

6-23-2013

Is What You Give, Really What You Get? The Effect of *Golan v. Holder* on the Deterioration of the Public Domain

Robert F. Kappers

University of Cincinnati College of Law, kapperrf@mail.uc.edu

Follow this and additional works at: <http://scholarship.law.uc.edu/uclr>

Recommended Citation

Robert F. Kappers, *Is What You Give, Really What You Get? The Effect of Golan v. Holder on the Deterioration of the Public Domain*, 81 U. Cin. L. Rev. (2013)

Available at: <http://scholarship.law.uc.edu/uclr/vol81/iss3/7>

This Student Notes and Comments is brought to you for free and open access by University of Cincinnati College of Law Scholarship and Publications. It has been accepted for inclusion in University of Cincinnati Law Review by an authorized administrator of University of Cincinnati College of Law Scholarship and Publications. For more information, please contact ken.hirsh@uc.edu.

IS WHAT YOU GIVE, REALLY WHAT YOU GET? THE EFFECT
OF *GOLAN V. HOLDER* ON THE DETERIORATION OF THE
PUBLIC DOMAIN

*Robert F. Kappers**

I. INTRODUCTION

Apple Inc. had astonishing 2011 sales, including 70 million iPhones, 30 million iPads, and 59 million other products.¹ In 2008, Bloomberg described Apple's late CEO Steve Jobs as the man who "helped make personal computers as easy to use as telephones, changed the way animated films are made, persuaded consumers to tune into digital music and refashioned the mobile phone."² Yes, there is no doubt Mr. Jobs was good, but was he *that* good? After all, he did not actually invent the telephone,³ computer,⁴ or MP3 player.⁵ Mr. Jobs merely replicated these inventions—and replication is often labeled with negative connotations like "plagiarize," "steal," or "rip-off."

But the essence of creation and invention is to utilize old works as the building blocks for the new.⁶ Of course, no one would consider Mr. Jobs a second-rate copyist. To the contrary, many consider him as one of the most brilliant figures in the past century.⁷ Mr. Jobs has helped us see the advantages of using the "public domain"—works whose intellectual property rights are inapplicable, expired, or forfeited—and building off that knowledge to improve upon what already exists. Our

* Associate Member, 2011–2012, *University of Cincinnati Law Review*.

1. Bob Evans, *Apple Inc.: 10 Astonishing Facts*, FORBES (Jan. 24, 2012), <http://www.forbes.com/sites/sap/2012/01/24/apple-inc-10-astonishing-facts-3/>.

2. Matthew Moore, *Steve Jobs Obituary Published by Bloomberg*, TELEGRAPH (Aug. 28, 2008), <http://www.telegraph.co.uk/news/newstopping/howaboutthat/2638481/Steve-Jobs-obituary-published-by-Bloomberg.html>.

3. Alexander Graham Bell is credited with inventing the telephone, and was the first to patent the new technology. *Who Is Credited as Inventing the Telephone?*, LIBR. CONGRESS (last visited Aug. 16, 2012), <http://www.loc.gov/rr/scitech/mysteries/telephone.html>; U.S. Patent No. 174,465 (filed Feb. 14, 1876).

4. Konrad Zuse is credited with building the world's first working computer, "the Z3." Judith Holzer, *Konrad Zuse and the Invention of the Computer*, JUDITH HOLZER. MOVIES, GRAPHICS (Oct. 2010), <http://www.judithholzer.net/Konrad-Zuse-and-the-Invention-of-the-Computer>.

5. Kane Kramer was the inventor of the digital audio player. See KANE KRAMER, <http://www.kanekramer.com> (last visited Aug. 16, 2012).

6. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) ("From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.")

7. See generally A.N. Wilson, *Brilliant, Yes, But He Wasn't an Einstein*, MAIL ONLINE (Oct. 7, 2011, 4:11 PM), <http://www.dailymail.co.uk/debate/article-2046237/Steve-Jobs-dead-Brilliant-yes-wasnt-Einstein.html>.

world would not nearly be the same without Mr. Jobs's inventions, or access to the works of William Shakespeare,⁸ or if Detroit had to reinvent the wheel, literally and figuratively.

The U.S. Supreme Court recently struck a blow to the public domain in *Golan v. Holder*.⁹ This Note addresses the Court's recent decision upholding the constitutionality of § 514 of the Uruguay Round Agreement Act (URAA), a federal statute permitting Congress to extend copyright protection to works previously in the public domain. Part II provides background information on copyright and patent law, specifically the importance of the public domain and the recent activity that threatens it. Part III discusses the Supreme Court's recent decision in *Golan v. Holder*, and Part IV provides a discussion of how the Court improperly performed the balancing required by the Constitution's Copyright and Patent Clause,¹⁰ setting precedent that will have a sweeping impact on intellectual property law.

II. BACKGROUND

A. Copyright and Patent Law

The United States Constitution empowers Congress to “promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.”¹¹ The Copyright and Patent Clause embodies two separate grants of power—“first, to establish a copyright system and, second, to establish a patent system.”¹² Furthermore, the Clause itself reflects U.S. copyright and patent law's purpose of stimulating the development of creative works¹³ and encouraging technological innovation.¹⁴ As the Supreme Court described, “[the Copyright and Patent Clause] is intended to motivate the creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the

8. See Jeremy Hylton, *The Complete Works of William Shakespeare*, TECH, <http://shakespeare.mit.edu/> (last visited Aug. 16, 2012).

9. 132 S. Ct. 873 (2012).

10. U.S. CONST. art. I, § 8, cl. 8; *Bonito Boats*, 489 U.S. at 146.

11. U.S. CONST. art. I, § 8, cl. 8.

12. *In re Bergy*, 596 F.2d 952, 958 (C.C.P.A. 1979) (“[T]he constitutionally-stated purpose of granting patent rights to inventors for their discoveries is the promotion of progress in the ‘useful Arts.’”). Likewise, the constitutionally-stated purpose of granting copyrights to authors for their writings is the promotion of progress of science. *Id.*

13. *Eldred v. Ashcroft*, 537 U.S. 186, 212 n.18 (2003) (“As we have explained, the economic philosophy behind the Copyright Clause is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors.”) (citation omitted).

14. *Bonito Boats*, 489 U.S. at 146.

products of their genius.”¹⁵

Though the Copyright and Patent Clause has been interpreted to bestow upon Congress these two broad powers, the Supreme Court has consistently recognized that the “clause is both a grant of power and a limitation.”¹⁶ More specifically, the federal copyright and patent systems must, by “constitutional command,” “promote the Progress of [Science and] useful Arts” (Progress Clause).¹⁷ Additionally, Congress is bound by the “limited times” provision, barring it from granting monopolies of infinite duration¹⁸ in order to avoid “monopolies which stifle competition without any concomitant advance in the ‘Progress of Science and useful Arts.’”¹⁹

The Supreme Court is well practiced in addressing the interpretation of Article I, Section Eight, Clause Eight, including the limited times provision and the Progress Clause.²⁰ For example, in *Graham v. John Deere Co. of Kansas City*, the Court discussed the purpose of patent law in relation to the Copyright and Patent Clause while addressing the patentability requirement of non-obviousness.²¹ The Court stated, “Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.”²² Instead, when establishing a copyright and patent system, Congress “by constitutional command must ‘promote the Progress of useful Arts’”—a standard that “may not be ignored.”²³

In *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, the Supreme Court

15. *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417, 429 (1984).

16. *Eldred*, 537 U.S. at 212 (internal quotation marks omitted).

17. *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 6 (1966).

18. *Eldred*, 537 U.S. at 204; *Bonito Boats*, 489 U.S. at 146.

19. *Bonito Boats*, 489 U.S. at 146.

20. *See id.* (“The Patent Clause itself reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the ‘Progress of Science and useful Arts.’ As we have noted in the past, the Clause contains both a grant of power and certain limitations upon the exercise of that power.”); *Graham*, 383 U.S. at 6 (“Moreover, Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available. Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must ‘promote the Progress of . . . useful Arts.’ This is the standard expressed in the Constitution and it may not be ignored.”) (emphasis added); *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33–34 (2003) (“The rights of a patentee or copyright holder are part of a carefully crafted bargain, under which, once the patent or copyright monopoly has expired, the public may use the invention or work at will and without attribution.”) (internal citations omitted). *But cf. Eldred*, 537 U.S. at 212 (“We have also stressed, however, that it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause’s objectives.”).

21. *See Graham*, 383 U.S. at 5–6.

