

CHAPTER TWO

Intellectual Property & the Constitution



[The Congress shall have power] “To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;”

U.S. Constitution Art. I, § 8, cl. 8.

Introduction

In this chapter, we explore the constitutional sources of (and possible limitations) on Congress’s powers to make intellectual property law. There are two reasons to want to do this. First, it will help us understand the reach of, and the limits on, Federal intellectual property law, and in particular the way those limits are shaped by interaction between three constitutional provisions, Art. I, § 8, cl. 8 quoted above,[‡] the Commerce Clause and the First Amendment. Second, and perhaps more important, understanding the animating constitutional provisions, their goals, and their inner tensions, will shine a light on the way that the courts *interpret* existing intellectual property law. There are three basic conceptual boxes in the Federal intellectual property system (together with a newly created Federal trade secrecy regime) and Congress, and the happenstance of technological development, keep depositing new material, new social practices and new technology into those conceptual boxes. The ideas expressed in the constitutional sources and limitations explored in this sector may shape the way that judges interpret the law in the process that follows.

Congress’s power to legislate in any given field must be founded on one of the powers enumerated in Article I, section 8 of the Constitution. Its power to offer exclusive rights to authors and inventors (i.e. copyright and patent) derives from the Intellectual Property Clause which is reproduced at the top of this page.

At the outset, there are a few notable things about this grant of power. First, it is the only clause that comes with its own, built-in justification: “to promote the progress of science and useful arts.” None of the other clauses list a rationale. For example, Congress also has the power:

- To borrow money on the credit of the United States;
- To regulate commerce with foreign nations, and among the several states, and with the Indian tribes;
- To establish a uniform rule of naturalization, and uniform laws on the subject of bankruptcies throughout the United States;
- To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures;
- To provide for the punishment of counterfeiting the securities and current coin of the United States;
- To establish post offices and post roads.

Like some other clauses, the Intellectual Property Clause contains obvious modifiers: “by securing for limited Times.” But as we will see, the courts have also found

[‡] This clause is variously referred to as the Copyright Clause, Copyright and Patent Clause, and Intellectual Property Clause.

other, less immediately obvious, limitations in the clause. The *Trade-Mark Cases*, which follow this introduction, represent one example of such a limitation, the requirement of originality, though the constricted vision of Congress's Commerce Clause power is no longer good law. (Today, the Federal Trademark statute, the Lanham Act, is seen as well within Congress's power under the Commerce Clause. The same is true of Federal trade secrecy protection.) *Feist* reiterates that originality is constitutionally required for grants of copyright. The excerpted fragment of the *John Deere* case provides a robust assertion of the limits of Congressional power in the context of patent law. But important questions remain. If there are any strong limitations imposed by the Intellectual Property Clause, do they also limit the power of the Congress under the other clauses of the Constitution? For example, if under the Intellectual Property Clause, Congress is forbidden from creating permanent copyrights or rights over unoriginal collections of facts, may it do so under the Commerce Clause instead?

These questions are given particular saliency by two developments; first, the increased importance of intellectual property rights in an information age that runs from the Internet to the Human Genome project and second, a relatively uniform expansion of intellectual property rights over the last fifty years.

We will turn first to the question of the *sources* of Congressional power to make intellectual property law, the limits those sources impose and the interaction between different grants of power. After that, we will turn to the limitations imposed by the First Amendment. Before heading into the cases, though, we are going to think through the Intellectual Property Clause. The goal is to come up with a range of its possible meanings.

PROBLEM 2-1

CONSTITUTIONAL INTERPRETATION.

[The Congress shall have power] "To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries;" U.S. Constitution Art. I, § 8, cl. 8.

Find each word or phrase in this clause that could constitute a limitation on Congress's power. Explain *what* the limitation would be, *why* one might believe that such a limitation should be read into the clause and what kind of assumptions your possible reasoning makes about the *goal or function or meaning* of the clause. In addition, explain what implication each interpretation would have for a judge or other decision maker trying to interpret a piece of legislation made *under* the clause.

1.) Limitations on Congressional Power: Originality

The Trade-Mark Cases

U.S. v. Steffens; U.S. v. Wittemann; U.S. v. Johnson
100 U.S. 82 (1879)



Mr. Justice MILLER delivered the opinion of the court.

The three cases whose titles stand at the head of this opinion are criminal

prosecutions for violations of what is known as the trade-mark legislation of Congress. The first two are indictments in the southern district of New York, and the last is an information in the southern district of Ohio. In all of them the judges of the circuit courts in which they are pending have certified to a difference of opinion on what is substantially the same question; namely, are the acts of Congress on the subject of trade-marks founded on any rightful authority in the Constitution of the United States?

. . . The right to adopt and use a symbol or a device to distinguish the goods or property made or sold by the person whose mark it is, to the exclusion of use by all other persons, has been long recognized by the common law and the chancery courts of England and of this country, and by the statutes of some of the States. It is a property right for the violation of which damages may be recovered in an action at law, and the continued violation of it will be enjoined by a court of equity, with compensation for past infringement. This exclusive right was not created by the act of Congress, and does not now depend upon it for its enforcement. The whole system of trade-mark property and the civil remedies for its protection existed long anterior to that act, and have remained in full force since its passage.

These propositions are so well understood as to require neither the citation of authorities nor an elaborate argument to prove them.

As the property in trade-marks and the right to their exclusive use rest on the laws of the States, and, like the great body of the rights of person and of property, depend on them for security and protection, the power of Congress to legislate on the subject, to establish the conditions on which these rights shall be enjoyed and exercised, the period of their duration, and the legal remedies for their enforcement, if such power exist at all, must be found in the Constitution of the United States, which is the source of all powers that Congress can lawfully exercise.

In the argument of these cases this seems to be conceded, and the advocates for the validity of the acts of Congress on this subject point to two clauses of the Constitution, in one or in both of which, as they assert, sufficient warrant may be found for this legislation.

The first of these is the eighth clause of sect. 8 of the first article. That section, manifestly intended to be an enumeration of the powers expressly granted to Congress, and closing with the declaration of a rule for the ascertainment of such powers as are necessary by way of implication to carry into efficient operation those expressly given, authorizes Congress, by the clause referred to, 'to promote the progress of science and useful arts, by securing for limited times, to authors and inventors, the exclusive right to their respective writings and discoveries.'

As the first and only attempt by Congress to regulate the right of trade-marks is to be found in the act of July 8, 1870, to which we have referred, entitled 'An Act to revise, consolidate, and amend the statutes relating to patents and copyrights,' terms which have long since become technical, as referring, the one to inventions and the other to the writings of authors, it is a reasonable inference that this part of the statute also was, in the opinion of Congress, an exercise of the power found in that clause of the Constitution. It may also be safely assumed that until a critical examination of the subject in the courts became necessary, it was mainly if not wholly to this clause that the advocates of the law looked for its support.

Any attempt, however, to identify the essential characteristics of a trade-mark with inventions and discoveries in the arts and sciences, or with the writings of authors, will show that the effort is surrounded with insurmountable difficulties.

The ordinary trade-mark has no necessary relation to invention or discovery. The trade-mark recognized by the common law is generally the growth of a considerable period of use, rather than a sudden invention. It is often the result of accident rather than

design, and when under the act of Congress it is sought to establish it by registration, neither originality, invention, discovery, science, nor art is in any way essential to the right conferred by that act. If we should endeavor to classify it under the head of writings of authors, the objections are equally strong. In this, as in regard to inventions, originality is required. And while the word writings may be liberally construed, as it has been, to include original designs for engravings, prints, &c., it is only such as are original, and are founded in the creative powers of the mind. The writings which are to be protected are the fruits of intellectual labor, embodied in the form of books, prints, engravings, and the like. The trade-mark may be, and generally is, the adoption of something already in existence as the distinctive symbol of the party using it. At common law the exclusive right to it grows out of its use, and not its mere adoption. By the act of Congress this exclusive right attaches upon registration. But in neither case does it depend upon novelty, invention, discovery, or any work of the brain. It requires no fancy or imagination, no genius, no laborious thought. It is simply founded on priority of appropriation. We look in vain in the statute for any other qualification or condition. If the symbol, however plain, simple, old, or well-known, has been first appropriated by the claimant as his distinctive trade-mark, he may by registration secure the right to its exclusive use. While such legislation may be a judicious aid to the common law on the subject of trade-marks, and may be within the competency of legislatures whose general powers embrace that class of subjects, we are unable to see any such power in the constitutional provision concerning authors and inventors, and their writings and discoveries.

The other clause of the Constitution supposed to confer the requisite authority on Congress is . . . as follows: ‘The Congress shall have power to regulate commerce with foreign nations, and among the several States, and with the Indian tribes.’

The argument is that the use of a trade-mark—that which alone gives it any value—is to identify a particular class or quality of goods as the manufacture, produce, or property of the person who puts them in the general market for sale; that the sale of the article so distinguished is commerce; that the trade-mark is, therefore, a useful and valuable aid or instrument of commerce, and its regulation by virtue of the clause belongs to Congress, and that the act in question is a lawful exercise of this power. . . .

The question, therefore, whether the trade-mark bears such a relation to commerce in general terms as to bring it within congressional control, when used or applied to the classes of commerce which fall within that control, is one which, in the present case, we propose to leave undecided. We adopt this course because when this court is called on in the course of the administration of the law to consider whether an act of Congress, or of any other department of the government, is within the constitutional authority of that department, a due respect for a co-ordinate branch of the government requires that we shall decide that it has transcended its powers only when that is so plain that we cannot avoid the duty.

In such cases it is manifestly the dictate of wisdom and judicial propriety to decide no more than is necessary to the case in hand. That such has been the uniform course of this court in regard to statutes passed by Congress will readily appear to any one who will consider the vast amount of argument presented to us assailing them as unconstitutional, and he will count, as he may do on his fingers, the instances in which this court has declared an act of Congress void for want of constitutional power.

Governed by this view of our duty, we proceed to remark that a glance at the commerce clause of the Constitution discloses at once what has been often the subject of comment in this court and out of it, that the power of regulation there conferred on Congress is limited to commerce with foreign nations, commerce among the States, and commerce with the Indian tribes. . . .

When, therefore, Congress undertakes to enact a law, which can only be valid as a regulation of commerce, it is reasonable to expect to find on the face of the law, or from its essential nature, that it is a regulation of commerce with foreign nations, or among the several States, or with the Indian tribes. If not so limited, it is in excess of the power of Congress. If its main purpose be to establish a regulation applicable to all trade, to commerce at all points, especially if it be apparent that it is designed to govern the commerce wholly between citizens of the same State, it is obviously the exercise of a power not confided to Congress.

We find no recognition of this principle in the chapter on trade-marks in the Revised Statutes. We would naturally look for this in the description of the class of persons who are entitled to register a trade-mark, or in reference to the goods to which it should be applied. If, for instance, the statute described persons engaged in a commerce between the different States, and related to the use of trade-marks in such commerce, it would be evident that Congress believed it was acting under the clause of the Constitution which authorizes it to regulate commerce among the States. So if, when the trade-mark has been registered, Congress had protected its use on goods sold by a citizen of one State to another, or by a citizen of a foreign State to a citizen of the United States, it would be seen that Congress was at least intending to exercise the power of regulation conferred by that clause of the Constitution. But no such idea is found or suggested in this statute. . . .

The questions in each of these cases being an inquiry whether these statutes can be upheld in whole or in part as valid and constitutional, must be answered in the negative.

Questions:

- 1.) The Court says “[i]f we should endeavor to classify it under the head of writings of authors, the objections are equally strong. In this, as in regard to inventions, originality is required.” Where does this limitation appear in the Intellectual Property Clause? Is there a textual basis? A philosophical basis? Both?
- 2.) “In such cases it is manifestly the dictate of wisdom and judicial propriety to decide no more than is necessary to the case in hand. That such has been the uniform course of this court in regard to statutes passed by Congress will readily appear to any one who will consider the vast amount of argument presented to us assailing them as unconstitutional, and he will count, as he may do on his fingers, the instances in which this court has declared an act of Congress void for want of constitutional power.” Yet this time the Court does declare the Act unconstitutional, despite the fact that the word “original” does not appear in the Intellectual Property Clause. Why? Does the discussion of the Commerce Clause, and its assumptions about Federal power, suggest an answer? Or is the originality requirement, in your view, well grounded in the purpose and language of the Intellectual Property Clause?

Feist v. Rural Telephone Service
499 U.S. 340 (1991)



The *Feist* opinion can be found in Chapter 11, starting at page 287. Please read it and then answer the following questions.

