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## Copyrights “Restored”: The Supreme Court Yanks Millions of Copyrights out of the Public Domain in *GOLAN v. HOLDER*

Sue Ann Mota\*

Congress has the power to “promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”<sup>1</sup>

“Congress shall make no law. . . abridging the freedom of speech.”<sup>2</sup>

### INTRODUCTION

The United States Supreme Court held six-to-two in *Golan v. Holder*<sup>3</sup> on January 18, 2012, that Congress did not exceed its constitutional authority under either the Copyright Clause or the First Amendment’s freedom of speech provision in enacting a

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1. U.S. CONST. art. I, § 8, cl. 8.
2. U.S. CONST. amend. I.
3. 132 S. Ct. 873, 899 (2012). Justice Kagan took no part in the consideration or decision in this case. *Id.*

section of the Uruguay Round Agreements Act (URAA) of the World Trade Organization (WTO) agreement which “restores” copyright protection to foreign works which had entered the public domain. The result of this landmark decision is that potentially millions of foreign copyrighted works which had been in the public domain<sup>4</sup> are no longer in the public domain in the United States, and consequently, users of these works, previously freely available, may now be subject to royalties for infringement. This article examines this landmark case and its wide-reaching ramifications. This issue is of importance both to domestic users of copyrighted works restored by the URAA, and international copyright holders whose works have been restored in the United States.

#### HISTORY OF “RESTORED” COPYRIGHTS

The Berne Convention for the Protection of Literary and Artistic Works of 1886 includes works in the literary, scientific, and artistic domains, such as books, pamphlets, lectures, addresses, sermons, dramatic and choreographic works, musical compositions, cinematographic work, drawings, painting, sculpture, and photographic works, among other works.<sup>5</sup> The term of protection for these works is author’s life plus fifty years.<sup>6</sup> Copyright protection extends to, among others, authors who are nationals of the Berne Convention member countries.<sup>7</sup> The Berne Convention applies to works which have not yet fallen into the public domain in the country of origin, but if the copyright term has expired and the work has thus gone into the public domain in the country where protection is claimed, the copyrighted work won’t be protected anew.<sup>8</sup> The United States became a member of the Berne Convention in 1989,<sup>9</sup> and as of 2012, there are 165

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4. Marybeth Peters, *The Year in Review: Accomplishments and Objectives of the U.S. Copyright Office*, 7 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 25, 31 (1996).

5. Berne Convention for the Protection of Literary and Artistic Works, art. 2, September 9, 1886 S. TREATY DOC. No. 99-27 [hereinafter Berne Convention].

6. *Id.* at art. 7.

7. *Id.* at art. 3(1)(a).

8. *Id.* at art. 18(1)-(2). These provisions apply as countries become members of the Berne Convention. *Id.* at art. 18(4).

9. *Golan v. Holder*, 132 S. Ct. 873, 874 (2012); *see also* Berne

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member nations.<sup>10</sup>

In 1994, Congress passed, on fast-track,<sup>11</sup> the URAA, which implemented the Uruguay Round General Agreement on Tariffs and Trade (GATT), which transformed GATT into the WTO.<sup>12</sup> This agreement included the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS).<sup>13</sup> The TRIPS Agreement does not reduce existing obligations under other treaties such as the Berne Convention,<sup>14</sup> and member countries must give nationals of other member nations treatment no less favorable than afforded that country's own nationals.<sup>15</sup> Members must comply with the first twenty-one articles of the Berne Convention,<sup>16</sup> except for the provision on moral rights of authors.<sup>17</sup>

The URAA section relevant to this action states that copyrights subsist in restored works,<sup>18</sup> and a restored work is a protected work not in the public domain in the source country due to an expired copyright term, but is in the public domain in the United States due to noncompliance with formalities, among other reasons, and which had at least one author or rightholder who was a national or domiciliary of an eligible country at the time the work was created.<sup>19</sup> The copyright term is the remainder of the term that the work would have had in the United States had it not been in the public domain.<sup>20</sup> An owner of a copyright in a restored work may file a notice of intent to enforce with the Copyright Office within two years of restoration or directly on a reliance

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Convention Implementation Act of 1988, Pub. L. No 100-568, 102 Stat. 2853.

10. *Treaties Statistics*, WORLD INTELLECTUAL PROP. ORG., [http://www.wipo.int/treaties/en/statistics/StatsResults.jsp?treaty\\_id=15&lang=en](http://www.wipo.int/treaties/en/statistics/StatsResults.jsp?treaty_id=15&lang=en) (last visited March 16, 2012).

