

The Supreme Court Determines Copyright Claimants Must Register Their Works Before Suing

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The Supreme Court last week resolved a long-standing circuit split over when copyright claimants can bring suit. For years courts have struggled with the Copyright Act’s requirement that claimants can sue for infringement only after “registering” their works. Some courts held that filing an application was enough to satisfy the registration requirement, while others held that the U.S. Copyright Office must actually have issued the registration.

In *Fourth Estate Public Benefit Corp. v. Wall-Street.com LLC et al.*, 2019 WL 1005829 (U.S. Mar. 4, 2019), the Supreme Court agreed with the latter approach, ruling that the necessary “registration” of a copyright does not occur until the Copyright Office makes a determination to issue a registration for the work.¹ The ruling creates an incentive for early registration and encourages potential claimants not to delay applications until infringement is detected. At the same time, the Supreme Court made clear that while claimants cannot sue before obtaining their registrations, they can recover damages incurred before registration.

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¹ *Fourth Estate Pub. Benefit Corp. v. Wall-Street.com, LLC*, No. 17-571, 2019 WL 1005829, at *2 (U.S. Mar. 4, 2019).



Background

The Copyright Act of 1976 provides that an author gains “exclusive rights” in a work immediately upon the work’s creation.² However, a copyright owner may not institute a civil action for infringement of those exclusive rights until the copyright is registered with the Copyright Office or Register. Section 411(a) of the Copyright Act provides:

“Except for an action brought for a violation of the rights of the author under section 106A(a), and subject to the provisions of subsection (b), no civil action for infringement of the copyright in any United States work shall be instituted *until preregistration or registration* of the copyright claim has been made in accordance with this title.”³

As noted, in the past some courts had ruled that merely filing an application for registration satisfies Section 106, while other courts required that the Copyright Office must have issued the registration.⁴ Because it takes some time for the Copyright Office to act on an application and issue a registration—the current estimate is approximately seven months—the distinction makes an important practical difference. Under the latter approach, claimants who have not applied for a registration when infringement begins must wait roughly half a year before suing.

² 17 U.S.C. § 106. Section 106 goes on to provide that a claimant can file suit after the Copyright Office refuses to register a work: “In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his or her option, become a party to the action with respect to the issue of registrability of the copyright claim by entering an appearance within sixty days after such service, but the Register’s failure to become a party shall not deprive the court of jurisdiction to determine that issue.”

³ *Id.* § 411(a)(emphasis supplied).

⁴ The Ninth and Fifth Circuits have held that registration occurs upon filing an application to register a copyright.

Procedural History

Fourth Estate Public Benefit Corporation (“Fourth Estate”) is a news organization that licensed journalism works to Wall-Street.com, LLC (“Wall-Street”). The agreement required Wall-Street to remove from its website all licensed content before canceling the agreement. Wall-Street cancelled, but continued to display articles produced by Fourth Estate. Fourth Estate then sued for copyright infringement.⁵

When Fourth Estate commenced suit, its application for a registration was pending. The District Court granted the defendants’ motion to dismiss on the basis that registration was not complete because the Copyright Office not yet acted on the application.⁶ The Eleventh Circuit affirmed.⁷

The Supreme Court’s Decision

In a unanimous opinion authored by Justice Ginsburg, the Supreme Court held that under 17 U.S.C. § 411(a), “registration” occurs only after the Copyright Office has examined a properly filed application and issued a registration – and not at the time an application is filed.⁸ However, the Court was clear that a copyright owner can recover for infringement that occurred before the registration.

Focusing on the language of § 411(a), as well as other provisions of the Copyright Act, the Court concluded that because the Copyright Office has the ability to register copyrights or not, § 410(a)

See *Cosmetic Ideas, Inc. v. IAC/Interactivecorp.*, 606 F.3d 612, 621 (9th Cir. 2010); *Positive Black Talk Inc. v. Cash Money Records Inc.*, 394 F.3d 357 (5th Cir. 2004). While the Tenth and Eleventh Circuits have held that registration occurs upon a determination by the Copyright Office. See *Fourth Estate Pub. Benefit Corp. v. Wall-Street.com, LLC*, 856 F.3d 1338, 1339 (11th Cir. 2017); *La Resolana Architects, PA v. Clay Realtors Angel Fire*, 416 F.3d 1195 (10th Cir. 2005).

⁵ *Fourth Estate Pub. Benefit Corp. v. Wall-Street.com*, No. 16-60497-CIV, 2016 WL 9045625 (S.D. Fla. May 23, 2016).

⁶ *Id.* at *1.

⁷ *Fourth Estate Pub. Benefit Corp.*, 856 F.3d at 1339.

