

COPYRIGHT LAW REVISION

---

STUDIES

PREPARED FOR THE  
SUBCOMMITTEE ON  
PATENTS, TRADEMARKS, AND COPYRIGHTS

OF THE  
COMMITTEE ON THE JUDICIARY  
UNITED STATES SENATE  
EIGHTY-SIXTH CONGRESS, SECOND SESSION

PURSUANT TO  
S. Res. 240

STUDIES 22-25

24. Remedies Other Than Damages for Copyright  
Infringement



Printed for the use of the Committee on the Judiciary

---

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1960

## COMMITTEE ON THE JUDICIARY

JAMES O. EASTLAND, Mississippi, *Chairman*

ESTES KEFAUVER, Tennessee	ALEXANDER WILEY, Wisconsin
OLIN D. JOHNSTON, South Carolina	EVERETT MCKINLEY DIRKSEN, Illinois
THOMAS C. HENNINGS, Jr., Missouri	ROMAN L. HRUSKA, Nebraska
JOHN L. McCLELLAN, Arkansas	KENNETH B. KEATING, New York
JOSEPH C. O'MAHONEY, Wyoming	NORRIS COTTON, New Hampshire
SAM J. ERVIN, Jr., North Carolina	
JOHN A. CARROLL, Colorado	
THOMAS J. DODD, Connecticut	
PHILIP A. HART, Michigan	

---

### SUBCOMMITTEE ON PATENTS, TRADEMARKS, AND COPYRIGHTS

JOSEPH C. O'MAHONEY, Wyoming, *Chairman*

OLIN D. JOHNSTON, South Carolina	ALEXANDER WILEY, Wisconsin
PHILIP A. HART, Michigan	

ROBERT L. WRIGHT, *Chief Counsel*  
JOHN C. STEDMAN, *Associate Counsel*  
STEPHEN G. HAASER, *Chief Clerk*

II

## FOREWORD

---

This committee print is the eighth of a series of such prints of studies on Copyright Law Revision published by the Committee on the Judiciary Subcommittee on Patents, Trademarks, and Copyrights. The studies have been prepared under the supervision of the Copyright Office of the Library of Congress with a view to considering a general revision of the copyright law (title 17, United States Code).

Provisions of the present copyright law are essentially the same as those of the statute enacted in 1909, though that statute was codified in 1947 and has been amended in a number of relatively minor respects. In the half century since 1909 far-reaching changes have occurred in the techniques and methods of reproducing and disseminating the various categories of literary, musical, dramatic, artistic, and other works that are subject to copyright; new uses of these productions and new methods for their dissemination have grown up; and industries that produce or utilize such works have undergone great changes. For some time there has been widespread sentiment that the present copyright law should be reexamined comprehensively with a view to its general revision in the light of present-day conditions.

Beginning in 1955, the Copyright Office of the Library of Congress, pursuant to appropriations by Congress for that purpose, has been conducting a program of studies of the copyright law and practices. The subcommittee believes that these studies will be a valuable contribution to the literature on copyright law and practice, that they will be useful in considering problems involved in proposals to revise the copyright law, and that their publication and distribution will serve the public interest.

The present committee print contains four studies: No. 22, "The Damage Provisions of the Copyright Law" by William S. Strauss, Attorney-Adviser of the Copyright Office; No. 23, "The Operation of the Damage Provisions of the Copyright Law: An Exploratory Study" by Prof. Ralph S. Brown, Jr., of the Yale Law School; No. 24, "Remedies Other Than Damages for Copyright Infringement" by William S. Strauss; and No. 25, "Liability of Innocent Infringers of Copyrights" by Alan Latman, formerly Special Adviser to the Copyright Office, and William S. Tager, both now engaged in the practice of law in New York City.

The Copyright Office invited the members of an advisory panel and others to whom it circulated these studies to submit their views on the issues. The views, which are appended to the studies, are those of individuals affiliated with groups or industries whose private interests may be affected by copyright laws, as well as some independent scholars of copyright problems.

It should be clearly understood that in publishing these studies the subcommittee does not signify its acceptance or approval of any statements therein. The views expressed in the studies are entirely those of the authors.

JOSEPH C. O'MAHONEY,  
*Chairman, Subcommittee on Patents, Trademarks, and Copyrights,  
Committee on the Judiciary, U.S. Senate.*

## COPYRIGHT OFFICE NOTE

---

The studies presented herein are part of a series of studies prepared for the Copyright Office of the Library of Congress under a program for the comprehensive reexamination of the copyright law (title 17 of the United States Code) with a view to its general revision.

The Copyright Office has supervised the preparation of the studies in directing their general subject-matter and scope, and has sought to assure their objectivity and general accuracy. However, any views expressed in the studies are those of the authors and not of the Copyright Office.

Each of the studies herein was first submitted in draft form to an advisory panel of specialists appointed by the Librarian of Congress, for their review and comment. The panel members, who are broadly representative of the various industry and scholarly groups concerned with copyright, were also asked to submit their views on the issues presented in the studies. Thereafter each study, as then revised in the light of the panel's comments, was made available to other interested persons who were invited to submit their views on the issues. The views submitted by the panel and others are appended to the studies. These are, of course, the views of the writers alone, some of whom are affiliated with groups or industries whose private interests may be affected, while others are independent scholars of copyright problems.

ABE A. GOLDMAN,  
*Chief of Research,  
Copyright Office.*

ARTHUR FISHER,  
*Register of Copyrights,  
Library of Congress.*

L. QUINCY MUMFORD,  
*Librarian of Congress.*

## STUDIES IN EARLIER COMMITTEE PRINTS

### First print:

1. The History of U.S.A. Copyright Law Revision from 1901 to 1954.
2. Size of the Copyright Industries.
3. The Meaning of "Writings" in the Copyright Clause of the Constitution.
4. The Moral Right of the Author.

### Second print:

5. The Compulsory License Provisions in the U.S. Copyright Law.
6. The Economic Aspects of the Compulsory License.

### Third print:

7. Notice of Copyright.
8. Commercial Use of the Copyright Notice.
9. Use of the Copyright Notice by Libraries.
10. False Use of Copyright Notice.

### Fourth print:

11. Divisibility of Copyrights.
12. Joint Ownership of Copyrights.
13. Works Made for Hire and on Commission.

### Fifth print:

14. Fair Use of Copyrighted Works.
15. Photoduplication of Copyrighted Material by Libraries.
16. Limitations on Performing Rights.

### Sixth print:

17. The Registration of Copyright.
18. Authority of the Register of Copyrights to Reject Applications for Registration.
19. The Recordation of Copyright Assignments and Licenses.