11. S.REP. No. 103-412, at 4 (1994).

12. Marrakesh Agreement Establishing the World Trade Organization, Apr. 15, 1994, 108 Stat. 4809, 1867 U.N.T.S. 154.

13. Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299, 33 I.L.M. 1197 (1994) [hereinafter TRIPS Agreement].

14. *Id.* at 301.

15. *Id.* at 302.

16. *Id.* at 304.

17. *Id.*, referring to the Berne Convention art. 6bis, *supra* note 4.

18. 17 U.S.C. § 104A(a)(1)(A) (2011).

19. *Id.* § 104A(h)(6).

20. *Id.* § 104A(a)(B).

party,<sup>21</sup> defined as one who engages in acts which would have been copyright infringement if the restored work had been subject to copyright protection, and continues to do so even after the source country becomes a member.<sup>22</sup> For existing derivative works, the reliance party may continue to exploit the derivative work for the remainder of the copyright term if the reliance party pays reasonable compensation to the owner of the restored copyright.<sup>23</sup> Further, one may continue to use restored works for one year after enactment of the statute,<sup>24</sup> or for a grace period of one year after the notice to either the party or the Copyright Office has been filed.<sup>25</sup>

#### GOLAN v. HOLDER

In 2001,<sup>26</sup> conductor and Professor Golan,<sup>27</sup> along with other performers, film archivists, publishers, motion picture distributors, and others who relied for years on works in the public domain, filed suit challenging the relevant section of the URAA,<sup>28</sup> as well as the Copyright Term Extension Act (CTEA), which increased the copyright term in the United States.<sup>29</sup> The petitioners sought to use, copy, or sell works whose copyrights were restored, and thus become potential infringers after the enactment of the relevant section of the URAA,<sup>30</sup> and thus challenged its constitutionality. Since the Supreme Court upheld the constitutionality of the twenty-year increase in copyright term

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21. *Id.* § 104A(c).

22. *Id.* § 104A(h)(4).

23. *Id.* § 104A(d)(3)(A).

24. *Id.* § 104A(h)(2)(A).

25. *Id.* § 104A(d)(2)(A)(ii).

26. It is unclear to this author why the parties waited until 2001 to challenge the URAA.

27. Lawrence Golan, Conductor, <http://www.lawrencegolan.com/Resume2010.pdf> (last visited March 16, 2012). Golan previously relied on the free availability of works by Prokief, Shostakovich, and Sravinski in his orchestral performances, and further, stated that the URAA makes it infeasible to teach the standard repertoire to his students. Brief for the Petitioners at 10-11 *Golan v. Holder* 132 S. Ct. 873 (2012) (No. 10-545). The late plaintiff Kapp created a derivative work from Shostakovich. *Golan v. Holder*, 609 F.3d 1076, 1082 (10th Cir. 2010).

28. 17 U.S.C. § 104A (2011).

29. 17 U.S.C. §§ 302, 304 (2006).

30. Brief for the Respondents at 7 *Golan v. Holder* 132 S. Ct. 873 (2012) (No. 10-545).

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in *Eldred v. Ashcroft* in 2003,<sup>31</sup> the district court in 2004 held that this argument was foreclosed to the plaintiffs.<sup>32</sup>

In an unreported decision in 2005, the district court held that Congress did not overstep its bounds under the Copyright Clause of the Constitution,<sup>33</sup> as that clause does not mean that works in the public domain can't be granted copyright protection,<sup>34</sup> as Congress has done this in the past. While there are instances of hardship involved, restoring copyrighted works previously in the public domain does not violate the Constitution.<sup>35</sup> The First Amendment<sup>36</sup> is also not violated, as the plaintiffs' speech is not prohibited, and they can contact the copyright holders for permission to disseminate the works.<sup>37</sup> Thus the district court granted the government's motion for summary judgment on all claims with costs.<sup>38</sup>

On appeal, the Court of Appeals for the Tenth Circuit in 2007 affirmed both that the CTEA claim was foreclosed by the intervening Supreme Court decision, and the URAA does not violate the Copyright Clause of the Constitution.<sup>39</sup> A First Amendment review of the URAA must be conducted on remand, however, according to the appeals court.<sup>40</sup>

On remand, the district court granted the plaintiffs' motion for summary judgment on the URAA issue.<sup>41</sup> The court states the "bedrock principle that works in the public domain remain in the public domain,"<sup>42</sup> and removing the restored works violates that principle. The court found no evidence that the government's justifications for the URAA provision in question were important

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31. 537 U.S. 186 (2003). See generally, Sue Mota, "For Limited Times": The Supreme Court Finds the Copyright Term Extension Act Constitutional in *Eldred v. Ashcroft*, But When Does It End? 2005 B.C. INTELL. PROP. & TECH. F. 110501 (2005).