22. *Id.*

23. *Id.*

held that federal patent law preempted a Florida statute making it unlawful to use a process already being used by another boat hull manufacturer without written permission from that manufacturer.²⁴ In reaching its conclusion, the Court held the Copyright and Patent Clause mandates that patent law “embod[y] a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.”²⁵ Thus, the Court found that the Florida statute ran contrary to the purpose of patent law by “substantially impeded the public use of otherwise unprotected design and utilitarian ideas embodied in unpatented boat hulls.”²⁶

The Court has made similar remarks favoring the right to copy works or inventions already in the public domain in both *TrafFix Devices, Inc. v. Marketing Displays, Inc.* and *Dastar Corp. v. Twentieth Century Fox Film Corp.*²⁷ The Court in *TrafFix* held that a design for use in a display sign could be copied because it was functional and thus not protectable under federal trademark law.²⁸ “Unless an intellectual property right such as a patent or copyright protects an item, it will be subject to copying.”²⁹ Likewise, in *Dastar* the Court held that § 43(a) of the Lanham Act did not support Fox’s false designation of origin claim, because holding otherwise “would create a species of mutant copyright law that limits the public’s federal right to copy and to use expired copyrights.”³⁰

In *Eldred v. Ashcroft*, the Supreme Court’s tone was slightly more threatening to the public domain and the public’s right to copy.³¹ Justice Ginsburg, also the author of *Golan v. Holder*,³² wrote *Eldred*’s majority opinion, where the Court held that the Copyright Term Extension Act (CTEA)—an act that extended copyright duration to all future and then-existing copyrights—was neither invalid on the basis of the Copyright

24. 489 U.S. at 146 (“The Patent Clause itself reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the ‘Progress of Science and useful Arts.’”).

25. *Id.* “[W]e have consistently reiterated the teaching of *Sears* and *Compco* that ideas once placed before the public without the protection of a valid patent are subject to appropriation without significant restraint.” *Id.* at 156.

26. *Id.* at 157.

27. See *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003); *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

28. *TrafFix*, 532 U.S. at 29.

29. *Id.* (“[C]opying is not always discouraged or disfavored by the laws which preserve our competitive economy.”).

30. *Dastar*, 539 U.S. at 34 (internal citations omitted).

31. See generally *Eldred v. Ashcroft*, 537 U.S. 186 (2003).

32. *Golan v. Holder*, 132 S. Ct. 873 (2012).

and Patent Clause nor the First Amendment.³³ In reaching this conclusion, Justice Ginsburg rejected arguments that the Act created a copyright term that was “virtually perpetual,”³⁴ and instead found that the limited times provision of the Copyright and Patent Clause should not be interpreted such that a time prescription becomes forever fixed or inalterable.³⁵ “The word ‘limited,’ however, does not convey a meaning so constricted [A] time span appropriately ‘limited’ as applied to future copyrights does not automatically cease to be ‘limited’ when applied to existing copyrights.”³⁶ The Court also rejected the argument that without further consideration from the author, extending copyright duration to existing copyrights “fails to promote the Progress of Science and ignores copyright’s *quid pro quo*.”³⁷ Instead, the Court found that the consideration for creating works includes any benefit of later legislative extension of the copyright term.³⁸

B. *The Road to the Uruguay Round Agreements Act (URAA)*

In order to establish uniform international copyright relations, many foreign nations agreed to the Berne Convention for Protection of Literary and Artistic Works (Berne Convention), which took effect in 1886.³⁹ Berne Convention members agreed to treat authors from other member countries as well as they treat their own.⁴⁰ Importantly, the Berne Convention mandates that a work must be protected abroad unless its copyright term has expired, either in the country where protection is claimed or the country of origin.⁴¹

Late to the table, the United States became a party to the Berne Convention’s copyright guidelines in 1989.⁴² Despite becoming a member, the United States initially did not comply with the Berne Convention’s instruction that “member countries—including ‘new accession to the Union’—protect foreign works under copyright in the

33. *Eldred*, 537 U.S. at 194.

34. *Id.* at 210 n.16.

35. *Id.* at 199.

36. *Id.* at 187–88.

37. *Id.* at 210 (internal numbering omitted).

38. *See id.* at 215.

39. Berne Convention for the Protection of Literary and Artistic Works, art. 1, Sept. 9, 1886, S. Treaty Doc. No. 99-27 [hereinafter *Berne Convention*]; *see also* *Golan v. Holder*, 132 S. Ct. 873, 877 (2012).

40. *Berne Convention*, *supra* note 39, at art. 5(1) (“Authors shall enjoy, in respect of works for which they are protected under this Convention, in countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.”).

41. *Berne Convention*, *supra* note 39, at art. 18(1)–(2); *Golan*, 132 S. Ct. at 878.

42. *Golan*, 132 S. Ct. at 877.

country of origin.”⁴³ Instead, Congress withheld protection to “any work that is in the public domain in the United States.”⁴⁴ Though other members to the Berne Convention expressed irritation with the United States’ failure to enact retroactive protection,⁴⁵ the Berne Convention did not provide a “potent enforcement mechanism.”⁴⁶ To the contrary, the Berne Convention offered no sanctions for noncompliance and allowed parties to declare themselves not bound.⁴⁷

The Berne Convention grew teeth in 1994 when the United States joined both the World Trade Organization (WTO)⁴⁸ and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement).⁴⁹ The TRIPS Agreement mandates implementation of the Berne Convention’s first twenty-one articles, including Article 18, which would require nations to retroactively grant copyright protection over works previously in the public domain.⁵⁰ Furthermore, noncompliance with the TRIPS Agreement, and consequently the Berne Convention’s twenty-one initial articles, would render the United States subject to WTO enforcement including possible tariffs or cross-sector retaliation.⁵¹

Congress abandoned its previous refusal to grant retroactive copyright protection when it passed the URAA in 1994.⁵² Specifically, § 514 of the URAA extended copyright to works protected in their countries of

43. *Berne Convention*, *supra* note 39, at art. 18(1), (4); *Golan*, 132 S. Ct. at 879.

44. *Golan*, 132 S. Ct. at 879.

45. *Golan*, 132 S. Ct. at 880 (“Mexican authorities complained about the United States’ refusal to grant protection, in accord with Article 18, to Mexican works that remained under copyright domestically. . . . The Register of Copyrights also reported ‘questions’ from Turkey, Egypt, and Austria. Thailand and Russia balked at protecting U.S. works, copyrighted here but in those countries’ public domains, until the United States reciprocated with respect to their authors’ works.”) (internal citations omitted).

46. *Golan*, 132 S. Ct. at 880.

47. *Berne Convention*, *supra* note 39, at art. 33(2)–(3).

48. *What Is the WTO?*, WORLD TRADE ORG., http://www.wto.org/english/thewto_e/whatis_e/whatis_e.htm (last visited Aug. 20, 2012) (“The World Trade Organization (WTO) is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world’s trading nations and ratified in their parliaments. The goal is to help producers of goods and services, exporters, and importers conduct their business.”).

49. *Understanding the WTO: The Agreements*, WORLD TRADE ORG., http://www.wto.org/english/thewto_e/whatis_e/tif_e/agrm7_e.htm (last visited Aug. 20, 2012) (“The WTO’s Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), negotiated in the 1986–94 Uruguay Round, introduced intellectual property rules into the multilateral trading system for the first time.”).

50. Agreement on Trade-Related Aspects of Intellectual Property Rights, art. 9(1), Apr. 14, 1994, 1869 U.N.T.S. 299; *Berne Convention*, *supra* note 39, at art. 18.

51. *Golan v. Holder*, 132 S. Ct. 873, 881 (2012).

52. See Uruguay Round Agreements Act, 108 Stat. 4809 (codified as amended at 17 U.S.C. §§ 104A, 109(a) (1994)).

origin that were previously in the United States' public domain for any of the following three reasons: (1) lack of copyright relations between the country of origin and the United States at the time of publication, (2) lack of subject matter protection for sound recordings fixed before 1972, and (3) failure to comply with U.S. statutory formalities.⁵³ Not surprisingly, in light of the purposes of copyright and patent law and the importance of the public domain, many consider § 514 to violate the U.S. Constitution's Copyright and Patent Clause by pulling works out of the public domain—a belief that sparked the controversy in *Golan v. Holder*.