⁸ *Fourth Estate Pub. Benefit Corp.*, 2019 WL 1005829, at *7.

contemplates registration as having occurred only after the Register has acted. In particular, the Court held that because the beginning of § 411(a) focuses on acts by the Copyright Office—either to register or refuse to register a copyright—Congress evidently intended “registration” as used in the section to occur after the Office has made that determination.⁹ The Court also observed that if an application alone were sufficient to fulfil the “registration” requirement, § 411(a)’s second sentence—which permits a claimant to file suit when the Register has refused that application—would be rendered superfluous.¹⁰ Finally, the Court also found that the final sentence of § 411(a)—allowing the Register to “become a party to the action with respect to the issue of registrability of the copyright”—provides further support that action by the Register is essential before registration has occurred.¹¹

The Court found further support in other sections of the Act. For example, § 410(a) provides that “after examination” the Register may “register the claim and issue to the applicant a certificate of registration.”¹² Similarly, if merely applying for a copyright were sufficient to satisfy the registration requirement, there be no need for § 408(f), which allows claimants preparing to distribute a work of a type vulnerable to infringement to preregister their copyrights.¹³

The Court rejected Fourth Estate’s arguments that this interpretation contradicts § 408(a), which provides that “registration is not a condition of copyright protection.” The Court observed that “[i]f infringement occurs before a copyright owner applies

for registration, that owner may eventually recover damages for the past infringement, as well as the infringer’s profits”¹⁴

Similarly, the Court rejected warnings that this approach would impair copyright protection. Fourth Estate argued that copyright owners may lose their rights if the Copyright Act’s three-year statute of limitations expires before the Copyright Office acts on an application for registration.¹⁵ The Court found this unlikely, noting that “the average processing time for registration applications is currently seven months, leaving ample time to sue after the Register’s decision, even for infringement that began before submission of an application.”¹⁶ The Court acknowledged that delay in processing applications may be “unfortunate,” but stated that this consideration “does not allow us to revise [the Copyright Act]’s congressionally composed text.”¹⁷ Delays in registration are a problem that “Congress can alleviate, but courts cannot cure.”¹⁸

Takeaways

The practical importance of the issue before the Supreme Court is reflected by the many parties who submitted amicus briefs, including many parties who generate copyrightable content and who advocated for the rule that would allow suit immediately after an application has been filed.¹⁹ Yet the Court’s ruling was driven not by policy considerations, but by what it considered to be the clear text of the Copyright Act.

The practical impact of the ruling is somewhat alleviated by the fact that, though a claimant must wait for the Copyright Office to act before suing, it can

⁹ *Fourth Estate Pub. Benefit Corp.*, 2019 WL 1005829, at *4.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.* at *6.

¹⁵ *Id.* at *7.

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ See Brief of Authors Guild and Other Artists’ Rights Organizations as Amici Curiae in Support of Petitioner,

Fourth Estate Pub. Benefit Corp., No. 17-571, 2019 WL 1005829; Brief for the National Music Publishers’ Association, Recording Industry Association of America, American Society of Composers, Authors and Publishers, Broadcast Music, Inc., Nashville Songwriters Association International, and Songwriters of North America, as Amici Curiae in Support of Petitioner, *Fourth Estate Pub. Benefit Corp.*, No. 17-571, 2019 WL 1005829; Brief of Amicus Curiae the Copyright Alliance in Support of Petitioner, *Fourth Estate Pub. Benefit Corp.*, No. 17-571, 2019 WL 1005829; Brief of Amicus Curiae the International Trademark Association in Support of Petitioner, *Fourth Estate Pub. Benefit Corp.*, No. 17-571, 2019 WL 1005829.

recover damages for the period before registration—limited only by the Act’s three-year statute of limitations. In some instances, however, what may matter most to a claimant is the ability to seek a preliminary injunction. In that context, having to wait up to seven months or more before suing may well be significant.

To guard against this scenario, those who create valuable copyrighted content now have a strong incentive to file applications to register their work immediately after it is created and published—and to consider using the mechanism for preregistering the work if it is especially vulnerable to infringement. Those who have not yet filed an application when they discover infringing activities will have an incentive to utilize the Copyright Office’s expedited registration process.

The Court’s decision thus will likely spawn a greater volume of registration applications, which may in turn have the unfortunate effect of further extending the average delay between the filing of an application and action by the Copyright Office. All this will increase pressure on Congress to find ways—including increased funding—to reduce these delays. And ultimately, Congress may decide to change the Act to provide the result that the Supreme Court felt compelled to reject: that a copyright claimant may bring suit immediately after applying for a registration.

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