Questions:

- 1.) What would Justice Pitney, who wrote the majority in *INS v. AP*, say about this case?
- 2.) Is this merely a case about statutory interpretation? Or does it reinforce the *Trade-Mark Cases*' originality requirement?
- 3.) From an information economics point of view, telephone directories look like "public goods." They are non-excludable and non-rival. Yet this decision refuses to extend copyright to them. Is there an economic justification for such a result as well as a constitutional one?
- 4.) Think of innovation and culture as an input-output system. There are inputs (the raw material from which the innovation or the cultural product is produced) and outputs (the book, the invention, the movie, the software program.) Intellectual property schemes give control and limited monopolies over outputs, but this also risks raising the cost of the inputs for the next generation of innovation or culture. What "balance" does the *Feist* case set in terms of the inputs and outputs of copyright? Why leave unoriginal compilations of fact free?
- 5.) It is the day after the *Feist* decision and you are the lawyer for the winners. Might you still try and negotiate a license with the telephone company for their directory information, even if at a lower price? Why, when you could take it for free? Does this tell you anything about how excludable and non-rival the telephone directory truly is?

2.) Limitations on Congressional Power: Purpose and Novelty/Non-Obviousness

Graham v. John Deere Co.
383 U.S. 1 (1966)



Please read sections I–IV of the opinion, which can be found on page 744.

Questions:

- 1.) Give the most expansive possible reading of the holding of *Graham* in terms of the limitations set by the Copyright and Patent Clause on Congress's power. Now the most limited. Which is correct, in your view? Is there some middle position?
- 2.) Does this ruling apply only to Congress's patent legislation or does it apply equally to patent and copyright? Why?
- 3.) Does *Graham* also offer *interpretive* guidance to courts seeking to interpret intellectual property legislation? If so, how would you describe that guidance?

3.) Limitations on Congressional Power: Fixation & the Interaction Between Clauses

PROBLEM 2-2

CONSTITUTIONAL INTERPRETATION.

Read *Moghadam* and *Martignon* and answer the following questions:

- 1.) *Why* do we have a fixation requirement in copyright? Offer reasons that resonate with a.) the Copyright Clause’s goal of encouraging creative activity that leads to actual access to the works for citizens and consumers, followed by an entry of the work into the public domain b.) the need to make copyright consistent with the First Amendment c.) the issue of “formal realizability”—defining the metes and bounds of the right so that one can tell what activities do and do not infringe.
- 2.) You are a plaintiff challenging the constitutionality of the anti-bootlegging statute discussed in *Moghadam* and *Martignon*—both the civil and criminal provisions. What specific challenges should you bring? How should the Court rule?
- 3.) More generally, does the Intellectual Property Clause ever constrain Congress’s power under the Commerce clause? When and under what circumstances?

U.S. v. Moghadam
175 F.3d 1269 (11th Cir. 1999)



ANDERSON, Chief Judge.

In 1994, Congress passed a statute criminalizing the unauthorized recording, the transmission to the public, and the sale or distribution of or traffic in unauthorized recordings of live musical performances. See 18 U.S.C. § 2319A. Appellant Ali Moghadam was convicted of violating that law (herein sometimes referred to as the “anti-bootlegging statute”) after he pleaded guilty to knowingly distributing, selling, and trafficking in bootleg (unauthorized) compact discs featuring live musical performances by recording artists including Tori Amos and the Beastie Boys. . . . In the district court, Moghadam moved to dismiss the indictment, arguing that the statute was unconstitutional because it did not fall within any of the federal legislative powers enumerated in Article I, § 8 of the Constitution. The government responded that it was constitutional under either the Copyright Clause or the Commerce Clause. . . . For the reasons that follow, and in the limited circumstances of this case, we reject Moghadam’s constitutional challenge, and therefore affirm Moghadam’s conviction.

I. Background on the Anti-Bootlegging Statute

A brief overview of the history of statutory protection for music and musical performances is in order. Musicians or performers may enjoy copyright or copyright-like protection in three things, which are important to keep distinct. . . . First, [there is the] musical composition. . . . [Second, i]n 1971, Congress extended copyright protection to sound recordings. This meant that persons who made unauthorized reproductions of records or tapes . . . could be prosecuted or face civil liability for copyright infringement. . . .

However . . . [n]o protection at the federal level extended directly to unrecorded

live musical performances. Therefore, a bootlegger could surreptitiously record a live musical performance and engage in unauthorized distribution of the recording or copies thereof, without having violated copyright law. . . . [The anti-bootlegging statute was enacted as part of the URAA, a statute implementing the agreements reached as part of the TRIPS Uruguay Round. It forbade making, distributing or trafficking in such (unauthorized) recordings for commercial gain or private financial advantage.] The URAA also enacted a similar provision establishing civil liability for the same conduct (but omitting the commercial advantage or private financial gain requirement). . . . [W]hat little legislative history exists tends to suggest that Congress viewed the anti-bootlegging provisions as enacted pursuant to its Copyright Clause authority.

The rights created by the anti-bootlegging provisions in URAA are actually hybrid rights that in some ways resemble the protections of copyright law but in other ways are distinct from them. . . . Congress could have amended 17 U.S.C. § 102 to include live musical performances in the list of protectable subject matter, but it did not do so. Likewise, it is unclear whether longstanding concepts generally applicable to copyright law such as fair use, the work-for-hire doctrine, limited duration, and the statute of limitations, carry over to the anti-bootlegging provisions. Finally, in contrast to the six exclusive rights of a copyright owner spelled out in 17 U.S.C. § 106, it appears that the only exclusive right created by the anti-bootlegging statute is to record and/or re-communicate one's performance. For all of these reasons, the protections that the anti-bootlegging statutes confer on musicians are best described as "quasi-copyright" or *sui generis* protections.

II. Whether the Anti-Bootlegging Statute Can Be Sustained Under the Copyright Clause of the Constitution

Our analysis of the constitutionality of § 2319A begins with the Copyright Clause of the United States Constitution. By that Clause, Congress is empowered "to promote the Progress of Science and the useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. art. I, § 8, cl. 8. This positive grant of legislative authority includes several limitations. *See, e.g., Feist* (holding that the word "Writings" in the Copyright Clause allows Congress to extend protection only to works of authorship that are original). Of these limitations, Moghadam has relied in the instant case only on the concept of "fixation" which is said to be embedded in the term "Writings."

The concept of fixation suggests that works are not copyrightable unless reduced to some tangible form. . . . Of course, the term "Writings" has been interpreted so broadly as to include much more than writings in the literal sense, or the lay definition of the word. In fact, since a sound recording qualifies as a "Writing" in the constitutional sense "it is now clear that a writing may be perceptible either visually or aurally." But the fixation requirement seems to have persisted through this expansion. Thus, although in the modern era the term "Writings" allows Congress to extend copyright protection to a great many things, those things have always involved some fixed, tangible and durable form.

Moghadam argues that a live performance, by definition, has not been reduced to a tangible form or fixed as of the time of the performance. *See Nimmer, The End of Copyright* ("No respectable interpretation of the word 'writings' embraces an untaped performance of someone singing at Carnegie Hall.") Moghadam argues that, but for the bootlegger's decision to record, a live performance is fleeting and evanescent.

Because we affirm the conviction in the instant case on the basis of an alternative source of Congressional power, we decline to decide in this case whether the fixation concept of Copyright Clause can be expanded so as to encompass live performances that

are merely capable of being reduced to tangible form, but have not been.⁹ For purposes of this case, we assume *arguendo*, without deciding, that the above described problems with the fixation requirement would preclude the use of the Copyright Clause as a source of Congressional power for the anti-bootlegging statute.

III. Whether the Anti-Bootlegging Statute Can Be Sustained Under the Commerce Clause of the Constitution

The government contends, however, that the anti-bootlegging statute is permissible legislation under Congress's Commerce Clause power.¹⁰ Congress has the legislative authority "to regulate Commerce with foreign Nations, and among the several States." U.S. Const. art. I, § 8, cl. 3. . . . Because Congress thought it was acting under the Copyright Clause, predictably there are no legislative findings in the record regarding the effect of bootlegging of live musical performances on interstate or foreign commerce. . . . However, the lack of such findings does not rule out the Commerce Clause as a possible source of legislative authority applicable to the statute under challenge. . . .

Section 2319A clearly prohibits conduct that has a substantial effect on both commerce between the several states and commerce with foreign nations. The link between bootleg compact discs and interstate commerce and commerce with foreign nations is self-evident. . . . Moreover, the type of conduct that Congress intended to regulate by passing the anti-bootlegging statute is by its very nature economic activity, which distinguishes the statute from the Gun-Free School Zones Act struck down in *Lopez*, which in criminalizing the possession of handguns within 1000 feet of a school, "had nothing to do with 'commerce' or any sort of economic enterprise, however broadly one might define those terms." We hold that the anti-bootlegging statute has a sufficient connection to interstate and foreign commerce to meet the *Lopez* test.

The more difficult question in this case is whether Congress can use its Commerce Clause power to avoid the limitations that might prevent it from passing the same legislation under the Copyright Clause. As noted above, we assume *arguendo* that the Copyright Clause could not sustain this legislation because live performances, being unfixed, are not encompassed by the term "Writings" which includes a fixation requirement. The government argues that the anti-bootlegging conviction in this case can be sustained under the Commerce Clause. We turn now to this issue.

In general, the various grants of legislative authority contained in the Constitution stand alone and must be independently analyzed. In other words, each of the powers of Congress is alternative to all of the other powers, and what cannot be done under one of them may very well be doable under another. Perhaps the most prominent example of this principle is *Heart of Atlanta Motel, Inc. v. United States* (1964). There, the Supreme Court considered the constitutionality of the public accommodation provisions of the Civil Rights Act of 1964. The earlier *Civil Rights Cases* (1883) had declared unconstitutional

⁹ We note that the anti-bootlegging statute may be faced with another constitutional problem under the Copyright Clause. The Clause allows Congress to extend protection to authors only for "Limited Times." The protection afforded to live performances by § 2319A, however, contains no express time limitation and would arguably persist indefinitely. However, Moghadam has not preserved this argument, *see infra*, and we decline to address the argument in light of our disposition of this case.

¹⁰ Congress's failure to cite the Commerce Clause as grounds for § 2319A does not eliminate the possibility that the Commerce Clause can sustain this legislation. "The constitutionality of action taken by Congress does not depend on recitals of the power which it undertakes to exercise," *Woods v. Cloyd W. Miller Co.* (1948), and "in exercising the power of judicial review," we look only at "the actual powers of the national government," *Timmer v. Michigan Dept. of Commerce* (1997).

similar provisions of the Civil Rights Act of 1875 because they regulated private conduct beyond the scope of the legislative authority granted by § 5 of the Fourteenth Amendment. Yet, the *Heart of Atlanta Motel* Court held, the Civil Rights Act of 1964 was predicated on the Commerce Clause and possessed sufficient connection to interstate commerce. The Court's reasoning illustrates that, as a general matter, the fact that legislation reaches beyond the limits of one grant of legislative power has no bearing on whether it can be sustained under another.

This general approach has been applied in a context involving the Copyright Clause and the Commerce Clause as alternative sources of Congressional power. *The Trade-Mark Cases* (1879) involved an 1876 Congressional enactment of a primitive sort of trademark protection, long before the modern-day Lanham Act. Act of Aug. 14, 1876, 19 Stat. 141 ("1876 Act"). . . . Apparently, just as was the case with the anti-bootlegging statute, Congress labored under the impression that it was acting pursuant to its Copyright Clause power. *The Trade-Mark Cases* ("Until a critical examination of the subject in the courts became necessary, it was mainly if not wholly to [the Copyright C]ause that the advocates of the law looked for its support."). Nevertheless, the Supreme Court held that the Copyright Clause could not sustain the 1876 Act because "the ordinary trade-mark has no necessary relation to invention or discovery," which were the hallmarks of protectable subject matter under the Copyright Clause. . . .

The Court next considered whether Congress could enact the 1876 Act under the Commerce Clause. . . . The Court appeared receptive to this argument. However, it must be remembered that the *Trade-Mark Cases* predated the New Deal-era expansion of the Commerce Clause. . . . Although the 1876 Act did not survive due to the restrictive view of the Commerce Clause prevailing at that time, the Supreme Court's analysis in the *Trade-Mark Cases* stands for the proposition that legislation which would not be permitted under the Copyright Clause *could* nonetheless be permitted under the Commerce Clause, provided that the independent requirements of the latter are met. . . .

On the other hand, it might be argued that some of the grants of legislative authority in Article I, § 8 contain significant limitations that can be said to represent the Framers' judgment that Congress should be affirmatively prohibited from passing certain types of legislation, no matter under which provision. The Supreme Court touched on such a situation in *Railway Labor Executives' Ass'n v. Gibbons* (1982). Congress had enacted a statute that purported to alter a pending bankruptcy case by requiring the debtor railroad company's bankruptcy estate to pay \$75 million to the company's former employees. This statute directly clashed with the Bankruptcy Clause, U.S. Const. art. I, § 8, cl. 4, which provides that Congress is empowered to pass "uniform" bankruptcy laws, because the law targeted a particular situation and was anything but uniform. The Court quickly brushed off the possibility that the legislation could nevertheless be sustained under the Commerce Clause (which contains no uniformity requirement), stating that "if we were to hold that Congress had the power to enact nonuniform bankruptcy laws pursuant to the Commerce Clause, we would eradicate from the Constitution a limitation on the power of Congress to enact bankruptcy laws." . . . Cf. Paul J. Heald, *The Vices of Originality* (arguing that Congress would not be able to circumvent the *originality* requirement inherent in the term "Writings" in the Copyright Clause by passing a statute under the Commerce Clause which extended copyright-like protection to unoriginal works).

