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POTENTIAL PITFALLS IN HIGH-TECH COPYRIGHT LITIGATION

PETER J. SHURN III[†]

I. INTRODUCTION

Alleging software and data base infringement is the most common offensive strategy currently seen in high-tech copyright litigation. In the context of a hypothetical factual setting this article explores three potential pitfalls attendant to such a strategy, and suggests ways to minimize those risks. The law, logic, and rationale of this analysis apply to a myriad of industries and factual scenarios. To help focus on salient legal and factual issues and analyses, a particular industry has been selected. For that industry, the interaction of custom and usage and government regulation with copyright law and litigation are considered. The principles discussed also apply to other industries, regulations, and customs and usages.¹

II. HYPOTHETICAL FACTUAL SETTING

High Seas just released its latest product innovation, which is taking the market by storm. Intended for the commercial boater, High Seas' new product combines the latest in color display-screen technology previously used only in high-end laptop computers, with high-speed electronics. High Seas' product is a Global Positioning System Fish Finder that

[†] The hypothetical fact pattern used in this article is a work of fiction. Names, characters, incidents, and dialogues are products of the author's imagination and are used fictitiously; they are not to be construed as real. Any resemblance to actual persons, living or dead, or to actual events, is coincidental and not intended by the author. Mr. Shurn has an LL.M. in Patent and Trade Regulation Law from The National Law Center, George Washington University, a J.D., *magna cum laude* from New England School of Law, a B.S.E.E., *magna cum laude* from The Polytechnic Institute of Brooklyn. He was also a Technical Advisor to Honorable Helen W. Nies of the Court of Customs and Patent Appeals (now the Court of Appeals for the Federal Circuit) from 1980-81. Mr. Shurn was a partner of Arnold, White & Durkee (and its successor, Howrey, Simon, Arnold & White from 1981-2001, an Adjunct Professor at South Texas College of Law from 1983-88, 2000-present, and worked in private practice from 2001-present. He is listed in *Who's Who in America, Who's Who in American Law*. The author may be reached at: pjshurn@ieee.org.

1. Focus will be on Fifth Circuit law, although the laws of the various regional circuits are quite similar.

has the most vivid colors and accurate information in the market—all at a very attractive price.² Commercial oystermen gain advantages through the ease with which information can be entered and government-required documentation produced to label harvested shellfish.

Blue Wave's competitive product—released eighteen months before High Seas'—had dominated the market. While still enjoying a significant market advantage due to its many additional features and brand-name recognition, Blue Wave is steadily losing market share to High Seas.

Blue Wave spent considerable time and money developing its product and took the market by storm. Its key designer, Blue Wave's president John Jones, truly wishes Clancy Smith success in spite of Clancy leaving Blue Wave two years ago to start High Seas. Close friends since childhood, Clancy had only been in business with John for 18 months. Before joining John's business, Clancy, using his extensive knowledge of the industry, of government regulations, and of customer needs and wants, made sketches for many similar products showing what information should be displayed and how such displays should look. When John first became interested in making such a product—just before he began designing the Blue Wave product—Clancy shared numerous such sketches with John and created similar sketches for John's proposed product to help his old friend get started. John wrote all the software to produce the displays in the Blue Wave product, and created a data-base to contain all the necessary information. Thereafter, John obtained copyright registrations for each after filing the required forms and deposits of the screen displays³ and of the first and last 10 pages of the source code⁴ for creating and using the data-base.

Thereafter, John persuaded Clancy to join him at Blue Wave to market this product. Clancy was great at marketing and arousing customer interest, and they worked well together. Clancy, however, longed to be on his own again. After 18 months together they parted as business associates, but remained good friends.

When discussing Clancy's departure and re-development of his old business, John volunteered that Clancy should feel free to build upon

2. A GPS Fish Finder is actually three boat instruments combined into one: a *chart-plotter* which displays a nautical chart or map, a *global positioning system* ("GPS") receiver which receives signals from numerous satellites orbiting the earth, and superimposes on the displayed nautical chart the position of the boat and tracks on the nautical chart the position of the boat as it travels, and a *fish sonar* which transmits sound waves down through the water and displays a representation of fish and other objects found under the boat. Having all three electronic instruments combined into a single device reduces the clutter on the boat's instrument panel.

3. 37 C.F.R. § 202.20(c)(2)(vii)(C)(1) (2007).

4. 37 C.F.R. § 202.20(c)(2)(vii)(A)(2) (2007).

what they had created together. That discussion was why John had not said anything before now to Clancy, even when John heard rumors about what Clancy was doing and how financially over-extended Clancy was becoming. Clancy was to build upon what they had created together—not take what John had created alone! John wants Clancy's success to be based on Clancy's creative abilities—not John's.

John knows High Seas' color display-screen has the most vivid colors of any in the marketplace. High Seas' display-screen is newer than Blue Wave's, although High Seas' is not as visible in bright sunlight. John believes that Blue Wave's next generation product, scheduled to be released in another six months, will surpass the color quality of High Seas' product, even in bright sunlight. Therefore, John is not too concerned about regaining lost market share.

More important than the display-screen, in John's opinion, is what the display-screen shows. No matter how attractive the picture quality, it is the ease of entering and viewing information, as well as generating government-required documents that make customers want to buy and use the product.

After taking apart and reverse-engineering one of High Seas' new products, John believes two of his United States copyright registrations, registrations on which John is the sole author, are being infringed. Without using John's copyrighted works, Clancy's product would not work as well or be as user-friendly.

John conducted his analysis, repeated it, and then repeated it again, not wanting to believe that his long time friend would secretly use John's copyrighted works. After days of agonizing, John finally telephoned Clancy and invited him to meet for dinner, to discuss a business matter. Clancy agreed.

John and Clancy met at one of their favorite restaurants, along with their wives. All were sharing an enjoyable evening when John finally voiced his concerns to Clancy. Clancy became noticeably shaken. A nasty argument followed between John and Clancy, between Clancy and his wife, and between the four of them. The restaurant's owner eventually asked all four to leave.

Three days after the ill-fated dinner meeting, John sued Clancy for willful copyright infringement and violation of the Digital Millennium Copyright Act, and asked for a permanent injunction and millions of dollars in damages.⁵ *Blue Wave, Inc. v. High Seas Marine Products, Inc.* is a lawsuit between multi-million dollar companies, but to John it is a personal matter of Clancy stealing John's brain-child.

5. Simultaneously, John's attorney filed supplemental registration applications with the Copyright Office, correcting what the attorney understood to be typing and clerical errors in the registration applications originally filed by John.

After Clancy is served by the marshal, he went into shock, not knowing what would become of his company if he could sell his highly-profitable new product, of his life-long friendship with John, and of his hard-earned reputation and respect in the industry. Finally, days before Clancy's answer was due, he met with his attorney and together they decided what action to take.

Clancy's attorney filed an answer and counterclaim, denying infringement and violation of the Digital Millennium Copyright Act, as well as most of the allegations of John's complaint. The answer included the affirmative defenses of laches and estoppel, license, and waiver provided for by Rule 8(c) of the Federal Rules of Civil Procedure.⁶ Clancy also filed a counterclaim for declaratory judgments of invalidity and non-infringement of each of the copyright registrations asserted by John.

III. THREE POTENTIAL PITFALLS

John's offensive strategy and complaint give rise to at least three potential pitfalls. First, consider what is protected when a claim of copyright is registered because, not everything contained in the copyrighted work may be protected. Thus, for John to succeed, Clancy must infringe something which is actually protectable to John. Thus, John's registered copyrights must embrace a protectable expression. Finally, John must prove these elements of his case.

This raises the second issue of what evidence John will use to prove the content of his copyrighted works, his software and database. John deposited with the Copyright Office only the minimum information required, so as to preserve their trade secret nature. However, to satisfy the test for copyright infringement, John must prove the content which he alleged Clancy substantially copied.

Third, violating the Digital Millennium Copyright Act by accessing software and databases many thousands of times may result in an award of statutory damages for each such access. Thus, high damages may arise under a statutory damages theory. Consequently, money damages may be obtained without proving John suffered actual damages. Should this, however, be the only theory of damages advanced by John? Moreover, proving a violation of the Digital Millennium Copyright Act requires showing Clancy circumvented a technological measure used to prevent unauthorized access to John's copyright-protected work. Has Clancy

6. FED. R. CIV. P. 8(c) provides, in pertinent part:

Affirmative Defenses. In pleading to a preceding pleading, a party shall set forth affirmatively accord and satisfaction, arbitration and award, assumption of risk, contributory negligence, discharge in bankruptcy, duress, estoppel, failure of consideration, fraud, illegality, injury by fellow servant, laches, license, payment, release, *res judicata*, statute of frauds, statute of limitations, waiver, and any other matter constituting an avoidance or affirmative defense.

done such a thing? Moreover, how will John prove these elements of his case?