32. *Golan v. Ashcroft*, 310 F. Supp. 2d 1215, 1218 (D. Colo. 2004).

33. U.S. CONST. art. I, § 8, cl. 8.

34. *Golan v. Gonzalez*, No. Civ. 01-B-1854(BNB), 2005 WL 914754 at \*3 (D. Colo. 2005).

35. *Id.* at \*14.

36. U.S. CONST. amend. I.

37. *Golan*, 132 S. Ct. 873 (2012) (No. 10-545).

38. *Id.*

39. *Golan v. Gonzales*, 501 F.3d 1179, 1197 (10th Cir. 2007).

40. *Id.*

41. *Golan v. Holder*, 611 F. Supp. 2d 1165, 1177 (D. Colo. 2009).

42. *Id.*

government interests or that the section was narrowly tailored to meet those interests.<sup>43</sup>

On appeal back to the Court of Appeals for the Tenth Circuit, the district court was reversed.<sup>44</sup> The appeals court agreed that Congress was within its authority under the Copyright Clause, and further, the First Amendment’s freedom of speech provision was not infringed as the statute advances an important governmental interest, securing copyright protections abroad for American copyright holders, and is not broader than necessary to advance that interest.<sup>45</sup>

The U.S. Supreme Court agreed to hear the case in 2011.<sup>46</sup> On January 18, 2012, the Court held that Congress did not exceed its constitutional authority in enacting the URAA and relevant provision.<sup>47</sup> Justice Ginsburg, writing for the majority, stated that Congress did not exceed its authority under either the Copyright Clause or the First Amendment to the Constitution when enacting the provision restoring works to the public domain.<sup>48</sup> Once in the public domain in the United States, in other words, doesn’t mean a work is perpetually in the public domain, and Congress may, in certain instances, “restore” a work to protection, but only for the remainder of any copyright term.<sup>49</sup> “Restoration,” however, is a “misnomer insofar as it implies that all works protected . . . previously enjoyed protection.”<sup>50</sup>

According to Justice Ginsburg, the plaintiffs’ and petitioners’ ultimate argument starts with Congress’s authority under the Copyright Clause to promote the progress of science.<sup>51</sup> Providing

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43. *Id.*

44. *Golan*, 609 F.3d at 1095.

45. *Id.* See generally, Elizabeth Townsend Gard, *Copyright Law and Trade Policy: Understanding the Golan Battle Within the Tenth Circuit*, 34 COLUM. J.L. & ARTS 131 (2011); David. L. Lange, Risa A. Weaver, & Shiveh Roxana Reed, *Golan v. Holder: Copyright in the Image of the First Amendment*, 11 J. MARSHALL REV. INTELL. PROP. L. 83 (2011); Claire Fong, Note, *Golan v. Holder: Congressional Power Under the Copyright Clause and the First Amendment*, 7 DUKE J. CONST. L. & PUB. POL’Y 11 (2011).

46. *Golan v. Holder*, 131 S. Ct. 1600 (2011).

47. *Golan*, 132 S. Ct. at 881.

48. *Id.*

49. *Id.* at 882.

50. *Id.* at n.13. Some never enjoyed copyright protection. *Id.*

51. *Id.* at 887-88. Justice Ginsburg pointed out that, perhaps counter intuitively, Congress’ s copyright authority is tied to promoting the progress

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incentives to create is “an essential means to advance the spread of knowledge and learning,” according to the majority, but “it is not the sole means Congress may use.”<sup>52</sup> Congress has previously extended copyright protection to works in the public domain, starting with the first Copyright Act in 1790, and subsequently, including private bills restoring copyright protection to works previously in the public domain.<sup>53</sup> Thus, the Copyright Clause of the Constitution is not violated.