We note that there is some tension between the former line of cases (*Heart of Atlanta Motel*, the *Trade-Mark Cases* and *Authors League*) and the *Railway Labor Executives* case. The former cases suggest that in some circumstances the Commerce Clause can be used by Congress to accomplish something that the Copyright Clause might

not allow. But the *Railway Labor Executives* case suggests that in some circumstances the Commerce Clause cannot be used to eradicate a limitation placed upon Congressional power in another grant of power. For purposes of the instant case, we resolve this tension in the following manner . . . [w]e undertake a circumscribed analysis, deciding only what is necessary to decide this case, and we reach a narrow conclusion. First . . . we hold the anti-bootlegging statute satisfies the “substantial effects” test of the post-*Lopez* Commerce Clause jurisprudence. Second, following the former line of cases (*Heart of Atlanta Hotel*, the *Trade-Mark Cases* and *Authors League*), we hold that in some circumstances the Commerce Clause indeed may be used to accomplish that which may not have been permissible under the Copyright Clause. We hold that the instant case is one such circumstance in which the Commerce Clause may be thus used. It is at this point that we must resolve the tension with *Railway Labor Executives*.

Resolving this tension, we take as a given that there are some circumstances, as illustrated by *Railway Labor Executives*, in which the Commerce Clause cannot be used by Congress to eradicate a limitation placed upon Congress in another grant of power.¹² For the reasons that follow, we hold that the instant case is not one such circumstance. We hold that the Copyright Clause does not envision that Congress is positively forbidden from extending copyright-like protection under other constitutional clauses, such as the Commerce Clause, to works of authorship that may not meet the fixation requirement inherent in the term “Writings.” The grant itself is stated in positive terms, and does not imply any negative pregnant that suggests that the term “Writings” operates as a ceiling on Congress’ ability to legislate pursuant to other grants. Extending quasi-copyright protection to unfixed live musical performances is in no way inconsistent with the Copyright Clause. . . . A live musical performance clearly satisfies the originality requirement. Extending quasi-copyright protection also furthers the purpose of the Copyright Clause to promote the progress of the useful arts by securing some exclusive rights to the creative author. Finally, with respect to the fixation requirement, upon which this opinion focuses, although a live musical performance may not have been fixed, or reduced to tangible form, as of the time the bootleg copy was made, it certainly was subject to having been thus fixed. . . . Common sense does not indicate that extending copyright-like protection to a live performance is fundamentally inconsistent with the Copyright Clause.

For the foregoing reasons, we conclude that extending copyright-like protection in the instant case is not fundamentally inconsistent with the fixation requirement of the Copyright Clause. By contrast, the nonuniform bankruptcy statute at issue in *Railway Labor Executives* was irreconcilably inconsistent with the uniformity requirement of the Bankruptcy Clause of the Constitution.¹⁴

We note that there is another limitation in the Copyright Clause that may be implicated by the anti-bootlegging statute: the “Limited Times” requirement that forbids Congress from conferring intellectual property rights of perpetual duration. On its face, the protection created by the anti-bootlegging statute is apparently perpetual and contains

¹² We assume *arguendo*, without deciding, that the Commerce Clause could not be used to avoid a limitation in the Copyright Clause if the particular use of the Commerce Clause (e.g., the anti-bootlegging statute) were fundamentally inconsistent with the particular limitation in the Copyright Clause (e.g., the fixation requirement).

¹⁴ Our holding is limited to the fixation requirement, and should not be taken as authority that the other various limitations in the Copyright Clause can be avoided by reference to the Commerce Clause. Compare Nimmer, *The End of Copyright*, *supra*, at 1413 (decrying that Congress may “jettison *Feist*” by analogy to the URAA because “why is a telephone book any further afield than a performance at Carnegie Hall?”), with Gerdes, *supra*, at 1461 (proposing that Congress legislatively overrule *Feist* and extend copyright protection to unoriginal works by relying on the Commerce Clause).

no express time limit; therefore phonorecords of live musical performances would presumably never fall into the public domain. However, because Moghadam has not challenged the constitutionality of § 2319A on this basis,¹⁵ we decline to raise the issue *sua sponte*. Thus, we do not decide in this case whether extending copyright-like protection under the anti-bootlegging statute might be fundamentally inconsistent with the “Limited Times” requirement of the Copyright Clause, and we do not decide in this case whether the Commerce Clause can provide the source of Congressional power to sustain the application of the anti-bootlegging statute in some other case in which such an argument is preserved. We reserve those issues for another day.

Summarizing our narrow holding in this case, we assume *arguendo*, without deciding, that the anti-bootlegging statute cannot satisfy the fixation requirement of the Copyright Clause; we hold that the statute satisfies the “substantial effects” test of the post-*Lopez* Commerce Clause jurisprudence; we hold that the Commerce Clause can provide the source of Congressional power in this case because the extension of copyright-like protection here is not fundamentally inconsistent with the fixation requirement of the Copyright Clause;¹⁶ and thus under the circumstances of this case,¹⁷ we reject Moghadam’s constitutional challenge to his conviction.

IV. CONCLUSION

For the foregoing reasons, the judgment of the district court is AFFIRMED.

Questions:

- 1.) Bootlegging *Tori Amos*? Sorry, that wasn’t a question.
- 2.) If Mr. Moghadam were reading this decision in his prison cell, what might he wish intensely that his lawyers had done differently?
- 3.) The court sees a danger in assuming that a limitation on Congress’s power in one clause implies that Congress cannot “get around” that limitation under another clause. Yet it also sees a danger in assuming the reverse. Explain each danger, as the court describes it. What technique does the court use to avoid both dangers and to explain when such limitations should, and should not, be implied?

¹⁵ Moghadam did not make this argument in the district court or in his brief on appeal. He fleetingly mentions the “Limited Times” requirement for the first time in his reply brief on appeal, and even then does not argue that extending copyright-like protection in this case pursuant to the Commerce Clause would be prohibited by an inconsistency with the “Limited Times” requirement of the Copyright Clause. The government has not had any opportunity to present a defense to such an argument, and it would be unfair to entertain the argument at this late date.

¹⁶ Because we find no such inconsistency, we need not decide the consequences if there were inconsistency. See note 12, *supra*.

¹⁷ As noted above, Moghadam has waived any constitutional challenge based on the “Limited Times” requirement of the Copyright Clause, and thus our holding in this case is further narrowed by the fact that we do not address potential arguments based on the “Limited Times” requirement.

U.S. v. Martignon
492 F.3d 140 (2d Cir. 2007)



[In *Martignon*, the plaintiff explicitly claimed that the URAA violated *both* the fixation and the limited times restrictions of the Copyright Clause. Thus, the court could not rely on the *Moghadam* court’s carefully limited reasoning.]

The Supreme Court has indicated that Congress can sometimes enact legislation under one constitutional provision that it could not have enacted under another. *See, e.g., Heart of Atlanta*. However, this power is not unlimited. *See Gibbons*. Because the parties attach different import to these cases and to the *Trade-Mark Cases*, we examine them to determine where to draw the line between (1) a law which, while related to one constitutional provision and unauthorized by it, can be validly enacted under a different provision; and (2) legislative action that is prohibited under one provision and cannot be enacted under another even though it is seemingly within the purview of the second provision. . . .

We believe that the Supreme Court’s cases allow the regulation of matters that could not be regulated under the Copyright Clause in a manner arguably inconsistent with that clause unless the statute at issue is a copyright law. We draw this lesson from *Heart of Atlanta* and from *Gibbons*. In *Heart of Atlanta*, the Court found authority for Congress to enact a statute that prohibited race discrimination in public accommodations affecting interstate commerce, even though the prohibition ran to discrimination not involving “state action,” under the Commerce Clause although the Fourteenth Amendment did not allow Congress to enact a similar statute. The *Gibbons* Court found that RITA was actually a bankruptcy law, not that it was very close to a bankruptcy law or that it was bankruptcy-like. . . . We will judge the constitutionality of Section 2319A under the same standard that the *Gibbons* Court used; that is, in order to demonstrate unconstitutionality, Martignon must establish that Section 2319A is a copyright law and not just that it is copyright-like. . . .

Section 2319A does not create and bestow property rights upon authors or inventors, or allocate those rights among claimants to them. It is a criminal statute, falling in its codification (along with Section 2319B about bootlegged films) between the law criminalizing certain copyright infringement and the law criminalizing “trafficking in counterfeit goods or services.” It is, perhaps, analogous to the law of criminal trespass. Rather than creating a right in the performer him- or herself, it creates a power in the government to protect the interest of performers from commercial predations. Section 2319A does not grant the performer the right to exclude others from the performance—only the government can do that. Neither may the performer transfer his or her interests under Section 2319A to another. . . . Section 2319A is not a law “secur[ing] . . . rights,” nor is it a copyright law. Thus . . . Section 2319A is not subject to the limitations of Article I, Section 8, cl. 8. . . .

In sum, Section 2319A does not create, bestow, or allocate property rights in expression, it does not share the defining characteristics of other laws that are concededly “copyright laws,” and it differs significantly from the Copyright Act that was passed pursuant to the Copyright Clause (and that is valid under it). We therefore conclude that it was not enacted under the Copyright Clause. We have no need to examine whether it violates limits of the Copyright Clause and proceed instead to an examination of its sustainability under the Commerce Clause.⁷

⁷ We acknowledge that our analysis necessarily triggers concerns about the ability of Congress to criminalize other conduct that would be permitted under the Copyright Clause and the copyright laws of this country,

Commerce Clause Authority

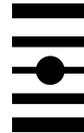
. . . Section 2319A has substantial commercial and economic aspects. . . . Because Section 2319A is not a copyright law and its enactment was well within the scope of Congress’s Commerce Clause authority, it is constitutionally permissible unless some other constitutional provision prevents its enforcement. . . .

Questions:

- 1.) How does the *Martignon* court solve the problem that the *Moghadam* court had? How do the two solutions differ? Which solution is best in your view? Which gives Congress the greatest freedom to make laws that do not fit within the Intellectual Property Clause, narrowly construed?
- 2.) According to this court, what are the key features of a ‘copyright law’? Do you agree with the description? With the way it is applied in this case?

4.) Limitations on Congressional Power: Limited Times, Term Extension and the First Amendment

Eldred v. Ashcroft
537 U.S. 186 (2003)



Justice GINSBURG delivered the opinion of the Court. Justices STEVENS and BREYER dissented and filed opinions.

This case concerns the authority the Constitution assigns to Congress to prescribe the duration of copyrights. The Copyright and Patent Clause of the Constitution, Art. I, § 8, cl. 8, provides as to copyrights: “Congress shall have Power . . . [t]o promote the Progress of Science . . . by securing [to Authors] for limited Times . . . the exclusive Right to their . . . Writings.” In 1998, in the measure here under inspection, Congress enlarged the duration of copyrights by 20 years. As in the case of prior extensions, principally in 1831, 1909, and 1976, Congress provided for application of the enlarged terms to existing and future copyrights alike.

Petitioners are individuals and businesses whose products or services build on copyrighted works that have gone into the public domain. They seek a determination that the CTEA fails constitutional review under both the Copyright Clause’s “limited Times” prescription and the First Amendment’s free speech guarantee. Under the 1976 Copyright Act, copyright protection generally lasted from the work’s creation until 50 years after the author’s death. Under the CTEA, most copyrights now run from creation until 70 years after the author’s death. 17 U.S.C. § 302(a). Petitioners do not challenge the “life-plus-70-years” timespan itself. “Whether 50 years is enough, or 70 years too much,” they acknowledge, “is not a judgment meet for this Court.”¹ Congress went awry, petitioners

for instance the reproduction and sale of a literary work that has long lost its copyright protection. Because such statutes are not before us, we cannot address them. We do note, however, that there could be other constitutional problems associated with such statutes, including possible violations of the Due Process Clause and the First Amendment.

¹ Justice Breyer’s dissent is not similarly restrained. He makes no effort meaningfully to distinguish existing

maintain, not with respect to newly created works, but in enlarging the term for published works with existing copyrights. The “limited Tim[e]” in effect when a copyright is secured, petitioners urge, becomes the constitutional boundary, a clear line beyond the power of Congress to extend. As to the First Amendment, petitioners contend that the CTEA is a content-neutral regulation of speech that fails inspection under the heightened judicial scrutiny appropriate for such regulations.