Obviously, Rule 11 of the Federal Rules of Civil Procedure requires John and his attorney to determine, before filing, that John's complaint is well grounded in fact. In our hypothetical we shall assume they did. We shall also assume that John's attorney did not give blind deference to his client because of the desire to quickly stop the alleged infringement and prevent John's product from entering the marketplace.

A. FACTUAL OVERVIEW

A myriad of federal and state regulations exist to protect health by insuring the quality of products in the United States food chain. They include regulations mandating that those who harvest shellfish from United States waters must create various documents and must label the products they introduce into the flow of commerce. For example, federal regulations provide that all molluscan shellfish (*e.g.*, oysters) must bear a tag disclosing the date and place where they were harvested, type and quantity of shellfish, and by whom they were harvested, including the name of the harvester or the name or registration number of the harvester's vessel.⁷ Any shellfish without such a tag is subject to seizure and destruction.⁸

Various state laws have similar, sometimes more stringent requirements. For example, Texas law requires that the harvester affix to each bag or container of oysters a tag reciting certain information, and if the oysters are harvested at more than one location, each container must be tagged at its harvest area.⁹ The tag must meet certain specific physical requirements. The tag must be durable, waterproof, at least 2 5/8" x 5 1/4", and must be approved by the Texas Department of Health prior to use.¹⁰ Additionally, the tag must contain the following indelible, legible information in the order specified: the commercial oyster boat captain's license number, the captain's name, and the boat's license number, registration number, or, the date of harvest, the most precise identification of the harvest location as is practicable, the type and quantity of shellstock, and certain specific recitations.¹¹

7. 21 C.F.R. § 1240.60(b) (2008).

8. 21 C.F.R. § 1240.60(d) (2008). Similar regulations are imposed upon processors who receive such shellfish, process it, and then introduce it into commerce. 21 C.F.R. § 123.28 (2008).

9. Texas Molluscan Shellfish Rules § 241.57(e) (1) and (2), promulgated under authority of Section 436.112, Rules of the Texas Health and Safety Code.

10. 25 Tex. Admin. Code § 241.57 (e)(1)-(2) (1993).

11. 25 Tex. Admin. Code § 241.57 (e)(4)-(5) (1993); Similar regulation are imposed upon processors who receive such shellfish, process it, and then introduce it into commerce. 25 Tex. Admin. Code § 241.57 (e)(3) (1993).

In our hypothetical, High Seas' new product, as well as Blue Wave's competitive product, generates all the necessary signals and information to print all government mandated labels and other documentation. The harvester answers questions posed by the product in a series of question-and-answer screen-displays. The harvester enters information via a keyboard, and the computer software in the product does all the rest, including adding harvest area location information derived from the product's GPS. When attached to a printer, the product prints the required labels and documents. The harvester only needs to attach the labels to the individual bags or containers of harvested shellfish to be in regulatory compliance. These features make both High Seas' and Blue Wave's product far more useful to commercial oystermen and others operating similarly regulated businesses. Therefore, those products have a commercial advantage over all other products in the marketplace.

B. COPYRIGHT INFRINGEMENT CLAIM

Under federal law, the owner of a copyright has the exclusive right to do, and to authorize others to do, any of the following:

- (1) to reproduce the copyrighted work in copies . . . ;
- (2) to prepare derivative works based on the copyrighted work;
- (3) to distribute copies . . . of the copyrighted work to the public by sale or other transfer or ownership, or by rental, lease, or lending;
- (4) in the case of literary, musical, dramatic, and choreographic works, . . . to perform the copyrighted work in public;
- (5) in the case of literary, musical, dramatic, and choreographic works, . . . to display the copyrighted work publically; and
- (6) in the case of sound recordings, to perform the copyrighted work publically by means of a digital audio transmission.¹²

Section 501, Title 17, of the United States Code, provides that “[a]nyone who violates any of the exclusive rights of the copyright owner as provided in sections 106 through 121 . . . is an infringer of the copyright.” Civil remedies for such infringement include injunctive relief, impounding of the infringing articles, damages and profits, and costs and attorney’s fees.¹³ Because federal copyright is entirely a creature of statute, Congress may condition any rights granted on compliance with formalities, such as deposit and registration.¹⁴ Such formalities are addressed subsequently.

12. 17 U.S.C. § 106 (2007).

13. 17 U.S.C. § 502-505 (2007).

14. *Wheaton v. Peters*, 33 U.S. 591, 663-64 (1834).

1. *What is Protected*

Copyright protects original artistic expression in literary works (including computer programs and data-bases), musical works, dramatic works, pictorial, graphic, and sculptural works, motion pictures and other audiovisual works, sound recordings, and architectural works. It is regulated by federal law. The question of copyright infringement *vel non* often is phrased: “Is the accused work substantially similar to the copyrighted work?”

Under long-established federal law, copyright protection is subject to an important limitation called originality. The United States Supreme Court had defined originality as:

The mere fact that a work is copyrighted does not mean that every element of the work may be protected. Originality remains the sine qua non of copyright; accordingly, copyright protection may extend only to those components of a work that are original to the author.¹⁵

The originality requirement is constitutionally mandated, and Section 102(a) of Title 17 extends copyright protection only to “original works of authorship.”¹⁶

Although many registrations claiming copyright for the “entire work” are issued by the Copyright Office, the registration extends only to those parts of the work which (i) constitute matter protectable by copyright, and (ii) in which the owner has a right to assert a claim of copyright. Whether, and to what degree, particular parts of the work are protected is a question for the courts, and depends on the individual creativity of the author. Consequently, under long-established federal law, the courts, not the Copyright Office, determine the scope of the copyright. The Copyright Office simply registers the registrant’s claim of copyright after minimal examination of what is essentially an administrative aspect of the claim, the act of registration giving the registrant the ability to sue in federal court.

Copyright protects artistic expression. Copyright does not protect functionality; patents protect functionality. Copyrights and patents each protect different kinds of intellectual property, and are not co-extensive. Although both are based on Article I, Section 8, Clause 8 of the U.S. Constitution, “Congress shall have Power . . . [t]o 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 . . .,” patents deal with useful arts — inventions and discoveries, while copyright deal with science, authors, and writings. To further the

15. *Feist Publ’n, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349-50 (1991).

16. 4 MELVIN B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* § 13.01(A) (2007) (stating that “In addition to other relevant evidence, expert testimony is admissible on the issue of plaintiff’s originality.”) (hereinafter cited as *NIMMER ON COPYRIGHT*).

constitutional objective of the former, Congress enacted the Patent Act (presently codified in Title 35 of the U.S. Code, and regulated by rules appearing in 37 C.F.R. sections 1.1 – 1.809). To further the constitutional objective of the latter Congress enacted the Copyright Act (presently codified in Title 17, of the U.S. Code, and regulated by rules appearing in 37 C.F.R., sections 202.1 – 202.23). The procedures for obtaining patent protection and copyright protection are vastly different. The rights are governed by different statutes, and regulated by different rules—a relatively exhaustive examination process for patents and essentially a minimal examination registration process for copyrights. Thus, the protection afforded by each are vastly different.¹⁷ Moreover, copyright infringement is an intentional tort, while patent infringement is not.¹⁸ Generally, copyrights protect artistic expression but not functionality; patents protect functionality but not artistic expression.¹⁹

2. *Vesting of Rights, Registration, Presumptions*

Copyright vests automatically upon creation of a work.²⁰ Section 201(a) of the Copyright Act provides that copyright in a work vests initially in the author or authors of the work. Section 201(b) of the Copyright Act provides that the employer or other person for whom the work was prepared is considered the author. Moreover, unless the parties have expressly agreed otherwise in a written instrument signed by them, the author owns all of the rights comprised in the copyright. Whether a particular work is a work made for hire or not depends on the relationship between the parties at the time the work was made, and is governed by federal law.

Although copyright vests automatically without the author doing anything in addition to creating the work, registration of a claim of copyright perfects certain rights, and is a necessary jurisdictional prerequisite for filing a copyright infringement lawsuit.²¹ To register a claim of copyright, one must complete and file with the Copyright Office one of

17. Compare 35 U.S.C. § 271 and 17 U.S.C. § 501 and 106-122.

18. *Bucklew v. Hawkins, Ash, Baptie & Co.*, 329 F.3d 923, 931 (7th Cir. 2003).

