § 503(a)(1).

²⁴ *Id.* § 1504(e).

²⁵ *Id.* § 1504(c)(3).

²⁶ *Id.* § 1504(e)(1)(A)(ii)(II).

to the Copyright Office” and a registration certificate must have “either been issued or . . . not been refused.”²⁷ Provided that these conditions are met, the CCB may proceed with the proceeding, but “may not render a determination in the proceeding until . . . a registration certificate with respect to the work has been issued by the Copyright Office, submitted to the Copyright Claims Board, and made available to the other parties to the proceeding; and the other parties to the proceeding have been provided an opportunity to address the certificate.”²⁸

Finally, Reporters’ Note *c* states that “[t]he Federal Rules of Evidence do not apply in CCB proceedings,” and cites to 17 U.S.C. § 1506(o) in support of that proposition. That section of the statute sets forth the types of evidence that the CCB may consider and states that “such evidence may be admitted without application of formal rules of evidence.”²⁹ We suggest that this sentence be revised to better accord with the statutory text.

Section 9.02

In Reporters’ Note *d*, the only support offered for “an argument that federal courts lack the power to award such prospective monetary relief” is a single law review article. We suggest adding citations to case law or removing this reference.

Section 9.03

Comment *k* presents an interpretation of the Supreme Court’s statement in *Sony Corp. v. Universal City Studios*, that “[t]he remedies for infringement ‘are only those prescribed by Congress.’”³⁰ Comment *k* argues that this statement “should not be understood to suggest that prejudgment interest is not available to prevailing plaintiffs in copyright infringement actions” and, instead, “should be understood to refer to Congress’s power to define the substantive rights the copyright owner enjoys under federal law,” rather than the remedial powers of the courts. We suggest that citations to cases that have interpreted this statement similarly be included or, at minimum, that the section clarify that this is the Restatement’s view.

Similarly, Comment *l* states, “Limiting plaintiff to actual damages absent timely registration is part of the incentive for timely registration that Congress purposely included in the Copyright Act, and should not be undermined by expanding actual damages to include punitive damages, which the statute does not separately authorize.” We suggest including citations to cases that have made this point or clarifying that this is the Restatement’s view.

Section 9.04

As a general comment, this draft should make clear that section 504(c) applies to all forms of infringement (*e.g.*, public display and public performance), not just reproduction and distribution.

²⁷ *Id.* § 1505(a).

²⁸ *Id.* § 1505(b).

²⁹ *Id.* § 1506(o).

³⁰ 464 U.S. 417, 430 (1984) (quoting *Thompson v. Hubbard*, 131 U.S. 123, 151 (1889)).

In Comment *e*, the citation to the *Thomas-Rasset* case is misleading, since the judgment in the case was eventually vacated (and the reasoning cited here seemingly disapproved) on appeal.³¹ Similarly, the judgment in the *Sony BMG* case was also vacated on appeal, albeit for a different reason.³² We would suggest removing these cases from the discussion.

Illustration 4 states that the owner of a wedding planning business may qualify as an innocent infringer where she locates a photograph on a website that collects photographs licensed for free non-commercial use, but the photograph in question was not in fact licensed for such use. Because the wedding planning business is a *commercial* venture, this use would violate the terms of the license. Therefore, the defendant’s lack of knowledge about an error in the license terms is irrelevant. The Illustration should be revised to eliminate potential confusion in this area.

In Comment *j* (compilations and derivatives as single works), we would suggest that the drafters cite section 1008.7 of the *Compendium*, which has useful guidance on this matter. It distinguishes different types of registrations (group vs. collective), which would aid the understanding of this topic.

In addition, this Comment and the accompanying Reporters’ Note overlook a circuit split on the issue of the proper test for what constitutes a separate work. The Reporters’ Note cites the *Bryant* case,³³ noting that it rejected the independent economic value test. But that case cites other circuits that use that test.³⁴ The Comment and Reporters’ Note should address this split of authority.

Section 9.05

Comment *b* accurately lists the six categories from 28 U.S.C. § 1920. We would suggest, however, making clear that “witness fees” does not include expert witness fees, as the Supreme Court held in *Rimini Street*.³⁵

The *Design Basics* case, cited in Comment *f*, states that there is a “strong presumption” in favor of a prevailing party being awarded costs.³⁶ That should be noted here as well.

* * * *

³¹ See *Capitol Records, Inc. v. Thomas-Rasset*, 692 F.3d 899, 909 (8th Cir. 2012) (discussing district court’s holding that statutory damages should be limited to \$2,250 per work).

³² *Sony BMG Music Entertainment v. Tenenbaum*, 660 F.3d 487 (1st Cir. 2011) (holding that the district court should not have made a constitutional ruling without first considering common law remittitur), *aff’g in part, vacating in part and remanding*, 721 F. Supp. 2d 85 (D. Mass. 2010).

³³ *Bryant v. Media Right Prods., Inc.*, 603 F.3d 135 (2d Cir. 2010).

³⁴ *Id.* at 142.

³⁵ 139 S. Ct. 873, 878 (2019) (sections 1821 and 1920 “do not authorize an award for expenses such as expert witness fees, e-discovery expenses, and jury consultant fees”).

³⁶ *Design Basics, LLC v. Kerstiens Homes & Designs, Inc.*, Nos. 18-3202, 19-3118, 20-1515, 2021 U.S. App. LEXIS 17905, at *11 (7th Cir. June 16, 2021) (citing *Hyperquest, Inc. v. N’Site Solutions, Inc.*, 632 F.3d 377, 387 (7th Cir. 2011)).

The Office welcomes public evaluation and discussion of U.S. copyright law and thanks the ALI and the Reporters for their attention to our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin R. Amer". The signature is fluid and cursive, with the first name being the most prominent.

Kevin R. Amer
Acting General Counsel and Associate Register of Copyrights

A handwritten signature in black ink, appearing to read "Robert J. Kasunic". The signature is highly stylized and cursive, with the first name being the most prominent.

Robert J. Kasunic
Associate Register of Copyrights and Director of Registration Policy & Practice