

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 1:01-cv-1854-LTB-BNB

LAWRENCE GOLAN, RICHARD KAPP, S.A. PUBLISHING CO., INC., d/b/a ESS.A.Y
RECORDINGS, SYMPHONY OF THE CANYONS, RON HALL, d/b/a FESTIVAL FILMS,
and JOHN McDONOUGH, d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,

Plaintiffs,

v.

MICHAEL B. MUKASEY, in his official capacity as Attorney General of the United States,
MARYBETH PETERS, in her official capacity as Register of Copyrights, Copyright Office of
the United States,

Defendants.

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFFS'
MOTION FOR SUMMARY JUDGMENT

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	STATUTORY BACKGROUND.....	4
	A. Berne Convention Implementation Act of 1988.....	5
	B. The URAA – Beyond Berne.....	7
III.	ARGUMENT	9
	A. The URAA Is A Regulation Of Speech That Must Be Tested Under Intermediate Scrutiny And Substantial Overbreadth	10
	1. Intermediate Scrutiny.....	11
	2. Substantial Overbreadth.....	12
	B. The URAA Burdens More Speech Than Necessary And Thus Fails Intermediate Scrutiny And Substantial Overbreadth	15
	1. The URAA Is Not Justified By The “Important Or Substantial” Interest In Complying With The Berne Convention.....	15
	a. Berne Does Not Require A Signatory Nation To Ignore Or Limit Protection For Reliance Parties.....	16
	b. At The Time Congress Enacted The BCIA, There Was Broad Agreement That Berne Did Not Require Restoration Against Reliance Interests; And The Understanding Behind The URAA Was To Go “Beyond Berne”	18
	2. Any Interest In Going “Beyond Berne” Is Too Speculative To Qualify As “Important Or Substantial” Under <i>Turner</i>	22
	3. The URAA Is Not Justified By The Government’s Asserted Interest In “Equal” Treatment Of Foreign Authors	24
	C. The URAA Fails Intermediate Scrutiny And Substantial Overbreadth Because It Goes Beyond Any Important And Substantial Governmental Interest.....	25

D.	In Enacting The URAA, The Government Did Not Consider First Amendment Interests, Or Balance Them With The Other Interests It Asserts	26
E.	The First Amendment Prohibits Congress From Restoring Copyrights In Any Event.....	31
IV.	CONCLUSION.....	34

TABLE OF AUTHORITIES

FEDERAL CASES

American Target Advertising v. Giani, 199 F.3d 1241 (10th Cir. 2000).....13, 14

Ashcroft v. Free Speech Coalition, 535 U.S. 234 (2002)13

Bolling v. Sharpe, 347 U.S. 497 (1954).....12, 33

Brown v. Board of Education, 347 U.S. 483 (1954).....12

City of Ladue v. Gilleo, 512 U.S. 43 (1994)13

Eldred v. Ashcroft, 537 U.S. 186 (2003)..... *passim*

Golan v. Ashcroft, 501 F.3d 1179 (10th Cir. 2007)2, 10, 32

Gooding v. Wilson, 405 U.S. 518 (1972).....13

Houston v. Hill, 482 U.S. 451 (1987)13

NAACP v. Button, 371 U.S. 415 (1963).....13

Schaumburg v. Citizens for a Better Environment, 444 U.S. 620 (1980).....13, 30

Secretary of State v. Munson, 467 U.S. 947 (1984).....11, 12

Time Warner Entertainment Co. v. FCC, 240 F.3d 1126 (D.C. Cir. 2001).....24

Turner Broad. Sys., Inc. v. FCC, 512 U.S. 622 (1996)..... *passim*

United Christian Scientists v. Christian Science Board of Directors,
829 F.2d 1152 (D.C. Cir. 1987)27

United States v. O'Brien, 391 U.S. 367 (1968).....11

U.S. West, Inc. v. United States, 48 F.3d 1092 (9th Cir. 1994)14

FEDERAL STATUTES

17 U.S.C. § 104A8, 18

Berne Convention Implementation Act (BCIA), Pub. L. No. 100-568,
102 Stat. 2853 (1988).....18

MISCELLANEOUS

Berne Convention for the Protection of Literary and Artistic Works..... *passim*

Neil W. Netanel, Locating Copyright Within The First Amendment Skein,
54 Stan. L. Rev. 1 (2001).....14, 30

7 Patry on Copyright § 24:21 (2008)6

I. INTRODUCTION

This case is about an important class of First Amendment speakers and the fragile economy of speech they support. Plaintiffs represent creators, performers, archivists, preservationists and businesses, all of whom depend upon the public domain for their work. Some in this class create derivative works based upon work in the public domain. Some expend significant capital resources to restore and make available works in the public domain. Some simply support the availability and distribution of works in the public domain by cheaply and efficiently selling copies of those works.

This economy may not be important to NBC Universal or Sony Pictures. But it is critical for preserving and supporting access to our cultural past. All of these speakers supporting this economy — as with anyone inside any economy — rely upon the expectation that the investment they make in the speech they make available will not be expropriated arbitrarily. If their investment can simply be taken away at any time, then the incentive to make that investment would significantly diminish, as it would with any business. The economy that supports the spread and development of the public domain would then significantly decline.

Plaintiffs challenge the statute at issue in this case, Section 514 of the Uruguay Round Agreements Act, 17 U.S.C. § 104A, (herein “URAA”), because it is precisely such an arbitrary expropriation. The URAA purports to restore copyrights in works that had passed into the public domain. According to the statute, foreign authors are granted a special right to reclaim their American copyright if they lost that copyright for any reason other than the expiration of a copyright term. Foreign authors are therefore granted the unprecedented right to gain back an exclusive right to works that had plainly passed into the public domain — a right contravening

what the Court of Appeals held is “a bedrock principle of copyright law” never granted in this way to Americans in the history of American copyright law. *Golan v. Ashcroft*, 501 F. 3d 1179, 1187 (10th Cir. 2007).

This change is thus fundamentally unlike the issue in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), which challenged the extension of subsisting copyrights. That practice, the Supreme Court held, was within “the traditional contours of copyright protection,” *Id.* at 221. The Court did not question Congress’s practice consistent with that tradition. Restoration of copyrights in works from the public domain, however, is not consistent with Congress’s tradition. It must, as the Court of Appeals held here, be tested under ordinary First Amendment analysis.

Defendants try to justify this unprecedented decision to grant restored rights to foreign authors by contending the government has an important interest in complying with the Berne Convention for the Protection of Literary and Artistic Works (“Berne”), and restoration of copyrights for foreign authors was essential to Berne compliance. But that misses the point. It may be important to comply with Berne, and Berne no doubt requires restoration. But Berne does not require any restoration of rights against reliance parties like the Plaintiffs here. Berne leaves it up to each member country to determine the manner in which restoration will be implemented, and leaves each member country wide discretion in how to protect reliance interests. In passing the URAA, the government chose to go beyond what was necessary to comply with Berne, and implemented restoration that is far more harmful to the speech interests of Plaintiffs and other reliance parties throughout the economy than was necessary to comply with Berne. The issue here is therefore not whether the government has an important interest in complying with the Berne Convention. The question is whether the government can justify its

decision to go well beyond Berne.