19. P.J. Shurn III, *COMMON PITFALLS IN PATENT LITIGATION*, 40 *NEW ENGLAND L. REV.* 987 (2006) (dealing with patent issues in a similar hypothetical).

20. 17 U.S.C. § 408(a) (2007) (stating “Registration Permissive . . . [R]egistration is not a condition of copyright protection.”); 17 U.S.C. § 407(a) (2007) (stating “[n]either the deposit requirements of this subsection nor the acquisition provisions of subsection (e) are conditions of copyright protection.”). In marked contrast, no patent rights exist until the federal government grants a patent after the applicant-for-patent successfully completes an extensive period of examination. 35 U.S.C. §§ 131 – 154 (2006).

21. 17 U.S.C. §§ 411-412 (2007).

the various Copyright Office forms, and make one or more deposits.²² When a copyright claim in a computer program is a revision of a pre-existing work (as contrasted to being in a computer program not based on a pre-existing work), the deposit requirements are somewhat different because the deposit must consist of code representative of the revised material.²³ This different deposit requirement follows from the fact that a copyright in a derivative work protects only the new original material contributed by the derivative work's author, and does not extend to the pre-existing work. The pre-existing work, if protected at all, is protected by its own copyright by the original author(s) of that pre-existing work.²⁴

Although usually a complete copy of the work in which a claim of copyright is asserted must be deposited with the Copyright Office,²⁵ the rules permit deposit of less than a complete copy of a computer program (the work) in which a claim of copyright is made.²⁶ Depositing less than a complete copy of the work might result in evidentiary problems in proving infringement. This is so because to answer the question of whether "substantial similarity" exists between the copyrighted work and the allegedly infringing work, "a side-by-side comparison must be made between the original and the copy to determine whether a layman would view the two works as 'substantially similar.'"²⁷ Thus the focus of the infringement analysis is on the work that is the subject of the registered claim of copyright. But what is that work and how does one prove its content?

The copyrighted work may be shown by a certified copy of the deposit when a complete copy of the work was deposited. When a complete copy of the work was not deposited, the deposit evidences only that portion which was deposited. It follows that the portions of the copyrighted work relevant to the side-by-side comparison, which are not evidenced by the deposit, must be shown by evidence other than the certified deposit.²⁸

When the work in which a claim of copyright is asserted consists of the visual images produced on a computer screen—sometimes called a screen display—the rules for deposits require deposit not only of the

22. 17 U.S.C. §§ 407-409 (2007); 37 C.F.R. §§ 202.3 and 202.20 (stating a deposit being a complete copy of the work, or of certain portions of the work, in which the claim of copyright is being asserted).

23. 37 C.F.R. §§ 202.20(c)(2)(vii)(A)(1)-(2) (2008).

24. 17 U.S.C. § 103(b) (2007).

25. 37 C.F.R. § 202.20 (2008).

26. 37 C.F.R. § 202.20(c)(2)(vii)(A) (2008).

27. *Bridgmon v. Array Systems, Corp.*, 325 F.3d 572, 576-77 (5th Cir. 2003).

28. 2 MELVIN B. NIMMER & DAVID NIMMER, *NIMMER ON COPYRIGHT* § 7.17(A) (2007). (stating "[i]n an infringement action [the deposit] permits a determination of whether the work which the copyright owner claims to have been infringed is in fact the same work in which copyright was originally claimed.").

materials of 37 C.F.R., sections 202.20(c)(2)(vii)(A)(1) and (2), but also of visual reproductions of the copyrightable expression, that is, a visual reproduction of each screen display.²⁹

Section 410(c) provides that a certificate of registration made before or within five years after the first publication of the work, constitutes *prima facie* evidence of the validity of the copyright and of the facts stated in the certificate. In the legislative history, the five-year limitation was attributed to a lack of reliability “when registration is made long after the copyright claim originated . . . particularly when registration is made on the eve of an infringement suit, or is made by a claimant who is not the original copyright owner.”³⁰ This *prima facie* evidentiary presumption is a light one, limited to the facts stated in the certificate of registration, and may be rebutted by some evidence, which (as opposed to a mere assertion of non-copyrightability) places the validity of the registration, or the facts recited in the certificate, into question.³¹

The facts stated in a certificate of registration may be corrected by filing a supplementary registration. However, section 408(d) provides that “[t]he information contained in a supplementary registration augments, but does not supersede that contained in the earlier registration.” At least one court has ruled that a correction of an erroneous registration will result in the two recorded contrary facts neutralizing each other, meaning that no *prima facie* presumption will result.³²

3. *Proving Infringement of Protectable Expression*

As briefly mentioned above, to answer the question of whether substantial similarity exists between the copyrighted work and the allegedly infringing work, a side-by-side comparison must be made between the

29. 37 C.F.R. § 202.20(c)(2)(vii)(C)(1) (2008).

30. Supplementary Report of the Register of Copyrights of the General Revision of the U.S. Copyright Law: 1965 Revision Bill 89th Cong., 1st Sess. 123 (Comm. Print 1965). See also H.R. Rep. No. 1476, at 156 (1975); S. Rep. No. 473, at 139 (1975).

31. *Durham Indus., Inc. v. Tomy Corp.*, 630 F.2d 905, 908 (2d Cir. 1980). Courts may ascribe whatever weight they wish to a registration obtained more than five years after first publication. 17 U.S.C. § 410(c) (2007). “Given that the *prima facie* presumption is, of course, rebuttable, the burden therefore rests on the defendant to prove the invalidity of plaintiff’s copyright. As a matter of ordering the burdens and presentations of proof, “[t]he plaintiff should not ordinarily be forced in the first instance to prove all of the multitude of facts that underlie the validity of the copyright unless the defendant, by effectively challenging them, shifts the burden of doing so to the plaintiff.” 3 MELVIN B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHTS § 12.11(B) (2000). A “certificate of registration, property obtained within the prescribed five-year period, constitutes *prima facie* evidence of the author’s originality . . . absent circumstances that call into question the reliability of the facts contained in the certificate.” *Id.* at § 12.11(B)(1).

32. *NBC Subsidiary (KCNC-T), Inc. v. Broadcast Info. Servs. Inc.*, 717 F. Supp. 1449, 1551 (D. Colo. 1988); 2 MELVIN B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 7.20(A) (2007).

work that is the subject of the registered claim of copyright and the work accused of infringement. Essentially, the question is whether a layman would view the two works as being substantially similar.³³ But precisely what parts of the two works are to be compared and how are such comparisons to be made?

[An] essential element of an infringement case is that 'plaintiff must show that defendants' works are substantially similar to elements of plaintiff's work that are copyrightable or protected by the copyright. When similar works resemble each other only in those unprotected aspects, then defendant prevails. By contrast, when the similarity goes to protected elements, plaintiff prevails.³⁴

This concept is refined further:

[C]opyright law protects only an author's original expression, not ideas or elements taken from pre-existing works. Infringement is shown by a substantial similarity of protectable expression, not just an overall similarity between works. Thus before evaluating substantial similarity, it is necessary to eliminate from consideration those elements of a [computer] program that are not protected by copyright.³⁵

Because originality is the touchstone for copyright protection, "[t]he courts thus must be careful to limit protection only to those elements of the program that represent the author's original work."³⁶ Moreover, "[i]f . . . [the] defendant offers proof of lack of originality by plaintiff through evidence that plaintiff copied from prior works, . . . the burden then shifts to [the] plaintiff to overcome that evidence."³⁷

i. Copyright Protects Only Original Elements Added

When a work is derived from a pre-existing work, whether in the public domain or under copyright, only the original elements added by the author of the derivative work are protected by the new copyright in the derivative work.³⁸ Section 103(b) limits copyright protection for derivative works, providing:

The copyright in a . . . derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting

33. *Bridgmon*, 325 F.3d at 576-77.

34. 4 NIMMER ON COPYRIGHT § 13.03 (B)(2) (internal citations omitted).

35. 4 NIMMER ON COPYRIGHT § 13.03 (F).

36. *Id.* at § 13.03 (F)(4).

37. *Id.* at § 12.11 (B)(1).