### Seventh print:

20. Deposit of Copyrighted Works.
21. The Catalog of Copyright Entries.

# CONTENTS

---

Study No.	Page
24. Remedies Other Than Damages for Copyright Infringement.....	111
Comments and Views Submitted to the Copyright Office.....	129

---

STUDY NO. 24  
REMEDIES OTHER THAN DAMAGES  
FOR COPYRIGHT INFRINGEMENT  
BY WILLIAM S. STRAUSS

March 1959

## CONTENTS

---

	Page
Scope of this study .....	115
I. Equitable remedies .....	115
1. Injunction .....	115
(a) History of injunctive relief in the copyright law .....	115
(b) Injunctive relief in the present copyright statute .....	116
(c) Legislative proposals regarding the remedy of injunction .....	117
2. Impounding and destruction of infringing copies and devices .....	121
(a) Impounding .....	121
(b) Destruction .....	122
3. Provisions in foreign laws on injunction, impounding and destruction of copies .....	123
(a) Injunction .....	123
(b) Impounding and destruction of copies .....	124
II. Criminal penalties for infringement .....	124
1. Effect and application of section 104 .....	124
2. Brief history of provision on criminal penalty for infringement .....	125
3. Provisions in foreign laws on criminal penalties for infringement .....	126
III. Issues presented .....	127
1. Analysis .....	127
(a) Injunction .....	127
(b) Impounding and destruction .....	128
(c) Criminal penalties .....	128
2. Summary of issues .....	128

# REMEDIES OTHER THAN DAMAGES FOR COPYRIGHT INFRINGEMENT

## SCOPE OF THIS STUDY

Civil remedies and criminal penalties for infringement of copyright are dealt with in chapter 2 of our copyright law entitled "Infringement Proceedings."<sup>1</sup> Since the provisions on damages and profits have been treated previously,<sup>2</sup> this study deals only with civil remedies other than damages and profits: that is, with injunctions,<sup>3</sup> impounding during action,<sup>4</sup> and destruction of infringing copies and devices;<sup>5</sup> and also with criminal penalties for infringement.<sup>6</sup>

## I. EQUITABLE REMEDIES

### 1. Injunction

#### (a) *History of injunctive relief in the copyright law*

Under the Copyright Acts of 1790<sup>7</sup> and 1802<sup>8</sup> remedies for copyright infringement were limited to an action in debt for forfeiture of copies and for statutory penalties,<sup>9</sup> and to a special action on the case for recovery of all damages occasioned by the infringement.<sup>10</sup> The Copyright Act of 1819<sup>11</sup> first conferred on the circuit courts of the United States—

jurisdiction as well in equity as at law of all actions, suits, controversies, and cases, arising under any law of the United States, granting or confirming to authors or inventors the exclusive right to their respective writings, inventions, and discoveries.

Upon bill in equity the circuit courts had authority to grant injunctions, "according to the course and principles of courts of equity." Provisions empowering the courts to grant injunctions have been part of the copyright law ever since,<sup>12</sup> and no question as to the appropriateness of this remedy as a general matter has been raised. Indeed, an authority on equity has stated as follows:<sup>13</sup>

When the existence of a \* \* \* copyright is conceded or has been established by an action at law, the jurisdiction of equity to restrain an infringement is too well settled and familiar to require the citation of authorities in its support.

<sup>1</sup> Title 17, U.S.C., ch. 2.

<sup>2</sup> Strauss, "The Damage Provisions of the Copyright Law" [Study No. 22 in the present Committee Print]. That study also dealt with the award of costs and attorney's fees.

<sup>3</sup> 17 U.S.C. 101(a); for recordings of music, sec. 101(e).

<sup>4</sup> 17 U.S.C. 101(c).

<sup>5</sup> 17 U.S.C. 101(d).

<sup>6</sup> 17 U.S.C. 104. Sec. 105, providing a criminal penalty for fraudulent copyright notice does not relate to infringement and is outside the scope of this study.

<sup>7</sup> 1 Stat. 124 (1790).

<sup>8</sup> 2 Stat. 171 (1802).

<sup>9</sup> Act of 1790, sec. 2; act of 1802, sec. 3.

<sup>10</sup> Act of 1790, sec. 6.

<sup>11</sup> 3 Stat. 481 (1819).

<sup>12</sup> Act of Feb. 3, 1831, (4 Stat. 436) sec. 9; act of July 8, 1870, (16 Stat. 212) sec. 106; act of Dec. 1, 1873 (Rev. Stat. 1878, 957), sec. 4970; act of Jan. 6, 1897 (29 Stat. 481); act of Mar. 3, 1897 (29 Stat. 604) revising sec. 4963 of the Rev. Stat.; act of Mar. 4, 1909 (35 Stat. 1075) secs. 25, 36.

<sup>13</sup> Pomeroy, "Equity Jurisprudence" (1941), sec. 1352.

From the nature of the right and of the wrong—the violation being a continuous act—the legal remedy is necessarily inadequate.

The Second Circuit Court has indicated that the remedy of injunction in copyright matters may well be available even if the copyright law did not expressly provide for it:<sup>14</sup>

In cases of infringement of copyright as injunction has been recognized as a proper remedy, because of the inadequacy of the legal remedy. The remedy by injunction exists independently of express provision therefor in the copyright statutes, it being granted on the well-established principle that a court of equity will protect a legal right where the remedy at law is inadequate.

Since the copyright statute provides that the question of granting or withholding an injunction is decided by the court “according to the course and principles of the courts of equity,”<sup>15</sup> it is in the sound discretion of the trial court to determine whether or not an injunction should be granted; and “an order granting the same will not be set aside on appeal, unless it is clearly shown that the court abused its discretion, or was mistaken in the view it took of the situation.”<sup>16</sup> In other words, the principles upon which injunctions are granted or withheld in the field of copyright law are those followed in all other fields of law. The cases, in this respect, show no problems peculiar to copyright jurisprudence.

(b) *Injunctive relief in the present copyright statute*

Section 101(a) provides, without any limitation, for injunctions restraining copyright infringement. The only instance in which the statute expressly restricts the courts' discretion in issuing an injunction is the very special situation in which an infringer has been misled by the accidental omission of the copyright notice from a particular copy or copies.<sup>17</sup> In such a case—

no permanent injunction shall be had unless the copyright proprietor reimburses to the innocent infringer his reasonable outlay innocently incurred if the court, in its discretion, shall so direct.

Even this is not an absolute prohibition of an injunction: the court is to exercise its discretion as to whether or not it will require reimbursement; and only if it orders reimbursement and the copyright proprietor does not comply with the order, will the court be precluded from issuing a permanent injunction. Presumably, if the court saw fit, it could issue an injunction without imposing that condition. Also, this prohibition does not come into play if the copyright proprietor has taken no steps toward compliance with the notice requirement<sup>18</sup> or if the infringer had actual notice of the copyright despite the lack of notice on the infringed copy.<sup>19</sup>

Apart from this special rule in section 21, there exists no provision in the copyright statute preventing an injunction, temporary or permanent, to issue in any case where a court deems it appropriate, even in cases where the infringer did not know, and could not reasonably foresee, that he was infringing. The present law, in stating that “any person” who infringes is liable to an injunction,<sup>20</sup> offers no statutory protection to the innocent infringer against the possibility that he may

<sup>14</sup> *American Code Co. v. Bensinger*, 282 Fed. 829 (2d Cir. 1922).

<sup>15</sup> Title 17, U.S.C., sec. 112.

<sup>16</sup> *Supra*, note 14.

<sup>17</sup> Title 17, U.S.C., sec. 21.

<sup>18</sup> *Nat'l Comics Publications, Inc. v. Fawcett Publications, Inc.*, 191 F. 2d 594 (2d Cir. 1951).

<sup>19</sup> *W. H. Anderson Co. v. Baldwin Law Pub. Co.*, 27 F. 2d 82 (6th Cir. 1928); *Scheilberg v. Empringham*, 36 F. 2d 991 (S.D.N.Y. 1929).

<sup>20</sup> 17 U.S.C. sec. 101, first sentence in conjunction with sec. 101(a).

be enjoined. But the issuance of an injunction is a matter of the court's discretion,<sup>21</sup> and the courts may be expected to take into account the circumstances of the particular case, including the "innocence" of the infringer and the comparative effect of an injunction on him and on the complainant.

