

**Sega Enters. Ltd. v. MAPHIA,
948 F. Supp. 923 (N.D. Cal. 1996)**

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| Year | 1996 |
| Court | United States District Court for the Northern District of California |
| Key Facts | Defendants were MAPHIA, other bulletin boards, and individuals who operated on-line, electronic bulletin boards that enabled users to upload and download plaintiff Sega Enterprises, Ltd.'s copyright-protected video games. In addition, defendant marketed and sold video game copying devices that allowed users to copy, upload, and play unauthorized copies of plaintiff's games. |
| Issue | Whether the operator of an online file-sharing system which allowed users to upload and download video games for their private home use constituted fair use. |
| Holding | The court held that defendant's operation of the file sharing system did not constitute fair use. First, the court found that the use was clearly commercial, with no evidence that the copying was for creative or transformative purposes. Second, the court found that the nature of plaintiff's games, which were created for entertainment and not informational purposes, weighed against a finding of fair use. Third, the court found that defendant and his customers copied "virtually" entire games without demonstrating any public benefit. Fourth, the court found defendant and his customers' copying of plaintiff's games served no substantial purpose other than the unauthorized reproduction of the games, allowing users to avoid purchasing the games. |
| Tags | Ninth Circuit; Computer program; Internet/Digitization |
| Outcome | Fair use not found |

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