38. *Filmvideo Releasing Corp. v. Hastings*, 668 F.2d 91, 92 (2d Cir. 1981); *Durham Industries, Inc. v. Tomy Corp.*, 630 F.2d 905, 909 (2d Cir. 1980).

material.³⁹

The elements of the prior underlying work are protected, if at all, by its own copyright.⁴⁰

ii. Copyright Protects Only Expression, Not Ideas or Information

Section 102(b) limits copyright protection to expression, providing:

In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.⁴¹

Copyright protects expression, but not what is expressed—the idea. Sometimes called the idea-expression dichotomy, Section 102(b) excludes everything from protection except expression. In other words, copyright does not preclude others from using the ideas or information revealed by the author’s work. Anyone is free to create his or her own expression of the same concepts, or to make practical use of them, as long as he or she does not copy the author’s form of expression. In *Feist Publications, Inc. v. Rural Telephone Service Co.*, the Supreme Court explained that this dichotomy is derived from the concept of originality arising from the constitutional mandate of protecting the “writings” of an “author.”⁴² The court reasoned that:

[facts] do not owe their origin to an act of authorship. The distinction is between creation and discovery: The first person to find and report a particular fact has not created the fact; he or she has merely discovered

39. 17 U.S.C. § 103(b) (2007).

40. *Russell v. Price*, 612 F.2d 1123, 1128 (9th Cir. 1979), *cert. denied*, 445 U.S. 952 (1980) (stating, “[t]hus, we affirm, without finding it necessary to repeat the rationale, the well-established doctrine that a derivative copyright protects only the new material contained in the derivative work, not the material derived from the underlying work.”).

41. 17 U.S.C. § 102(b) (2007). Computer programs and computer data-bases are copyrightable as literary works “to the extent that they incorporate authorship in the programmer’s expression of original ideas, as distinguished from the ideas themselves.” H.R. REP. NO. 1476, at 54 (1976). Although Section 102(b) applies to all forms of subject matter, its origins as a statutory doctrine lie within protections for computer programs, and was first inserted in the 1969 Senate omnibus revision bill in response to “concern[s] [that] copyright in computer programs would extend protection to the methodology or processes adopted by the programmer, rather than merely to the ‘writing’ expressing his ideas. Section 102(b) is intended, among other things, to make clear that the expression adopted by the programmer is the copyrightable element in a computer program, and that the actual process or methods embodied are not within the scope of the copyright law.” S. REP. NO. 983, p. 107 (1974). CONTU’s report contains the following discussion respecting the idea-expression dichotomy: “In the computer content this means that when specific instructions, even though previously copyrighted, are the only and essential means of accomplishing a given task, their later use by another will not amount to an infringement.” FINAL REPORT ON THE NATIONAL COMMISSION ON NEW TECHNOLOGICAL USES OF COPYRIGHTED WORKS 20 (1979).

42. 499 U.S. at 347.

its existence.⁴³

iii. *Expression Is Not Always Protectable*

Merger is another limitation on copyright protection. When the idea and its expression are inseparable, copying the expression will not be barred, because protecting the expression in such circumstances confers a monopoly of the idea upon the copyright owner free of the conditions and limitations imposed by the patent law.⁴⁴ This doctrine also applies when there are limited ways of expressing a particular idea.⁴⁵ For example, consider how the merger doctrine affects computer programs, which theoretically have many ways “to implement a particular idea, [but] efficiency concerns can make one or two choices so compelling as to virtually eliminate any other form of expression.”⁴⁶

iv. *“Things that Must Be Done” are Not Protectable*

Scène à faire is another limitation on copyright protection. *Scène à faire* “refers to stereotyped expressions, ‘incidents, characters or settings which are as a practical matter indispensable, or at least standard, in the treatment of a given topic.’”⁴⁷ More literally, it means “scenes which must be done.” As such, “[t]he *scène à faire* doctrine excludes from copyright protection work serving functional purposes or work that is dictated by external factors such as particular business practices.”⁴⁸

Within computer programs, “[e]xternal factors, such as the computer on which the program is to run, the other software with which the program must interact, and the nature of the problem to be solved, dictate many aspect of a program’s design, structure, or actual code.”⁴⁹ Moreover, “an extensive body of computer science literature, rather than the individual programmer’s creativity, provides numerous common programming techniques found in a wide variety of programs.”⁵⁰ Nimmer concludes that:

43. *Id.*

44. *Supra* notes 12 and 14 and accompanying text; *Herbert Rosenthal Jewelry Corp. v. Kalpakian*, 446 F.2d 738, 742 (9th Cir. 1971).

45. *Gates Rubber Co. v. Bando Chemical Indus.*, 9 F.3d 823, 838 (10th Cir. 1993); *Concrete Machinery Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d 600, 606 (1st Cir. 1988); *M. Kramer Mfg. Co. v. Andrews*, 783 F.2d 421, 436 (4th Cir. 1986); *Whelan Assoc. v. Jaslow Dental Lab*, 797 F.2d 1222 (3d Cir. 1986); *Apple Computer, Inc. v. Franklin Computer Corp.*, 714 F.2d 1240, 1253 (3d Cir. 1983).

46. 4 NIMMER ON COPYRIGHT § 13.03(F)(2) (internal citations omitted).

47. *Atari Games Corp. v. Oman*, 888 F.2d 878, 888 (D.C. Cir. 1989).

48. *Computer Mgmt. Assistance Co. v. Robert F. DeCastro, Inc.*, 220 F.3d 396, 401 (5th Cir. 2000).

49. 4 NIMMER ON COPYRIGHT § 13.03 (F).

50. *Id.*

[j]ust as certain elements of a program are dictated by the requirements of the hardware on which the program is to run, the software environment in which the program is developed or operates may also govern elements of the program's design—such as the way in which the program accesses data files on disk—and thus will result in similarities between programs that may not be attributable to copying.⁵¹

Business practices and technical requirements of the end user are also dictated by external factors.⁵² To resolve this issue, courts have held that “[s]imilarities resulting from such factors should play no role in determining whether the structure and organization of the two programs are substantially similar.”⁵³

In the industry of our hypothetical, which uses as part of its normal business practice the labeling requirements imposed on oystermen by state and federal regulation, *scène à faire* would include as the “scenes that must be done” such information as date of harvest, place of harvest, type of shellfish harvested, boat license, boat number, captain's name, and captain's license number. A first programmer's use of the words ‘date,’ ‘name,’ ‘place,’ or ‘type,’ which are taken from applicable regulations as field names in a database, display, or as variable names in a program, does not preempt others from using such common and frequently used terms as field names.⁵⁴ There is, however, a limit to this doctrine because, “[l]abeling certain stock elements as *scènes à faire* does not imply that they are uncopyrightable; it merely states that similarity between plaintiff's and defendant's works that are limited to hackneyed elements cannot furnish the basis for finding substantial similarity.”⁵⁵ As explained by Judge Posner in *Bucklew v. Hawkins, Ash, Baptie & Co.*:

The doctrine of *scènes à faire* . . . teaches, sensibly enough, that a copyright owner can't prove infringement by pointing to features of his work that are found in the defendant's work as well but that are so rudimentary, commonplace, standard, or unavoidable that they do not serve to distinguish one work within a class of works from another. . . . Every expressive work can be decomposed into elements not themselves copyrightable—the cars in a car chase, the kiss in a love scene, the dive bombers in a movie about Pearl Harbor, or for that matter the letters of the alphabet in any written work. The presence of such elements obviously does not forfeit copyright protection of the work as a whole, but infringement cannot be found on the basis of such elements alone; it is

51. *Id.* at § 1303 (F)(3)(b) (internal citations omitted).

52. *Id.* at § 13.03 (F)(3)(d).

53. *Id.* and cases there cited.

54. We must keep in mind that copyright protects artistic expression and not functionality. *Supra* note 12 and accompanying text. Moreover, words and short phrases such as names, titles, slogans, familiar symbols, and so forth cannot be protected by copyright. 37 C.F.R. § 202.1 (2008) and 17 U.S.C. §§ 102 and 103 (2007).

55. 4 NIMMER ON COPYRIGHT § 13.03(B)(4) (internal citations omitted).

the combination of elements, or particular novel twists given to them, that supply the minimal originality required for copyright protection.⁵⁶

Thus the *scène à faire* doctrine significantly narrows the scope of copyright protection for computer programs.

The United States Circuit Court for the Fifth Circuit extends the *scènes à faire* doctrine and excludes certain work from the scope of copyright protection:

The *scènes à faire* doctrine excludes from copyright protection work serving functional purposes or work that is dictated by external factors such as particular business practices. The *Gates Rubber* Court articulated the application of this doctrine to copyright issues involving computer programs:

'In the area of computer programs these external factors may include: hardware standards and mechanical specifications, software standards and compatibility requirements, computer manufacturer design standards, target industry practices and demands, and computer industry programming practices.'⁵⁷

v. *Only Protectable Elements Considered*

If the copying involves only unprotectable elements such as ideas, processes, or facts, or if only insubstantial similarities exist between the expressions of the two works, there is no infringement. The amount and substantiality of the copyrighted expression used is relevant, not the factual content of the material in the copyrighted work.⁵⁸

In view of "*de minimis non curat lex*, it is necessary that a substantial part of the copyrighted work be taken."⁵⁹ Thus, "[s]light or trivial similarities are not substantial and are therefore noninfringing."⁶⁰ The problem is line-drawing:⁶¹

[M]any copyrights represent significant creative efforts, and are therefore reasonably robust, whereas others reflect only scant creativity; the Supreme Court labels the latter 'thin'. It would seem to follow analytically that more similarity is required when less protectable matter is at issue. Thus, if substantial similarity is the normal measure required to demonstrate infringement, 'super substantial' similarity must pertain when dealing with 'thin' works. In line with that approach, the Ninth Circuit has held, 'When the range of protectable and unauthorized expression is narrow, the appropriate standard for illicit copying is virtual

56. 329 F.3d 923, 929 (7th Cir. 2003).