In what manner have the courts applied the provision on injunction? In *Markham v. A. E. Borden Co.*<sup>22</sup> the court said that where the infringement has come to an end before suit was commenced and there is little likelihood of its future renewal, an injunction will be denied.<sup>23</sup> An injunction will not be granted merely to allay litigants' fear without clear proof of the imminence of real injury.<sup>24</sup> As to the granting of injunctions in general, it has always been the rule of the courts that their power to issue injunctions is an extraordinary one which should be used with moderation and then only in clear and unambiguous cases.<sup>25</sup> The courts generally take great care in judiciously weighing the legitimate interest of the plaintiff in the issuance of an injunction against the possibility of undue injury to the defendant in the case that the injunction should issue. This is quite evident from the reported cases. Nevertheless, legislative proposals have purported to withhold from the courts the injunctive power under certain circumstances. These proposals will now be discussed.

(c) *Legislative proposals regarding the remedy of injunction*

A number of the general copyright revision bills submitted to Congress between 1924 and 1940 contained provisions limiting or denying altogether the remedy of injunction in some situations where the infringement was innocent, and restricting it in other cases to an injunction preventing future infringement.

Section 26(b) of the Dallinger bill<sup>26</sup> provided that the copyright proprietor of a work of architecture could not obtain an injunction restraining the construction of an infringing building if substantially begun, nor an order for its demolition or seizure.<sup>27</sup> A similar provision appeared in the Duffy bill.<sup>28</sup>

The first Vestal bill,<sup>29</sup> which limited the remedies available for innocent infringements by persons engaged solely in printing, binding, or manufacturing printed copies (except of dramatic-musical or musical works), permitted injunctions against them only as to future printing, binding, or manufacturing of printed copies.<sup>30</sup> This limita-

<sup>21</sup> By contrast, courts have expressed their dissatisfaction with the provision in sec. 101(b) which makes it mandatory to impose statutory minimum damages on innocent infringers. Cf. *Dreamland Ballroom v. Shapiro, Bernstein & Co.*, 36 F. 2d 354 (7th Cir. 1929); *Fisher v. Dillingham*, 298 Fed. 145 (S.D.N.Y. 1924). Cf. Strauss, op. cit. supra, note 2.

<sup>22</sup> 108 F. Supp. 695 (D. Mass. 1952), rev'd on other grounds 206 F. 2d 199 (1st Cir. 1953), aff'd 221 F. 2d 586 (1st Cir. 1955).

<sup>23</sup> Accord: *Trifari, Krussman and Fishel, Inc. v. B. Steinberg-Kaslo Co.*, 144 F. Supp. 577 (S.D.N.Y. 1956). However, if the plaintiff alleges he will suffer irreparable harm in the event that defendants are not restrained from pursuing their present course, a detailed showing of irreparable harm in the absence of relief is not a prerequisite to a preliminary injunction if the infringement is plain. *Geo-Physical Maps, Inc. v. Toycraft Corp.*, 162 F. Supp. 141 (S.D.N.Y. 1958); see also: *Rushton v. Vitale*, 218 F. 2d 434 (2d Cir. 1955); *Houghton Mifflin Co. v. Stackpole Sons*, 104 F. 2d 306 (2d Cir. 1939), cert. denied 308 U.S. 597 (1939); *Inge v. 20th Century Fox Film Corp.*, 143 F. Supp. 294 (S.D.N.Y. 1956). Inconvenience or loss to the defendant arising from the issuance of a preliminary injunction will not prevent its being granted where the infringement is blatant. *Geo-Physical Maps, Inc. v. Toycraft Corp.*, supra, citing *L. C. Page and Co. v. Fox Film Corp.*, 83 F. 2d 196 (2d Cir. 1936).

<sup>24</sup> *Workington Pump and Machinery Corp. v. Charles Douda*, 97 F. Supp. 656 (S.D.N.Y. 1951); *Northrop Corp. v. Madden*, 30 F. Supp. 993 (S.D. Cal. 1937). And see the very recent case of *Christie v. Raddock*, 169 F. Supp. 43 (S.D.N.Y. 1959).

<sup>25</sup> *Leland v. Morin*, 104 F. Supp. 401 (S.D.N.Y. 1952).

<sup>26</sup> H.R. 9137, 68th Cong., 1st sess., introduced May 9, 1924.

<sup>27</sup> Sec. 15(n) of this bill protected works of architecture.

<sup>28</sup> S. 3047, 74th Cong., 1st sess. (1935), sec. 17.

<sup>29</sup> H.R. 10434, 69th Cong., 1st sess., introduced Mar 17, 1926.

<sup>30</sup> Sec 16(e). The same provision was contained in H.R. 6990, 71st Cong., 2d sess., introduced Dec. 9, 1929, by Mr. Vestal.

tion did not apply where the infringer was also engaged in publishing, selling, or distributing the work or was interested in any profits from these operations.<sup>31</sup>

A subsequent Vestal bill<sup>32</sup> contained the above limitation,<sup>33</sup> and provided further that injunctions against a newspaper publisher would be granted only against the continuation or repetition of the infringement in future issues of the newspaper, but not against the completion of publication and distribution of any issue where actual printing had commenced.<sup>34</sup> This bill further provided that no temporary restraining order should issue which would prevent publication of a newspaper or periodical, and that in the case of a newspaper or periodical reproduction of a copyrighted photograph no injunction should issue.<sup>35</sup>

This last Vestal bill, H.R. 12549, also contained limitations on the courts' power to grant injunctions in the case of innocent infringement by way of advertising matter printed in a newspaper or periodical.<sup>36</sup> In such cases an injunction might be granted before manufacture of an issue had commenced, or against the continuation or repetition of infringement in future issues, but not against completion of the publication and distribution of an issue where manufacture had already commenced. The remedy of injunction was, however, fully available against the advertiser or other person responsible for the infringement,<sup>37</sup> or against the publisher if he was also interested in the advertising matter in a capacity other than as publisher.<sup>38</sup>

H.R. 12549 also generally provided<sup>39</sup> that if a defendant proved that he had acted innocently (in the situation where no copyright registration had been made and the work infringed bore no copyright notice), the plaintiff should not be entitled "to any remedy \* \* \* other than to recover an amount equivalent to the fair and reasonable value of a license, but not less than \$50 nor more than \$2,500 \* \* \*," thus denying in the stated circumstances the right to all remedies (including an injunction) except monetary recovery as stated.<sup>40</sup>

The Dill bill,<sup>41</sup> which proposed to subject performing rights' organizations to statutory control, provided that, in any action brought by an organization or by an individual whose infringed work was controlled by an organization, injunctions would be limited to works proved to have been infringed.

The first Sirovich bill<sup>42</sup> limited the remedy of injunction as follows: in respect to infringement by printing to an injunction against future printing;<sup>43</sup> in respect to infringement by presentation of advertising matter to an injunction against future public presentation of the

<sup>31</sup> Sec. 16(e).

<sup>32</sup> H.R. 12549, 71st Cong., 2d sess., introduced May 22, 1930, superseding H.R. 9639, 71st Cong., 2d sess., introduced Feb. 7, 1930. H.R. 12459 was passed by the House, and reported favorably with amendments (not germane here) by the Senate committee, but died on the Senate floor at the close of the 71st Cong.

<sup>33</sup> Sec. 15 (e).

<sup>34</sup> Sec. 15 (e), second proviso.

<sup>35</sup> Sec. 15 (a), provisos.

<sup>36</sup> Sec. 15 (f).

<sup>37</sup> Sec. 15 (f), second proviso.

<sup>38</sup> Sec. 15 (f), third proviso.