In accord with the District Court and the Court of Appeals, we reject petitioners’ challenges to the CTEA. In that 1998 legislation, as in all previous copyright term extensions, Congress placed existing and future copyrights in parity. In prescribing that alignment, we hold, Congress acted within its authority and did not transgress constitutional limitations.

I A

We evaluate petitioners’ challenge to the constitutionality of the CTEA against the backdrop of Congress’ previous exercises of its authority under the Copyright Clause. The Nation’s first copyright statute, enacted in 1790, provided a federal copyright term of 14 years from the date of publication, renewable for an additional 14 years if the author survived the first term. . . . The 1790 Act’s renewable 14-year term applied to existing works (*i.e.*, works already published and works created but not yet published) and future works alike. Congress expanded the federal copyright term to 42 years in 1831 (28 years from publication, renewable for an additional 14 years), and to 56 years in 1909 (28 years from publication, renewable for an additional 28 years). Both times, Congress applied the new copyright term to existing and future works.

In 1976, Congress altered the method for computing federal copyright terms. For works created by identified natural persons, the 1976 Act provided that federal copyright protection would run from the work’s creation, not—as in the 1790, 1831, and 1909 Acts—its publication; protection would last until 50 years after the author’s death. § 302(a). In these respects, the 1976 Act aligned United States copyright terms with the then-dominant international standard adopted under the Berne Convention for the Protection of Literary and Artistic Works. For anonymous works, pseudonymous works, and works made for hire, the 1976 Act provided a term of 75 years from publication or 100 years from creation, whichever expired first. § 302(c). . . .

The measure at issue here, the CTEA, installed the fourth major duration extension of federal copyrights. Retaining the general structure of the 1976 Act, the CTEA enlarges the terms of all existing and future copyrights by 20 years. For works created by identified natural persons, the term now lasts from creation until 70 years after the author’s death. 17 U.S.C. § 302(a). This standard harmonizes the baseline United States copyright term with the term adopted by the European Union in 1993. For anonymous works, pseudonymous works, and works made for hire, the term is 95 years from publication or 120 years from creation, whichever expires first. 17 U.S.C. § 302(c). . . .

II A

We address first the determination of the courts below that Congress has authority under the Copyright Clause to extend the terms of existing copyrights. Text, history, and precedent, we conclude, confirm that the Copyright Clause empowers Congress to prescribe “limited Times” for copyright protection and to secure the same level and

duration of protection for all copyright holders, present and future.

The CTEA's baseline term of life plus 70 years, petitioners concede, qualifies as a "limited Tim[e]" as applied to future copyrights. Petitioners contend, however, that existing copyrights extended to endure for that same term are not "limited." Petitioners' argument essentially reads into the text of the Copyright Clause the command that a time prescription, once set, becomes forever "fixed" or "inalterable." The word "limited," however, does not convey a meaning so constricted. At the time of the Framing, that word meant what it means today: "confine[d] within certain bounds," "restrain[ed]," or "circumscribe[d]." Thus understood, a timespan appropriately "limited" as applied to future copyrights does not automatically cease to be "limited" when applied to existing copyrights. And as we observe, *infra*, there is no cause to suspect that a purpose to evade the "limited Times" prescription prompted Congress to adopt the CTEA.

To comprehend the scope of Congress' power under the Copyright Clause, "a page of history is worth a volume of logic." *New York Trust Co. v. Eisner* (1921) (Holmes, J.). History reveals an unbroken congressional practice of granting to authors of works with existing copyrights the benefit of term extensions so that all under copyright protection will be governed evenhandedly under the same regime. As earlier recounted, the First Congress accorded the protections of the Nation's first federal copyright statute to existing and future works alike. 1790 Act § 1. Since then, Congress has regularly applied duration extensions to both existing and future copyrights.

Because the Clause empowering Congress to confer copyrights also authorizes patents, congressional practice with respect to patents informs our inquiry. We count it significant that early Congresses extended the duration of numerous individual patents as well as copyrights. The courts saw no "limited Times" impediment to such extensions; renewed or extended terms were upheld in the early days, for example, by Chief Justice Marshall and Justice Story sitting as circuit justices. . . . (Congresses "... are not restrained from renewing a patent or prolonging" it.).⁷ . . .

Satisfied that the CTEA complies with the "limited Times" prescription, we turn now to whether it is a rational exercise of the legislative authority conferred by the Copyright Clause. On that point, we defer substantially to Congress. *Sony*, 464 U.S. at 429 ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product.").¹⁰

The CTEA reflects judgments of a kind Congress typically makes, judgments we cannot dismiss as outside the Legislature's domain. As respondent describes, a key factor in the CTEA's passage was a 1993 European Union directive instructing EU members to

⁷ Justice Stevens would sweep away these decisions, asserting that *Graham v. John Deere Co. of Kansas City* (1966), "flatly contradicts" them. *Post*, at 798. Nothing but wishful thinking underpins that assertion. The controversy in *Graham* involved no patent extension. *Graham* addressed an invention's very eligibility for patent protection, and spent no words on Congress' power to enlarge a patent's duration.

¹⁰ Justice Breyer would adopt a heightened, three-part test for the constitutionality of copyright enactments. *Post*, at 802. He would invalidate the CTEA as irrational in part because, in his view, harmonizing the United States and European Union baseline copyright terms "apparent[ly]" fails to achieve "significant" uniformity. *Post*, at 812. But see *infra*, at 782. The novelty of the "rational basis" approach he presents is plain. (Breyer, J., dissenting) ("Rational-basis review—with its presumptions favoring constitutionality—is 'a paradigm of judicial restraint.'" (quoting *FCC v. Beach Communications, Inc.* (1993))). Rather than subjecting Congress' legislative choices in the copyright area to heightened judicial scrutiny, we have stressed that "it is not our role to alter the delicate balance Congress has labored to achieve." Congress' exercise of its Copyright Clause authority must be rational, but Justice Breyer's stringent version of rationality is unknown to our literary property jurisprudence.

establish a copyright term of life plus 70 years. Consistent with the Berne Convention, the EU directed its members to deny this longer term to the works of any non-EU country whose laws did not secure the same extended term. By extending the baseline United States copyright term to life plus 70 years, Congress sought to ensure that American authors would receive the same copyright protection in Europe as their European counterparts.

In addition to international concerns, Congress passed the CTEA in light of demographic, economic, and technological changes,¹⁴ and rationally credited projections that longer terms would encourage copyright holders to invest in the restoration and public distribution of their works.

In sum, we find that the CTEA is a rational enactment; we are not at liberty to second-guess congressional determinations and policy judgments of this order, however debatable or arguably unwise they may be. Accordingly, we cannot conclude that the CTEA—which continues the unbroken congressional practice of treating future and existing copyrights in parity for term extension purposes—is an impermissible exercise of Congress’ power under the Copyright Clause.

B

1

Petitioners contend that even if the CTEA’s 20-year term extension is literally a “limited Tim[e],” permitting Congress to extend existing copyrights allows it to evade the “limited Times” constraint by creating effectively perpetual copyrights through repeated extensions. We disagree.

As the Court of Appeals observed, a regime of perpetual copyrights “clearly is not the situation before us.” Nothing before this Court warrants construction of the CTEA’s 20-year term extension as a congressional attempt to evade or override the “limited Times” constraint. Critically, we again emphasize, petitioners fail to show how the CTEA crosses a constitutionally significant threshold with respect to “limited Times” that the 1831, 1909, and 1976 Acts did not. . . .

2

Petitioners dominantly advance a series of arguments all premised on the proposition that Congress may not extend an existing copyright absent new consideration from the author. They pursue this main theme under three headings. Petitioners contend that the CTEA’s extension of existing copyrights (1) overlooks the requirement of “originality,” (2) fails to “promote the Progress of Science,” and (3) ignores copyright’s *quid pro quo*.

Petitioners’ “originality” argument draws on *Feist* (1991). In *Feist*, we observed that “[t]he *sine qua non* of copyright is originality,” and held that copyright protection is unavailable to “a narrow category of works in which the creative spark is utterly lacking or so trivial as to be virtually nonexistent.” Relying on *Feist*, petitioners urge that even if a work is sufficiently “original” to qualify for copyright protection in the first instance, any extension of the copyright’s duration is impermissible because, once published, a work is no longer original. *Feist*, however, did not touch on the duration of copyright protection. . . . The decision did not construe the “limited Times” for which a work may be protected, and the originality requirement has no bearing on that prescription.

More forcibly, petitioners contend that the CTEA’s extension of existing copyrights

¹⁴ Members of Congress expressed the view that, as a result of increases in human longevity and in parents’ average age when their children are born, the pre-CTEA term did not adequately secure “the right to profit from licensing one’s work during one’s lifetime and to take pride and comfort in knowing that one’s children—and perhaps their children—might also benefit from one’s posthumous popularity.” . . .

does not “promote the Progress of Science” as contemplated by the preambular language of the Copyright Clause. Art. I, § 8, cl. 8. To sustain this objection, petitioners do not argue that the Clause’s preamble is an independently enforceable limit on Congress’ power. Rather, they maintain that the preambular language identifies the sole end to which Congress may legislate; accordingly, they conclude, the meaning of “limited Times” must be “determined in light of that specified end.” The CTEA’s extension of existing copyrights categorically fails to “promote the Progress of Science,” petitioners argue, because it does not stimulate the creation of new works but merely adds value to works already created.

As petitioners point out, we have described the Copyright Clause as “both a grant of power and a limitation,” *Graham v. John Deere Co. of Kansas City* (1966), and have said that “[t]he primary objective of copyright” is “[t]o promote the Progress of Science.” *Feist*. The “constitutional command,” we have recognized, is that Congress, to the extent it enacts copyright laws at all, create a “system” that “promote[s] the Progress of Science.”

We have also stressed, however, that it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause’s objectives. See *Stewart v. Abend* (1990) (“Th[e] evolution of the duration of copyright protection tellingly illustrates the difficulties Congress faces. . . . [I]t is not our role to alter the delicate balance Congress has labored to achieve.”) The justifications we earlier set out for Congress’ enactment of the CTEA provide a rational basis for the conclusion that the CTEA “promote[s] the Progress of Science.” . . .

Closely related to petitioners’ preambular argument, or a variant of it, is their assertion that the Copyright Clause “imbeds a *quid pro quo*.” They contend, in this regard, that Congress may grant to an “Autho[r]” an “exclusive Right” for a “limited Tim[e],” but only in exchange for a “Writin[g].” Extending an existing copyright without demanding additional consideration, petitioners maintain, bestows an unpaid-for benefit on copyright holders and their heirs, in violation of the *quid pro quo* requirement. . . .

We note, furthermore, that patents and copyrights do not entail the same exchange, and that our references to a *quid pro quo* typically appear in the patent context. . . .

Further distinguishing the two kinds of intellectual property, copyright gives the holder no monopoly on any knowledge. A reader of an author’s writing may make full use of any fact or idea she acquires from her reading. See § 102(b). The grant of a patent, on the other hand, does prevent full use by others of the inventor’s knowledge. In light of these distinctions, one cannot extract from language in our patent decisions—language not trained on a grant’s duration—genuine support for petitioners’ bold view. Accordingly, we reject the proposition that a *quid pro quo* requirement stops Congress from expanding copyright’s term in a manner that puts existing and future copyrights in parity. . . .

III

Petitioners separately argue that the CTEA is a content-neutral regulation of speech that fails heightened judicial review under the First Amendment. We reject petitioners’ plea for imposition of uncommonly strict scrutiny on a copyright scheme that incorporates its own speech-protective purposes and safeguards. The Copyright Clause and First Amendment were adopted close in time. This proximity indicates that, in the Framers’ view, copyright’s limited monopolies are compatible with free speech principles. Indeed, copyright’s purpose is to *promote* the creation and publication of free expression. As *Harper & Row* observed: “[T]he Framers intended copyright itself to be the engine of free expression. By establishing a marketable right to the use of one’s expression, copyright supplies the economic incentive to create and disseminate ideas.”

In addition to spurring the creation and publication of new expression, copyright law

contains built-in First Amendment accommodations. First, it distinguishes between ideas and expression and makes only the latter eligible for copyright protection. As we said in *Harper & Row*, this “idea/expression dichotomy strike[s] a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author’s expression.” Due to this distinction, every idea, theory, and fact in a copyrighted work becomes instantly available for public exploitation at the moment of publication. See *Feist*.

Second, the “fair use” defense allows the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances. Codified at 17 U.S.C. § 107, the defense provides: “[T]he fair use of a copyrighted work, including such use by reproduction in copies . . ., for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright.” The fair use defense affords considerable “latitude for scholarship and comment,” *Harper & Row*, and even for parody, see *Campbell v. Acuff-Rose Music, Inc.* (1994) (rap group’s musical parody of Roy Orbison’s “Oh, Pretty Woman” may be fair use).

