March 7, 2019

Supreme Court Confirms Registration is Prerequisite to Claim for Infringement

On March 4, the US Supreme Court resolved a circuit split and held that, with limited statutory exceptions, the issuance of a registration from the Copyright Office is a prerequisite to filing a claim for infringement. *See Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC*, No. 17-571, slip op. (US Mar. 4, 2019).

Copyrights exist independent of government registration. An author of an original work acquires exclusive rights (e.g., to reproduce, distribute, and perform or display the work) as soon as the work is fixed in a tangible medium of expression. 17 USC § 102(a). But registration confers important benefits. These benefits include the ability to recover statutory damages and attorneys' fees, which generally are not available for acts of infringement that began before the work was registered, *see* 17 USC § 412, and the right to file a claim for infringement.

The statutory provision at issue in *Fourth Estate* was 17 USC 411(a), which provides, in part, that "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." Circuit courts were split as to what Congress meant by the phrase, "registration of the copyright claim has been made." The Tenth Circuit strictly construed the statutory registration requirement and held that a copyright claim based on an unregistered work was subject to dismissal.

The Fifth, Seventh and Ninth Circuits, on the other hand, had adopted a more lenient approach, allowing suits to proceed, so long as the applicant had filed a proper application, paid its fee and submitted a deposit copy of the work prior to filing suit. Copyright claimants in those circuits, and in various district courts in other circuits, were thus able to file a claim for infringement of an unregistered work, so long as they submitted an application immediately ahead of their complaint. The Eleventh Circuit recently joined the Tenth Circuit when it affirmed a district court's dismissal of Fourth Estate Public Benefit Corp.'s complaint against WallStreet.com on the basis that the plaintiff's copyright application was pending, but unregistered, at the time of suit.

The Supreme Court granted *certiorari* to resolve the circuit split and rejected the more lenient approach of finding a completed application sufficient to file suit. The unanimous court relied primarily on the language of the statute, itself, as well as its legislative history. In explaining its reasoning, the court noted that the owner of a registration, ultimately, can recover damages and profits for pre-registration acts of infringement (within the three-year statute of limitations); that pre-registration procedures exist for live broadcasts and works that are commonly infringed (e.g., movie releases); and that a suit may also be maintained on an application that was properly submitted, but refused by the Copyright Office.

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The Supreme Court's decision means that, barring limited exceptions, a copyright claim will now be subject to dismissal in any circuit, if the complaint was filed before a registration is actually issued (or refused) by the Copyright Office. With the processing time for applications currently averaging seven months, it becomes even more important for copyright owners to consider registration of their works as part of their overall intellectual property strategies. If that timeline proves unworkable, the copyright owner will need to seek expedited processing of its application (for a fee).The mere act of filing an application will no longer suffice in any court.