57. *DeCastro*, 200 F.3d at 401 (quoting *Gates Rubber Co. v. Bando Chem. Indus.*, 9 F.3d 838 (10th Cir. 1993) (internal citations omitted)).

58. *Salinger v. Random House, Inc.*, 811 F.2d 90, 97 (2d Cir. 1987), *cert. denied*, 484 U.S. 890 (1987).

59. Patry, 1 COPYRIGHT LAW AND PRACTICE 630 (BNA 1994).

60. 4 NIMMER ON COPYRIGHT § 13.03 (A).

61. *Id.*

identity.⁶²

vi. Protectable Subject Matter vs. Protected Material

Merely because particular expressions fall within the scope of subject matter capable of being protected by copyright, it does not necessarily follow that those expressions are within the scope of a particular claim of copyright by a particular author. Because originality remains the *sine qua non* of copyright, copyright protection may extend only to those components of a work which are original to that author. The originality requirement being constitutionally mandated, Section 102(a) extends copyright protection only to "*original* works of authorship." Moreover, in determining whether a derivative work is copyrightable, care must be taken to consider only the material contributed by the derivative author, because Section 103(b) indicates copyright in a derivative work "extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work."

vii. Proof of Ownership and Actionable Copying

In the Fifth Circuit, a copyright infringement claim requires proof of ownership of a valid copyright, and actionable copying. Not all factual copying constitutes legally actionable copyright infringement.⁶³

Copyright ownership is shown by proof of originality and ability to copyright the work as a whole and by compliance with the applicable statutory formalities.⁶⁴ Two separate inquiries must be made to determine whether actionable copying has occurred:

The first question is whether the alleged infringer copied, or actually used the copyrighted material in his work. Copying can be proven by direct or circumstantial evidence. Circumstantial evidence may support an inference of copying if the defendant had access to the copyrighted work and there is probative similarity between the copyrighted work and the allegedly infringing work.

The second question is whether substantial similarity exists between the copyrighted work and the allegedly infringing work. To answer this question, a side-by-side comparison must be made between the original and the copy to determine whether a layman would view the two works

62. *Id.* (internal citations omitted).

63. *Bridgmon*, 325 F.3d at 576; *Computer Mgmt. Assistance Co.*, 220 F.3d at 400.

64. *Computer Mgmt. Assistance*, 220 F.3d at 400. Since ownership constitutes a conclusion of law, based on underlying facts, it has been held that it is not error for a court to refuse to permit the plaintiff to identify the work as his property. 4 NIMMER ON COPYRIGHT § 13.01[A] and cases there cited.

as substantially similar.⁶⁵

The court in *Bridgmon* explained that probative similarity and substantial similarity are analytically distinct inquires, and that the evidence of probative similarity may or may not constitute substantial similarity, and that the question of substantial similarity arises analytically only after proof of factual copying.⁶⁶ “[W]ith respect to factual copying the test is ‘probative similarity’ (if relying on circumstantial evidence of copying) and the test for actionable copying is ‘substantial similarity.’”⁶⁷ Substantial similarity requires the whole of the works to be substantially similar, not merely little snippets here and there.

viii. Non-Literal Elements Protectable

Case law “lends copyright protection to the non-literal as well as the literal element of computer programs” while non-literal aspects such as structure, sequence, and organization may be protected under copyright law.⁶⁸ In the Court of Appeals for the Fifth Circuit, “[w]e use the ‘abstraction-filtration’ method to determine copyright protection. The approach was taken from the Tenth Circuit’s analysis in *Gates Rubber Co. v. Bando Chemical Indus., Ltd.*”⁶⁹ The Court of Appeals for the Tenth Circuit provided the basis for the Fifth Circuit’s analysis on this issue:

First, in order to provide a framework for analysis, we conclude that a court should dissect the program according to its varying level of generality as provided in the abstraction test.

Second, poised with this framework, the court should examine each level of abstraction in order to filter out those elements of the program which are unprotectable. Filtration should eliminate from comparison the unprotectable elements of ideas, processes, facts, public domain information, merger material, *scènes à faire* material, and other unprotectable elements suggested by the particular facts of the program under examination.

Third, the court should then compare the remaining protectable elements with the allegedly infringing program to determine whether the defendants have misappropriated substantial elements of the plaintiff’s program.⁷⁰

65. *Bridgmon*, 325 F.3d at 576 (internal citations omitted; internal footnote omitted; paragraphing added; emphasis added).

66. FED. R. CIV. P. 8(c).

67. *Bridgmon*, 325 F.3d at 577 (citing *Eng’g Dynamics, Inc. v. Structural Software, Inc.*, 26 F.3d 1335, 1340-41 (5th Cir. 1994)); *King v. Ames*, 179 F.3d 370, 375-76 (5th Cir. 1999).

68. *DeCastro*, 220 F.3d at 400.

69. *Id.* (relying upon *Gates Rubber Co. v. Bando Chem. Indus.*, 9 F.3d 823 (10th Cir. 1993)).

70. *DeCastro*, 220 F.3d at 400-01; see also *Gates Rubber*, 9 F.3d at 834; *Engineering Dynamics*, 26 F.3d at 1342-42 (internal citation omitted).

ix. Scope of Protection Limited by License

The affirmative defense of license applies to copyright infringement and limits the scope of protection. A license, under a copyright, patent, or any other intellectual property right possessed by the licensor, is a waiver of the licensor's right to exclude the licensee from doing certain things. *But for* the license, the licensee's actions would be actionable. Thus a license is a promise by the licensor not to sue the licensee for violating certain of the exclusive rights possessed by the licensor in particular intellectual property. The provisions of the license agreement define the involvement of the licensor's exclusive rights. When the licensee acts within the scope of his or her copyright license agreement, the license constitutes an affirmative defense to a cause of action for copyright infringement. But when the licensee acts outside that scope, the licensee is an infringer; and, just like any infringer, is subject to federal suit for its infringement. This is so because the licensee committed an act for which the licensor neither waived its right to exclude, nor promised not to sue. The scope of a license agreement is measured by the provisions of that agreement.

It is axiomatic that material in the public domain is not protected by copyright, even when incorporated in a copyrighted work. In addition, . . . material that is licensed should be assimilated, for substantial similarity purposes, to material that lies in the public domain. To the extent that two programs largely resemble each other, but the similarity results from elements that plaintiff duly licensed to defendant, no liability should be found.⁷¹ To the extent that the defendant exceeds the contractual terms [of the license agreement], however, and incorporates unlicensed elements, liability may be premised on those elements, should they (considered in isolation from the licensed elements and other unprotected matters) rise to the level of substantial similarity.⁷²

Thus we have seen that substantial similarity of protectable and protected expression must be shown,⁷³ and Fifth Circuit law prohibits finding infringement without a side-by-side comparison.⁷⁴ When that side-by-side comparison is made, between the work in which copyright

71. 4 NIMMER ON COPYRIGHT § 1303(F)(4) (internal citations omitted).

72. *Id.* at § 13.03(B)(2)(c) (internal citations omitted).

73. *DeCastro*, 220 F.3d at 400 and cases there cited; *Bridgmon*, 325 F.3d at 576-77 and cases there cited; *Gates Rubber*, 9 F.3d at 831-46; *Feist*, 499 U.S. 345-60.