<sup>39</sup> The provisions of sec. 15 in H.R. 12549 were substantially repeated in sec. 14 of H.R. 139, 72d Cong., 1st sess., introduced Dec. 8, 1931, by Mr. Vestal, and in sec. 14 of S. 176, 72d Cong., 1st sess., introduced by Senator Hebert.

<sup>40</sup> During the hearings, Mr. Fenning, a well-known Washington attorney, said: " \* \* \* sec. (d) is a provision with respect to a man who infringes innocently and [against whom the copyright owner] is entitled to no remedy excepting a money remedy. It seems to me an injunction should be granted against his repeating that offense." Hearings on H.R. 12549, January 1931 at 22.

<sup>41</sup> S. 3985, 72d Cong., 1st sess., introduced Mar. 2, 1932, sec. 21(c).

<sup>42</sup> H.R. 10364, 72d Cong., 1st sess., introduced Mar. 10, 1932.

<sup>43</sup> Sec. 10(a).

infringing matter;<sup>44</sup> and in respect to infringement by publication of a newspaper or periodical to an injunction against publication of future issues.<sup>45</sup>

In 1935-36 three more general revision bills were introduced in Congress.<sup>46</sup> The Duffy bill<sup>47</sup> limited the remedy of injunction in a manner similar to that previously employed in the last Vestal bill, H.R. 12549. It also provided<sup>48</sup> that a broadcast of infringing advertising matter was not to be enjoined after the broadcaster had innocently begun the rehearsal of the program, and that no temporary restraining order was to issue preventing the production of a motion picture innocently commenced or its distribution or exhibition. The Sirovich bill<sup>49</sup> contained the same limitations as the bills submitted by Mr. Sirovich in 1932. The Daly bill<sup>50</sup> did not propose to change the provision on injunction in the act of 1909.<sup>51</sup>

The Thomas bill of 1940,<sup>52</sup> although it contained very elaborate and special provisions on damages, did not in any way impose limitations on the remedy of injunction.

The discussion of a limitation on the remedy of injunction during the hearings held on the various bills mentioned above began in April 1926 on the first Vestal bill, H.R. 10434.<sup>53</sup> Mr. Lucas, executive secretary of the National Publishers' Association, proposed the addition of a further limitation on the availability of injunctions in regard to advertising matter carried by a newspaper or periodical.<sup>54</sup> Such a limitative provision was incorporated in the later Vestal bills, H.R. 9639 and H.R. 12549.<sup>55</sup>

In the hearings on another Vestal bill, H.R. 6990, in April 1930,<sup>56</sup> W. B. Warner, representing the National Publishers' Association, again emphasized the need of special protection of newspapers and periodicals against enjoining publication of a whole issue where only one item contained therein was infringing. Elisha Hanson, attorney for the American Newspaper Publishers' Association, requested that a proviso be added to section 16(a) of the bill to the effect that no temporary restraining order should issue which would prevent the publication of a daily newspaper. This was incorporated in the later Vestal bill, H.R. 12549.<sup>57</sup>

During its efforts toward a new copyright law, the Shotwell committee,<sup>58</sup> early in its meetings,<sup>59</sup> considered draft proposals of the various interested groups. As regards the remedy of injunction, the radio

<sup>44</sup> Sec. 10(b).

<sup>45</sup> Sec. 10(c). The same provisions appeared in sec. 10 of H.R. 10740, 72d Cong., 1st sess., introduced Mar. 22, 1932; in sec. 11 of H.R. 10976, 72d Cong., 1st sess., introduced Mar. 30, 1932; in sec. 11 of H.R. 11048, 72d Cong., 1st sess., introduced May 7, 1932; in sec. 11, of H.R. 12094, 72d Cong., 1st sess., introduced May 16, 1932; and in sec. 11 of H.R. 12425, 72d Cong., 1st sess., introduced June 2, 1932; all by Mr. Sirovich.

<sup>46</sup> S. 3047, 74th Cong., 1st sess. (1935), introduced by Senator Duffy; H.R. 11420, 74th Cong., 2d sess. (1936), introduced by Mr. Sirovich; H.R. 10632, 74th Cong., 2d sess. (1936), introduced by Mr. Daly.

<sup>47</sup> S. 3047, sec. 17 amending sec. 25 of the act of 1909.

<sup>48</sup> In the form as passed by the Senate on May 13 (calendar day, June 17), 1935, sec. 25(a) (1).

<sup>49</sup> H.R. 11420, 74th Cong., 2d sess., sec. 25.

<sup>50</sup> H.R. 10632, 74th Cong., 2d sess.

<sup>51</sup> Act of 1909, sec. 25(a).

<sup>52</sup> S. 3043, 76th Cong., 3d sess. introduced Jan. 8, 1940; also known as the Shotwell bill. No hearings were held on this bill, nor was any further action taken on it.

<sup>53</sup> *Supra*, note 29.

<sup>54</sup> This provision was to be added in sec. 16 before (d), or after (e).

<sup>55</sup> *Supra*, note 32.

<sup>56</sup> This bill preceded H. R. 9639, *supra*, note 32.

<sup>57</sup> *Supra*, notes 32 and 35.

<sup>58</sup> National Committee of the U.S.A. on International Intellectual Cooperation, Committee for the Study of Copyright, 1938-41. The papers of the Shotwell committee are collected in the Copyright Office.

<sup>59</sup> November 1938.

broadcasters' and the book publishers' proposals contained a limitation on the remedy of injunction as follows:

Under the broadcasters' proposal, infringers would be liable to an injunction except—

\* \* \* That no temporary restraining order shall be issued which would prevent the broadcasting of a program by radio or television, the publication of a newspaper, magazine, or periodical, or the production substantially commenced or the distribution or exhibition of a motion picture.<sup>60</sup>

The broadcasters further proposed the following paragraph for section 25:

(e) In the event that advertising matter of any kind carried by a newspaper, magazine or periodical, or broadcast by radio, shall infringe any copyright work, where the publisher of the newspaper, magazine, or periodical, or the broadcaster, shall show that he was not aware that he was infringing and that such infringement could not reasonably have been foreseen, the person aggrieved shall be entitled to an injunction only before work of manufacture of the issue has commenced, or, in the case of broadcasting, before the rehearsal of the program has begun, and only against a continuation or repetition of such infringement in future issues of such newspaper, magazine, or periodical, or in future broadcasts; but shall not be entitled to any profit made by such publisher or broadcaster from his contract or employment to carry such advertising matter, nor to damages, actual or statutory, against him: *Provided, however,* That no injunction shall lie against the completion of the publication and distribution of any issue of such newspaper, magazine, or periodical, or the broadcast of any radio program, containing alleged infringing matter where the work of manufacture of such issue has commenced, or, in the case of broadcasts, where rehearsals have begun.

The book publishers in turn proposed the following provision in regard to injunctions:

(d) In any action against publishers, distributors, or sellers of periodicals, magazines, or newspapers for infringement of copyright, the plaintiff shall not be entitled to enjoin the alleged infringement as to any matter claimed to infringe such copyright when any part of such material has, prior to the time when action was commenced, been included in any issue of such periodicals, magazines, or newspapers upon which the work of manufacture has actually begun, or to sequester, impound or destroy any issue containing such alleged infringing matter, or the means for publishing such issue except upon proof to the satisfaction of the court that the manufacture of the issue containing such alleged infringing matter or the first installment thereof was commenced with actual knowledge that copyright subsisted in the work alleged to have been infringed.