The government simply cannot discharge that burden. The two primary interests it asserts – complying with Berne and thereby securing protection for American authors abroad – cannot justify its decision to go beyond the requirements of Berne by definition. Nor can its asserted desire to protect foreign authors who lost their copyrights by failing to comply with U.S. formalities. The government provides no such protection to U.S. authors, and cannot claim an important interest in providing protections to foreign authors that it denies to U.S. authors.

Even if the government could point to a sufficiently important interest, it acknowledges that it would still have to show its decision to go beyond Berne would redress an actual harm, not merely a conjectural one, in a direct and material way. Yet the government does not and cannot point to any evidence that providing permanent, not temporary, protection of the reliance interests of Plaintiffs (and others like them) would create any harm at all. On the contrary, the government concedes other Berne signatories have provided permanent protection of reliance interests for more than a century. Ultimately, the undisputed facts show the government chose to go beyond Berne without any real consideration of the First Amendment damage its decision would inflict, or any evidence that its decision to sacrifice the speech rights of its citizens by going beyond Berne would accomplish anything at all. When it comes to restoration against reliance parties, the government flunks its own test.

Nor does the government succeed in justifying restoration in general. Under its analysis there is no limit to Congress's power to restore copyrights, and no meaningful constitutional protection for the public domain. In the government's view, all that is required to support the removal of works from the public domain is that the removal serve an "important or

substantial governmental interest.” On that reasoning, Congress would be free to auction off the public domain to fund the national deficit (plainly itself an “important ... governmental interest”). The government gives this Court no reason to believe such a law would not be permissible if the “important or substantial governmental interest” the government alleges in this case is deemed sufficient.

Plaintiffs, however, do offer a reason why such restoration is impermissible in both cases: under the First Amendment, the government has no power to transfer the right to speak from citizen to citizen, let alone citizen to foreigner. Notwithstanding the power to regulate speech for the purpose of creating the incentives to produce speech (the power granted by the Copyright Clause), the government has no power to silence the speech of some for the purpose of benefiting other more favored speakers.

II. STATUTORY BACKGROUND

According to the government, “the Berne Convention requires member nations to afford foreign copyright holders the same protections that countries afford their own nationals ... and establishes a minimum level of protections that all members must satisfy.” Memorandum of Points and Authorities in Support of Defendants’ Motion for Summary Judgment (Gov’t MSJ) at 2. For two centuries, the United States required copyright holders to comply with certain formalities in order to obtain copyright protection. *Id.* at 7. Failure to comply with these formalities resulted in the loss of copyright protection. *Id.* Traditionally, this loss has been permanent. For U.S. authors, it remains permanent. Many foreign authors, on the other hand, have now been relieved of the consequences of this failure by the URAA.

This anomaly is explained by the Berne Convention, an international treaty first enacted in 1886. The Berne Convention rejects the formalities that U.S. law long imposed. Berne Convention, Art. 5(2) (Paris Act, 1971). Among other things, Berne requires countries that join the treaty to restore copyrights of foreign authors that were lost due to their failure to comply with these formalities. Specifically, Article 18 of the Berne Convention states:

- (1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expir[ation] of the term of protection.
- (2) If, however, through the expir[ation] of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.
- (3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.

Berne Convention, Art. 18 (available at <http://www.wipo.int/treaties/en/ip/berne>).

A. Berne Convention Implementation Act of 1988

For more than a century, the U.S. was content to remain outside the Berne framework. In 1988, the United States decided to join the Berne Convention. To do so, it enacted the Berne Convention Implementation Act of 1988 (“BCIA”). But in enacting the BCIA, the government chose not to restore any copyrights. Gov’t MSJ at 7-8.

One reason the U.S. chose not to restore any copyrights in 1988 was because removing works from the public domain presented serious constitutional questions. As leading copyright scholar William Patry has explained:

In the Berne revision bills ... no protection was provided for preexisting works in the public domain in the United States. Representative Kastenmeier explained this decision in his floor statement introducing his bill: "... Because the public domain is precisely what it says it is — the common property of the people to use as they see fit, in or out of commerce — I am strongly disinclined to restore controls over this heritage to proprietary interests." ... [As reported by the House Committee on the Judiciary] "... The importance of maintaining intact the United States public domain of literary and artistic materials — from the points of view of commercial predictability and fundamental fairness — argues strongly for legislative caution. The question of whether and, if so, how Congress might provide retroactive protection to works now in our public domain raises difficult questions, possibly with constitutional dimensions."

7 Patry on Copyright § 24:21 (2008).

In addition, there was wide agreement that insofar as any restoration was to be implemented, there must be strong protection for reliance parties – those who had already made use of public domain materials now being put back under copyright protection. The Copyright Office itself advised that "*[r]ecapture cannot cut off existing rights in the continued utilization of works in the U.S. which were lawful prior to recapture.*" *U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 99th Cong. 662 (May 16, 1985, and April 15, 1986) ("Implementing Legislation to Permit U.S. Adherence to the Berne Convention," a draft discussion bill and commentary), Declaration of Christopher K. Ridder in support of Plaintiffs' Motion for Summary Judgment ("Ridder Dec."), Ex. A (emphasis added). As Ralph Oman, the Register of Copyrights put it, "the rejection of any retroactive effect is consistent with American traditions against the removal of works from the public domain," and could raise serious constitutional concerns. *The Berne Convention: Hearings on S. 1301 and S. 1971 before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 100th

Cong. 150 (1988) (statement of Ralph Oman, Register of Copyrights), Ridder Dec. Ex. B.

Industry organizations like the Recording Industry of America (“RIAA”) and the Motion Picture Association of America (“MPAA”) agreed. The RIAA supported a restoration bill that protected reliance interests and advised, “the retroactive protection under this proposal would be subject to important safeguards, including [a substantial protection for reliance interests.] We believe that this approach is a reasonable compromise of the competing interests of foreign copyright owners and domestic users.” *U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 99th Cong. 684 (May 16, 1985, and April 15, 1986) (statement of the Recording Industry Association of America), Ridder Dec. Ex. C. The MPAA took a similar position: “a country may allow preexisting users of such newly protected motion pictures to continue to be exploited by those prior users, and we accept that.” *The Berne Convention Implementation Act of 1987: Hearings on H.R. 1623 before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Comm. on the Judiciary*, 100th Cong. 231 (1987 and 1988) (statement of Peter Nolan, Vice President-Counsel, Walt Disney Prods, on behalf of the Motion Picture Association of America), Ridder Dec. Ex. D.