74. "The law of the Fifth Circuit prohibits finding copyright infringement without a side-by-side comparison of the two works. While a determination of substantial similarity should typically be left to the fact-finder, the *Creations Unlimited* decision contemplates that a fact-finder will have the opportunity to view the two works side-by-side." *Creations Unlimited v. McCain*, 112 F.3d 814 (5th Cir. 1997). "Indeed, copying is an issue to be determined by comparison of works, not credibility. (The plaintiff's) failure to adduce evidence for such a comparison vitiates her claim." *King*, 179 F.3d at 376 (5th Cir. 1999) (internal citations omitted). "Following *King*, George's failure to adduce evidence to allow a compari-

was originally claimed, and the work accused of infringement, the various considerations outlined above respecting abstraction, filtration, and comparison must be undertaken to determine substantial similarity *vel non* of protected expression, and not just similarity between works. In addition, substantial similarity must be shown between works and not merely between isolated snippets. If, at trial, sufficient evidence has not been admitted to permit the trier of fact to make such comparisons, the copyright owner fails its burden of proof, thereby vitiating its claim of copyright infringement.⁷⁵

4. *Damages for Copyright Infringement*

The copyright owner may recover from an infringer the actual damages suffered by the copyright owner attributable to the infringement, as well as the profits of the infringer attributable to the infringement not taken into account by the actual damages.⁷⁶ “A copyright owner can sue for his losses or for the infringer’s profits, but not for the sum of the two amounts. . . . [t]hat would be double counting.”⁷⁷ The copyright owner may elect to receive statutory damages instead of actual damages and profits;⁷⁸ statutory damages may be as high as \$30,000, and not less than \$750, for all infringements involved in the action with respect to one work where all such acts of infringement being considered a single on-going tort, and not a series of separate torts.⁷⁹

Copyright infringement, unlike patent infringement, is an intentional tort. The purpose of allowing suit for the infringer’s profits is to make infringement worthless to the infringer.⁸⁰ Once the plaintiff proves his losses, or the defendant’s profits, from the defendant’s sale of an infringing work, the burden shifts to the defendant to apportion the profits or losses between the infringing and non-infringing features of

son between the ADS and the allegedly infringing program vitiates his claim.” *Bridgmon*, 325 F.3d at 577.

75. *Id.*

76. 17 U.S.C. §§ 504(a)(1) and 504(b) (2007).

77. *Bucklew*, 329 F.3d at 931. A copyright infringer cannot be required, “to give up more than his gain when it exceeds the copyright owner’s loss. Such a requirement would add a punitive as distinct from a restitutionary element to copyright damages . . . the statute contains no provisions for punitive damages.” *Id.* The copyright statute, however, does authorize statutory damages unrelated to losses or gains. *Id.*; 17 U.S.C. § 504(c) (2007).

78. 17 U.S.C. §§ 504(a)(2) and 504(c) (2007). Additional damages may also be available in certain cases. *See* 17 U.S.C. § 504(d) (2007).

79. *Id.*

80. *Bucklew*, 329 F.3d at 931, 933. Damages for patent infringement are quite different: The patent owner may recover either a reasonable royalty or its lost profits, but not the profits of the infringer. *See Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476, 505 (1964); *Gen. Motors Corp. v. Devex Corp.*, 461 U.S. 648, 654 (1983).

the defendant's infringing work.⁸¹

C. DIGITAL MILLENNIUM COPYRIGHT ACT VIOLATIONS CLAIM

The Digital Millennium Copyright Act ("DMCA")⁸² "targets the circumvention of digital walls guarding copyrighted material."⁸³ Some have hailed the DMCA as "needed new restrictions to fight increased piracy threats in the digital era."⁸⁴ Others characterized the DMCA as creating, at the behest of various motion picture and video game companies, unnecessary "hurdles to lawful uses of media" by expanding, under the guise of copyright, "control over not only their works but also the devices on which we watch, listen to, and remix them, [and as a result] copyright law is turning into technology regulation."⁸⁵ Whichever side of the debate scholars are on, the DMCA exists, may be used, and must be dealt with.⁸⁶

1. *Circumvention of a Technological Measure Effectively Controlling Access to a Copyrighted Work*

Under federal law, no person shall circumvent a technological measure that effectively controls access to a work protected under The Copyright Act, the passage to circumvent a technological measure means, "to descramble a scrambled work, to decrypt an encrypted work, or otherwise to avoid, bypass, remove, deactivate, or impair a technological measure, without the authority of the copyright owner."⁸⁷ While a technological measure effectively controls access to a work, "if the measure, in the ordinary course of its operation, requires the application of information, or a process or a treatment, with the authority of the copyright owner, to gain access to the work."⁸⁸

Section 1201 is subject to numerous limitations, including:

81. *Id.* at 932.

82. 17 U.S.C. §§ 1201-1205 (2007).

83. I.M.S. Inquiry Management Systems, Inc. v. Berkshire Info., 2004 U.S. Dist. LEXIS 2673, at *12 (S.D.N.Y. Feb. 23, 2004) (*quoting* Universal City Studios, Inc. v. Corley, 273 F.3d 429, 435 (2d Cir. 2001)).

84. Fred von Lohmann and Wendy Seltzer, DEATH BY DMCA, 43 IEEE SPECTRUM 24 (2006).

85. *Id.*

86. The DMCA was enacted to implement, in the United States, the World Intellectual Property Organization's (WIPO) Copyright and Performances and Phonograms Treaties, and thus is known not only as the Digital Millennium Copyright Act of 1998, but also as the WIPO Copyright and Performances and Phonograms Treaties Implementation Act of 1998. S. REP. NO. 105-190, at 1 and 101 (1998).

87. 17 U.S.C. § 1201(a)(1)(A) (2007).

88. 17 U.S.C. § 1201(a)(3)(B) (2007).

Nothing in this section shall affect rights, remedies, limitations, or defenses to copyright infringement, including fair use, under this title.⁸⁹

Notwithstanding the provisions of subsection (a)(1)(A), a person who has lawfully obtained the right to use a copy of a computer program may circumvent a technological measure that effectively controls access to a particular portion of that program for the sole purpose of identifying and analyzing those elements of the program that are necessary to achieve interoperability of an independently created computer program with other programs, and that have not previously been readily available to the person engaging in the circumvention to the extent any such acts of identification and analysis do not constitute infringement under this title.⁹⁰

The information acquired through the acts permitted under paragraphs (1) . . . may be made available to others if the person referred to in paragraph (1) . . . provides such information or means solely for the purpose of enabling interoperability of an independently created computer program with other programs, and to the extent that doing so does not constitute infringement under this title or violate applicable law other than this section.⁹¹

2. *Damages for Circumvention*

Damages for violating Section 1201 include both actual damages⁹² and statutory damages.⁹³ Statutory damages may be awarded for “each violation of Section 1201”, and may be as high as \$2,500, and not less than \$200, per “act of circumvention”.⁹⁴ One plausible construction is that when many thousands of “acts of circumvention” occur, each unauthorized access to a database constituting one such act, many millions of dollars in statutory damages are theoretically possible. This requires each database access to also constitute a separate circumvention of a technological measure which effectively controls access to a work protected by copyright—all elements of proof in John’s case-in-chief. Another plausible construction, is construing Section 1203(c)(3)(A) similar to Section 504(c) even though the language of each is different, and allowing only one measure of statutory damages for all violations in a single lawsuit.⁹⁵ However unlikely the latter construction, its plausibility

89. 17 U.S.C. § 1201(c)(1) (2007).

90. 17 U.S.C. § 1201(f)(1) (2007).

91. 17 U.S.C. § 1201(f)(3) (2007).

92. 17 U.S.C. § 1203(c)(2) (2007).

93. 17 U.S.C. § 1203(c)(3)(A) (2007). The statute also provides for reduction/ remittance of damages if the violator proves that it was not aware, and had no reason to believe, that its acts constituted a violation. 17 U.S.C. § 1203(c)(5) (2007).

94. To date, the author is not aware of any court interpreting the provisions of § 1203(c)(3)(A).

95. In *Valencia M. McClatchey v. The Associated Press*, the court construed §1203(c)(3)(B) as allowing for only one measure of statutory damages for all violations in a

counsel against statutory damages blindly made by John's only theory of damages.⁹⁶

2. *Violation of DMCA not Copyright Infringement*

Although Section 1201 is under the same title as copyright infringement, violation of its proscription is quite different from copyright in-

single lawsuit, while suggesting that related § 1203(c)(3)(A) allows for more than one. 2007 U.S. Dist. LEXIS 40416, at *14-18 (W.D. Pa. June 4, 2007). Interlocutory appeal on that issue, under 28 U.S.C. § 1292(b), was certified on June 8, 2007. In *Bucklew*, Judge Posner wrote respecting copyright infringement:

[T]here is no basis in the law for requiring the infringer to give up more than his gain when it exceeds the copyright owner's loss. Such a requirement would add a punitive as distinct from a restitutionary element to copyright damages, and while the copyright statute does authorize statutory damages unrelated to losses or gains. [T]hose were not sought here and the statute contains no provisions for punitive damages. 329 F.3d at 931.