III. *GOLAN V. HOLDER*

A. *Background and Procedural History*

Having previously relied extensively on the ability to utilize artistic works in the public domain, “orchestra conductors, educators, performers, publishers[,] film archivists and motion picture distributors” all felt the impact of § 514.⁵⁴ With increased performance fees, sheet music rentals, and other royalties, these affected parties, including Lawrence Golan, a teacher and performer of works by foreign composers, filed suit in the United States District Court for the District of Colorado.⁵⁵ The plaintiffs contended that both the URAA and the CTEA were unconstitutional,⁵⁶ alleging that § 514 of the URAA (1) violates Congressional limitations inherent in the Copyright and Patent Clause, and (2) interferes with the plaintiffs' First Amendment rights.

In light of the Supreme Court's 2003 decision in *Eldred v. Ashcroft*,⁵⁷ where the Court rejected a nearly identical constitutional claim, the district court granted summary judgment to the government on the challenge to the CTEA.⁵⁸ The district court further sided with the government on the claims towards the URAA, granting summary

53. *Id.* See also *Golan*, 132 S. Ct. at 882 n.11. A common instance of failing to comply with U.S. statutory formalities includes the failure to provide notice of copyright status, or to register and renew a copyright—“formalities [that] drew criticism as a trap for the unwary.” *Id.* Congress subsequently removed these formalities, making copyright protection extend to any original work “fixed in a tangible medium of expression.” 17 U.S.C. § 102 (2012). However, there are still many incentives for copyright owners to register their works, including as a requirement to sue for infringement. See *Golan*, 132 S. Ct. at 882. In 1992, Congress made renewal of copyright registration automatic for works that were in their first term of copyright protection. *Id.*

54. See *Golan v. Gonzales*, 501 F.3d 1179, 1181 (10th Cir. 2007) [hereinafter *Golan I*].

55. *Id.* at 1182.

56. *Id.*

57. 537 U.S. 186, 198 (2003) (rejecting a claim that the CTEA violated the limited times provision of the Copyright and Patent Clause).

58. See *Golan I*, 501 F.3d at 1182.

judgment on both claims under the Copyright and Patent Clause and the First Amendment.⁵⁹ The plaintiffs appealed to the United States Court of Appeals for the Tenth Circuit.⁶⁰

A panel for the Tenth Circuit affirmed the district court's dismissal of the CTEA claim and the district court's holding that § 514 did not exceed the limitations of the Copyright and Patent Clause.⁶¹ In reaching this conclusion, the court first rejected the plaintiffs' argument that the Progress Clause and the limited times provision of the Copyright and Patent Clause prevent Congress from copyrighting works in the public domain.⁶² Though the court recognized that its holding would permit Congress to adopt a "consistent practice of restoring works in the public domain in an effort to confer perpetual monopolies,"⁶³ it found that this "troubling" situation was not before it.⁶⁴ Although the Supreme Court in *Graham v. John Deere Co. of Kansas City* stated, "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict knowledge from the public domain, or to restrict free access to materials already available,"⁶⁵ the Tenth Circuit reasoned that *Graham* did not "stand[] for the proposition that, in the context of copyright, the public domain is a threshold that Congress may not traverse in both directions."⁶⁶

In considering the First Amendment challenge to § 514, the Tenth Circuit concluded that "the traditional contours of copyright protection include the principle that works in the public domain remain there and that § 514 transgresses this critical boundary,"⁶⁷ demanding First Amendment review under the Supreme Court's standard in *Eldred v. Ashcroft*.⁶⁸ Since § 514 "implicates plaintiffs' right to free expression," the Tenth Circuit remanded the case for further First Amendment review.⁶⁹

On remand for First Amendment review, both parties agreed that

59. *Id.*

60. *Id.*

61. *See id.* at 1185.

62. *See id.* at 1186.

63. *Id.* at 1186.

64. *Id.* at 1186; *see also* *Eldred v. Ashcroft*, 537 U.S.186, 209 (2003).

65. *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 6 (1966); *Golan I*, 501 F.3d at 1186 ("Graham dealt with patents rather than copyright, and the ideas applicable to one do not automatically apply to the other.")

66. *Golan I*, 501 F.3d at 1187 (internal quotations omitted).

67. *Id.* at 1189.

68. *See id.* at 1197; *Eldred*, 537 U.S. at 221 ("We recognize that the D.C. Circuit spoke too broadly when it declared copyrights 'categorically immune from challenges under the First Amendment.' But when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.") (emphasis added).

69. *Golan I*, 501 F.3d at 1197.

§ 514 is a content-neutral regulation of speech, requiring the application of only intermediate scrutiny.⁷⁰ Thus, the district court considered whether § 514 “advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests.”⁷¹ The court granted plaintiffs’ motion for summary judgment after concluding that “to the extent Section 514 suppresses the right of reliance parties to use works they exploited while the works were in the public domain,” § 514 was unconstitutional.⁷²

On appeal, the Tenth Circuit disagreed with the district court’s analysis and instead found that § 514 was enacted to alleviate real economic harm to American copyright holders due to foreign countries refusing to provide copyright protection to American works abroad.⁷³ Furthermore, the court found that since “foreign countries . . . provide . . . only as much protection to American copyright holders as the United States would provide to foreign copyright holders,” § 514 imposes the same burden on American parties relying on access to public domain works as it does to foreign parties.⁷⁴ Because “the burdens on speech are therefore directly focused to the harms that the government sought to alleviate,”⁷⁵ the Tenth Circuit found that § 514 withstood intermediate scrutiny and reversed the judgment of the district court.⁷⁶

The plaintiffs appealed the Tenth Circuit’s reversal and petitioned the United States Supreme Court to find § 514 is invalid under the Copyright and Patent Clause and the First Amendment.

B. The United States Supreme Court

After considering the parties’ briefs and amicus curiae briefs,⁷⁷ the Supreme Court, in a 6–2 decision, affirmed the Tenth Circuit’s judgment, holding that § 514 of the URAA did not violate the Copyright and Patent Clause or the First Amendment because neither provision

70. See *Golan v. Holder*, 609 F.3d 1076, 1083 (10th Cir. 2010) [hereinafter *Golan II*].

71. *Id.* at 1083 (internal citations omitted).

72. *Id.* at 1082.

73. See *id.* at 1086.

74. *Id.* at 1091.

75. *Id.*

76. *Id.* at 1095.

77. Amicus curiae included The Cato Institute, The American Civil Liberties Union, the Conductors Guild, The Music Library Association, Google, the Motion Picture Association of America, and many more. See *Docket File*, SUPREME COURT UNITED STATES, <http://www.supremecourt.gov/Search.aspx?FileName=/docketfiles/10-545.htm> (last visited Aug. 21, 2012).

“makes the public domain . . . a territory that works may never exit.”⁷⁸ Justice Ginsburg, the author of *Eldred v. Ashcroft*,⁷⁹ wrote the opinion for the Court, in which Chief Justice Roberts and Justices Scalia, Kennedy, Thomas, and Sotomayor joined.⁸⁰ Justice Breyer, who dissented in *Eldred*,⁸¹ wrote a dissenting opinion in which Justice Alito joined.⁸² Presumably, due to her involvement in the case as Solicitor General, Justice Kagan recused herself and took no part in the decision.⁸³

1. Justice Ginsburg’s Majority Opinion

a. The Copyright and Patent Clause Claim

The petitioners argued that Congress lacked authority to enact § 514 under the Copyright and Patent Clause because the Clause erects “an impenetrable barrier to the extension of copyright protection to authors whose writings, for whatever reason, are in the public domain.”⁸⁴ Justice Ginsburg disposed of this constitutional argument by looking to the text of the Copyright and Patent Clause, historical practice, and Supreme Court precedents.⁸⁵

Looking at the plain language of the Copyright and Patent Clause, Justice Ginsburg rejected petitioners’ argument that § 514 violated the “limited times” provision because “removing works from the public domain . . . turn[s] a fixed and predictable period into one that can be reset or resurrected at any time, even after it expires.”⁸⁶ Justice Ginsburg noted that the Court’s decision in *Eldred v. Ashcroft* was

78. *Golan v. Holder*, 132 S. Ct. 873, 878 (2012) (“In accord with the judgment of the Tenth Circuit, we conclude that § 514 does not transgress constitutional limitations on Congress’ authority. Neither the Copyright and Patent Clause nor the First Amendment, we hold, makes the public domain, in any and all cases, a territory that works may never exit.”).

79. 537 U.S. 186 (2003).

80. *See Golan*, 132 S. Ct. at 877; *see also Docket File*, SUPREME COURT UNITED STATES, <http://www.supremecourt.gov/Search.aspx?FileName=/docketfiles/10-545.htm> (last visited Aug. 21, 2012).