B. The URAA – Beyond Berne

In 1994, Congress revisited the terms of U.S. participation in Berne. This time, Congress chose to restore copyrights to foreign authors, but provided only limited protection to reliance parties. Specifically, reliance parties who are performing, selling, copying, or otherwise using restored works are protected for only one year after a copyright owner files the notice necessary for restoration. *See* 17 U.S.C. § 104A(d)(2)(A)-(B); *accord* Gov’t MSJ at 4. A party

who creates a derivative work may continue to exploit the derivative work for a longer period, but only if the reliance party pays “reasonable compensation” to the copyright owner for using what was by definition free and previously in the public domain. *See id.*; accord Gov’t MSJ at 4-5. This restrictive and temporary protection of reliance interests stands in stark contrast to other Berne signatories, which provide permanent protection to certain reliance interests. *See* Declaration of Professor Lionel L. Bently in Support of Plaintiffs’ Motion for Summary Judgment (“Bently Dec.”) at ¶¶ 27-28, 38.

The government’s decision to provide restrictive and temporary protection of reliance interests was not based on what it believed the Berne Convention required. On the contrary, the plain text of Article 18 leaves each country wide discretion to determine for itself the scope of restoration and protection of reliance interests. Berne Art. 18(3). Indeed, Article 18 does not specify, demand, or require *any* restoration of rights against reliance parties; nothing in Article 18 prohibits those interests from being protected completely and permanently. *See, e.g., General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing before the Subcommittee on Intellectual Property and Judicial Administration of the House Comm. on the Judiciary and the Subcommittee on Patents, Copyrights and Trademarks of the Senate Comm. on the Judiciary, 103rd Cong. 2 (1994) (Opening Statement of Chairman Hughes), Ridder Dec. Ex. E (noting that the U.S. Trade Representative concluded TRIPS agreement did not require restoration of copyright at all, much less restoration against reliance parties). The government made it plain that its intention was to “go beyond Article 18 of the Berne Convention” by providing less protection for reliance interests than Berne demanded:*

In regard to the United States proposal, a participant saw problems with requiring protection to be accorded to pre-existing works. ... Responding to this and other

comments, the representative of the United States said that the intention of the United States in this respect was to go beyond Article 18 of the Berne Convention and to require ... retroactive application of the obligations under a TRIPS agreement to pre-existing works.

World Trade Organization, *Meeting of Negotiating Group of 12-14 July, 1989*,

MTN.GNG/NG11/14, at para. 25 (1989), Ridder Decl. Ex. F. This statement is consistent with the positions taken by the government leading up to the enactment of the URAA: reliance interests were not to be adequately recognized not because Berne required it, but because some believed it would be a good means to induce other nations to adopt measures “beyond Berne.”

III. ARGUMENT

The URAA is a regulation of speech that must be tested under both intermediate scrutiny and substantial overbreadth. It flunks these tests and violates the First Amendment for two reasons: First, assuming that Congress has the power to restore copyrights at all, the restoration in this case goes far beyond any “important or substantial governmental interest” identified by the government, and thus fails under either intermediate First Amendment scrutiny, or the substantial overbreadth doctrine. Second, Plaintiffs submit that in any case, Congress has no power consistent with the First Amendment to restore copyrights. Under either argument, this Court should grant Plaintiffs’ motion for summary judgment, and thus invalidate the URAA.

A. The URAA Is A Regulation Of Speech That Must Be Tested Under Intermediate Scrutiny And Substantial Overbreadth

The URAA regulates speech, and does so differently than a typical copyright statute. A typical copyright statute grants a monopoly over new expression, and therefore does not take from anyone a freedom they had before the creation of the monopoly. The URAA takes exactly that. It tells citizens who once had a liberty to speak that they no longer have that liberty.

Before the URAA, Plaintiff Golan, had the freedom to perform a wide diversity of foreign works with children's orchestras. *See* Second Amended Complaint, ¶46. Because of the regulation the URAA is, he no longer has that freedom. Before the URAA, Plaintiff Symphony of the Canyons had the freedom to perform a wide variety of public domain works in its non-profit performances. Because of the regulation the URAA is, it no longer has range of freedom to adapt and perform critical foreign works. *See* Second Amended Complaint, ¶61. Before the URAA, Plaintiffs Festival Films and Timeless Video Alternatives had the freedom to restore and sell public domain films. Because of the regulation the URAA is, they now fear the work they have done will be effectively taken by copyright restoration. *See* Second Amended Complaint, ¶64, 68. In all these cases, a law of Congress has intervened to remove a liberty to speak that existed before the law. In this practical and obvious sense, the URAA is a regulation of speech: denying to all Americans a freedom that all Americans had, and shifting that freedom to particular foreign owners.

As the Court of Appeals held, such a regulation is unprecedented in the tradition of American copyright law. *See Golan*, 501 F.3d at 1192. And as the Court of Appeals also held, applying *Eldred*, copyright acts that deviate from the "traditional contours of copyright protection" must be tested under ordinary First Amendment review. *Id.* That review requires a court to determine first whether the challenged Act is content based or content neutral.

Plaintiffs agree with the government that the URAA is content neutral. While Plaintiffs could certainly imagine copyright statutes that would be content based (an act, for example, that denied copyright protection to works espousing communism, or denying copyright protection to "political speech"), the URAA's regulation does not turn upon the message of the

expression, let alone upon its viewpoint. Under the Supreme Court’s First Amendment jurisprudence, that means the URAA must (1) survive intermediate scrutiny, and must not be (2) substantially overbroad in its scope and application. *See Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622, 662 (1996); *see also Secretary of State v. Munson*, 467 U.S. 947, 964-65 (1984).

1. Intermediate Scrutiny

Under intermediate First Amendment scrutiny, a speech regulation can only be sustained if “it furthers an important or substantial governmental interest; if the governmental interest is unrelated to the suppression of free expression; and if the incidental restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest.” *Turner* 512 U.S. at 662, quoting *United States v. O’Brien*, 391 U.S. 367, 377 (1968).

The government bears the burden to establish that the URAA passes intermediate scrutiny. *Turner*, 512 U.S. at 664-65. That burden is to do more than simply assert interests that are important in the abstract. It must demonstrate that the regulation will in fact advance those interests. Moreover, where the government defends the regulation of speech as a means to redress past harms or prevent future harms, it must demonstrate that “the recited harms are real, not merely conjectural, and that the regulation will in fact alleviate these harms in a direct and material way.” *Id.* at 664.

While this test does not explicitly identify a particular “important or substantial governmental interest,” as with any constitutional rule that evaluates actions by the government, constitutional norms must inform the range of “interests” that could qualify as “important or substantial.” Only legitimate interests could be “important or substantial” interests, and no interest that conflicted with other constitutional norms could be legitimate.