Arguably then, drawing an analogy between copyright damages and DMCA damages, statutory damages unrelated to losses or gains are a form of punitive damages permitted by Congress in its statutory DMCA scheme of § 1203(c)(3)(A). As such they should be permitted for each separate act of unauthorized circumvention. This is especially true in view of Congress' statutory scheme conferring upon the trial court the discretionary power to remit such damages when the infringer proves its infringement was unintentional or unknowing. 17 U.S.C. § 1203(c)(5) (2007). The counter-argument might be that without the DMCA having a clear punitive damages provision or such an intended purpose clearly expressed in its legislative history, Congress could not have intended the relatively modest amounts of statutory damages recited in § 1203(c)(3)(A). As applied, these damages may be multiplied by a factor of hundreds-of-thousands or tens-of-millions, thereby potentially resulting in billions-of-dollars of statutory damages and thus the financial destruction of a civil litigant, in a civil statute. Support for such counter-argument might include: The range of statutory damages recited in Section 1203(c)(3)(A) of the DMCA is roughly the same as that recited in Section 504(c) of the Copyright Act, \$200 to \$2500 (with no provision for increased damages for willfulness) in the former, and \$750 to \$30,000 (increasable to \$150,000 with a showing of willfulness) in the latter. *See id.* Since the latter is constrained to a multiplying factor of one, the former should similarly be constrained and not be free to be multiplied by a factor of tens-of-millions without clearly expressed legislative intent. As it presently stands, the law of DMCA statutory damages awaits further judicial development. *See id.*

96. If pleading additional causes of action to support additional theories of damages, in framing the relief sought, John and his attorney need to be mindful of Judge Posner's admonishment in *Bucklew*:

Bucklew seeks punitive damages for fraud and conversion under Wisconsin law. . . . We may assume this is a good claim under Wisconsin law. But *Bucklew* is not asking to have [the fraudulently obtained and converted property] returned, or for damages equal to [its value] plus punitive damages proportional to that value. The compensatory damages that it seeks for the fraud and conversion are identical to the damages that it seeks for copyright infringement, so that its request for punitive damages is in fact a request for punitive damages for copyright infringement. The copyright statute does not authorize such damages, as we have noted, and the statute's preemption clause forbids states to add sanctions for a wrongful act that is identical to a violation of the statute. *Bucklew*, 329 F.3d at 933-34; emphasis added; internal citations omitted.

fringement. Indeed, it is included in Chapter 12 of Title 17, U.S. Code, rather than Chapter 5, to remove it from the Copyright Act's definition of copyright infringement.⁹⁷ However, a violation of Section 1201 is not copyright infringement.⁹⁸ Inclusion of the DMCA in Title 17 by Congress is similar to inclusion of the Semiconductor Chip Protection Act of 1984 in Title 17. “[S]ui generis legislation providing new causes of action different from copyright infringement but nevertheless predicated on the power conferred Congress by the Constitution’s copyright clause;⁹⁹ the Constitution spells out the constitutional purpose and confers upon Congress’ broad power to enact legislation to bring about that constitutional purpose.”¹⁰⁰

The anti-circumvention provision of Section 1201 establishes a cause of action for liability, but does not establish a new property right.¹⁰¹ The distinction between property and liability is critical and gives rise to certain burdens of proof.¹⁰²

In essence, Section 1201 addresses (1) technological protections that prevent unauthorized access to a work, and (2) prohibits the act of circumventing a technological protection.¹⁰³ A violation of Section 1201 requires a plaintiff to prove elements different from those of copyright infringement. For example, to make a *prima facie* showing of violating Section 1201, the plaintiff has the burden of showing that the accused violator not only used the plaintiff’s copyright-protected work (as must be done in showing copyright infringement), but also that the accused violator lacked authorization for such use. This latter burden of proof

97. 3 Melvin B. Nimmer & David Nimmer, NIMMER ON COPYRIGHT § 12A.18(B) (2007).

98. *Chamberlain Group, Inc. v. Skylink Tech., Inc.*, 381 F.3d 1178, 1192 (Fed. Cir. 2004), *cert. den.* 544 U.S. 923 (2005).

99. U.S. CONST. art. I (stating, “[t]he 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 the respective Writings and Discoveries.”). In that Clause, *science—authors—writings* relates to copyright protection, and useful arts—inventors—discoveries relates to patent protection.

100. Nevertheless, the legislative history does not clearly cite the Copyright Clause as the basis for the DMCA. The initial House Judiciary Committee report cites the Copyright Clause. H.R. Rep. No. 105-551 Part 1, at 15 (1998). A later House Committee report cites the Commerce Clause. H.R. Rep. No. 105-551 Part 2, at 35 (1998). The Senate Judiciary Committee report cites no constitutional basis. S. Rep. No. 105-190 (1998). Finally the report cites no constitutional basis. H.R. Rep. No. 105-796 (1998).

101. *Chamberlain Group*, 381 F.3d at 1192.

102. *Id.*

103. Section 1201 addresses two types of technological protections of copyrighted works and two types of prohibited conduct. First, the act of circumventing a technological protection, and second, the trafficking in devices or software program that disable a technological protection. The two types are those that prevent unauthorized access to a work, and those that prevent use of a work in a manner that infringes the copyright. See Senate Judiciary Committee Report on the DCMA, S. Rep. No. 105-190, p. 12-13 (1998).

can be significant because authorization can come not only from the owner of the work (*e.g.*, by license), but also by operation of law (*e.g.*, fair use, *scène à faire*, and so forth).¹⁰⁴ The plaintiff also has the burden of showing that the accused violator, in making that use, circumvented a technological measure, put in place by the plaintiff, which measure effectively controlled access to the copyright-protected work.¹⁰⁵

The legislative history of the DMCA specifically addresses what constitutes a technological measure, and what constitutes an effective measure, as defined in Section 1201:

Subsection (a) of new Section 1201 applies when a person who is not authorized to have access to a work seeks to gain access by circumventing a technological measure put in place by the copyright owner that effectively controls access to the work. . . . The technological measures—such as encryption, scrambling and electronic envelopes—that this bill protects can be deployed, not only to prevent piracy and other economically harmful unauthorized uses of copyrighted materials, but also to support new way of disseminating copyrighted materials to users, and to safeguard the availability of legitimate uses of those materials by individuals. These technological measures may make more works more widely available, and the process of obtaining permissions easier. [T]he phrase ‘technological measure’ is not itself defined in the bill. Any effort to read into this bill what is not there—a statutory definition of ‘technological measure’—or to define in terms of particular technologies what constitutes an ‘effective’ measure, could inadvertently deprive legal protection to some of the copy or access control technologies that are or will be in widespread use for the protection of both digital and analog formats.¹⁰⁶

As made clear by its legislative history, Section 1201 applies when a person has obtained unauthorized access, but not when a person has obtained authorized access.¹⁰⁷ Moreover, the Section applies to the act of

104. *Chamberlain Group*, 381 F.3d at 1193 (applying Seventh Circuit case law). The plaintiff need only show the defendant has used plaintiff's work in instances of copyright infringement. An affirmative defense of showing that the use was authorized, causes the burden to fall on the defendant. *Id.* In a DMCA violation, the plaintiff needs to show aspects of each of these elements, including showing the defendant's use was not authorized. *Id.*

105. *Lexmark Int'l, Inc. v. Static Control Components, Inc.*, 387 F.3d 522, 549 (6th Cir. 2004) (applying Sixth Circuit case law).

106. H. Rep. No. 105-6 (1998), *Section-by-Section Analysis of H.R. 2281 as passed by the United States House of Representatives on August 4, 1998*, pp. 5, 6, 11.