Finally, the case petitioners principally rely upon for their First Amendment argument, *Turner Broadcasting System, Inc. v. FCC* (1994), bears little on copyright. The statute at issue in *Turner* required cable operators to carry and transmit broadcast stations through their proprietary cable systems. . . . The CTEA, in contrast, does not oblige anyone to reproduce another’s speech against the carrier’s will. Instead, it protects authors’ original expression from unrestricted exploitation. Protection of that order does not raise the free speech concerns present when the government compels or burdens the communication of particular facts or ideas. The First Amendment securely protects the freedom to make—or decline to make—one’s own speech; it bears less heavily when speakers assert the right to make other people’s speeches. To the extent such assertions raise First Amendment concerns, copyright’s built-in free speech safeguards are generally adequate to address them. We recognize that the D.C. Circuit spoke too broadly when it declared copyrights “categorically immune from challenges under the First Amendment.” But when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.

IV

. . . Beneath the facade of their inventive constitutional interpretation, petitioners forcefully urge that Congress pursued very bad policy in prescribing the CTEA’s long terms. The wisdom of Congress’ action, however, is not within our province to second guess. Satisfied that the legislation before us remains inside the domain the Constitution assigns to the First Branch, we affirm the judgment of the Court of Appeals.
It is so ordered.

Justice STEVENS, dissenting.

Writing for a unanimous Court in 1964, Justice Black stated that it is obvious that a State could not “extend the life of a patent beyond its expiration date.” *Sears, Roebuck & Co. v. Stiffel Co.* (1964). As I shall explain, the reasons why a State may not extend the life of a patent apply to Congress as well. If Congress may not expand the scope of a patent monopoly, it also may not extend the life of a copyright beyond its expiration date. Accordingly, insofar as the 1998 Sonny Bono Copyright Term Extension Act, 112 Stat. 2827, purported to extend the life of unexpired copyrights, it is invalid. Because the majority’s contrary conclusion rests on the mistaken premise that this Court has virtually

no role in reviewing congressional grants of monopoly privileges to authors, inventors, and their successors, I respectfully dissent.

I

The authority to issue copyrights stems from the same Clause in the Constitution that created the patent power. . . . It is well settled that the Clause is “both a grant of power and a limitation” and that Congress “may not overreach the restraints imposed by the stated constitutional purpose.” *Graham* (1966). As we have made clear in the patent context, that purpose has two dimensions. Most obviously the grant of exclusive rights to their respective writings and discoveries is intended to encourage the creativity of “Authors and Inventors.” But the requirement that those exclusive grants be for “limited Times” serves the ultimate purpose of promoting the “Progress of Science and useful Arts” by guaranteeing that those innovations will enter the public domain as soon as the period of exclusivity expires. . . .

Neither the purpose of encouraging new inventions nor the overriding interest in advancing progress by adding knowledge to the public domain is served by retroactively increasing the inventor’s compensation for a completed invention and frustrating the legitimate expectations of members of the public who want to make use of it in a free market. Because those twin purposes provide the only avenue for congressional action under the Copyright/Patent Clause of the Constitution, any other action is manifestly unconstitutional.

II

We have recognized that these twin purposes of encouraging new works and adding to the public domain apply to copyrights as well as patents. Thus, with regard to copyrights on motion pictures, we have clearly identified the overriding interest in the “release to the public of the products of [the author’s] creative genius.” And, as with patents, we have emphasized that the overriding purpose of providing a reward for authors’ creative activity is to motivate that activity and “to allow the public access to the products of their genius after the limited period of exclusive control has expired.” *Ex post facto* extensions of copyrights result in a gratuitous transfer of wealth from the public to authors, publishers, and their successors in interest. Such retroactive extensions do not even arguably serve either of the purposes of the Copyright/Patent Clause. The reasons why such extensions of the patent monopoly are unconstitutional apply to copyrights as well. . . .

IV

. . . A more complete and comprehensive look at the history of congressional action under the Copyright/Patent Clause demonstrates that history, in this case, does not provide the ““volume of logic”” necessary to sustain the Sonny Bono Act’s constitutionality. . . .

The first example relied upon by respondent, the extension of Oliver Evans’ patent in 1808, ch. 13, 6 Stat. 70, demonstrates the pitfalls of relying on an incomplete historical analysis. . . . This legislation, passed January 21, 1808, restored a patent monopoly for an invention that had been in the public domain for over four years. As such, this Act unquestionably exceeded Congress’ authority under the Copyright/Patent Clause: “The Congress in the exercise of the patent power may not overreach the restraints imposed by the stated constitutional purpose. . . . *Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.*” *Graham* (emphasis added).

. . . Congress passed private bills either directly extending patents or allowing otherwise untimely applicants to apply for patent extensions for approximately 75 patents between 1790 and 1875. Of these 75 patents, at least 56 had already fallen into the public

domain. The fact that this repeated practice was patently unconstitutional completely undermines the majority's reliance on this history as "significant."

Copyright legislation has a similar history. Respondent argues that that historical practice effectively establishes the constitutionality of retroactive extensions of unexpired copyrights. Of course, the practice buttresses the presumption of validity that attaches to every Act of Congress. But, as our decision in *INS v. Chadha* (1983) demonstrates, the fact that Congress has repeatedly acted on a mistaken interpretation of the Constitution does not qualify our duty to invalidate an unconstitutional practice when it is finally challenged in an appropriate case. . . . For, as this Court has long recognized, "[i]t is obviously correct that no one acquires a vested or protected right in violation of the Constitution by long use, even when that span of time covers our entire national existence." *Walz v. Tax Comm'n of City of New York* (1970). . . . The fact that the Court has not previously passed upon the constitutionality of retroactive copyright extensions does not insulate the present extension from constitutional challenge. . . .

VI

Finally, respondent relies on concerns of equity to justify the retroactive extension. If Congress concludes that a longer period of exclusivity is necessary in order to provide an adequate incentive to authors to produce new works, respondent seems to believe that simple fairness requires that the same lengthened period be provided to authors whose works have already been completed and copyrighted. This is a classic *non sequitur*. The reason for increasing the inducement to create something new simply does not apply to an already-created work. To the contrary, the equity argument actually provides strong support for petitioners. Members of the public were entitled to rely on a promised access to copyrighted or patented works at the expiration of the terms specified when the exclusive privileges were granted. . . .

One must indulge in two untenable assumptions to find support in the equitable argument offered by respondent—that the public interest in free access to copyrighted works is entirely worthless and that authors, as a class, should receive a windfall solely based on completed creative activity. [A]s our cases repeatedly and consistently emphasize, ultimate public access is the overriding purpose of the constitutional provision. *Ex post facto* extensions of existing copyrights, unsupported by any consideration of the public interest, frustrate the central purpose of the Clause.

VII

The express grant of a perpetual copyright would unquestionably violate the textual requirement that the authors' exclusive rights be only "for limited Times." Whether the extraordinary length of the grants authorized by the 1998 Act are invalid because they are the functional equivalent of perpetual copyrights is a question that need not be answered in this case because the question presented by the certiorari petition merely challenges Congress' power to extend retroactively the terms of existing copyrights. . . . It is important to note, however, that a categorical rule prohibiting retroactive extensions would effectively preclude perpetual copyrights. More importantly, as the House of Lords recognized when it refused to amend the Statute of Anne in 1735, unless the Clause is construed to embody such a categorical rule, Congress may extend existing monopoly privileges *ad infinitum* under the majority's analysis.

By failing to protect the public interest in free access to the products of inventive and artistic genius—indeed, by virtually ignoring the central purpose of the Copyright/ Patent Clause—the Court has quitclaimed to Congress its principal responsibility in this area of

the law. Fairly read, the Court has stated that Congress' actions under the Copyright/Patent Clause are, for all intents and purposes, judicially unreviewable. That result cannot be squared with the basic tenets of our constitutional structure. It is not hyperbole to recall the trenchant words of Chief Justice John Marshall: "It is emphatically the province and duty of the judicial department to say what the law is." *Marbury v. Madison* (1803). We should discharge that responsibility as we did in *Chadha*.

I respectfully dissent.

Justice BREYER, dissenting.

. . . The economic effect of this 20-year extension—the longest blanket extension since the Nation's founding—is to make the copyright term not limited, but virtually perpetual. Its primary legal effect is to grant the extended term not to authors, but to their heirs, estates, or corporate successors. And most importantly, its practical effect is not to promote, but to inhibit, the progress of "Science"—by which word the Framers meant learning or knowledge.

. . . Although the Copyright Clause grants broad legislative power to Congress, that grant has limits. And in my view this statute falls outside them.

I

The "monopoly privileges" that the Copyright Clause confers "are neither unlimited nor primarily designed to provide a special private benefit." This Court has made clear that the Clause's limitations are judicially enforceable.

The Copyright Clause and the First Amendment seek related objectives—the creation and dissemination of information. When working in tandem, these provisions mutually reinforce each other, the first serving as an "engine of free expression," the second assuring that government throws up no obstacle to its dissemination. At the same time, a particular statute that exceeds proper Copyright Clause bounds may set Clause and Amendment at cross-purposes, thereby depriving the public of the speech-related benefits that the Founders, through both, have promised.

Consequently, I would review plausible claims that a copyright statute seriously, and unjustifiably, restricts the dissemination of speech somewhat more carefully than reference to this Court's traditional Copyright Clause jurisprudence might suggest. . . . I would find that the statute lacks the constitutionally necessary rational support (1) if the significant benefits that it bestows are private, not public; (2) if it threatens seriously to undermine the expressive values that the Copyright Clause embodies; and (3) if it cannot find justification in any significant Clause-related objective. Where, after examination of the statute, it becomes difficult, if not impossible, even to dispute these characterizations, Congress' "choice is clearly wrong." *Helvering v. Davis* (1937).

II

A

Because we must examine the relevant statutory effects in light of the Copyright Clause's own purposes, we should begin by reviewing the basic objectives of that Clause. The Clause authorizes a "tax on readers for the purpose of giving a bounty to writers." (Lord Macaulay). Why? What constitutional purposes does the "bounty" serve?

The Constitution itself describes the basic Clause objective as one of "promot[ing] the Progress of Science," *i.e.*, knowledge and learning. The Clause exists not to "provide a special private benefit," but "to stimulate artistic creativity for the general public good." It does so by "motiv[at]ing the creative activity of authors" through "the provision of a special

reward.” *Sony, supra*, at 429. The “reward” is a means, not an end. And that is why the copyright term is limited. It is limited so that its beneficiaries—the public—“will not be permanently deprived of the fruits of an artist’s labors.”

That is how the Court previously has described the Clause’s objectives. And, in doing so, the Court simply has reiterated the views of the Founders.

Madison, like Jefferson and others in the founding generation, warned against the dangers of monopolies . . . (arguing against even copyright monopolies); (statement of Rep. Jackson in the First Congress, Feb. 1791) (“What was it drove our forefathers to this country? Was it not the ecclesiastical corporations and perpetual monopolies of England and Scotland?”). Madison noted that the Constitution had “limited them to two cases, the authors of Books, and of useful inventions.” He thought that in those two cases monopoly is justified because it amounts to “compensation for” an actual community “benefit” and because the monopoly is “temporary”—the term originally being 14 years (once renewable). Madison concluded that “under that limitation a sufficient recompence and encouragement may be given.” But he warned in general that monopolies must be “guarded with strictness against abuse.” . . .

For present purposes, then, we should take the following as well established: that copyright statutes must serve public, not private, ends; that they must seek “to promote the Progress” of knowledge and learning; and that they must do so both by creating incentives for authors to produce and by removing the related restrictions on dissemination after expiration of a copyright’s “limited Tim[e]”—a time that (like “a *limited* monarch”) is “restrain[ed]” and “circumscribe[d],” “not [left] at large.” . . .

B

This statute, like virtually every copyright statute, imposes upon the public certain expression-related costs in the form of (1) royalties that may be higher than necessary to evoke creation of the relevant work, and (2) a requirement that one seeking to reproduce a copyrighted work must obtain the copyright holder’s permission. The first of these costs translates into higher prices that will potentially restrict a work’s dissemination. The second means search costs that themselves may prevent reproduction even where the author has no objection. Although these costs are, in a sense, inevitable concomitants of copyright protection, there are special reasons for thinking them especially serious here.

First, the present statute primarily benefits the holders of existing copyrights, *i.e.*, copyrights on works already created. And a Congressional Research Service (CRS) study prepared for Congress indicates that the added royalty-related sum that the law will transfer to existing copyright holders is large. In conjunction with official figures on copyright renewals, the CRS Report indicates that only about 2% of copyrights between 55 and 75 years old retain commercial value—*i.e.*, still generate royalties after that time. But books, songs, and movies of that vintage still earn about \$400 million per year in royalties. [O]ne might conservatively estimate that 20 extra years of copyright protection will mean the transfer of several billion extra royalty dollars to holders of existing copyrights—copyrights that, together, already will have earned many billions of dollars in royalty “reward.”