For example, while there is no Equal Protection Clause in the Due Process Clause applicable to the federal government, the Supreme Court in *Bolling v. Sharpe*, 347 U.S. 497 (1954), plainly recognized that the scope of legitimate interests that the government might pursue was constrained by considerations of equal protection. Thus, after the Court had held that state-segregated schools violated the Equal Protection Clause, *Brown v. Board of Education*, 347 U.S. 483 (1954), it was no longer permissible for the federal government to pursue the end of school segregation, since segregation was no longer a “legitimate” interest of the government.

Plaintiffs submit that the same considerations must guide the Court in the instant case here. If the recognition of an interest as an “important or substantial governmental interest” were to negate an independent constitutional norm, that would be a sufficient reason to reject that interest as “important or substantial.” Such norms thus guide this Court in determining whether the URAA can satisfy First Amendment review.

2. Substantial Overbreadth

As well as passing intermediate scrutiny, any regulation of speech must also not be substantially overbroad in its application. Under this doctrine, a plaintiff may “challenge [] a statute that in all its applications directly restricts protected First Amendment activity and does not employ means narrowly tailored to serve a compelling government interest.” *Secretary of State v. Munson*, 467 U.S. 947, 965 n.13 (1984) (citing *Schaumburg v. Citizens for a Better Environment*, 444 U.S. 620, 637-39 (1980)).

The core of a substantial overbreadth claim is that a statute sweeps too broadly. See *Ashcroft v. Free Speech Coalition*, 535 U.S. 234, 255 (2002); *Houston v. Hill*, 482 U.S. 451, 458 (1987); and *Gooding v. Wilson*, 405 U.S. 518 (1972) (striking down criminal statutes that

punished a substantial amount of constitutionally protected conduct and thus swept too broadly). *See also City of Ladue v. Gilleo*, 512 U.S. 43, 55 (1994). The government “may serve its legitimate interests, but it must do so by narrowly drawn regulations designed to serve those interests without unnecessarily interfering with First Amendment freedoms.” *Schaumburg*, 444 U.S. at 637. “Broad prophylactic rules in the area of free expression are suspect. Precision of regulation must be the touchstone.” *NAACP v. Button*, 371 U.S. 415, 438 (1963).

Thus, in *Schaumburg*, the Supreme Court struck down a law regulating charitable fundraising as overbroad because the statute’s requirements caused a direct and substantial limitation on protected First Amendment activity that “only peripherally promoted” the government’s legitimate interest in protecting the public from fraud. *Schaumburg*, 444 U.S. at 636.

The Tenth Circuit applied a similar reasoning in *American Target Advertising v. Giani*, 199 F.3d 1241 (10th Cir. 2000), when it struck down a Utah law requiring professional fundraising consultants to be bonded or provide a letter of credit in the amount of at least \$25,000. “Bonding,” the Court held, imposed “a sizeable price tag upon the enjoyment of a guaranteed freedom,” and only peripherally promoted Utah’s interest in regulatory oversight and that this goal was sufficiently served by others less destructive of First Amendment interests. *American Target*, 199 F.3d at 1249.

The government suggests its burden under either standard is somehow lessened by the Supreme Court’s decision in *Eldred* insofar as Plaintiffs are “mak[ing] other peoples’ speeches.” Gov’t MSJ at 23. The government is simply wrong. The *Eldred* standard has no bearing here. That decision spoke only to when ordinary First Amendment scrutiny would be

applied. It held that when an amendment to the Copyright Act falls within the “traditional contours of copyright protection,” ordinary First Amendment scrutiny would not apply. *Eldred* does not suggest, much less hold, that amendments falling outside of traditional contours receive any lessened scrutiny. Nor does the fact that some of the parties affected by the URAA “make other peoples’ speeches” suggest that anything less than ordinary First Amendment scrutiny would apply. On the contrary, intermediate scrutiny is routinely applied to statutes that impose burdens on parties that transmit the content of others. *See, e.g., Turner*, 511 U.S. at 661 (applying intermediate scrutiny to regulations requiring cable television operators to carry certain programming); *U.S. West, Inc. v. United States*, 48 F.3d 1092 (9th Cir. 1994) (applying intermediate scrutiny and invalidating regulation that forbade local telephone companies from providing video programming over their own networks). Indeed, intermediate scrutiny is applied even more stringently where, as here, the government favors one class of speakers over another. *See Neil W. Netanel, Locating Copyright Within The First Amendment Skein*, 54 STAN. L. REV. 1, 55-56 (2001) (copyright regulations fall within category of content-neutral regulations that courts scrutinize more rigorously because they allocate speech entitlements among different classes of speakers).

In any event, the Tenth Circuit has already held that *Eldred* demands full First Amendment scrutiny here. The question this Court must address is therefore whether the URAA’s regulation of speech can survive ordinary First Amendment review.

B. The URAA Burdens More Speech Than Necessary And Thus Fails Intermediate Scrutiny And Substantial Overbreadth

Plaintiffs maintain that the First Amendment bars the restoration of copyright to works that have passed into the public domain. (*See Part E, below.*) But even assuming

Congress has the power to restore copyright, the URAA exceeds the limits of the First Amendment, because the government has not identified a sufficiently “important or substantial governmental interest” to justify the URAA, and the regulation thus restricts speech “greater than is essential to the furtherance of” an important governmental interest.

The government identifies two basic interests in defense of the URAA. First, it contends the URAA was necessary to comply with Berne and secure the benefits of Berne participation. Gov’t MSJ at 11. Second, the government contends the URAA “corrects for historic inequities wrought on foreign authors” who lost their U.S. copyrights. *Id.* In fact, neither interest justifies the URAA’s speech restrictions.

1. The URAA Is Not Justified By The “Important Or Substantial” Interest In Complying With The Berne Convention

The government’s interest in complying with Berne cannot justify the URAA because the URAA goes well beyond what was necessary to comply with Berne. Accordingly, the government could have complied with Berne while providing significantly stronger protection for the First Amendment interests of reliance parties like the Plaintiffs here.

a. Berne Does Not Require A Signatory Nation To Ignore Or Limit Protection For Reliance Parties

The government frames this case as if the question is whether Berne requires restoration of copyrights. That is not the issue in this case. Plaintiffs admit that Article 18 of Berne plainly does require restoration. The real question is whether Berne permits Nations to weigh and protect reliance interests differently when restoring copyrights pursuant to Article 18. Plaintiffs submit that Article 18 plainly does, and Congress was therefore free to provide substantially more protection for reliance interests than the URAA does, while still complying

with Berne.

While Article 18 does require restoration, its plain text leaves every member country the discretion to “determine . . . the conditions” of restoration. (P. 8, above.) Indeed, Article 18 says nothing at all about restoration of rights against reliance parties. As the government’s own expert demonstrates, there is an enormous diversity among Berne signatories in the extent to which each protects reliance interests. Some protect reliance interests for a transitory year. *See* Report of Dr. Mihály Ficsor at ¶¶69. Others distinguish reproduction and derivative works. *Id.* at ¶¶70. And some, such as some the Commonwealth countries (United Kingdom, Australia, New Zealand), provide strong protection for reliance parties, restoration notwithstanding. *Id.* at ¶¶84-85.