81. *See Eldred*, 537 U.S. 186.

82. *See Golan*, 132 S. Ct. 873; *see also Docket File*, SUPREME COURT UNITED STATES, <http://www.supremecourt.gov/Search.aspx?FileName=/docketfiles/10-545.htm> (last visited Aug. 21, 2012).

83. *See Golan*, 132 S. Ct. 873; *see also SUPREME COURT UNITED STATES*, <http://www.supremecourt.gov/Search.aspx?FileName=/docketfiles/10-545.htm> (last visited Aug. 21, 2012).

84. *Golan*, 132 S. Ct. 884.

85. *Id.* at 885.

86. *Id.* at 884.

“largely dispositive.”⁸⁷ The *Eldred* Court held that the Copyright and Patent Clause “does not convey a meaning so constricted,” such that “the command that a time prescription, once set, becomes forever ‘fixed’ or ‘inalterable.’”⁸⁸ Justice Ginsburg found the petitioners’ construction of the “limited times” provision to “closely resemble[] the definition rejected in *Eldred*”⁸⁹ and that petitioners failed to explain why the copyright terms granted to foreign works under § 514 are unlimited, especially in light of the fact that “the copyrights of restored foreign works typically last for fewer years than those of their domestic counterparts.”⁹⁰ In an attempt to distinguish the § 514 copyright term duration from that in *Eldred*, the petitioners asserted that Congress sets the copyright term for foreign works excluded from U.S. protection to exactly zero, resulting in a “limited time [that] had already passed for works in the public domain.”⁹¹ Justice Ginsburg found “scant sense” in the petitioners’ argument, reasoning that in order for a limited time of exclusivity to run, it must first begin.⁹² The petitioners’ final argument under the limited times provision was that upholding § 514 would permit Congress to grant perpetual copyright protection, legislated in installments.⁹³ Justice Ginsburg rejected this argument of Congress’ “hypothetical legislative misbehavior” finding that “Congress can hardly be charged with a design to move stealthily toward a regime of perpetual copyrights.”⁹⁴

Justice Ginsburg addressed petitioners’ “ultimate argument,”⁹⁵ also aimed toward a limitation found in the text of the Copyright and Patent Clause, that § 514 fails to “promote the progress of science”⁹⁶ because it

87. *Id.*

88. *Id.*

89. *Id.* at 884–85.

90. *Id.* at 885. In describing the impact of § 514 on foreign works previously in the public domain, Justice Ginsburg emphasized that § 514 included provisions to mitigate the harm to those parties who relied on such works. *See id.* at 883. Some mitigating actions include: (1) anyone remains free to copy and use restored works for one year following § 514’s enactment; (2) additional protections for reliance parties; and (3) parties who created “derivative works” may indefinitely exploit the derivation upon payment of the copyright holder of “reasonable compensation.” Additionally, “[r]estored works . . . receive no compensatory time for the period of exclusivity they would have enjoyed before § 514’s enactment” causing their term to “fall[] short of that available to similarly situated U.S. works.” *Id.* at 882.

91. *Id.* at 885.

92. *Id.*

93. *Id.* (“Carried to its logical conclusion, petitioners persist, the Government’s position would allow Congress to institute a second ‘limited’ term after the first expires, a third after that, and so on.”).

94. *Id.*

95. *Id.* at 887–88.

96. As noted above, the Progress Clause of the Copyright and Patent Clause states that “Congress is empowered to ‘promote the progress of science and useful arts’ by enacting systems of copyright and patent protection.” As Justice Ginsburg noted, “counterintuitively for the contemporary

“deals solely with works already created . . . [and thus] provides no plausible incentive to create new works.”⁹⁷ Dismissing this assertion, “nearly identical to the one” rejected in *Eldred*, Justice Ginsburg reasoned that the creation of new works “is not the sole way Congress may promote knowledge and learning.”⁹⁸ Turning once again to the precedential value of *Eldred*, Justice Ginsburg noted that the Court previously held that the “[Copyright and Patent Clause] empowers Congress to determine the intellectual property regimes that . . . serve the ends of the Clause[,] . . . [a]nd those permissible ends . . . extend[] beyond the creation of new works.”⁹⁹ The Court found that inducing dissemination of new works, unlike inducing creation of new works, was an appropriate means for “promoting the progress of science.”¹⁰⁰ This was evidenced by prior legislation making “copyright contingent on publication.”¹⁰¹

Although the Court held that incentivizing creation of new works “is not the sole means Congress may use under the [Progress Clause],” Justice Ginsburg found § 514 to incentivize both dissemination and creation of works.¹⁰² As for incentivizing the dissemination of works, “[a] well-functioning international copyright system” would likely do so by “expand[ing] foreign markets available to U.S. authors.”¹⁰³ Furthermore, the Court found that § 514, and thus full compliance with the Berne Convention, would incentivize creation of new works by “invigorat[ing] protection against piracy of U.S. works abroad, thereby benefitting copyright intensive industries stateside”¹⁰⁴

In addition to addressing the direct text of the Copyright and Patent Clause and the precedential authority interpreting it, Justice Ginsburg looked toward historical practice in finding that § 514 did not violate the Constitution. First, the Copyright Act of 1790, the Act that launched a national system of copyright protection, granted copyright in works

reader, Congress’ copyright authority is tied to the progress of science; its patent authority, to the progress of the useful arts.” *Id.* at 888.

97. *Id.*

98. *Id.*

99. *Id.*

100. U.S. CONST. art. I, § 8, cl. 8.

101. *Golan*, 132 S. Ct. at 888. Justice Ginsburg looked toward evidence that at the time of the founding, inducing dissemination of creative works was a purpose of the Copyright and Patent Clause contemplated by the fathers of the U.S. Constitution. *See id.* Particularly, at the time of the founding, copyright protection was trained on “publication, not creation.” *Id.* Furthermore, “[u]ntil 1976, in fact, Congress made federal copyright contingent upon publication, thereby providing incentives not primarily for creation, but for dissemination.” *Id.* (internal quotations omitted).

102. *Id.* at 889.

103. *Id.*

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

previously in the public domain.¹⁰⁵ Thus, Justice Ginsburg reasoned that “[t]he First Congress . . . did not view the public domain as inviolate.”¹⁰⁶ Subsequent legislation that restored copyright or patent protection to works previously in the public domain were also considered persuasive evidence of historical practice supporting the enactment of § 514.¹⁰⁷ Specifically, Justice Ginsburg cited unchallenged private bills that restored copyrights of works,¹⁰⁸ analogous patent bills, upheld in litigation, that restored patent protection to inventions in the public domain,¹⁰⁹ and “generally applicable legislation granting patents and copyrights to inventions and works that had lost protection.”¹¹⁰

Finding this historical practice helpful required Justice Ginsburg to address the Supreme Court’s contradicting language in *Graham v. John Deere Co. of Kansas City*.¹¹¹ Justice Ginsburg found the statement, “Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available,”¹¹² to be dicta that “did not speak to the constitutional limits on Congress’ copyright and patent authority.”¹¹³ Instead, the Court found the passage to “address[] an invention’s very eligibility for patent protection.”¹¹⁴ Petitioners’ final argument attempted to show that Congress’ historical practice in granting copyright or patent protection to works previously in the public

105. *Id.* at 885–86 (“Before the Act launched a uniform national system, three States provided no statutory copyright protection at all. Of those that did afford some protection, seven failed to protect maps; eight did not cover previously published books; and all ten denied protection to works that failed to comply with formalities.”).

106. *Id.* at 886.

107. *Id.*

108. *See id.* The latest of the private bills restoring copyright protection that Justice Ginsburg found in support of the Court’s holding was passed in 1896. *Id.* (citing Act of Feb. 19, 1849 (Corson Act), ch. 57, 9 Stat. 763; Act of June 23, 1874 (Helmuth Act), ch. 534, 18 Stat. 618; Act of Feb. 17, 1898 (Jones Act), ch. 29, 30 Stat. 1396).

109. *See Golan*, 132 S. Ct. at 886. The latest of the private bills restoring patent protection that Justice Ginsburg found in support of the Court’s holding was passed in 1898. *Id.* *See also* *Evans v. Jordan*, 13 U.S. 199 (1815) (upholding the validity of a patent’s over a flour mill, and thus upholding the validity of the 1808 bill restoring patent protection); *McClurg v. Kingsland*, 42 U.S. 202 (1843) (enforcing an 1839 amendment recognizing a patent over an invention despite a prior use bar).