During a meeting of the committee, held on March 28, 1939, Mr. Paine<sup>61</sup> pointed out that—

We have \* \* \* scouted the possibility of an innocent infringement clause, but as yet have been unable to come to any agreement as to that \* \* \*. The broadcast interests are going to take up the proposals with their principals, and Mr. Sargoy was going to discuss it with the motion picture people \* \* \*.

The next following draft bill<sup>62</sup> contained no limitation on the remedy of injunction.<sup>63</sup> Apparently, there was no further discussion of the problem by the committee.

Thus, after limitations on the remedy of injunction had been included in a number of revision bills over a period of nearly 15 years, the question must have been dropped, for the later Shotwell draft bills and the Thomas bill contained no limitation on this remedy. It is not apparent from the transcript of the committee discussions whether the reason for this omission was that the interests concerned

<sup>60</sup> Proposed amendment to sec. 25(a), draft bill of November 1938.

<sup>61</sup> ASCAP representative.

<sup>62</sup> Presumably of Apr. 15, 1939.

<sup>63</sup> Nor did subsequent draft bills contain such a limitation. For instance, the draft bill of June 14, 1939, contained a marginal note that the provision on injunction was the same as sec. 25 (a) of the act of 1909 (now sec. 101 (a), title 17, U.S.C.). So did the following draft bills.

were "unable to come to any agreement as to that"<sup>64</sup> or whether a limitation on the remedy of injunction was considered unnecessary because the courts could be expected to exercise their injunctive power in a judicious manner. This question remains open for further consideration.

## 2. *Impounding and destruction of infringing copies and devices*<sup>65</sup>

### (a) *Impounding*

This remedy is available "during the pendency of the action, upon such terms and conditions as the court may prescribe \* \* \*"<sup>66</sup> These "terms and conditions" have been further defined in the Rules of the Supreme Court<sup>67</sup> in order to prevent any undue injury to the defendant.

Under rule 3, the complainant must file a bond together with his affidavit stating the number and location of infringing articles or devices. Under rule 4, the bond may not be less than twice the reasonable value of the infringing articles or devices, and only upon filing of such bond may the court issue a writ to seize and hold the infringing articles or devices. Under rule 7, the defendant may, within 3 days after seizure, except to the amount of the penalty of the bond, and the court may order a new bond to be executed.

Award of this remedy is within the discretion of the court. In *Miller v. Goody*<sup>68</sup> the Court said that—

Since the defendant has openly appropriated the benefit of the copyrighted composition without giving statutory notice [of intention to record] or paying the royalties, I believe that it is within my power, as a matter of discretion, \* \* \* to include in the injunction a provision that the matrices, plates, molds, stamps, discs, tapes, and other matter upon which the copyrighted musical composition may be recorded or transcribed, \* \* \* shall be impounded until the defendant shall have paid the royalties and damages provided in the final decree \* \* \*.

In the *Goody* case impounding was used as a temporary remedy until the defendant complied with a decree of the court for the payment of royalties. A second purpose for the impounding provision was stated by Judge Learned Hand in *Jewelers' Circular Pub. Co. v. Keystone Pub. Co.*:<sup>69</sup>

Section 25(c) [now sec. 101(c), title 17, U.S.C.] \* \* \* is ancillary to section 25(d) [now sec. 101(d)], for I take it as patent that the "impounding" is only to assure the eventual destruction of the infringing articles.

Under *Miller v. Goody, supra*, it would seem that when impounding is used as a method of compelling compliance with the court's decree, the impounded articles may be returned to the defendant upon his compliance.

As to possible return of the seized articles, the court said in *Crown Feature Film Co. v. Bettis Amusement Co.*<sup>70</sup> that a motion for an order to show cause why articles impounded as allegedly infringing should not be returned, presupposes a showing that the seized articles are not infringing. In *Universal Film Mfg. Co. v. Copperman*,<sup>71</sup> the court

<sup>64</sup> See the statement of Mr. Paine, *supra*, at note 61.

<sup>65</sup> Title 17, U.S.C., sec. 101(c) (d).

<sup>66</sup> Title 17, U.S.C., sec. 101(c). See *Foreign & Domestic Music Corp. v. Licht*, 196 F. 2d 627 (2d Cir. 1952).

<sup>67</sup> 214 U.S. 533 (1909), as amended by 307 U.S. 652 (1939).

<sup>68</sup> 125 F. Supp. 348, 351 (S.D.N.Y. 1954). On this point see also: *Miller v. Goody*, 139 F. Supp. 176 (S.D. N.Y. 1956).

<sup>69</sup> 274 Fed. 932 (S.D.N.Y. 1921), *aff'd* 281 Fed. 88 (2d Cir. 1922), cert. denied, 259 U.S. 581.

<sup>70</sup> 206 Fed. 362 (N.D. Ohio 1913).

<sup>71</sup> 206 Fed. 69, 70 (S.D.N.Y. 1913).

stated the purpose and application of the impounding provision as follows:

Congress evidently intended \* \* \* to give a very summary remedy to the copyright owner \* \* \* and the Supreme Court by its rules thought it sufficient to protect the interests of the parties, respectively, by requiring bonds adequate in amount and with sufficient sureties \* \* \*. The procedure is that the articles alleged \* \* \* to infringe \* \* \* are to be delivered up to the marshal upon the complainants' giving security to indemnify the defendant \* \* \* and upon the defendant's alleging that the articles seized are not infringements, they may be returned to him upon his giving adequate security to abide the order of the court \* \* \*.

As to proposals regarding this provision in past revision bills, section 15(a) of the Hebert bill<sup>72</sup> and section 20(d) of the Dill bill<sup>73</sup> provided for the usual method of impounding allegedly infringing articles, but with the proviso:

that in case the judgment is adverse to the complainant, the respondent shall be entitled to such damages as he may have suffered on account of such impounding and have judgment therefor rendered by the court.

As will be noted below, several of the past revision bills would have excluded the remedies of impounding and destruction in certain situations.<sup>74</sup>

(b) *Destruction*

This remedy is available after the fact of infringement has been judicially established, and is applicable only against copies or devices for making copies in the hands of the infringer. Thus, it was said in *Foreign and Domestic Music Corp. v. Licht et al.*,<sup>75</sup> that "the remedy of forfeiture and destruction is given only against an infringer<sup>76</sup> \* \* \*," and the court held that this remedy did not apply against one who was not an infringer. The cases,<sup>77</sup> would seem to indicate that delivery up for destruction of infringing articles may be awarded, together with an injunction restraining further infringement, or in conjunction with both legal and equitable remedies.<sup>78</sup>

Some of the past revision bills would have limited the remedies to an injunction or a reasonable license fee only, thereby by implication excluding impounding and destruction, where notice and registration were lacking, or in other cases of innocent infringement. Thus, the Dallinger bill provided that an injunction as to future infringement was to be the only remedy against an innocent infringer of an unregistered work.<sup>79</sup> Under the Vestal bill which passed the House in 1931, an amount equivalent to a reasonable license fee was to be the only remedy against an innocent infringer unless the work had been registered or published with copyright notice.<sup>80</sup> The Dill bill<sup>81</sup> and the Duffy bill which passed the Senate<sup>82</sup> both provided that if the

<sup>72</sup> S. 176, 72d Cong., 1st sess., introduced Dec. 9, 1931.

<sup>73</sup> S. 3985, 72d Cong., 1st sess., introduced Mar. 2, 1932.

<sup>74</sup> See infra at notes 79-88.

<sup>75</sup> 196 F. 2d, 627, 629 (2d Cir. 1952). Accord: *Lampert v. Hollis Music, Inc.*, 105 F. Supp. 3 (E.D.N.Y. 1952).