The extra royalty payments will not come from thin air. Rather, they ultimately come from those who wish to read or see or hear those classic books or films or recordings that have survived. Further, the likely amounts of extra royalty payments are large enough to suggest that unnecessarily high prices will unnecessarily restrict distribution of classic works (or lead to disobedience of the law)—not just in theory but in practice. Cf. CRS Report 3 (“[N]ew, cheaper editions can be expected when works come out of copyright”); Brief for College Art Association et al. as *Amici Curiae* 24.

A second, equally important, cause for concern arises out of the fact that copyright extension imposes a “permissions” requirement—not only upon potential users of “classic” works that still retain commercial value, but also upon potential users of *any other work* still in copyright. Again using CRS estimates, one can estimate that, by 2018, the number of such works 75 years of age or older will be about 350,000. Because the Copyright Act of 1976 abolished the requirement that an owner must renew a copyright, such still-in-copyright works (of little or no commercial value) will eventually number in the millions.

The potential users of such works include not only movie buffs and aging jazz fans, but also historians, scholars, teachers, writers, artists, database operators, and researchers of all kinds—those who want to make the past accessible for their own use or for that of others. The permissions requirement can inhibit their ability to accomplish that task. Indeed, in an age where computer-accessible databases promise to facilitate research and learning, the permissions requirement can stand as a significant obstacle to realization of that technological hope.

The reason is that the permissions requirement can inhibit or prevent the use of old works (particularly those without commercial value): (1) because it may prove expensive to track down or to contract with the copyright holder, (2) because the holder may prove impossible to find, or (3) because the holder when found may deny permission either outright or through misinformed efforts to bargain. The CRS, for example, has found that the cost of seeking permission “can be prohibitive.”

Thus, the American Association of Law Libraries points out that the clearance process associated with creating an electronic archive, Documenting the American South, “consumed approximately a dozen man-hours” *per work*. The College Art Association says that the costs of obtaining permission for use of single images, short excerpts, and other short works can become prohibitively high; it describes the abandonment of efforts to include, *e.g.*, campaign songs, film excerpts, and documents exposing “horrors of the chain gang” in historical works or archives; and it points to examples in which copyright holders in effect have used their control of copyright to try to control the content of historical or cultural works. . . . *Amici* for petitioners describe how electronic databases tend to avoid adding to their collections works whose copyright holders may prove difficult to contact.

. . . Similarly, the costs of obtaining permission, now perhaps ranging in the millions of dollars, will multiply as the number of holders of affected copyrights increases from several hundred thousand to several million. The costs to the users of nonprofit databases, now numbering in the low millions, will multiply as the use of those computer-assisted databases becomes more prevalent. And the qualitative costs to education, learning, and research will multiply as our children become ever more dependent for the content of their knowledge upon computer-accessible databases—thereby condemning that which is not so accessible, say, the cultural content of early 20th-century history, to a kind of intellectual purgatory from which it will not easily emerge. . . .

The majority also invokes the “fair use” exception, and it notes that copyright law itself is restricted to protection of a work’s expression, not its substantive content. Neither the exception nor the restriction, however, would necessarily help those who wish to obtain from electronic databases material that is not there—say, teachers wishing their students to see albums of Depression Era photographs, to read the recorded words of those who actually lived under slavery, or to contrast, say, Gary Cooper’s heroic portrayal of Sergeant York with filmed reality from the battlefield of Verdun. Such harm, and more will occur despite the 1998 Act’s exemptions and despite the other “First Amendment safeguards” in which the majority places its trust.

I should add that the Motion Picture Association of America also finds my concerns

overstated, at least with respect to films, because the extension will sometimes make it profitable to reissue old films, saving them from extinction. Other film preservationists note, however, that only a small minority of the many films, particularly silent films, from the 1920's and 1930's have been preserved. (Half of all pre-1950 feature films and more than 80% of all such pre-1929 films have already been lost); cf. Brief for Hal Roach Studios et al. as *Amici Curiae* 18 (Out of 1,200 Twenties Era silent films still under copyright, 63 are now available on digital video disc). They seek to preserve the remainder. And they tell us that copyright extension will impede preservation by forbidding the reproduction of films within their own or within other public collections. . . .

C

What copyright-related benefits might justify the statute's extension of copyright protection? First, no one could reasonably conclude that copyright's traditional economic rationale applies here. The extension will not act as an economic spur encouraging authors to create new works. . . . And any remaining monetary incentive is diminished dramatically by the fact that the relevant royalties will not arrive until 75 years or more into the future, when, not the author, but distant heirs, or shareholders in a successor corporation, will receive them. Using assumptions about the time value of money provided us by a group of economists (including five Nobel prize winners), it seems fair to say that, for example, a 1% likelihood of earning \$100 annually for 20 years, starting *75 years into the future*, is worth less than seven cents today.

What potential Shakespeare, Wharton, or Hemingway would be moved by such a sum? What monetarily motivated Melville would not realize that he could do better for his grandchildren by putting a few dollars into an interest-bearing bank account? The Court itself finds no evidence to the contrary. It refers to testimony before Congress (1) that the copyright system's incentives encourage creation, and (2) (referring to Noah Webster) that income earned from one work can help support an artist who "continue[s] to create."

[E]ven if this cited testimony were meant more specifically to tell Congress that somehow, somewhere, some potential author might be moved by the thought of great-grandchildren receiving copyright royalties a century hence, so might some potential author also be moved by the thought of royalties being paid for two centuries, five centuries, 1,000 years, "til the End of Time." And from a rational economic perspective the time difference among these periods *makes no real difference*. The present extension will produce a copyright period of protection that, even under conservative assumptions, is worth more than 99.8% of protection *in perpetuity* (more than 99.99% for a songwriter like Irving Berlin and a song like Alexander's Ragtime Band). The lack of a practically meaningful distinction from an author's *ex ante* perspective between (a) the statute's extended terms and (b) an infinite term makes this latest extension difficult to square with the Constitution's insistence on "limited Times."

I am not certain why the Court considers it relevant in this respect that "[n]othing . . . warrants construction of the [1998 Act's] 20-year term extension as a congressional attempt to evade or override the 'limited Times' constraint." Of course Congress did not intend to act unconstitutionally. But it may have sought to test the Constitution's limits. After all, the statute was named after a Member of Congress, who, the legislative history records, "wanted the term of copyright protection to last forever." 144 Cong. Rec. H9952 (daily ed. Oct. 7, 1998) (stmt. of Rep. Mary Bono). See also (stmt. of Rep. Sonny Bono) (questioning why copyrights should ever expire); (stmt. of Rep. Berman) ("I guess we could . . . just make a permanent moratorium on the expiration of copyrights"); (stmt. of Rep. Hoke) ("Why 70 years? Why not forever? Why not 150 years?"); (stmt. of the

Register of Copyrights) (In Copyright Office proceedings, “[t]he Songwriters Guild suggested a perpetual term”); (statement of Quincy Jones) (“I’m particularly fascinated with Representative Hoke’s statement. . . . [W]hy not forever?”); (stmt. of Quincy Jones) (“If we can start with 70, add 20, it would be a good start”). And the statute ended up creating a term so long that (were the vesting of 19th-century real property at issue) it would typically violate the traditional rule against perpetuities.

In any event, the incentive-related numbers are far too small for Congress to have concluded rationally, even with respect to new works, that the extension’s economic-incentive effect could justify the serious expression-related harms earlier described. And, of course, in respect to works already created—the source of many of the harms previously described—the *statute creates no economic incentive at all*.

Second, the Court relies heavily for justification upon international uniformity of terms. . . . Despite appearances, the statute does *not* create a uniform American-European term with respect to the lion’s share of the economically significant works that it affects—all works made “for hire” and *all* existing works created prior to 1978. With respect to those works the American statute produces an extended term of 95 years while comparable European rights in “for hire” works last for periods that vary from 50 years to 70 years to life plus 70 years. Neither does the statute create uniformity with respect to anonymous or pseudonymous works.

The statute does produce uniformity with respect to copyrights in new, post-1977 works attributed to natural persons. But these works constitute only a subset (likely a minority) of works that retain commercial value after 75 years. And the fact that uniformity comes so late, if at all, means that bringing American law into conformity with this particular aspect of European law will neither encourage creation nor benefit the long-dead author in any other important way.

In sum, the partial, future uniformity that the 1998 Act promises cannot reasonably be said to justify extension of the copyright term for new works. And concerns with uniformity cannot possibly justify the extension of the new term to older works, for the statute there creates no uniformity at all.

Third, several publishers and filmmakers argue that the statute provides incentives to *those who act as publishers* to republish and to redistribute older copyrighted works. This claim cannot justify this statute, however, because the rationale is inconsistent with the basic purpose of the Copyright Clause—as understood by the Framers and by this Court. The Clause assumes an initial grant of monopoly, designed primarily to encourage creation, followed by termination of the monopoly grant in order to promote dissemination of already-created works. It assumes that it is the *disappearance* of the monopoly grant, not its *perpetuation*, that will, on balance, promote the dissemination of works already in existence. This view of the Clause finds strong support in the writings of Madison, in the antimonopoly environment in which the Framers wrote the Clause, and in the history of the Clause’s English antecedent, the Statute of Anne—a statute which sought to break up a publishers’ monopoly by offering, as an alternative, an author’s monopoly of limited duration.

This view finds virtually conclusive support in the Court’s own precedents. See *Sony* (The Copyright Clause is “intended . . . to allow the public access . . . after the limited period of exclusive control”).

This view also finds textual support in the Copyright Clause’s word “limited.” It finds added textual support in the word “Authors,” which is difficult to reconcile with a rationale that rests entirely upon incentives given to publishers perhaps long after the death of the work’s creator.

It finds empirical support in sources that underscore the wisdom of the Framers' judgment. And it draws logical support from the endlessly self-perpetuating nature of the publishers' claim and the difficulty of finding any kind of logical stopping place were this Court to accept such a uniquely publisher-related rationale. . . .

Given this support, it is difficult to accept the conflicting rationale that the publishers advance, namely, that extension, rather than limitation, of the grant will, by rewarding publishers with a form of monopoly, promote, rather than retard, the dissemination of works already in existence. Indeed, given these considerations, this rationale seems constitutionally perverse—unable, constitutionally speaking, to justify the blanket extension here at issue.

Fourth, the statute's legislative history suggests another possible justification. That history refers frequently to the financial assistance the statute will bring the entertainment industry, particularly through the promotion of exports. I recognize that Congress has sometimes found that suppression of competition will help Americans sell abroad—though it has simultaneously taken care to protect American buyers from higher domestic prices. In doing so, however, Congress has exercised its commerce, not its copyright, power. I can find nothing in the Copyright Clause that would authorize Congress to enhance the copyright grant's monopoly power, likely leading to higher prices both at home and abroad, *solely* in order to produce higher foreign earnings. That objective is not a *copyright* objective. Nor, standing alone, is it related to any other objective more closely tied to the Clause itself. Neither can higher corporate profits alone justify the grant's enhancement. The Clause seeks public, not private, benefits.

Finally, the Court mentions as possible justifications “demographic, economic, and technological changes”—by which the Court apparently means the facts that today people communicate with the help of modern technology, live longer, and have children at a later age. The first fact seems to argue not for, but instead against, extension. The second fact seems already corrected for by the 1976 Act's life-plus-50 term, which automatically grows with lifespans. And the third fact—that adults are having children later in life—is a make-weight at best, providing no explanation of why the 1976 Act's term of 50 years after an author's death—a longer term than was available to authors themselves for most of our Nation's history—is an insufficient potential bequest. The weakness of these final rationales simply underscores the conclusion that emerges from consideration of earlier attempts at justification: There is no legitimate, serious copyright-related justification for this statute.

III

The Court is concerned that our holding in this case not inhibit the broad decisionmaking leeway that the Copyright Clause grants Congress. It is concerned about the implications of today's decision for the Copyright Act of 1976—an Act that changed copyright's basic term from 56 years (assuming renewal) to life of the author plus 50 years. It is concerned about having to determine just how many years of copyright is too many—a determination that it fears would require it to find the “right” constitutional number, a task for which the Court is not well suited.

I share the Court's initial concern, about intrusion upon the decisionmaking authority of Congress. But I do not believe it intrudes upon that authority to find the statute unconstitutional on the basis of (1) a legal analysis of the Copyright Clause's objectives; (2) the total implausibility of any incentive effect; and (3) the statute's apparent failure to provide significant international uniformity. Nor does it intrude upon congressional authority to consider rationality in light of the expressive values underlying the Copyright Clause, related as it is to the First Amendment, and given the constitutional importance of correctly drawing the relevant Clause/Amendment boundary. We cannot avoid the need to

examine the statute carefully by saying that “Congress has not altered the traditional contours of copyright protection,” for the sentence points to the question, rather than the answer. Nor should we avoid that examination here. That degree of judicial vigilance—at the far outer boundaries of the Clause—is warranted if we are to avoid the monopolies and consequent restrictions of expression that the Clause, read consistently with the First Amendment, seeks to preclude. And that vigilance is all the more necessary in a new Century that will see intellectual property rights and the forms of expression that underlie them play an ever more important role in the Nation’s economy and the lives of its citizens.