110. *Golan*, 132 S. Ct. at 887 (“An 1832 statute authorized a new patent for any inventor whose failure, ‘by inadvertence, accident, or mistake,’ to comply with statutory formalities rendered the original patent ‘invalid or inoperative.’ An 1893 measure similarly allowed authors who had not timely deposited their work to receive ‘all the rights and privileges’ the Copyright Act affords, if they made the required deposit by March 1, 1893. And in 1919 and 1941, Congress authorized the President to issue proclamations granting protection to foreign works that had fallen into the public domain during World Wars I and II.”) (internal citations omitted).

111. 383 U.S. 1, 6 (1966).

112. *Id.* (emphasis omitted).

113. *Golan*, 132 S. Ct. at 887.

114. *Id.*; *see also* *Eldred v. Ashcroft*, 537 U.S. 186, 202 n.7 (2003).

domain occurred only in extraordinary situations. These situations included “[i]nstalling a federal copyright system and ameliorating the interruptions of global war.”¹¹⁵ Justice Ginsburg and the Court found that complying with the Berne Convention was therefore a “signal event.”¹¹⁶

b. The First Amendment Claim

As noted above, Justice Ginsburg similarly rejected petitioners’ claim that § 514 offended the First Amendment.¹¹⁷ The “pathmarking decisions in *Eldred*”¹¹⁸ once again proved largely determinative; Justice Ginsburg declined to apply heightened review to § 514 because it leaves untouched the “traditional contours of copyright protection,”¹¹⁹—the “idea-expression dichotomy” and the “fair use” defense.¹²⁰ Acknowledging that every grant of copyright protection inherently restricts expression, the Court further found that § 514 did not disturb “speech-protective purposes and safeguards embraced by copyright law” because “[i]t deferred the date from which enforcement runs, and it cushioned the impact of restoration on ‘reliance parties’ who exploited [works previously in the public domain].”¹²¹

Justice Ginsburg squashed the petitioners’ attempt to distinguish their case from *Eldred* in order to achieve higher scrutiny under the First Amendment, thus “achiev[ing] under the banner of the First Amendment what they could not win under the Copyright [and Patent] Clause.”¹²² The crux of the petitioners’ argument was that due to their unlimited and unfettered use of works previously in the public domain, they enjoyed vested rights in these works.¹²³ Thus, since § 514 alters the public domain, it also threatens the petitioners’ “interests of a higher order”

115. *Golan*, 132 S. Ct. at 887.

116. *Id.*

117. *See id.* at 889.

118. *Id.*

119. *See Eldred*, 537 U.S. at 221.

120. *See Golan*, 132 S. Ct. at 890 (“Due to this idea/expression distinction, every idea, theory, and fact in a copyrighted work becomes instantly available for public exploitation at the moment of publication; the author’s expression alone gains copyright protection.”) (internal quotations omitted); 17 U.S.C. § 102(b) (2012). The fair use defense, codified at 17 U.S.C. § 107, “allows the public to use not only facts and ideas contained in a copyrighted work, but also the author’s expression itself in certain circumstances,” including but not limited to criticism, comment, news reporting, teaching, and parody. *Golan*, 132 S. Ct. at 890.

121. *Golan*, 132 S. Ct. at 891.

122. *Id.* (“Petitioners here attempt to achieve under the banner of the First Amendment what they could not win under the Copyright Clause: On their view of the Copyright Clause, the public domain is inviolable; as they read the First Amendment, the public domain is policed through heightened judicial scrutiny of Congress’ means and ends.”).

123. *Id.*

which demands heightened judicial scrutiny.¹²⁴ Just like the Copyright and Patent Clause claim, Justice Ginsburg found “nothing . . . warrant[ing] exceptional First Amendment solicitude for copyrighted works that were once in the public domain.”¹²⁵ Justice Ginsburg rejected any vested rights that petitioners’ claimed, reasoning that “no one, after the copyright term has expired, acquires ownership rights in the once-protected works.”¹²⁶ Justice Ginsburg further found support in several instances of prior expansion to subject matter protectable under copyright law, each of which did not demand heightened First Amendment scrutiny.¹²⁷ Thus, Justice Ginsburg rejected the petitioners’ attempt to solicit a finding that the public domain is inviolable by refusing to apply heightened judicial scrutiny to § 514. She instead held that the idea–expression dichotomy and the fair use doctrine sufficiently protected speech.¹²⁸

Thus, the Court affirmed the Tenth Circuit’s judgment refusing to “second-guess the political choice Congress made between leaving the public domain untouched and embracing Berne unstintingly.”¹²⁹

2. Justice Breyer’s Dissent

As indicated by his emphatic disagreement with Justice Ginsburg’s arguments, Justice Breyer dissented, and found § 514 to be unconstitutional.¹³⁰ Unlike Justice Ginsburg, Justice Breyer refused to separate the two claims, instead finding § 514 to violate the Copyright and Patent Clause interpreted in light of the First Amendment. Justice Breyer believes that the Constitution should be interpreted “as a single document—a document that we should not read as setting the Copyright [and Patent] Clause and the First Amendment at cross-purposes.”¹³¹

Justice Breyer began his dissent by advocating for a “utilitarian view

124. *Id.*

125. *Id.*

126. *Id.* at 892.

127. *Id.* (“Congress broke new ground when it extended copyright protection to foreign works in 1891; to dramatic works in 1856; to photographs and photographic negatives in 1865; to motion pictures in 1912; to fixed sound recordings in 1972; and to architectural works in 1990.”) (internal citations omitted).

128. *See id.* at 891.

129. *Id.* at 887.

130. *See id.* at 900 (Breyer, J., dissenting).

131. *Id.* at 907–08 (“Nor need I advocate the application here of strict or specially heightened review. I need only find that the First Amendment interest is important enough to require courts to scrutinize with some care the reasons claimed to justify the Act in order to determine whether they constitute reasonable copyright-related justifications for the serious harms, including speech-related harms, which the Act seems likely to impose.”).

of copyrights and patents,”¹³² one in which a copyright or patent may only be “conferred for a public reason—to elicit new creation.”¹³³ In support of his view, Justice Breyer first looked to the history of copyright law, including the Founding Fathers’ view of the law’s underlying purpose.¹³⁴ As Justice Breyer observed, the Framers were well aware of Great Britain’s Eighteenth Century copyright statute, the purpose of which was to “encourage [authors] to compose and write useful books.”¹³⁵ The “cultural *quid pro quo*”—encouraging authors “to compose and write useful books [by] . . . provid[ing] a . . . right to print and reprint those works”—was the basis for colonial copyright statutes and the Copyright and Patent Clause.¹³⁶ Even Thomas Jefferson and James Madison supported a “limited conferral of monopoly rights only ‘as an encouragement to men to pursue ideas which may produce utility.’”¹³⁷ Though Justice Breyer sought to establish historical support, much like Justice Ginsburg for the majority, his utilitarian understanding of the Copyright and Patent Clause also finds support in more recent case law and congressional reports on copyright legislation.¹³⁸ Specifically, Justice Breyer cited five Supreme Court decisions and two House Reports, each arguing that the purpose of Copyright and Patent Clause is to “motivate the creative activity of authors [and inventors] by the provision of a special reward.”¹³⁹ It was the failure of § 514 to

132. *Id.* at 901.

133. *Id.* at 900 (“The possibility of eliciting new production is, and always has been, an essential precondition for American copyright protection.”).

134. *See id.* at 901.

135. *Id.*

136. *Id.*

137. *Id.* (quoting Letter from Thomas Jefferson to Isaac McPherson (Aug. 13, 1813), in 6 PAPERS OF THOMAS JEFFERSON 379, 383 (J. Looney ed. 2009)) (emphasis omitted).

138. *See id.* at 902.