<sup>76</sup> Italic in original.

<sup>77</sup> In *Midcontinent Map Co. v. Kintzel*, 50 U.S.P.Q. 495 (E.D. Ill. 1941) plaintiff was awarded an injunction restraining the defendant from further infringement, the profits realized by defendant from the infringement and the damages the plaintiff had sustained. Defendant had to deliver up to plaintiff all copies, photostats and negatives of the infringing maps. See also: *Edward B. Marks Music Corp. v. Borat Music Pub. Co.*, 110 F. Supp. 913 (D.N.J. 1953); *Markhan v. A. E. Borden Co.*, 108 F. Supp. 695 (D.C. Mass. 1952), rev'd on other grounds, 206 F. 2d 199 (1st Cir. 1953), aff'd 221 F. 2d 586 (1st Cir. 1953); *Northern Music Corp. v. King Record Distributing Co.*, 105 F. Supp. 393 (S.D.N.Y. 1952).

<sup>78</sup> *Local Trademarks, Inc. v. Grantham*, 117 U.S.P.Q. 335 (D. Neb. 1957).

<sup>79</sup> H.R. 9137, 68th Cong., 1st sess. (1924), sec. 26(a).

<sup>80</sup> H.R. 12549, 71st Cong., 3d sess. (1931), sec. 14(d).

<sup>81</sup> S. 342, 73d Cong., 1st sess. (1933), sec. 20(e), proviso.

<sup>82</sup> S. 3047, 74th Cong., 1st sess. (1935), sec. 17 amending sec. 25(b) of the act of 1909.

work had not been registered or published with copyright notice, the remedy for any infringement was to be limited to an injunction or a reasonable license fee.

Some of the past revision bills contained express limitations on impounding and destruction. Thus, the Dallinger<sup>83</sup> and Duffy<sup>84</sup> bills provided that an infringing architectural building substantially begun was not to be subject to demolition or seizure. The Vestal bill provided that no order was to be granted to impound or destroy an issue of a newspaper containing infringing matter where actual printing had commenced.<sup>85</sup> Under the Duffy bill the remedies of impounding and destruction were not to apply to an innocent infringement by a publisher or distributor of a newspaper, magazine, or periodical, by a broadcaster, or by a motion-picture producer or distributor.<sup>86</sup>

It is interesting to note that while the Vestal<sup>87</sup> and Duffy<sup>88</sup> bills would have absolved innocent printers from liability for damages and profits, they would have been liable to "the delivery up" of the printed material as well as to an injunction against future printing.

The Sirovich bills of 1932<sup>89</sup> provided<sup>90</sup> that, upon the conclusion of the action resulting in a judgment in favor of the copyright owner, all infringing articles owned by the infringer should be destroyed if the copyright owner established that the infringer acted with intent to infringe.<sup>91</sup> In all other cases, the court was given discretion to direct the destruction of infringing articles.

The Thomas bill<sup>92</sup> contained no restriction on this remedy and included among the articles to be delivered up "for destruction or such other disposition as the court may order"<sup>93</sup> the following: all infringing copies, records, rolls, films, prints, discs, and other contrivances or devices, as well as all plates, molds, matrices, or other means for making such infringing copies, contrivances, or devices.

### *3. Provisions in foreign laws on injunction, impounding and destruction of copies*

#### *(a) Injunction*

Under article 66 of the French copyright law<sup>94</sup> the president of the court of jurisdiction may enjoin continued manufacture of infringing articles. Section 36 of the German copyright law<sup>95</sup> in conjunction with section 823, paragraph 2, of the German Civil Code, permits an injunction against infringement. Section 17 of the British Copyright Act, 1956<sup>96</sup> provides for an injunction in the same manner "as is available in any corresponding proceedings in respect of infringements of other property rights." Section 20 of the Canadian Copyright Act, 1921<sup>97</sup> provides for relief by way of an injunction; this

<sup>83</sup> H. R. 9137, 68th Cong., 1st sess. (1924), sec. 26(b).

<sup>84</sup> S. 3047, 74th Cong., 1st sess. (1935), sec. 17 amending sec. 25(a)(1) of the act of 1909.

<sup>85</sup> H. R. 12549, 71st Cong., 3d sess. (1931), sec. 14(e), proviso.

<sup>86</sup> S. 3047, 74th Cong., 1st sess. (1935), sec. 17 amending sec. 25(e) of the act of 1909.

<sup>87</sup> H. R. 12549, 71st Cong., 3d sess. (1931), sec. 14(e).

<sup>88</sup> S. 3047, 74th Cong., 1st sess. (1935), sec. 17 amending sec. 25(c) of the act of 1909.

<sup>89</sup> H. R. 10364, H. R. 10740, H. R. 10976, H. R. 11948, H. R. 12094, H. R. 12425, 72d Cong., 1st sess., introduced Mar. 10, 22, 30, May 7, 16, June 2, 1932, respectively.

<sup>90</sup> Sec. 9(d), H. R. 10740; sec. 10(d), H. R. 10976, H. R. 11948.

<sup>91</sup> Sec. 10(d) H. R. 11948, H. R. 12094 reads: "if the infringer has not acted in good faith." Sec. 10(d), H. R. 12425 reads: "unless the defendant establishes that he was an innocent infringer." The Sirovich bill of 1936, H. R. 11420, 74th Cong., 2d sess., had a similar provision in sec. 24(d).

<sup>92</sup> S. 3043, 76th Cong., 3d sess. (1940).

<sup>93</sup> Sec. 19(c).

<sup>94</sup> Law of Mar. 11, 1957.

<sup>95</sup> Law of June 19, 1901.

<sup>96</sup> 4 and 5 Eliz., ch. 74.

<sup>97</sup> Can. Rev. Stat., ch. 2 (1952).

remedy, in some cases of innocent infringement is in fact the only remedy.<sup>98</sup>

(b) *Impounding and destruction of copies*

Some foreign copyright laws make a decree for destruction of infringing copies mandatory on the court. Thus, section 42 of the German copyright law requires destruction of infringing copies or devices after final judgment even where infringement in the production or distribution of such copies was neither intentional nor negligent, and whether the production was completed or not. The French copyright law provides in article 72 that in the case of conviction for repeated infringements the place of business of the infringer may be closed temporarily or permanently, and the employees of the infringer must be paid their regular salaries during the period of closing and for 6 months thereafter. In addition under article 23 all infringing articles are to be destroyed. The British Copyright Act provides in section 21(g) that—

the court before which a person is charged with an offense under this section [i.e., that he knowingly infringed] may, whether he is convicted of the offense or not, order that any article in his possession which appears to the court to be an infringing copy, or to be a plate used or intended to be used for making infringing copies, shall be destroyed or delivered up to the owner of the copyright in question or otherwise dealt with as the court may think fit.

## II. CRIMINAL PENALTY FOR INFRINGEMENT<sup>99</sup>

### 1. *Effect and application of section 104*

Section 104 makes it a misdemeanor willfully and for profit to infringe a copyright, or knowingly and willfully to aid or abet such infringement. The punishment in both cases may be imprisonment not exceeding 1 year, or a fine of not less than \$100 nor more than \$1,000 or both.

This section has rarely been invoked. The infrequency of its use, however, does not disprove its efficacy as a deterrent to willful and reckless infringements. It may be that civil actions are preferred by injured copyright owners since they offer a more lucrative result. To "charge an author with willfully infringing a copyright by plagiarism is to charge him with a crime,"<sup>100</sup> and though charges of that nature are sometimes made in civil actions there is seldom any resulting criminal prosecution.