All concede that the power of signatories to limit restoration flows from Article 18(3). As that provision states, each Nation “shall determine, each in so far as it is concerned, the conditions of application of this principle.” The diversity described by the government’s expert is plainly consistent with this language, at least if the language is plainly read: So read, it reserves a significant discretion to each Nation about how best to implement the restoration principle.

The government now asks this Court to reject this plain reading, and, on the basis of a single expert report, to limit the discretion secured by Article 18 in a manner that (1) renders the practices of the Commonwealth nations illegal, and (2) is still inconsistent with at least one provision of the URAA. There is no basis for this extraordinary suggestion.

Article 18(3) is a grant of discretion. Certainly a nation could abuse this discretion by, for example, exempting a whole type of copyrighted work from restoration. That

is the mistake Japan made when it excluded sound recordings from the copyrights that could be restored under the relevant provision in Japanese law. Gov't MSJ at 15. But if a nation is acting in good faith under a treaty's grant of discretion, the government has offered no evidence to suggest that it could be liable because its conception of the appropriate balance of reliance and restoration interests falls outside of a permitted range.

Nonetheless, the government asks this Court to ignore that discretion and to engage in substantive review *under Berne* of the protections granted by a signatory. As part of that review, the government asks this Court to not only declare arbitrary limits to the discretion Article 18 provides, but to declare the Commonwealth nations have gone too far (Gov't MSJ at 26-27) as a necessary means to rejecting Plaintiffs' arguments.

Likewise, in its eagerness to get this Court to throw legal doubt upon the law of important Commonwealth allies, the government has apparently not noticed that the very same argument that supposedly invalidates Commonwealth law also invalidates an important provision of the URAA. In arguing that the British model would violate *Berne*, the government states: "the conditions applied for the benefit of reliance parties are not 'transitional' in nature: 'unless the authors or other owners of rights invest into buying the rights that, under the Convention they are supposed to enjoy, those rights may remain with 'reliance parties' until the expiry of the term of protection.'" Gov't MSJ at 27. In other words, the government argues that permanent protection of reliance interests violates *Berne*. But the URAA contains similarly permanent protection: So long as the author of a derivative work pays compensation to the underlying restored rights holder, his reliance remains protected throughout the terms of restoration and instead grants to the reliance party a right (to create derivative works) that otherwise would have been with the

restored rights holder. *See* 17 U.S.C. §104A(d)(3).

Rather than holding that the Commonwealth nations are liable for damages under TRIPS, and that the United States is also liable for damages under TRIPS because of 17 U.S.C. §104A(d)(3), Plaintiffs suggest this Court simply follow the plain meaning of the discretion granted by Article 18(3), and conclude that any Nation has broad discretion to protect reliance interests when restoring copyrights — much broader than the United States has exercised in the URAA.

b. At The Time Congress Enacted The BCIA, There Was Broad Agreement That Berne Did Not Require Restoration Against Reliance Interests; And The Understanding Behind The URAA Was To Go “Beyond Berne”

Plaintiffs view is confirmed by a wide range of participants in the discussions leading up to the enactment of the Berne Convention Implementation Act (BCIA), Pub. L. No. 100-568, 102 Stat. 2853 (1988), the precursor to the URAA, including from some of the strongest proponents of the BCIA.

When Congress first considered meeting its obligations under Berne by enacting the BCIA, it decided that it was not obligated to restore copyrights to works that had passed into the public domain. In making this decision, Congress considered two approaches to Berne compliance proposed by the Copyright Office. *See, e.g., U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary, 99th Cong. 661 (May 16, 1985, and April 15, 1986)* (“Implementing Legislation to Permit U.S. Adherence to the Berne Convention,” a draft discussion bill and commentary), Ridder Dec. Ex. A.

The first approach proposed by the Copyright Office involved no restoration at all. *See id.* Congress adopted this option precisely because restoration of copyrights in public domain works presented grave questions of fairness and constitutionality. As the House Report explained, “The importance of maintaining intact the United States public domain of literary and artistic materials — from the points of view of commercial predictability and fundamental fairness — argues strongly for legislative caution. The question of whether and, if so, how Congress might provide retroactive protection to works now in our public domain raises difficult questions, possibly with constitutional dimensions.” H.R. REP. NO. 100-609, at 51 (1988), Ridder Dec. Ex. G. The Register of Copyrights echoed these concerns. He explained “the rejection of any retroactive effect is consistent with American traditions against the removal of works from the public domain,” and could raise serious constitutional concerns. *The Berne Convention: Hearings on S. 1301 and S. 1971 before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 100th Cong. 150 (1988) (statement of Ralph Oman, Register of Copyrights), Ridder Dec. Ex. B.

The second option proposed by the Copyright Office, but rejected by Congress, contained provisions that would have restored copyrights in foreign works pursuant to Berne. *See U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 99th Cong. 661 (May 16, 1985, and April 15, 1986) (“Implementing Legislation to Permit U.S. Adherence to the Berne Convention,” a draft discussion bill and commentary), Ridder Dec. Ex. A. Yet it also provided strong – and permanent – protection for reliance parties. *See id.* at 661-664. It provided that restoration “shall [not] prejudice lawful acts done or rights in copies lawfully made or the

continuance of enterprises lawfully undertaken within the United States prior to the effective date” of restoration. *Id.* at 661.

The rationale for this strong protection for reliance interests was clear. The Copyright Office explained that “[r]ecapture [of copyrights] cannot cut off existing rights in the continued utilization of works in the United States, which were lawful prior to recapture.” *Id.* at 662. Even industry groups like the RIAA and MPAA which desired restoration in order to obtain restoration of their members’ works in foreign countries, acknowledged this strong and permanent protection of reliance interests was essential. The RIAA admitted this protection for reliance interests was “a reasonable compromise of the competing interests of foreign copyright owners and domestic users.” *U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 99th Cong. 684 (May 16, 1985, and April 15, 1986) (statement of the Recording Industry Association of America), *Ridder Dec. Ex. C.* The MPAA took a similar position, acknowledging that under Berne “a country may allow preexisting users of such newly protected motion pictures to continue to be exploited by those prior users, and we accept that.” *The Berne Convention Implementation Act of 1987: Hearings on H.R. 1623 before the Subcommittee on Courts, Civil Liberties and the Administration of Justice of the House Comm. on the Judiciary*, 100th Cong. 231 (1987 and 1988) (statement of Peter Nolan, Vice President-Counsel, Walt Disney Prods, on behalf of the Motion Picture Association of America), *Ridder Dec. Ex. D.*

The government would now have this Court declare that Representative Kastenmeier who submitted the House Report on the Berne Convention Implementation Act, H.R. REP. NO. 100-609 (1988) (and is arguably the father of the 1976 Copyright Act), the

Copyright Office, Register Oman, the RIAA, and the MPAA were all wrong in the 1980s; that contrary to their express representation, Berne did require restoration without significant protection for reliance interests.