139. *Id.* at 902 (quoting *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984); *see also id.* (quoting *Mazer v. Stein*, 347 U.S. 201, 219 (1954) (Copyright embodies the view that “encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors”)); *Id.* (quoting *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) (Underlying copyright is the understanding that “creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts”)); *Id.* (quoting *Sony Corp.*, 464 U.S. at 429 (“[M]onopoly privileges that Congress may authorize are . . . [not] primarily designed to provide a special private benefit. Rather, the limited grant is a means by which an important public purpose may be achieved. It is intended to motivate the creative activity of authors . . . by the provision of a special reward.”)); *Id.* (quoting *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 6 (1966) (The “constitutional command . . . [to] promote the Progress of [Science and the] useful Arts’ . . . is the standard expressed in the Constitution and may not be ignored.”)); *Id.* (quoting *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932) (“The sole interest of the United States . . . lie[s] in the general benefits derived by the public from the labors of authors.”); *see also id.* (quoting H.R. REP. NO. 1494, at 2 (1892) (The Copyright and Patent Clause says “nothing . . . about any desire or purpose to secure to the author or inventor his ‘natural right to his property.’”)); *Id.* at 902–03 (quoting H.R. REP. NO. 2222, at 7 (1909) (The purpose underlying copyright and patent law is “that it will stimulate writing and

“provid[e] any additional incentive for the production of new material,” while “so seriously restrict[ing] dissemination,” that led Justice Breyer to finding that the statute exceeded the Copyright and Patent Clause’s limits.¹⁴⁰

Justice Breyer pointed to two major ways that § 514 restricts the dissemination of creative works.¹⁴¹ First, works that were previously in the public domain may now require payment to the “restored copyright” holder in order to use.¹⁴² Furthermore, costs of determining whether the work is subject to § 514, including searching for the “restored copyright” holder and negotiating a licensing fee with the holder, “threaten to limit severely the distribution and use of those works.”¹⁴³ The University of Michigan presents a prime example of the burden these costs impose, where administrative costs would likely exceed \$1 million.¹⁴⁴

Justice Breyer recognized that “ordinary copyright protection also comes accompanied with dissemination-restricting royalty charges and administrative costs,” but found the restrictions caused by § 514 to “work special harm.”¹⁴⁵ In addition to the burdens discussed above, according to Justice Breyer, removing copyrighted works from the public domain “reverses the payment expectations” of those who used such works.¹⁴⁶ Additionally, Justice Breyer argued that § 514 abridges preexisting freedoms to speak by removing repeatable expression.¹⁴⁷ Finally, Justice Breyer claimed that the statute is “backward-looking” which poses a greater risk of “trying to help known beneficiaries” rather than the “not yet known” writer or musician who have yet to create their works.¹⁴⁸ The “special harm” of the restriction led Justice Breyer to consider the reasons for passing § 514 to determine whether they constitute “reasonable copyright related justification for the serious harms.”¹⁴⁹ Since the “statute does not motivate the creative activity of authors,” thus lacking any “significant copyright-related *quid pro quo*,”

invention.”).

140. *Id.* at 903 (emphasis omitted).

141. *Id.* at 904.

142. *Id.*

143. *Id.* at 905 (There are millions of “orphan works”—“older and more obscure works with minimal commercial value that have copyright owners who are difficult or impossible to track down.”).

144. *Id.* (“The cost to the University of Michigan and the Institute of Museum and Library Services, for example, to determine the copyright status of books contained in the HathiTrust Digital Library that were published in the United States from 1923 to 1963 will exceed \$1 million.”).

145. *Id.* at 906.

146. *Id.* (“This statute . . . restricts . . . Americans’ preexisting freedom to use formerly public domain material in their expressive activities.”).

147. *See id.*

148. *Id.* at 907.

149. *Id.* at 908.

Justice Breyer would find the serious harms unjustified, rendering § 514 unconstitutional.¹⁵⁰

In explaining how § 514 “does not directly elicit any new production,” Justice Breyer discounted much of the majority’s support.¹⁵¹ Importantly, Justice Breyer dismissed Justice Ginsburg’s reliance on private bills and other statutes that retroactively granted protection to works previously in the public domain, finding it “farfetched”¹⁵² to analogize those statutes—enacted in special circumstances or for comparable equitable reasons—to present law.¹⁵³ Further illuminating the weakness of this “historical practice” that the majority found so persuasive, Justice Breyer emphasized that congressional practice actually shows the contrary—a “virtually unbroken string of legislation preventing the withdrawal of works from the public domain.”¹⁵⁴ Justice Breyer further addressed the majority’s reasoning that the Progress Clause does not require creation of new works by emphasizing that “initial creation . . . is the special concern of copyright protection,” and regardless, § 514 confers copyright monopolies to “restored works” which *restricts dissemination* compared to a free market.¹⁵⁵

As Justice Breyer saw it, the Copyright and Patent Clause requires a utilitarian balance in which no copyright or patent monopoly may be conferred without the public benefit of incentivizing creation and invention¹⁵⁶—something that § 514 failed to accomplish by “withdrawing material from the public domain, [thus] inhibit[ing] an important preexisting flow of information.”¹⁵⁷

150. *Id.*

151. *Id.*

152. *Id.* at 909.

153. *Id.* (“But special circumstances, like wars, hurricanes, earthquakes, and other disasters, prevent the realization in practice of a reasonable expectation of securing or maintaining a preexisting right. Private bills are designed to provide special exceptions for comparable equitable reasons.”).

154. *Id.*

155. *Id.* at 910 (“The Court has not, to my knowledge, previously accepted such a rationale—a rationale well removed from the special economic circumstances that surround the non-repeatable costs of the initial creation of a ‘Writing.’ And I fear that doing so would read the Copyright Clause as if it were a blank check made out in favor of those who are not themselves creators.”); *Id.* (“This argument, whatever its intrinsic merits, is an argument that directly concerns a private benefit: how to obtain more money from the sales of existing products. It is not an argument about a public benefit, such as how to promote or to protect the creative process.”).

156. *See id.* at 900.

157. *Id.* at 912.

IV. DISCUSSION

A. *Golan Furthers the Supreme Court's Disappointing Treatment of the Public Domain*

Just nine years after the Court effectively opened up the door for Congress to prevent copyrighted works from entering the public domain in *Eldred*,¹⁵⁸ Justice Ginsburg in *Golan* struck a second blow by rejecting the established view that the public domain is absolute.¹⁵⁹ In doing so, the Court underestimated the importance of the inherent limitation of the Copyright and Patent Clause and relied on unpersuasive arguments supporting its reading.

The Copyright and Patent Clause, as the only enumerated power to contain both an “ends” and a “means” clause,¹⁶⁰ should be interpreted to limit Congressional power to grant copyrights and patents only when the progress in science and useful arts is promoted.¹⁶¹ In addressing the petitioners’ argument that § 514 is unconstitutional because it provides no incentive for authors to create new works,¹⁶² Justice Ginsburg failed to recognize that § 514 does not promote the progress of science. First, the only suggestion that § 514 induces creation of new works is that it expands foreign markets and invigorates protection against piracy, thus inducing investment in the creative process.¹⁶³ This reasoning fails, because when the United States became a member to the Berne Convention, it provided prospective copyright protection, unlike § 514 which is a backward-looking statute.¹⁶⁴ In other words, the works granted retroactive protection by § 514 have already been created, so no inducement can occur. Additionally, though advocates of § 514 suggest

158. *Eldred v. Ashcroft*, 537 U.S. 186 (2003) (permitting the extension of copyright protection to existing works so long as the extension is not perpetual).

159. *See Golan*, 132 S. Ct. 873 (2012).

160. *See* Dotan Oliar, *Making Sense of the Intellectual Property Clause: Promotion of Progress as a Limitation on Congress's Intellectual Property Power*, 94 GEO. L.J. 1771, 1774 (2006). The Copyright and Patent Clause contains a “to” and a “by,” an “ends” and a “means,” whereas all other clauses—such as “[t]o borrow money” or “[t]o regulate commerce”—only contain the “ends” clause. *Id.*

161. *Id.* at 1776 (addressing four interpretations of the Copyright and Patent Clause: the first regarding the Progress Clause merely as a preamble with no limitation on Congress’ power, the second, regarding the Progress Clause as a limitation of power, the third reads the Progress Clause as a grant of power and the “Exclusive Rights Clause” as a limitation on it, and the fourth reading the Copyright and Patent Clause to confer two separate powers). Though Courts and commentators generally consider the Progress Clause to be a non-binding preamble and the Supreme Court in *Eldred v. Ashcroft* explicitly did not consider the issue of whether the Progress Clause acts as a limitation because the petitioner’s conceded the point. *Id.* at 1828.

162. *See Golan*, 132 S. Ct. at 888.

163. *See id.* at 889.