107. S. Rep. No. 105-190 (1998) and its *Section-by-Section Analysis respecting Section 1201*:

Subsection (a) applies when a person has not obtained authorized access to a copy or a phonorecords of a work that is protected under the Copyright Act and for which the copyright owner has put in place a technological measure that effectively control access to his or her work. Paragraph (a)(1) establishes a general prohibition against gaining unauthorized access to a work by circumventing a

gaining the unauthorized access and not the use of the copyrighted work after actually gaining access.¹⁰⁸ Furthermore, the Section does not apply to circumvention of types of technological protection measures not embraced by the definitions contained in the DMCA. Nor does it apply to the types of technological protection measures embraced by those definitions when the work to which access is gained is not protected under the Copyright Act.¹⁰⁹

IV. ANALYSIS

Now, using the hypothetical set forth above, the following analysis is formed. Before joining John's business, Clancy created sketches of screen displays for various products he designed. These sketches were similar to John's proposed product, which both men used to get started. Afterwards, John wrote all the software to produce similar screen displays on his product and obtained copyright registrations. He created all of the software and therefore, there were no pre-existing works. Clancy's sketches were pre-existing works from which John created derivative works. Clancy shared those pre-existing works with John to help him get started and, by so doing, essentially licensed John to use those pre-existing works. This created derivative works within the meaning of 17 U.S.C. § 106(2). For each work, the scope of John's copyright rights extended only to those portions that John contributed. This was distinguished from the pre-existing material employed in the works, Clancy's pre-existing creations, and any copyright registration John obtained "does not imply any exclusive right in the pre-existing material."¹¹⁰ Consequently, one aspect of John's infringement case entails proving his copyrighted screen displays and how they differ from the Clancy's pre-existing works.

technological protection measure put in place by the copyright owner where such protection measure otherwise effectively controls access to a work protected under Title 17 of the U.S. CODE. This paragraph does not apply to the subsequent actions of a person once he or she has obtained authorized access to a copy of a work protected under title 17, even if such actions involve circumvention of other types of technological protection measures.

H. Rep. No. 105-6 (1998), *Section-by-Section Analysis of H.R. 2281 as passed by the United States House of Representatives on August 4, 1998*, pp. 5: (stating, "the prohibition against circumvention contained in subparagraph (a) will not apply to person who have been authorized to gain initial access to a work.").

108. *Id.*

109. *Id.*

110. 17 U.S.C. § 103(b) (2007). We must continually keep in mind that John's copyright protection embraces the *artistic expression* of John's works, not their *functionality*, functionality being something protectable only by a patent and not by a copyright. *Supra* note 12 and accompanying text.

A. CLANCY'S PRE-EXISTING EXPRESSIONS ARE THE BASIS OF JOHN'S ORIGINAL WORK.

Some might argue that John only needs to prove the content of his registered screen displays, leaving to Clancy to prove the content of Clancy's pre-existing work. This would possibly leave the trier-of-fact to determine the differences between the two and thus the scope of what is protectable to John. That approach, even if acceptable to the views of copyright law in some jurisdictions, is not wise because it results in John giving up control of his evidentiary case, and placing such control in the hands of his adversary. Worse yet, it is likely to cause a jury to feel that John, by not being forthcoming, is attempting to claim more than he has a legal right to claim. Indeed, in John's case-in-chief, he should be emphasizing those differences—his creations—and teaching the judge and jury why those differences are important. One example of a way to demonstrate this is to show the commercial success of his product in the market place—but for John's creations, the product would not stand above all others in the market place and enjoy high sales success.

In addition to the software used to generate the screen displays, John created software for creating and using the database into which data is entered and stored in response to questions posed in the various screen displays. Manipulating the data then produces the government-required documentation needed by the user to properly label and document the user's harvested shellfish. John created all of the software and hence there were no pre-existing works. However, the screen display related software that Clancy "borrowed" from John's software, and the question becomes whether such borrowing constitutes copyright infringement and whether operation of Clancy's product results in acts of unauthorized circumvention prohibited by the DMCA. Recall that when Clancy left John's business to re-start his old business, John told Clancy that he should feel free to build upon what they had created together—possibly a license whose scope is not precise.

The first crucial question John and his attorney must address is, what is John claiming copyright in? Government regulations mandate both the particular items and order of information presented.¹¹¹ Therefore, if John were claiming copyright in the tabular presentation of the summary data required by government regulation, *Baker v. Selden* would likely govern the case.¹¹² As characterized in *Bucklew*,

Selden had published (and copyrighted) a book describing a bookkeeping system that he had invented, and he illustrated the book with blank bookkeeping forms. Baker copied the forms, rearranging columns and

111. See 21 C.F.R. § 1240.60(b) (2008); 21 C.F.R. § 1240.60(d) (2008); 21 C.F.R. § 123.28.

112. *Baker v. Selden*, 101 U.S. 99 (1879) (discussing the "standard citation" for the holding that ideas are not copyrightable).

using different headings, and sold them to people who wanted to use Selden's system. This was held not to be copyright infringement, even though Baker had copied part of a copyrighted work, since otherwise Selden would have had a monopoly over his bookkeeping system (which was an idea, and hence not copyrightable) that he could have exploited by insisting that anyone wanting to use the system buy the forms necessary for using it from him. If Bucklew were claiming copyright in the tabular presentation of the summary data required by HUD, this case would be governed by *Baker v. Selden*.¹¹³

Similarly, if John were claiming copyright in the use of particular terms and/or the ordering of such information as captain license number, captain name, boat license number, boat name, date of harvest, harvest location, date of harvest, and so forth, the *scène à faire* doctrine would likely govern the case. Additionally, by being in the public domain, government regulations mandate all those items and their ordering.¹¹⁴

If, on the other hand, John were claiming copyright in the labels and data being presented or configured in an optional way for which there were an immense number of alternative combinations any one of which Clancy was free to use in lieu of John's, John's chances of success are significantly improved.¹¹⁵ It does not matter that John's formatting choices do not reflect a high degree of originality. Decisions had to be made regarding choice and size of font, whether to use boldface or italics, paragraphing, and the wording of labels and headings other than those prescribed by government regulations. John made those decisions. The decisions mentioned above involve the appearance of the screen displays, labels, and forms, but software read only by the device's computer elements and not by its human user. is also copyrightable. John can show infringement of each of these elements, using the various abstraction, filtration, and comparison considerations outlined above.¹¹⁶

Therefore, for John to succeed, his attorney must have a clear understanding of the precise "things" in which John is claiming a copyright infringement. Simply asserting a broad-brush claim of copyright infringement will not be successful, and might lead to a motion for summary judgment. Keep in mind, copyright registration does not particularly enumerate those things. However, John must show that these things were contained in his registered copyright, and are substantially similar to things contained in Clancy's work. This proves that the things are essential to John's case-in-chief for copyright infringement. Consequently, the things in both John and Clancy's work must be the focus of John's discovery and his case-in-chief.

113. *Bucklew*, 329 F.3d at 928.

114. *Id.*

115. *See Bucklew*, 329 F.3d at 928-29.

116. *Id.* at 926-29.

The second crucial question John and his attorney must address is how John is going to prove the content of his copyrighted works. In John's screen displays, he deposited all the software and resulting screen displays. As a result, an attorney may admit a certified copy of the deposit into evidence, and use it for the side-by-side comparisons mandated by the Fifth Circuit.

In terms of John's database and other software, those which he deposited on the first and last ten pages of code, a certified copy of the deposit only proves the content of those twenty pages. John can prove the content of the rest through evidence that shows the mandatory side-by-side comparisons. The internal documentation of John's software development and the content of his works at the time he filed each of his copyright registrations are critical. Has John maintained such documentation in a form understandable by the trier of fact? If not, he will need an expert witness to explain it. The expert should share the same view of the evidence as John. Also, John must prove the authenticity of the documentation. John needs witnesses available who can corroborate the date of the documentation and its content. John must have all such documentation ready for disclosure to Clancy during discovery. If John does not have any such documentation, what evidence does he have tending to show the content of his registered works? If another has such evidence John needs to link that extant evidence to the work he registered. Finally, John and his attorney must have thought out these evidentiary issues prior to filing suit, and framed John's complaint so as to put these factual issues, and only these issues, into play in John's lawsuit.

John must also address how to prove his DMCA claim. Recall that for Clancy's accused product to be a violation of the DMCA, he or his work product must have avoided a technological measure of John's that effectively controls access to John's copyright-protected work. Thus John's case must show what was circumvented, how such circumvention resulted in Clancy gaining access to John's copyright-protected work, and that Clancy did not have authority—either from John (*e.g.*, by license) or by operation of law (*e.g.*, fair use, *scène à faire*, and so forth)—to access John's work. If John relies on a statutory damages theory that each database access gives rise to a separate measure of statutory damages, then John must also show that each such access was the result of a separate act of unauthorized circumvention. John has a high burden of proof, therefore, this needs to be well thought-out and must be the focus of discovery.

V. CONCLUSION

In litigation, the attorney wants to appear capable to their client, the opposing counsel, the judge, and jury. Pitfalls may cause attorneys

to not appear as capable as they might prefer. Pitfalls such as the “smoking gun” are unavoidable. Careful planning will minimize, if not completely avoid the impact of many pitfalls. In the hypothetical laid out above, John and his attorney can make some tough evaluations and choices early in the case to avoid the pitfalls in this case. Failing to take these precautionary measures will result in John and his attorney making even tougher choices at a time that is disadvantageous to their case. To prevent pitfalls from determining the outcome of a case, early consideration is helpful to avoid such problems.