I do not share the Court’s concern that my view of the 1998 Act could automatically doom the 1976 Act. . . . Regardless, the law provides means to protect those who have reasonably relied upon prior copyright statutes. See *Heckler v. Mathews* (1984). And, in any event, we are not here considering, and we need not consider, the constitutionality of other copyright statutes.

Neither do I share the Court’s aversion to line-drawing in this case. Even if it is difficult to draw a single clear bright line, the Court could easily decide (as I would decide) that this particular statute simply goes too far. And such examples—of what goes too far—sometimes offer better constitutional guidance than more absolute-sounding rules. In any event, “this Court sits” in part to decide when a statute exceeds a constitutional boundary.

Finally, the Court complains that I have not “restrained” my argument or “train[ed] my fire, as petitioners do, on Congress’ choice to place existing and future copyrights in parity.” . . . A desire for “parity” between *A* (old copyrights) and *B* (new copyrights) cannot justify extending *A* when there is no rational justification for extending *B*. At the very least, (if I put aside my rationality characterization) to ask *B* to support *A* here is like asking Tom Thumb to support Paul Bunyan’s ox. Where the case for extending new copyrights is itself so weak, what “justice,” what “policy,” what “equity” can warrant the tolls and barriers that extension of existing copyrights imposes?

IV

This statute will cause serious expression-related harm. It will likely restrict traditional dissemination of copyrighted works. It will likely inhibit new forms of dissemination through the use of new technology. It threatens to interfere with efforts to preserve our Nation’s historical and cultural heritage and efforts to use that heritage, say, to educate our Nation’s children. It is easy to understand how the statute might benefit the private financial interests of corporations or heirs who own existing copyrights. But I cannot find any constitutionally legitimate, copyright-related way in which the statute will benefit the public. Indeed, in respect to existing works, the serious public harm and the virtually nonexistent public benefit could not be more clear.

I have set forth the analysis upon which I rest these judgments. This analysis leads inexorably to the conclusion that the statute cannot be understood rationally to advance a constitutionally legitimate interest. The statute falls outside the scope of legislative power that the Copyright Clause, read in light of the First Amendment, grants to Congress. I would hold the statute unconstitutional.

I respectfully dissent.

APPENDIX TO OPINION OF BREYER, J.

A

The text’s estimates of the economic value of 1998 Act copyrights relative to the economic value of a perpetual copyright, as well as the incremental value of a 20-year extension of a 75-year term, rest upon the conservative future value and discount rate

assumptions set forth in the brief of economist *amici*. Under these assumptions, if an author expects to live 30 years after writing a book, the copyright extension (by increasing the copyright term from “life of the author plus 50 years” to “life of the author plus 70 years”) increases the author’s expected income from that book—*i.e.*, the economic incentive to write—by no more than about 0.33%.

The text assumes that the extension creates a term of 95 years (the term corresponding to works made for hire and for all existing pre-1978 copyrights). Under the economists’ conservative assumptions, the value of a 95-year copyright is slightly more than 99.8% of the value of a perpetual copyright. If a “life plus 70” term applies, and if an author lives 78 years after creation of a work (as with Irving Berlin and Alexander’s Ragtime Band), the same assumptions yield a figure of 99.996%. . . .

Questions:

1.) Under *Eldred*, would a copyright term of 10,000 years, imposed both prospectively and retrospectively, be constitutional—if accompanied by Congressional findings that this was necessary to promote the progress of science?

2.) Reread pp 9–16 of *The Public Domain*. Justice Ginsburg believes that the internal limitations of the copyright system (such as fair use and the idea expression distinction) coupled with the expression-*promoting* effect of copyright, are together enough to make copyright law presumptively (though not categorically) immune from First Amendment scrutiny.

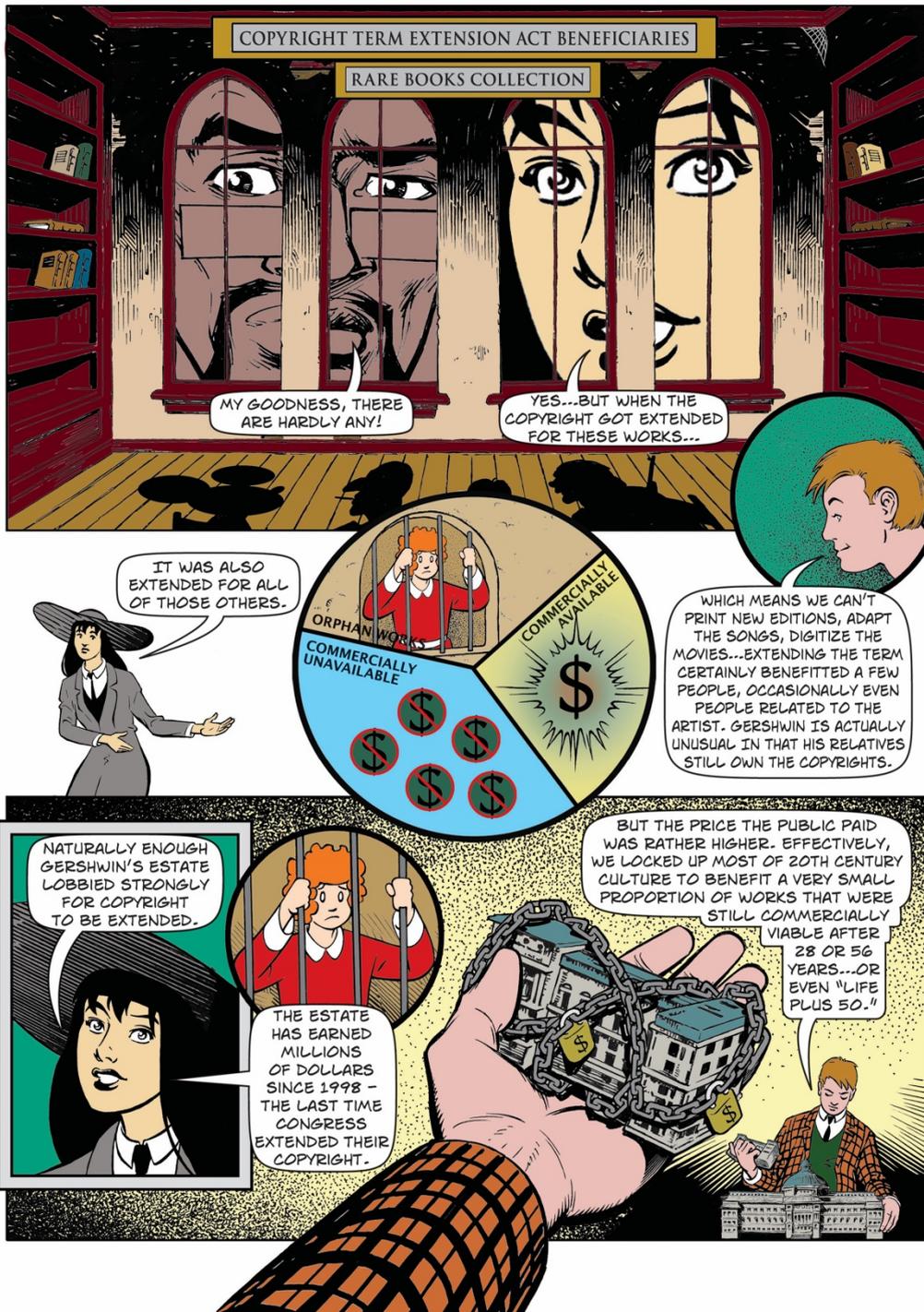
[The CTEA] protects authors’ original expression from unrestricted exploitation. Protection of that order does not raise the free speech concerns present when the government compels or burdens the communication of particular facts or ideas. The First Amendment securely protects the freedom to make—or decline to make—one’s own speech; it bears less heavily when speakers assert the right to make other people’s speeches. To the extent such assertions raise First Amendment concerns, copyright’s built-in free speech safeguards are generally adequate to address them.

Are archivists and librarians trying to digitize orphan works asserting “the right to make other people’s speeches”? Does retrospective term extension—as to those works—have an expression-promoting effect? Are the internal limitations of copyright enough to protect their activity?

3.) What is the strongest criticism that could be made of Justice Breyer’s opinion? If his proposed standard of review should be used here, why not in Commerce Clause cases?

4.) Justice Ginsburg and Justice Breyer both seem to think that “copyright is different,” that its rules present special constitutional issues, though they disagree strongly on what those differences are. If you had to sum up why Justice Ginsburg believes Congress deserves judicial deference and that copyright legislation should be presumptively free from First Amendment scrutiny, how would you do so? If you had to sum up why Justice Breyer thinks that this issue deserves heightened scrutiny, how would you do so? How do they frame the issue differently?

5.) Justice Breyer focuses on the lopsided ratio of harm to benefits imposed by term extension. His argument is summarized in the comic book page that follows these notes. What are the best arguments that the expressive costs and benefits of term extension are i.) irrelevant constitutionally? ii.) vitally important in both the First Amendment *and* Copyright Clause analysis?

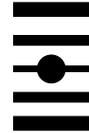


Note: The Classics Protection and Access Act

The works whose copyright extension was upheld in *Eldred* began to enter the public domain in 2019; there has been no push to further expand their copyright terms. However, there has been a legislative development regarding the copyright term for a

specific subset of works: pre-1972 sound recordings. In 2018, Congress passed the “Classics Protection and Access Act” (“Classics Act”) as part of the Orrin G. Hatch–Bob Goodlatte Music Modernization Act (“MMA”). This law grants certain federal rights to pre-1972 sound recordings (previously, federal copyright law did not cover sound recordings fixed before February 15, 1972; instead they were covered, if at all, by a patchwork of state laws). These older recordings will enter the public domain gradually, beginning in 2022: recordings published before 1923 will enter the public domain in 2022, and recordings published between 1923–1946 will enter the public domain after the end of a 100-year term, from 2024–2029. Intriguingly, the Classics Act also contains a limited exception allowing the use of orphan works: it exempts noncommercial uses of pre-1972 sound recordings that are not being commercially exploited, so long as the user has conducted a good faith, reasonable search for the rights owner, and the rights owner has not objected within 90 days. (Note that the MMA contains other revisions that are beyond the scope of this chapter. For example, the “Music Licensing Modernization Act” provides a blanket licensing scheme for digital music services under 17 U.S.C. § 115.)

Golan v. Holder
565 U.S. 302 (2012)



GINSBURG, J., delivered the opinion of the Court. BREYER, J., filed a dissenting opinion, in which ALITO, J., joined.

Justice GINSBURG delivered the opinion of the Court.

The Berne Convention for the Protection of Literary and Artistic Works (Berne Convention or Berne), which took effect in 1886, is the principal accord governing international copyright relations. Latecomer to the international copyright regime launched by Berne, the United States joined the Convention in 1989. To perfect U.S. implementation of Berne, and as part of our response to the Uruguay Round of multilateral trade negotiations, Congress, in 1994, gave works enjoying copyright protection abroad the same full term of protection available to U.S. works. Congress did so in § 514 of the Uruguay Round Agreements Act (URAA), which grants copyright protection to preexisting works of Berne member countries, protected in their country of origin, but lacking protection in the United States for any of three reasons: The United States did not protect works from the country of origin at the time of publication; the United States did not protect sound recordings fixed before 1972; or the author had failed to comply with U.S. statutory formalities (formalities Congress no longer requires as prerequisites to copyright protection).

The URAA accords no protection to a foreign work after its full copyright term has expired, causing it to fall into the public domain, whether under the laws of the country of origin or of this country. Works encompassed by § 514 are granted the protection they would have enjoyed had the United States maintained copyright relations with the author’s country or removed formalities incompatible with Berne. . . . To cushion the impact of their placement in protected status, Congress included in § 514 ameliorating accommodations for parties who had exploited affected works before the URAA was enacted.

Petitioners include orchestra conductors, musicians, publishers, and others who formerly enjoyed free access to works § 514 removed from the public domain. They maintain that the Constitution’s Copyright and Patent Clause, Art. I, § 8, cl. 8, and First

Amendment both decree the invalidity of § 514. Under those prescriptions of our highest law, petitioners assert, a work that has entered the public domain, for whatever reason, must forever remain there.

In accord with the judgment of the Tenth Circuit, we conclude that § 514 does not transgress constitutional limitations on Congress' authority. Neither the Copyright and Patent Clause nor the First Amendment, we hold, makes the public domain, in any and all cases, a territory that works may never exit. . . .