164. *Id.* at 907 (Breyer, J., dissenting).

it is necessary to ensure that foreign countries extend retroactive copyright protection to U.S. works, this does not bolster the creative process. As Justice Breyer suggested, it is an argument that “directly concerns a private benefit: how to obtain more money from the sales of existing products.”¹⁶⁵ Furthermore, even accepting the Court’s reading that the primary purpose of the Copyright and Patent Clause may be satisfied by the dissemination of creative works, § 514 restricts dissemination instead of promoting it. The very nature of works in the public domain is that they are subject to copying, which “is not always discouraged or disfavored by the laws which preserve our competitive economy.”¹⁶⁶ On the other hand, the very nature of a copyright is that the author has an “exclusive Right to their respective Writings”¹⁶⁷ in the form of a limited monopoly. Thus, copyright protection normally restricts dissemination by preventing the free accessibility of works. Furthermore, as Justice Breyer points out, § 514 erects additional difficulties to dissemination by increasing administrative costs and royalties.¹⁶⁸

In justification of permitting Congress to copyright works that were once freely accessible in the public domain, Justice Ginsburg relied on antiquated legislation while ignoring historical practice. The legislation that the Court cited should hardly be considered persuasive as evidence that public domain should be considered unbounded. It is weak evidence to consider century-old private bills (legislation that applies only to an individual or a group of individuals¹⁶⁹) as well as legislation passed in extraordinary situations (such as enacting a federal copyright and patent system and to address disruptions due to global war¹⁷⁰) to be accurate measures of historical practice supporting § 514. Though Justice Ginsburg considers § 514 to be a similar “signal event,” rendering such legislation as a benchmark of historical practice, actual Congressional practice behind the passage of § 514 suggests otherwise.¹⁷¹ Though the Berne Convention took effect in 1886,¹⁷² the United States did not become a party to the Convention until 1989.

165. *Id.* at 910.

166. *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2001) (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 160 (1989)).

167. U.S. CONST. art. I, § 8, cl. 8.

168. *See Golan*, 132 S. Ct. at 900 (Breyer, J., dissenting).

169. *See id.* at 886 (majority opinion) (Justice Ginsburg cited numerous private bills that restored copyright and patent protection to works and inventions previously in the public domain).

170. *See id.* (discussing the Copyright Act of 1790 and legislation passed to ameliorate the effects of global war on copyrighted works).

171. *Id.* at 887 (“Yet the TRIPS accord, leading the United States to comply in full measure with Berne, was also a signal event.”).

172. *Berne Convention*, *supra* note 39, at art. 1.

Furthermore, when the United States finally did become a party, “Congress adopted a minimalist approach to compliance with the Convention,” initially punting on the issue of retroactive protection embodied by § 514.¹⁷³ Thus, although Congress eventually voted to enact the retroactive protection of § 514, it dragged its feet in doing so, much to the dismay of other Berne Convention members.¹⁷⁴ Unlike as Justice Ginsberg suggested, such delay is not characteristic of a signal event, such as global war. To the contrary, Congress’s consistent hesitation in enacting retroactive protection¹⁷⁵ suggests that the passage of § 514 was contrary to historical practice, making Justice Ginsburg’s reliance on the discussed legislation unavailing.

In giving excessive weight to such legislation, the majority overlooked the overwhelming trend of preventing works from leaving the public domain.¹⁷⁶ Furthermore, Justice Ginsburg contradicted herself by distinguishing *Graham*¹⁷⁷ immediately after supporting her conclusion on § 514 by describing a private bill that granted a patent on an invention despite the employer’s prior use of the invention.¹⁷⁸ Justice Ginsburg found *Graham*’s passage—“Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available”¹⁷⁹—to be dicta that speaks to “*an invention’s very eligibility for patent protection*” and not “constitutional limits on Congress’ copyright and patent authority.”¹⁸⁰ She simultaneously found private bills restoring patent protection that “absent such dispensation, [prior use] would have rendered the *invention unpatentable*,” to be evidence that the public domain may be disturbed—evidence of constitutional limits on Congress’ authority.¹⁸¹ If the Court properly interpreted the language at issue in *Graham*, such private bills should be criticized for granting patent protection to ineligible matter, rather than used as a basis to find that the public domain is unbounded.

The Court in *Golan* should have found § 514 to be unconstitutional

173. *Golan*, 132 S. Ct. at 879.

174. *Id.* at 880.

175. *Id.* at 879 (Upon joining the Berne Convention’s implementation, Congress adopted a “minimalist approach” and “defer[ed] consideration until a more thorough examination of Constitutional, commercial, and consumer considerations [was] possible.”) (internal quotations omitted).

176. *See id.* at 909 (Breyer, J., dissenting).

177. *See id.* at 887 (majority opinion).

178. *See id.* (discussing an 1839 amendment that recognized a patent on an invention despite its prior use by the inventor’s employer).

179. *Graham v. John Deere Co. of Kan. City*, 383 U.S. 1, 6 (1966).

180. *See Golan*, 132 S. Ct. at 887 (emphasis added).

181. *See id.* (emphasis added).

by giving more consideration to the importance of the public domain. The utilitarian view of the Copyright and Patent Clause, in which copyrights and patents must only be granted if they elicit new creation or invention, is the most appropriate interpretation of the Clause, and should have been accorded more weight. The text of the Copyright and Patent Clause,¹⁸² the historical context in which it was drafted,¹⁸³ and the case law interpreting it, all provide support for the reading that § 514 does not satisfy this purpose.¹⁸⁴

Section 514 fails to elicit creation of new works because it is a backward-looking provision, meaning that it grants copyright protection over works already created and in the public domain.¹⁸⁵ This is especially the case when considering that works in the public domain, including those being removed, are often the foundation for further creativity.¹⁸⁶ Thus, it is more likely that § 514 lowers incentive and motivation to author creative works by removing the number of works available to potential authors that would use those works as building blocks. Assume, for instance, that the painting of Mona Lisa by Leonardo da Vinci was removed from the public domain via subsequent copyright protection. This building block for future derivative works would no longer be freely accessible, lowering the motivation for authors to produce new works like Marcel Duchamp's derivative work of Mona Lisa in *L.H.O.O.Q.*¹⁸⁷ Though the Court found inducing dissemination as an appropriate means to promote science, the Court

182. U.S. CONST. art. I, § 8, cl. 8; see *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) (“The Patent Clause itself reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the ‘Progress of Science and useful Arts.’”).

183. See *Golan*, 132 S. Ct. at 901 (Breyer, J., dissenting) (quoting Letter from Thomas Jefferson to Isaac McPherson (Aug. 13, 1813), in 6 PAPERS OF THOMAS JEFFERSON 379, 383 (J. Looney ed. 2009)); see also Olliar, *supra* note 160, at 1774 (2006) (Progress Clause operates as a limitation).

184. See *Bonito Boats*, 489 U.S. at 146 (“As we have noted in the past, the Clause contains both a grant of power and certain limitations upon the exercise of that power.”); *Graham*, 383 U.S. at 6 (“Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must ‘promote the Progress of . . . useful Arts.’ This is the *standard* expressed in the Constitution and it may not be ignored.”) (emphasis added).

185. *Golan*, 132 S. Ct. at 907 (Breyer, J., dissenting).

186. See 17 U.S.C. § 101 (2012) (Defining “derivative work” as “a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a ‘derivative work.’”); *Bonito Boats*, 489 U.S. at 146 (“From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that *imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy.*”) (emphasis added).

187. See 17 U.S.C. § 101 (2012) (Defining “derivative work”); *L.H.O.O.Q.*, WIKIPEDIA, <http://en.wikipedia.org/wiki/L.H.O.O.Q.> (last visited Aug. 22, 2012).

mistakenly believed § 514 promoted dissemination. As Justice Breyer acutely pointed out, § 514 increases administrative costs in determining whether a work is subject to copyright, as well as, costs related to negotiating a licensing agreement.¹⁸⁸ Therefore, § 514 fails the *quid pro quo* requirement embedded in the Copyright and Patent Clause by lowering incentive to produce and disseminate new works.

B. Golan's Impact in Intellectual Property Law

Strictly speaking, the Court's holding in *Golan v. Holder* addresses a specific issue in copyright law, answering in the affirmative that Congress may extend copyright protection to works previously in the public domain.¹⁸⁹ *Golan's* impact will surely be felt the strongest in the copyright arena, but to consider the Supreme Court's holding in such a narrow view would be to ignore intricate areas of overlap between copyright and patent law. To the contrary, the effect of this decision will seep through to other areas of intellectual property law.¹⁹⁰

There are many overlaps between copyright and patent law that render the *Golan* decision applicable to both arenas. First, Congress is empowered to enact federal copyright and patent laws by the same clause of the U.S. Constitution.¹⁹¹ Sharing the same constitutional foundation, that in which Congress may pass laws to “promote the progress of science and useful arts,” provides that copyright and patent law share the same purpose. Specifically, “the economic philosophy behind the Copyright [and Patent] Clause is the conviction that encouragement of individual effort by personal gain is the best way to

188. See *Golan*, 132 S. Ct. at 907 (Breyer, J., dissenting). There are millions of “orphan works”—“older and more obscure works with minimal commercial value that have copyright owners who are difficult or impossible to track down.” *Id.*

189. *Id.* at 878 (majority opinion) (“Neither the Copyright and Patent Clause nor the First Amendment, we hold, makes the public domain, in any and all cases, a territory that works may never exit.”).