When the question of Article 18 returned, first in the context of the NAFTA treaty, and then in the proceedings surrounding the URAA, the government did not take the position then that Berne required restoration at the expense of reliance interests. Instead, as a representative of the United States stated in an international negotiating group in July 1989, the purpose of the URAA was to “go beyond Article 18 of the Berne Convention”:

In regard to the United States proposal, a participant saw problems with requiring protection to be accorded to pre-existing works. ... Responding to this and other comments, the representative of the United States said that the intention of the United States in this respect was to go beyond Article 18 of the Berne Convention and to require ... retroactive application of the obligations under a TRIPS agreement to pre-existing works.

World Trade Organization, *Meeting of Negotiating Group of 12-14 July, 1989*,

MTN.GNG/NG11/14, at para. 25 (1989), Ridder Decl. Ex. F.

The plain language of Berne demonstrates that the weak and temporary protection of reliance interests the URAA provides is not required by Berne, and the statements of the government leading up to the enactment of the URAA confirm this inadequate protection of reliance interests was enacted not to comply with Berne, but to go beyond Berne. The government interest in complying with Berne thus provides no justification for the URAA’s narrow protection of reliance interests. It thus cannot serve as the “important or substantial governmental interest” under *Turner*.

2. Any Interest In Going “Beyond Berne” Is Too Speculative To Qualify As “Important Or Substantial” Under *Turner*

Anticipating Plaintiffs’ argument that Berne did not require restoration in the manner of the URAA, the government suggests that going beyond Berne was necessary to induce other nations to adopt adequate measures for restoring and protecting United States copyrights. Gov’t MSJ at 16-20.

But the government’s argument is confusing two distinct points. At the time the URAA was enacted, the concern the United States faced was that other countries would not restore copyrights of U.S. authors if the U.S. declined to comply with Article 18 by restoring foreign copyrights. Gov’t MSJ at 16. Congress was thus plainly justified in believing that unless it enacted legislation to comply with Article 18, other nations would not adequately protect American copyrighted works. The issue here, however, is not whether it was necessary to enact legislation that complied with Article 18. The question is whether it was necessary to enact legislation that went well beyond Article 18’s requirements – that is whether it was necessary to restore without adequate protection for reliance interests in order to induce other nations to enact or maintain protection for U.S. copyrights.

Nothing in the record supports this additional claim, and any argument today to support it is conjectural at best. All of the evidence and testimony from the legislative history the government points to in its brief discusses the need to *comply* with Berne. *See* Gov’t MSJ at 17-20; *see also* Gov’t MSJ at 16. (protection of U.S. copyrights abroad “depends on compliance with Berne”). Insofar as there is any evidence about the effect of going beyond Berne, it suggests there was no likely benefit to doing so. At the URAA hearings, Irwin Karp, formerly the Chairman of the Ad Hoc Working Group on U.S. Adherence to the Berne Convention,

testified that he did not think that the URAA's draconian restrictions on reliance parties would have any impact on the behavior of other countries. "There is no doubt that we do well to grant retroactivity so that Thailand and other countries who are not giving us retroactivity will reciprocate, and they probably will... But . . . there is no way in the world that they would cut their own throats by adopting these [reliance] provisions." *General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing before the Subcommittee on Intellectual Property and Judicial Administration of the House Comm. on the Judiciary and the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 103rd Cong. 224 (1994) (statement of Irvin Karp, Counsel, Committee for Literary Studies), Ridder Dec., Ex. H. The record therefore suggests that if the U.S. had denied copyright protection to all Russian works by failing to restore copyrights in them, that may have induced Russia to refuse to enact Article 18-compliant legislation. But there is nothing to support the claim that restoring copyrights while preserving the rights of reliance parties that had actually been exploiting Russian works prior to restoration would have actually led Russia to refuse to respect Berne.

Under *Turner*, the government has to do more than simply identify an important interest in protecting U.S. authors abroad. It has to demonstrate that the harms it sought to prevent "are real, not merely conjectural, and that the regulation will in fact alleviate these harms in a direct and material way." *Turner I*, 512 U.S. 622, 664 (1994); *Time Warner Entertainment Co. v. FCC*, 240 F.3d 1126, 1130 (D.C. Cir. 2001) (regulation failed intermediate scrutiny where the government could not point to substantial evidence the threatened harm was likely to occur absent the regulation).

The proposition that going beyond Berne and trampling on the interests of reliance parties, as the government did here, would bring any additional benefit to U.S. authors is conjecture at best. That conjecture is plainly insufficient under *Turner*, and cannot satisfy the government's burden to demonstrate an "important and substantial" interest that would justify its regulation of Plaintiffs' speech.

3. The URAA Is Not Justified By The Government's Asserted Interest In "Equal" Treatment Of Foreign Authors

The government asserts the URAA was necessary to "correct[] for historic inequalities wrought on foreign authors" by restoring copyrights lost due to lack of compliance with U.S. formalities. Gov't MSJ at 11, 20-21. Yet there was no inequality to correct. Formalities applied equally to every author, foreign or domestic, who sought U.S. copyright protection. Insofar as any author failed to comply with those formalities, copyright protection was lost. Every author, foreign or domestic, was subject to the same requirements and the same penalties.

Under the URAA, foreign authors were granted an unprecedented right not available to U.S. authors. Foreign authors received the opportunity to relieve themselves of the consequences of their failure to comply with U.S. formalities. U.S. authors received no such opportunity. Far from eliminating inequality, the URAA creates profound inequality. It creates rights for foreign authors that U.S. authors have never enjoyed. The government cannot claim any important interest in providing foreign authors with rights it refuses to extend to its own authors.

C. The URAA Fails Intermediate Scrutiny And Substantial Overbreadth Because It Goes Beyond Any Important And Substantial Governmental Interest

Both intermediate scrutiny and the substantial overbreadth doctrine filter out speech regulations that regulate speech beyond what is necessary to achieve the government's legitimate objective. The URAA fails under either doctrine. While adhering to Berne is an "important and substantial" interest, the URAA goes "beyond Berne." The interests "beyond Berne" are conjectural at best. The URAA thus fails both tests.

The government tries to salvage the URAA by wondering aloud whether the approaches adopted by the United Kingdom and other Commonwealth nations are really more generous to reliance interests than the URAA is. Gov't MSJ at 24-25. This misses the point. The question here is not whether the UK's approach is better or worse than the URAA. The question here is whether the URAA could have provided greater protections to reliance interests and protect parties like the Plaintiffs and others like them. It plainly could have. For instance, instead of providing protection for reliance parties that expires after 12 months, the URAA could have provided permanent protection for reliance parties like the Plaintiffs here. The fact the UK and other Berne signatories provide permanent protection demonstrates that doing so is compatible and compliant with Berne.