The problems arising in the reported cases dealing with section 104 seem to be largely of a procedural nature.

In *United States v. Schmidt*,<sup>101</sup> the court denied a motion to quash an indictment which did not strictly follow the wording of section 104. It was alleged in the indictment that one defendant—

did knowingly, willfully, and for profit, and without securing permission or license so to do, print and publish certain [copyrighted] publications \* \* \*—

that another defendant—

did knowingly, willfully, unlawfully, and for profit, aid, abet, incite, counsel, and procure the [first defendant] \* \* \* to knowingly, willfully, unlawfully and for profit, infringe \* \* \*.

<sup>98</sup> Sec. 22.

<sup>99</sup> The only section on criminal penalties of title 17, U.S.C., discussed here is sec. 104.

<sup>100</sup> *Cloth v. Hyman*, 146 F. Supp. 185 (S.D.N.Y. 1956).

<sup>101</sup> 15 F. Supp. 804 (M.D. Pa. 1936).

Defendants urged that all counts were bad for duplicity, and were vague, indefinite, and uncertain. The court, setting out in detail that the indictment was sufficient, denied the motion.

In *Marx v. United States*<sup>102</sup> one of the defendants' arguments on appeal was also that the indictment was insufficient. In this case the indictment was worded in the language of the statute, but did not allege copying and did not expressly negative the possibility that the composition alleged to be infringing was an original conception. The court held that the indictment charged—

a willful infringement of the copyrighted drama by broadcasting the same to the general public. An intentional copying is sufficiently alleged.<sup>103</sup>

As to the question of willfulness, it was claimed by defendants that the evidence was insufficient to show willful infringement. The court said that admittedly defendants were familiar with the infringed work and whether they had forgotten it as they claimed, or whether they remembered but chose to disregard the rights of the proprietors, were problems for the determination of the jury.

In *United States v. Backer*,<sup>104</sup> one of the errors charged on appeal again concerned the trial court's interpretation of the word "willful." The court of appeals held that a comparison of the infringing and the infringed copies—

leaves no doubt, in view of other evidence in the case, that they [the infringing copies] are in most respects copies of the [copyrighted works] as charged in the indictment. Nor can there be any fair doubt that the appellant had the copies made and deliberately sold them for profit.<sup>105</sup>

In addition to the few reported cases, there have been several unreported criminal prosecutions for willful infringements of copyright for profit.

## 2. *Brief history of provision on criminal penalty for infringement*

By the act of January 6, 1897,<sup>106</sup> section 4966 of the Revised Statutes<sup>107</sup> was amended to provide, in part, as follows:

If the unlawful performance and representation [of a copyrighted dramatic or musical composition] be willful and for profit, such person or persons shall be guilty of a misdemeanor and upon conviction be imprisoned for a period not exceeding 1 year.

Section 28 of the act of 1909, which was identical with the present section 104, extended the scope of the criminal provision in two respects: instead of covering only infringing performances of dramatic or musical works as in the previously existing law, the new section applied to all willful infringements for profit,<sup>108</sup> and the penalty was made alternative, i.e., imprisonment or a fine, or both, could be imposed.

In several of the bills to revise the Copyright Act of 1909, changes, principally of form, were proposed in the provision on criminal penalty for infringement; in some bills the section on criminal penalty for infringement was altogether omitted. In the latter group was

<sup>102</sup> 96 F. 2d 204 (9th Cir. 1938).

<sup>103</sup> *Ibid.*

<sup>104</sup> 134 F. 2d 533 (2d Cir. 1943).

<sup>105</sup> *Ibid.*

<sup>106</sup> 29 Stat. 481.

<sup>107</sup> Act of July 8, 1870, 16 Stat. 214.

<sup>108</sup> See the explanation in the committee report, H.R. Rept. No. 2222, 60th Cong., 2d sess., on the bill enacting the Copyright Act of 1909, on sec. 28

H.R. 12549<sup>109</sup> in which remedies for infringement were limited to civil actions.<sup>110</sup>

The changes proposed varied considerably. In a bill introduced in 1931<sup>111</sup> to amend sections 23, 25, and 28 of the Copyright Act of 1909, imprisonment for willful infringement for profit was limited to 6 months and the fine to \$500, but no other substantive changes were proposed. A criminal provision of considerably enlarged scope was proposed in the first Sirovich bill.<sup>112</sup> It provided criminal penalties for other acts (involving fraudulent misrepresentations) as well as for willful infringement for profit. Section 38 of this bill read as follows:

Any person who, with intent to defraud, shall assign a copyright or grant any license thereunder, knowing that he has previously assigned and/or licensed the same right to others, or knowing that he has no right or authority to make such assignment or license, or who willfully and for profit shall infringe or conspire to infringe any copyright secured by this Act, or who, with fraudulent intent, shall institute or threaten to institute any action or other proceeding under this Act, knowing such action or other proceeding to be without foundation, or who shall register or cause to be registered a pirated work with knowledge that such work is pirated, or who shall record or cause to be recorded a false or fraudulent assignment or license with the knowledge that such assignment or license is false or fraudulent, or who shall make a false and fraudulent statement in any affidavit or other writing filed in the Copyright Office shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be punished by a fine of not more than \$2,000 and/or imprisonment for not more than six months.<sup>113</sup>

The Thomas bill<sup>114</sup> similarly combined the criminal provisions on willful infringement for profit with provisions imposing criminal penalties for other acts (involving fraudulent misrepresentations) as follows:<sup>115</sup>

Any person who willfully and for profit shall infringe any right secured by this Act, and who shall knowingly aid or abet such infringement, or who shall insert, impress, or affix any notice of copyright upon any article with knowledge that such notice is false, or any person who shall knowingly issue, publish, sell, distribute, or import into the United States any such article containing such false notice, or who shall remove or alter with fraudulent intent the copyright notice upon any article duly affixed by the persons entitled so to do, or who shall register or cause to be registered a pirated work with knowledge that such work is pirated, or who shall record or cause to be recorded a false or fraudulent grant with the knowledge that such grant is false or fraudulent, or shall knowingly make a false and fraudulent statement in any affidavit or other writing filed in the Copyright Office, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished for each offense by imprisonment for not exceeding one year, or by fine of not less than \$100 nor more than \$1,000, or both such fine and imprisonment.

### *3. Provisions in foreign laws on criminal penalties for infringement*

The copyright laws of practically all foreign countries contain provisions for criminal penalties for infringement of copyright. These provisions are used to a much greater extent, particularly in the "civil law" countries, than is the case in this country. One of the reasons for this more frequent application of criminal provisions

<sup>109</sup> 71st Cong., 3d sess., Jan. 21, 1931, as it came to the Senate from the House (passed by the House Jan. 13, 1931). H.R. 12549, 71st Cong., 2d sess., as introduced May 22, 1930, by Mr. Vestal contained, in sec. 26, a criminal provision. This provision was restored in S. 176, 72d Cong., 1st sess., introduced Dec. 9, 1931, by Mr. Hebert. Also in this group was the Dill bill, S. 3985, 72d Cong., 1st sess., introduced Mar. 2, 1932.

<sup>110</sup> Under sec. 32 of H.R. 12549 use of a fraudulent copyright notice was a misdemeanor.

<sup>111</sup> S. 5687, 71st Cong., 3d sess., introduced Jan. 5, 1931, by Mr. King.

<sup>112</sup> H.R. 10364, 72d Cong., 1st sess., introduced Mar. 10, 1932.