190. The following sections will address the clear overlap between copyright and patent law, but *Golan* may likewise affect areas of trademark law as well. Courts were once confused about whether trademark protection could be extended to subject matter previously protected by an expired copyright or patent. See generally *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003); *TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001). Although the *TrafFix* court appeared to permit the extension of trademark protection, it refused to resolve the question of whether the Patent and Copyright Clause prohibits a holder of an expired patent from claiming trade dress protection, stating that if trademark's functionality doctrine fails to handle the issue, “that will be time enough to address the matter.” *TrafFix*, 532 U.S. at 35. I believe *Golan* answers the “*TrafFix* Question,” permitting trademark protection to extend to subject matter of an expired copyright or patent. After all, Justice Ginsburg rejected the argument that the “Constitution renders the public domain largely untouchable by Congress,” suggesting that Congress is acting within its constitutional limits when extending the Lanham Act to subject matter in the public domain. *Golan*, 132 S. Ct. at 891.

191. U.S. CONST. art. I, § 8, cl. 8.; *In re Bergy*, 596 F.2d 952, 958 (C.C.P.A. 1979).

advance public welfare through the talents of authors and inventors.”¹⁹² The Supreme Court also acknowledged the shared similarities between the two areas of law, occasionally employing doctrines once specific to one area of law to the other. For example, copyright law may, in part, thank federal patent laws for its doctrines governing inducing infringement¹⁹³ and contributory liability.¹⁹⁴

Golan then treats the public domain of copyright and patent law equally, such that artists and inventors who utilize works in the public domain should be wary that their creations and inventions may be undercut by retroactive protection of such works.¹⁹⁵ Though Congress and the Supreme Court have felt comfortable in extending copyright protection, proactively and retroactively,¹⁹⁶ it is unclear whether they would be as committed to doing the same for inventions in the public domain.¹⁹⁷

Because the facts of *Golan* expose the dangers of treating the public domain with such disregard, consider the following situation in order to expose *Golan*'s potential impact on patent law. Suppose that a company invents a new pharmaceutical drug, and obtains a patent protecting its novel compound. However, after seven and one-half years, the company fails to pay the United States Patent and Trademark Office the appropriate maintenance fee,¹⁹⁸ allowing the invention to advance to the public domain free for people to utilize. Generic drug companies begin

192. *Eldred v. Ashcroft*, 537 U.S. 186, 214 (2003) (“As we have explained, ‘the economic philosophy behind the Copyright Clause is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors.’”); see also *In re Bergy*, 596 F.2d at 958 (The constitutionally-stated purpose of granting patent rights to inventors for their discoveries is the promotion of progress in the “useful Arts.” Likewise, the purpose of granting copyrights to authors for their writings is the promotion of progress of science.).

193. *MGM Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005).

194. See *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

195. It should be noted that federal patent law requires that an invention be novel, including that an invention not be previously used or on sale in this country. 35 U.S.C. § 102(b) (2012). Thus, if Congress were to enact retroactive protection to inventions previously in the public domain, it would need to exclude the application of § 102 to such works. Copyright law does not contain a similar provision.

196. See *Eldred*, 537 U.S. 186; *Golan v. Holder*, 132 S. Ct. 873 (2012).

197. *Lab. Corp. of Am. Holdings v. Metabolite, Inc.*, 548 U.S. 124, 126–27 (2006) (Breyer, J., dissenting) (“[S]ometimes *too much* patent protection can impede rather than ‘promote the Progress of Science and useful Arts,’ the constitutional objection of patent and copyright protection.”); *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1305 (2012) (“Patent protection is, after all, a two-edged sword. On the one hand, the promise of exclusive rights provides monetary incentives that lead to creation, invention, and discovery. On the other hand, that very exclusivity can impede the flow of information that might permit, indeed spur, invention, by, for example, raising the price of using the patented ideas once created, requiring potential users to conduct costly and time-consuming searches of existing patents and pending patent applications, and requiring the negotiation of complex licensing arrangements.”).

198. 37 C.F.R. § 1.20(f) (2012).

expensive preparations for manufacturing, marketing, and selling the pharmaceutical, while other companies engage in research and development for additional scientific advancements that require its use. It seems like the patent system is working at its best, allowing the public domain invention to act as the building block of scientific advancement and economic competition. However, because *Golan* suggests that Congress may retroactively extend copyright protection under § 514 for “failure to comply with U.S. statutory formalities,”¹⁹⁹ the logical inference is that Congress may retroactively extend patent protection for failing to pay a maintenance fee, undercutting the work and advancements made by those relying on the accessibility of the public domain.

This hypothetical, as well as the discussion of the *Golan* decision, leaves authors and inventors in a very precarious position. While the Supreme Court suggests that “copying is not always discouraged or disfavored,”²⁰⁰ and that “imitation and refinement through imitation are . . . the very lifeblood of an economy,”²⁰¹ it has simultaneously granted Congress permission to disadvantage those who do.

C. Ameliorating *Golan*'s Impact

This Note primarily has addressed the damaging effect of *Golan v. Holder* on the public domain, suggesting that it should have been decided differently. Thus, it is recommended that either Congress repeal § 514 or that the courts reverse course and find § 514 to be outside of the scope of the Copyright and Patent Clause. However, with the U.S. Supreme Court upholding the constitutionality of congressionally enacted legislation, the recourse available for authors and inventors who employ public domain works appears slim. Though we can now only hope that *Golan* does not stifle artistic creativity, technological advancement, and economic competition, Congress and the courts can still take actions to ameliorate *Golan*'s effect.

Congress did make some attempts to reduce the burden imposed by § 514, such as, imposing no liability for use of works prior to retroactive protection; allowing anyone to copy restored works for one year following enactment; permitting “reliance parties” to continue using a restored work until provided notice by the copyright holder of intent to

199. Uruguay Round Agreements Act, 108 Stat. 4809 (codified as amended at 17 U.S.C. §§ 104A, 109(a) (1994)).

200. *TraFFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2001).

201. *See Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146, 156 (1989) (“[W]e have consistently reiterated the teaching of *Sears* and *Compco* that ideas once placed before the public without the protection of a valid patent are subject to appropriation without significant restraint.”).

enforce the copyright; and permitting authors of derivative works to exploit their works upon paying “reasonable compensation” to the copyright holder.²⁰² Congress must go further, however, because these provisions are insufficient in light of the importance of the public domain in incentivizing the creation of artistic works and technological advancements. Congress should enact legislation to permit reliance parties to freely exploit a restored work indefinitely. Similarly, an author of a derivative work should not be forced to compensate the holder of the restored copyright for creating a work by building off of the public domain. These provisions would strengthen the protections currently in place, and provide some sort of relief from the damage imposed by § 514.

Courts are also in a position to mitigate the consequences of the *Golan* decision. One way would be to recognize infringing uses of a restored copyright to be fair use. Fair use is codified in 17 U.S.C. § 107, which provides that fair use of a copyrighted work is not infringement.²⁰³ Expanding the umbrella of fair use to cover restored copyrights would acknowledge that exploitation of works once freely accessible, and only subsequently removed from the public domain, is more “fair” than the exploitation of works always under copyright protection. The negative impact of *Golan* would be significantly lessened if courts apply this expansive interpretation of the fair use doctrine.

V. CONCLUSION

By permitting subsequent authors and inventors to build off of prior creative works and inventions, the public domain continues to play a vital role in our federal copyright and patent systems. The Supreme Court in *Golan v. Holder* has struck a blow to the public domain by failing to appreciate the utilitarian approach to copyrights and patents, which recognizes that the Copyright and Patent Clause prohibits the extension of protection without eliciting creation or invention. Though the Court’s decision has made it more challenging for the world’s next Steve Jobs, there is always hope that Congress and the courts will acknowledge the strain § 514 places on authors and inventors and take action to ameliorate its damaging effects.

202. *Golan v. Holder*, 132 S. Ct. 873, 883 (2012).

203. 17 U.S.C. § 107 (2012).