Recognizing this plain fact, the government is forced to contend that the United Kingdom's approach to Berne restoration violates the provisions of Article 18. Yet the government acknowledges that the UK approach has remained largely unchanged since 1911 without challenge or complaint, and points to no specific provision of Article 18 or any other part of Berne that would prohibit the UK approach. Instead, the government asserts the UK

approach is “inconsistent with the principle set forth in Article 18(1) and (2)” that permit only a “grace period to allow for the transition of reliance parties.” Gov’t MSJ at 26. But Article 18(1) and 18(2) contain no such restriction. On the contrary, Article 18(3) leaves each country discretion in determining how to protect reliance interests. In any event, the government, and Dr. Ficsor, confuse “transitional” with temporary. The point of protecting reliance parties is to provide for an orderly transition into Berne. Facilitating that orderly transition may require permanent protection for reliance interests. Nothing in Berne prohibits that, or requires transitional protections to be temporary. *See* Bently Dec. ¶¶ 25-32.

D. In Enacting The URAA, The Government Did Not Consider First Amendment Interests, Or Balance Them With The Other Interests It Asserts

Perhaps recognizing it chose to go well beyond what was necessary to comply with Berne, the government urges this Court not to “second-guess the considered judgments of Congress and the Executive in determining how *best* to comply with Berne while minding First Amendment concerns.” Gov’t MSJ at 27 (emphasis added). Yet it is clear that in enacting the URAA, Congress was not “minding “ First Amendment concerns at all. The government does not identify a single reference to First Amendment concerns, or any First Amendment balancing, in the entire legislative history of the URAA. This is no oversight. The legislative history of the URAA contains no evidence the government gave any serious consideration to First Amendment interests in the context of restoration.

For example, while the Senate Report discusses the First Amendment in the context of bootleg sound recordings and music videos, S. REP. NO. 103-412, at 225 (1994), Ridder Dec. Ex. I, it does not discuss the First Amendment at all in the context of restoration,

much less consider the First Amendment interests of reliance parties. The Office of Legal Counsel's memorandum on the constitutionality of restoration deals only with the Takings Clause, and likewise does not consider the First Amendment impact of the URAA. *See* Office of Legal Counsel's July 29, 1994, Memorandum on Constitutionality of Retroactive Copyright Protection, Ridder Dec. Ex. J. Similarly, the testimony of copyright experts like Shira Perlmutter and Eugene Volokh did not consider the First Amendment implications of restoration. *See, e.g. General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing before the Subcommittee on Intellectual Property and Judicial Administration of the House Comm. on the Judiciary and the Subcommittee on Patents, Copyrights and Trademarks of the Senate Comm. on the Judiciary*, 103rd Cong. 173-186 (1994) (Statement of Professor Eugene Volokh), Ridder Dec. Ex. K (focusing only on the Takings Clause); *Id.* at 187-213 (Statement of Professor Shira Perlmutter), Ridder Dec. Ex. L (focusing exclusively on the Takings Clause and Copyright Clause, but for a brief mention of *United Christian Scientists v. Christian Science Board of Directors*, 829 F.2d 1152 (D.C. Cir. 1987), an Establishment Clause case striking down a private copyright bill granting copyright to church materials after the original copyright term had expired). Neither the Senate Report, the floor statements made on passage of the Act, nor any other materials in the legislative history indicate that Congress considered the serious First Amendment issues raised by the URAA's restoration of copyrights, much less made a "considered judgment" about how to balance the First Amendment rights of reliance parties with other interests.

This stands in contrast to the discussions surrounding the passage of the BCIA in 1988. At that time, it was acknowledged that restoration of copyrights raised significant First

Amendment concerns, especially in respect to reliance parties. For example, The Final Report of the Ad Hoc Working Group on U.S. Adherence to the Berne Convention (issued in 1986) discusses at length the “retroactivity” requirement of Article 18 of the Berne Convention. The report notes that to the extent Article 18 requires recapture of works in the public domain in the U.S., it raises several questions, including “[p]ossible constitutional obstacles to reviving copyright for works previously in the public domain.” *U.S. Adherence to the Berne Convention: Hearings before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 99th Cong. 497 (May 16, 1985 and April 15, 1986) (Appendix: Final Report of the Ad Hoc Working Group on U.S. Adherence to the Berne Convention, Chapter XI - Retroactivity), Ridder Dec. Ex. M. It found support for those constitutional obstacles in Nimmer on Copyright 105(a) (1984) (“[N]either the copyright clause nor the First Amendment would permit the granting of copyright to works which have theretofore entered the public domain”), and H.R. REP. NO. 1476, 94th Cong., 2d Sess 180 (1976) and S. REP. NO. 473, 94th Cong., 1st Sess 159 (1975) (“[T]here can be no protection for any work that has fallen into the public domain...”) *Id.* at 497, n. 15.

Rep. Kastenmeier said that “[o]ur copyright law dealing with complex commercial matters and sometimes first amendment values is not easily amended,” and recommended a minimalist approach to implementing Berne. *The Berne Convention: Hearings on S. 1301 and S. 1971 before the Subcommittee on Patents, Copyrights and Trademarks of the Sen. Comm. on the Judiciary*, 100th Cong. 44 (1988) (statement of Hon. Robert Kastenmeier, Representative from Wisconsin), Ridder Dec. Ex. N.

Ralph Oman, Register of Copyrights, noted that the Senate in the 1954 ratification of the Universal Copyright Convention identified retroactivity as one reason it was not able to ratify the Berne Convention, and that “[t]he rejection of any retroactive effect is consistent with American traditions against the removal of works from the public domain,” and could raise serious constitutional concerns that hadn’t been adequately studied.” *Id.* at 150 (statement of Ralph Oman, Register of Copyrights), *Ridder Dec. Ex. B.*

The concern expressed in 1988 over the First Amendment implications of restoration was simply cast aside upon consideration and passage of the URAA in 1994. (P. 26-27, above.) While Congress satisfied itself it had complied with the Takings Clause and the Copyright Clause, it had an additional obligation to carefully calculate the costs and benefits associated with the burden on speech imposed by the URAA; as the legislative history makes clear, Congress failed to adequately consider the burdens it was imposing under the First Amendment.