<sup>113</sup> The fine was reduced to \$1,000 in sec. 39 of H.R. 10976, 72d Cong., 1st sess., introduced on Mar. 30, 1932, by Mr. Sirovich, committed to the Committee of the Whole House on the State of the Union, Apr. 5, 1932 (Union Cal. No. 190).

<sup>114</sup> S. 3041, 76th Cong., 3d sess., introduced Jan. 8, 1940.

<sup>115</sup> Sec. 18. The note on the draft bills preceding the Thomas bill states as to sec. 18: "This section combines and revises secs. 28 and 29 of the law of 1909."

would seem to be that, under these foreign laws, criminal penalties and civil damages are frequently imposed in one action and both may accrue to the benefit of the plaintiff.<sup>116</sup> Another reason may be that civil damage awards are usually for smaller sums in foreign countries than in the United States. It therefore appears difficult to compare the criminal provisions of the foreign and U.S. copyright laws.

The British Copyright Act, 1956,<sup>117</sup> provides, in section 21, for penalties and summary proceedings in respect of dealings which infringe copyright. Under this section fines may be imposed from a minimum of 40 shillings for each infringing article to a maximum of 50 pounds, and in cases of repeated infringement, imprisonment not exceeding 2 months. Acts which are punishable under this section of the British Copyright Act, 1956, include, e.g., knowingly making for sale or hire, selling, exhibiting, or distributing infringing copies, making or possessing plates knowing they are to be used for making infringing copies, or knowingly and without authority performing a copyrighted work.

The Canadian Copyright Act<sup>118</sup> contains a criminal provision<sup>119</sup> which is similar to that of the British Copyright Act.

### III. ISSUES PRESENTED

#### 1. *Analysis*

Two subjects are analyzed in this paper: civil remedies other than damages, and criminal penalties for infringement. What are the problems raised in connection with these subjects?

##### (a) *Injunction*

The present law leaves it to the discretion of the court whether an injunction will be granted or denied. It has always been the rule of the courts that an injunction is an extraordinary remedy to be used only where further injury to the plaintiff is likely and the equities of the situation are on the side of injunctive relief, and the courts have denied an injunction in cases where it was thought that this remedy would be unduly harsh on the defendant.

Some of the past bills for general revision of the copyright law contained proposals to limit the power of the courts to grant injunctions in certain instances, particularly where an infringing undertaking had been innocently begun. Thus, it was proposed that no injunction shall be issued against the completion of a building or of printing innocently begun, or against the publication of a newspaper or periodical, or against the publication or broadcasting of infringing advertisements for which preparation had been innocently begun. A provision was also proposed that no temporary restraining order shall be issued against the production of a motion picture substantially begun or its distribution or exhibition.

The question whether in these or other circumstances, there should be in a revised law any express limitations on the injunctive power of the courts. It should be noted that no reported case has been

<sup>116</sup> For details see Strauss, "The Damage Provisions of the Copyright Law" [Study No. 22 in the present Committee Print, pt. A-III].

<sup>117</sup> 4 and 5 Eliz. 2, ch. 74.

<sup>118</sup> Can. Rev. Stat., 1952, ch. 55.

<sup>119</sup> Sec. 25.

found where a court has issued an injunction that the revision proposals mentioned above would have prevented.

*(b) Impounding and destruction*

Impounding is a temporary remedy to be used either to insure defendant's compliance with a decree of the court, or as a measure preliminary to possible destruction of the infringing articles. Such destruction may be ordered only after the fact of infringement has been judicially established and only against a proven infringer. Impounding and destruction are matters for the court's discretion.

As to impounding, two of the past revision bills proposed an added provision granting a successful defendant an award of such damages as he may have incurred due to the impounding. The Supreme Court Rules requiring the plaintiff to file a bond would seem to take care of this.

Some of the past revision bills provided variously that the remedies of impounding and destruction were not to be available in regard to a building under construction or an issue of a periodical or newspaper of which manufacture had innocently begun, or against an innocent broadcaster or motion picture producer or distributor, or against innocent infringers generally.

Impounding and destruction, like injunctions, are extraordinary remedies which courts, in their discretion, apply as the situation in each case seems to require in order to prevent further injury to the plaintiff; and these remedies are not applied where the court feels that they would be unduly injurious to the defendant. The proposals in past revision bills to deny these remedies in certain situations were apparently prompted by an abundance of caution. No reported case has been found in which impounding or destruction was ordered in a situation where it would have been precluded by these proposals.

*(c) Criminal penalties*

Though infrequently invoked, the criminal provision in section 104 of the present law may serve as a deterrent to willful infringement. It does not appear to have created any special difficulties in its application.

Two of the past revision bills omitted this provision entirely, without explanation; perhaps it was considered unnecessary. In other revision bills the provision was left intact, or was merely changed in form to combine this with other criminal provisions relating to fraudulent misrepresentations. Some bills proposed to change the penalties: maximum imprisonment for 6 months, instead of the present 1 year; or a maximum fine of \$500 in one bill, of \$2,000 in another, instead of the present \$1,000.

## *2. Summary of issues*

*(a)* Should any limitations be imposed by the statute on the issuance of injunctions against copyright infringements? If so, what limitations?

*(b)* Should any limitations be imposed by the statute on the impounding or destruction of infringing copies and devices? If so, what limitations?

*(c)* Should the criminal penalty for willful infringement for profit, or for knowingly and willfully aiding or abetting such infringement, be retained, eliminated, or modified?

---

---

**COMMENTS AND VIEWS SUBMITTED TO THE  
COPYRIGHT OFFICE  
ON  
REMEDIES OTHER THAN DAMAGES  
FOR COPYRIGHT INFRINGEMENT**

---

---

## CONTENTS

---

Comments and views submitted by—		Page
Harry R. Olsson, Jr.....		133
Richard H. Walker.....		133

COMMENTS AND VIEWS SUBMITTED TO THE COPYRIGHT  
OFFICE ON REMEDIES OTHER THAN DAMAGES FOR  
COPYRIGHT INFRINGEMENT

---

*By Harry R. Olsson, Jr.*

APRIL 22, 1959.

\* \* \* \* \*

*Remedies other than damages*

(a) The statute should not impose any limitations on the issuance of injunctions. Normal judicial rules are sufficient and provide more desirable flexibility than any statutory enumeration would.

(b) The statute should provide for impounding and destruction of infringing copies and devices only in the hands of an infringer or one who took with knowledge or its equivalent.

(c) The criminal penalty for willful infringement for profit should be retained.

\* \* \* \* \*

HARRY R. OLSSON, JR.

---

*By Richard H. Walker (The Curtis Publishing Co.)*

MAY 4, 1959.

\* \* \* \* \*

*Remedies other than damages for copyright infringement*

The possibility of injunctive relief in many cases is a greater deterrent to willful copyright infringement than damages. Similarly, the possibility of an injunction issued because of an innocent infringement is a terrifying thought to a publisher of periodicals. As noted in the study, injunctive relief is a matter for the court's discretion. Legislation to limit this remedy is contemplated only to preclude its application inequitably. This, by definition, is impossible and in practice, to our knowledge, has never occurred. Despite the possible risk to a publisher, I do not believe that future legislation should attempt to interfere with a judicial function which shows no evidence of having been abused.

The comments above apply equally to legislative attempts to limit the discretion of the court in impounding or destroying infringing copies.

I can see no reason for eliminating criminal penalties for willful infringement. Let us hope that there will continue to be little need for their use. Still, a willful infringement is no different than a deliberate taking of the property of another, and should be subject to the same sort of criminal sanctions.

\* \* \* \* \*

RICHARD H. WALKER.

133