II

We first address petitioners' argument that Congress lacked authority, under the Copyright Clause, to enact § 514. . . . Petitioners find in this grant of authority an impenetrable barrier to the extension of copyright protection to authors whose writings, for whatever reason, are in the public domain. We see no such barrier in the text of the Copyright Clause, historical practice, or our precedents. . . .

Carried to its logical conclusion, petitioners persist, the Government's position would allow Congress to institute a second "limited" term after the first expires, a third after that, and so on. Thus, as long as Congress legislated in installments, perpetual copyright terms would be achievable. As in *Eldred*, the hypothetical legislative misbehavior petitioners posit is far afield from the case before us. . . . Congress rationally could have concluded that adherence to Berne "promotes the diffusion of knowledge." A well-functioning international copyright system would likely encourage the dissemination of existing and future works. . . . The provision of incentives for the creation of new works is surely an essential means to advance the spread of knowledge and learning. We hold, however, that it is not the sole means Congress may use "[t]o promote the Progress of Science." . . .

III

A

We next explain why the First Amendment does not inhibit the restoration authorized by § 514. To do so, we first recapitulate the relevant part of our pathmarking decision in *Eldred*. . . .

Concerning the First Amendment, we recognized that some restriction on expression is the inherent and intended effect of every grant of copyright. Noting that the "Copyright Clause and the First Amendment were adopted close in time," we observed that the Framers regarded copyright protection not simply as a limit on the manner in which expressive works may be used. They also saw copyright as an "engine of free expression." . . .

We then described the "traditional contours" of copyright protection, *i.e.*, the "idea/expression dichotomy" and the "fair use" defense. Both are recognized in our jurisprudence as "built-in First Amendment accommodations." . . .

Given the "speech-protective purposes and safeguards" embraced by copyright law, we concluded in *Eldred* that there was no call for the heightened review petitioners sought in that case. We reach the same conclusion here. . . .

B

Petitioners attempt to distinguish their challenge from the one turned away in *Eldred*. First Amendment interests of a higher order are at stake here, petitioners say, because they—unlike their counterparts in *Eldred*—enjoyed "vested rights" in works that had already entered the public domain. The limited rights they retain under copyright law's "built-in safeguards" are, in their view, no substitute for the unlimited use they enjoyed before § 514's enactment. Nor, petitioners urge, does § 514's "unprecedented" foray into the public domain

possess the historical pedigree that supported the term extension at issue in *Eldred*.

. . . To copyright lawyers, the “vested rights” formulation might sound exactly backwards: Rights typically vest at the *outset* of copyright protection, in an author or rightholder. Once the term of protection ends, the works do not revert in any rightholder. Instead, the works simply lapse into the public domain. Anyone has free access to the public domain, but no one, after the copyright term has expired, acquires ownership rights in the once-protected works. . . .

Section 514, we add, does not impose a blanket prohibition on public access. Petitioners protest that fair use and the idea/expression dichotomy “are plainly inadequate to protect the speech and expression rights that § 514 took from petitioners, or . . . the public”—that is, “the unrestricted right to perform, copy, teach and distribute the *entire* work, for any reason.” “Playing a few bars of a Shostakovich symphony,” petitioners observe, “is no substitute for performing the entire work.” But Congress has not put petitioners in this bind. The question here, as in *Eldred*, is whether would-be users must pay for their desired use of the author’s expression, or else limit their exploitation to “fair use” of that work. Prokofiev’s *Peter and the Wolf* could once be performed free of charge; after § 514 the right to perform it must be obtained in the marketplace. . . .

IV

Congress determined that U.S. interests were best served by our full participation in the dominant system of international copyright protection. . . . The judgment § 514 expresses lies well within the ken of the political branches. It is our obligation, of course, to determine whether the action Congress took, wise or not, encounters any constitutional shoal. For the reasons stated, we are satisfied it does not. The judgment of the Court of Appeals for the Tenth Circuit is therefore *Affirmed*.

Justice BREYER, with whom Justice ALITO joins, dissenting.

In order “[t]o promote the Progress of Science” (by which term the Founders meant “learning” or “knowledge”), the Constitution’s Copyright Clause grants Congress the power to “secur[e] for limited Times to Authors . . . the exclusive Right to their . . . Writings.” Art. I, § 8, cl. 8. This “exclusive Right” allows its holder to charge a fee to those who wish to use a copyrighted work, and the ability to charge that fee encourages the production of new material. In this sense, a copyright is, in Macaulay’s words, a “tax on readers for the purpose of giving a bounty to writers”—a bounty designed to encourage new production. As the Court said in *Eldred*, “[t]he economic philosophy behind the [Copyright] [C]lause . . . is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors.”

The statute before us, however, does not encourage anyone to produce a single new work. By definition, it bestows monetary rewards only on owners of old works—works that have already been created and already are in the American public domain. At the same time, the statute inhibits the dissemination of those works, foreign works published abroad after 1923, of which there are many millions, including films, works of art, innumerable photographs, and, of course, books—books that (in the absence of the statute) would assume their rightful places in computer-accessible databases, spreading knowledge throughout the world. In my view, the Copyright Clause does not authorize Congress to enact this statute. And I consequently dissent.

I

The possibility of eliciting new production is, and always has been, an essential precondition for American copyright protection. . . .

Yet, as the Founders recognized, monopoly is a two-edged sword. On the one hand, it can encourage production of new works. In the absence of copyright protection, anyone might freely copy the products of an author's creative labor, appropriating the benefits without incurring the nonrepeatable costs of creation, thereby deterring authors from exerting themselves in the first place. On the other hand, copyright tends to restrict the dissemination (and use) of works once produced either because the absence of competition translates directly into higher consumer prices or because the need to secure copying permission sometimes imposes administrative costs that make it difficult for potential users of a copyrighted work to find its owner and strike a bargain. . . .

. . . [T]ext, history, and precedent demonstrate that the Copyright Clause places great value on the power of copyright to elicit new production. Congress in particular cases may determine that copyright's ability to do so outweighs any concomitant high prices, administrative costs, and restrictions on dissemination. And when it does so, we must respect its judgment. But does the Clause empower Congress to enact a statute that withdraws works from the public domain, brings about higher prices and costs, and in doing so seriously restricts dissemination, particularly to those who need it for scholarly, educational, or cultural purposes—all *without providing any additional incentive* for the production of new material? That is the question before us. And, as I have said, I believe the answer is no. Congress in this statute has exceeded what are, under any plausible reading of the Copyright Clause, its permissible limits.

II

A

The provision before us takes works from the public domain, at least as of January 1, 1996. It then restricts the dissemination of those works in two ways.

First, "restored copyright" holders can now charge fees for works that consumers previously used for free. The price of a score of Shostakovich's Preludes and Fugues Op. 87, for example, has risen by a multiple of seven. . . . If a school orchestra or other nonprofit organization cannot afford the new charges, so be it. They will have to do without. . . .

Second, and at least as important, the statute creates administrative costs, such as the costs of determining whether a work is the subject of a "restored copyright," searching for a "restored copyright" holder, and negotiating a fee. Congress has tried to ease the administrative burden of contacting copyright holders and negotiating prices for those whom the statute calls "reliance part[ies]," namely those who previously had used such works when they were freely available in the public domain. But Congress has done nothing to ease the administrative burden of securing permission from copyright owners that is placed upon those who want to use a work that they did not previously use, and this is a particular problem when it comes to "orphan works"—older and more obscure works with minimal commercial value that have copyright owners who are difficult or impossible to track down. . . .

There are millions of such works. For example, according to European Union figures, there are 13 million orphan books in the European Union (13% of the total number of books in-copyright there), 225,000 orphan films in European film archives, and 17 million orphan photographs in United Kingdom museums. How is a university, a film collector, a musician, a database compiler, or a scholar now to obtain permission to use any such lesser known foreign work previously in the American public domain? Consider the questions that any

such individual, group, or institution usually must answer: Is the work eligible for restoration under the statute? If so, who now holds the copyright—the author? an heir? a publisher? an association? a long-lost cousin? Whom must we contact? What is the address? Suppose no one answers? How do we conduct a negotiation?

It is consequently not surprising to learn that the Los Angeles Public Library has been unable to make its collection of Mexican folk music publicly available because of problems locating copyright owners, that a Jewish cultural organization has abandoned similar efforts to make available Jewish cultural music and other materials, or that film preservers, museums, universities, scholars, database compilers, and others report that the administrative costs associated with trying to locate foreign copyright owners have forced them to curtail their cultural, scholarly, or other work-preserving efforts. . . .

B

. . . Worst of all, “restored copyright” protection removes material from the public domain. In doing so, it reverses the payment expectations of those who used, or intended to use, works that they thought belonged to them. Were Congress to act similarly with respect to well-established property rights, the problem would be obvious. This statute analogously restricts, and thereby diminishes, Americans’ preexisting freedom to use formerly public domain material in their expressive activities.

Thus, while the majority correctly observes that the dissemination-restricting harms of copyright normally present problems appropriate for legislation to resolve, the question is whether the Copyright Clause permits Congress seriously to exacerbate such a problem by taking works out of the public domain without a countervailing benefit. This question *is* appropriate for judicial resolution. Indeed, unlike *Eldred* where the Court had to decide a complicated line-drawing question—when is a copyright term too long?—here an easily administrable standard is available—a standard that would require works that have already fallen into the public domain to stay there.

The several, just mentioned features of the present statute are important, for they distinguish it from other copyright laws. By removing material from the public domain, the statute, in literal terms, “abridges” a preexisting freedom to speak. In practical terms, members of the public might well have decided what to say, as well as when and how to say it, in part by reviewing with a view to repeating, expression that they reasonably believed was, or would be, freely available. Given these speech implications, it is not surprising that Congress has long sought to protect public domain material when revising the copyright laws. And this Court has assumed the particular importance of public domain material in roughly analogous circumstances. See *Graham*, 383 U.S. at 6 (“Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain”); *Kewanee Oil Co. v. Bicron Corp.* (1974) (trade secret protection is not incompatible with “policy that matter once in the public domain must remain in the public domain”); *Cox Broadcasting Corp. v. Cohn* (1975) (First Amendment prohibits sanctioning press for publishing material disclosed in public court documents); see also *Dastar Corp. v. Twentieth Century Fox Film Corp.* (2003) (“The right to copy . . . once a copyright has expired . . . passes to the public”). . . .

Taken together, these speech-related harms (*e.g.*, restricting use of previously available material; reversing payment expectations; rewarding rent-seekers at the public’s expense) at least show the presence of a First Amendment interest. And that is enough. For present purposes, I need not decide whether the harms to that interest show a violation of the First Amendment. I need only point to the importance of interpreting the Constitution as a single document—a document that we should not read as setting the Copyright Clause

and the First Amendment at cross-purposes. Nor need I advocate the application here of strict or specially heightened review. I need only find that the First Amendment interest is important enough to require courts to scrutinize with some care the reasons claimed to justify the Act in order to determine whether they constitute reasonable copyright-related justifications for the serious harms, including speech-related harms, which the Act seems likely to impose.

C

The majority makes several other arguments. First, it argues that the Clause does not require the “creation of at least one new work,” but may instead “promote the Progress of Science” in other ways. And it specifically mentions the “dissemination of existing and future works” as determinative here. The industry experts to whom the majority refers argue that copyright protection of already existing works can help, say, music publishers or film distributors raise prices, produce extra profits and consequently lead them to publish or distribute works they might otherwise have ignored. . . . But this kind of argument, which can be made by distributors of all sorts of goods, ranging from kiwi fruit to Swedish furniture, has little if anything to do with the nonrepeatable costs of initial creation, which is the special concern of copyright protection.

Moreover, the argument proves too much. . . . It is the kind of argument that could justify a legislature’s withdrawing from the public domain the works, say, of Hawthorne or of Swift or for that matter the King James Bible in order to encourage further publication of those works; and, it could even more easily justify similar action in the case of lesser known early works, perhaps those of the Venerable Bede. . . .

III

The fact that, by withdrawing material from the public domain, the statute inhibits an important preexisting flow of information is sufficient, when combined with the other features of the statute that I have discussed, to convince me that the Copyright Clause, interpreted in the light of the First Amendment, does not authorize Congress to enact this statute.

I respectfully dissent from the Court’s contrary conclusion.

PROBLEM 2-3 TERM LIMITS.

Citing the importance to commerce of investments in innovation, whether artistic or commercial, and the uncertainty “in this modern technological age” about when investments in innovation will finally pay off, the Congress passes the “Defense of Innovation & Science, New Extension Years” Act (or DISNEY). DISNEY grants a supplementary right to holders of copyrights and patents. The supplementary right lasts for an additional 20 years. It applies both to existing copyrights and patents and those that expired during the last 20 years. The accompanying Legislative Report explicitly states that Congress is taking its authority, not from the Copyright Clause, but from the Commerce Clause.

Is DISNEY constitutional in whole or part? What type of constitutional analysis should the court perform in cases like this?