Reading the government’s brief, it is clear the government still has not recognized the speech burdens the URAA imposes. The government is keen to point to the need to secure royalties for works already created; that was its primary justification for going “beyond Berne.” Gov’t MSJ at 16-21. But it does not even mention the burden that effort will impose on creators who are interested in something more than merely collecting revenues for works that could be 100 years old. The desire to reallocate speech entitlements to enhance revenue for copyright owners is hardly a reason to uphold the statute. On the contrary, it is a reason to apply even greater scrutiny. *See* Neil W. Netanel, *Locating Copyright Within The First Amendment Skein*, 54 *Stan. L. Rev.* 1, 66-68 (2001) (re-allocation of speech entitlements from the public to

influential industry groups gives rise to “First Amendment scrutiny that is considerably less deferential to the government”).

The Plaintiffs in this case and the thousands of others like them, are producing new works today, or securing access to preserved works today, all based upon the public domain. Erecting a system that will now remove the right to create and disseminate certainly chills creative effort in this area. But the government does not reckon that cost. Instead, it, like the Congress that enacted the URAA, simply ignores it. That means that the government, like Congress, is not “balancing” the speech interests at all.

The 103d Congress at least had the excuse of acting prior to the Supreme Court’s decision in *Eldred*. The government has no such excuse. Its failure to demonstrate that Congress has adequately balanced the speech interests on both sides of this regulation demonstrates that it has not.¹ The government has thus failed to meet its burden under both *Turner* and *Schaumburg*. For that reason alone, this Court should grant summary judgment in Plaintiffs’ favor, and invalidate the URAA as enacted.

E. The First Amendment Prohibits Congress From Restoring Copyrights In Any Event

Plaintiffs maintain that even if Congress has the power, consistent with the First Amendment, to restore copyrights, the URAA fails to adequately balance the relevant free speech interests. But in addition to this argument, Plaintiffs also maintain that Congress has no power to restore copyrights to work in the public domain at all. That indeed, the careful

¹ Plaintiffs submit that at a minimum, no law restoring copyrights could survive First Amendment review unless it fully protected the reliance interests of those who have built upon the public domain. Only by protecting those interests could Congress assure that its selective removal would not systematically stifle First Amendment speech.

balancing required by “intermediate scrutiny” is unnecessary when one recognizes that an independent constitutional bar would render any interest in favor of restoring a copyright no longer a legitimate “governmental interest.”

The government argues that whenever Congress offers an “important or substantial governmental interest,” it has the power to remove a work from the public domain, assign it a copyright, and vest that copyright in an individual or entity. Thus, for example, Congress would be free to auction off the public domain to reduce the federal debt (certainly an “important or substantial” governmental interest), collecting revenues for popular works in the public domain, and assigning a copyright to those works to the individual or entity paying the highest price. Under the reasoning of the government, the public domain is thus as free for the government to allocate or reallocate as any plot of federal land, or any swath of radio spectrum. On the government’s view, all these “resources” are the government’s for the taking. And any such taking is subject to no meaningful constitutional limit, since benefiting the government is always “important.”

Such a rule, however, cannot be allowed, since it conflicts directly with an independent constitutional norm. Allowing Congress to remove a liberty to speak by restoring a copyright would render the limits within the Copyright Clause a nullity. The Copyright Clause gives Congress the power to “secure” “exclusive rights” “for limited Times.” The purpose of the limitation is plainly to secure a public domain. And while the Supreme Court in *Eldred* rejected the argument that such a purpose was defeated if Congress could extend the term of subsisting copyrights, the Court plainly recognized a line was needed. Indeed, the Court was encouraged by the government in *Eldred* to view the line precisely as Plaintiffs argue — at the public

domain. As Solicitor General Olson responded to Justice Souter's question during the argument in *Eldred* about where to draw the line:

[T]here is a bright line there. Something that has already gone into the public domain, which other individuals or companies or entities may then have acquired an interest in, or rights to, or be involved in disseminating ...

Golan, 501 F.3d at 1193, n.4 (quoting Transcript of Oral Argument at 4411.8-12, *Eldred v. Ashcroft*, 537 U.S. 186 (2003)).

General Olson did not, of course, say that restoring a copyright would violate the First Amendment. Nor did the government so concede in its brief. But this cat and mouse game of asserting there is a limit and then retreating from any limit is precisely the issue this case raises: For in this case, the government now argues directly what it implicitly denied in *Eldred*: that there is absolutely no limit to Congress's power to remove works from the public domain. Whether under rational review, or the First Amendment, Congress gets a free pass.

Plaintiffs do not here argue that restoring works from the public domain violates the Copyright Clause directly. The Court of Appeals was convinced that a challenge under the Copyright Clause in this case was sufficiently like the challenge in *Eldred* that the Court was constrained to deny relief, because the Supreme Court did not condition deferential review under the Copyright Clause upon Congress following its tradition, as it had under the First Amendment.

While Plaintiffs will certainly ask the Supreme Court to review that ruling (as the government will ask the Court to review the ruling that copyright acts outside the "traditional contours of copyright protection" merit further First Amendment review), our argument here does not depend upon the right to challenge such a restoration directly under the Copyright

Clause. Instead, Plaintiffs' argument is simply that the norms of the Copyright Clause should inform the scope of legitimate governmental interests under the First Amendment. And that the norm of protecting a public domain must therefore constrain the legitimate interests recognized under the First Amendment.

Such a holding does not require this Court to recognize a direct action under the Copyright Clause. Again, just as the holding in *Bolling* didn't require that the Court hold that the Equal Protection Clause of the Fourteenth Amendment applied to the federal government as well as "State[s]," but instead simply that "Due Process" was affected by constitutional norms affecting the "State[s]," so too here, Plaintiffs need not establish that an act violates the Copyright Clause in order to maintain that it should not be recognized as an "important or substantial" governmental interest under the First Amendment. In both cases, the scope of legitimate governmental interests depends upon the contours of constitutional protection.

In this case, Plaintiffs ask this Court to hold that Congress has no power generally to restore copyrights. For that reason, even if the Berne Convention requires Congress to restore copyrights in the manner the URAA did, the United States would not be free, because of the First Amendment, to enter into that requirement.

Such a constraint is not exceptional. If the Europeans established a rule that required copyrights not be granted to hate speech, or if it granted copyright protection to works (such as databases) that were not "original," the United States could not, consistent with the First Amendment and the Copyright Clause, conform its law to such rules.

The same with the power to restore copyrights. The United States' First Amendment restrictions on the copyright power are unique in the world. It should be no surprise

that such limitations mean the United States is not as free to regulate in this area as other Nations. To some (such as Plaintiffs), that is a virtue of the Constitution to celebrated. To others it is a vice. But whether virtue or vice, it is not proper for the government, nor this Court, to gloss over these fundamental distinctions, in the questionable race to a uniform international, copyright regime.

IV. CONCLUSION

The Court should deny Defendants' motion for summary judgment and enter summary judgment in favor of Plaintiffs.

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Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on 1/16/09, I electronically filed the foregoing Plaintiffs' Motion for Summary Judgment, Memorandum of Points and Authorities, Declaration of Chris K. Ridder, and Declaration of Professor Lionel Bently in support thereof, with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following e-mail addresses:

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