Similarly, the First Amendment to the Constitution is not violated by restored copyrighted works, according to the majority.<sup>54</sup> Citing the Court’s 2003 ruling in *Eldred v. Ashcroft*,<sup>55</sup> neither of the “traditional contours” of copyright expression, the “idea/expression dichotomy”<sup>56</sup> and the fair use defense,<sup>57</sup> are violated. The plaintiffs maintain that the Copyright Term Extension Act at issue in *Eldred* involves extending the copyright term of existing works not yet in the public domain, whereas in *Golan*, works are taken back out of the public domain. But, according to Justice Ginsburg, the vesting analogy is backwards, since copyright vests with the author or copyright holder, and lapse into the public domain does not re-vest protection in the public domain.<sup>58</sup> The Act merely puts foreign restored works on the same footing as domestic works.<sup>59</sup>

Affirming the Tenth Circuit, the Court stated that this determination by Congress, which secures protections for U.S. copyright holders abroad, is squarely within the reach of the legislative branch and does not breach the Constitution.<sup>60</sup>

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of science, while Congress’s patent authority is tied to promoting useful arts. *Id.* This author has covered this material in classes for nearly three decades and never observed this distinction, and is grateful to Justice Ginsburg for pointing this out in dicta.

52. *Golan v. Holder*, 132 S. Ct. at 889.

53. *Id.* at 885-886 (citing Copyright Act of 1790, 1 Stat. 124; Act of Feb. 19, 1849 ch. 57, 9 Stat. 763; Act of June 23, 1874 ch. 534 18 Stat. 618; Act of Feb. 17, 1898 ch. 29, 30 Stat. 1396).

54. *Id.* at 889-91.

55. *Id.* at 890 (citing *Eldred v. Ashcroft*, 537 U.S. 186, 219 (2002)).

56. *Id.* at 892; 17 U.S.C. § 102(b) (2006).

57. *Golan v. Holder*, 132 S. Ct. at 890; 17 U.S.C. § 107 (2006).

58. *Golan v. Holder*, 132 S. Ct. at 892.

59. *See id.* at 893.

60. *Id.* at 894.

Justice Breyer, joined by Justice Alito, dissented.<sup>61</sup> Focusing on the “promotion of the Progress of Science” provision, “restoring” works from the public domain does not encourage innovation, according to the dissenters.<sup>62</sup> This Act is backwards-looking, and protects works already created, instead of forward-looking, which would encourage creativity and innovation.<sup>63</sup>

While there are no exact figures on the number of works restored, either because the works did not comply with U.S. formalities, or because there were no copyright relations between the countries, or the works were sound recordings published after February 15, 1972, the number of works restored probably is in the millions.<sup>64</sup> This involves expense for U.S. users of works previously in the public domain, including royalties and fees, and administrative costs for reliance parties who try to find the copyright holder, who may be “difficult or impossible to track down,”<sup>65</sup> if the reliance party tries to do the right thing and comply with the law. This can encourage copyright piracy, according to the dissent.<sup>66</sup>

The other branches, both legislative and judicial, thus could have and should have taken a more restrictive approach, but since they didn’t, the dissenters believed that the Copyright Clause, as interpreted by the First Amendment, does not allow the act.<sup>67</sup>

#### CONCLUSION

The U.S. Supreme Court held in 2012 in *Golan v. Holder* that the statute passed by Congress when joining the World Trade Organization which “restored” copyrighted works to the public domain does not violate the Copyright Clause or the First Amendment. This has implications for reliance users, who now must pay for the use of works previously used for free. This of course has costs to the reliance users, both for royalties and administratively. There is of course a benefit to those U.S. copyright holders whose works will enjoy protections in countries

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61. *Id.* at 899.

62. *Id.* at 899-900 (citing U.S. CONST. art. I, § 8, cl. 8).

63. *See id.* at 907.

64. *Id.* at 904.

65. *Id.* at 904-05.

66. *Id.* at 906.

67. *Id.* at 912.

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also implementing the agreement. Of course this does not encourage any new creativity and innovation for the existing works. When Congress passed the Copyright Term Extension Act, which was upheld in *Eldred v. Ashcroft*,<sup>68</sup> similarly, there was no additional incentive for creativity for the existing works which were granted an extension in term. But, concerning the 2012 case, if we did not respect “restored” foreign works, then foreign countries also would not need to respect our restored works. Consequently, reliance parties or users of works previously in the public domain must either cease using the works in a way which would now be infringement, or must take efforts to not infringe on works which are no longer in the public domain, after the period which the users previously used the works for free. The fair use exception still applies. While this would cost these users more than they were used to, there were benefits gained for other copyright holders whose works were being used in a foreign country. Newly created works since the effective date of the statute will receive broader global protection, which will encourage even more works. Perhaps Congress should have limited the statute to future works, but like the CTEA, chose to cover works in existence, which will cause hardships for reliance parties until the restored works are in the public domain.

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68. 537 U.S. 186 (2003).