

1
2 UNITED STATES DISTRICT COURT
3 CENTRAL DISTRICT OF CALIFORNIA

4)
5 KISS CATALOG, et. al.,) No. CV 03-8514 WJR (CWx)
6 Plaintiffs,) OPINION AND ORDER DENYING, IN
7) PART, AND GRANTING, IN PART,
8) DEFENDANTS' MOTION TO DISMISS
9)
10 v.)
11)
12 PASSPORT INT'L PRODS., et.)
13 al.,)
14 Defendants.)
15 _____)

16 The matter came on for hearing before the Court, the Honorable
17 William J. Rea, Judge, presiding, on November 22, 2004. Having
18 considered the motion, the papers filed in support thereof and in
19 opposition thereto, the oral argument of counsel, and the file in
20 the case, the Court now makes the following decision: the Court
21 DENIES, in part, and GRANTS, in part, Defendants' Motion to Dismiss.
22 Specifically, the Court holds that Plaintiffs have adequately pled a
23 claim of copyright infringement but that their anti-bootlegging
24 claim should be dismissed because it is unconstitutional.

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26 //

1 **BACKGROUND**

2 Plaintiffs KISS Catalog, Ltd., Gene Klein (a.k.a. Gene
3 Simmons), and Paul Stanley have brought anti-bootlegging, copyright,
4 trademark, and related state law claims against Defendants Passport
5 International Productions, Inc. and Passport International
6 Productions of California (collectively "Passport").
7

8 Plaintiff KISS Catalog, Ltd. is the owner of trademarks
9 relating to the band KISS. KISS is an iconic rock band that has
10 been performing and producing music since the 1970s. Both Klein and
11 Stanley are recording artists, songwriters, and founding members of
12 the band KISS. Passport is a California corporation and at least
13 part of Passport's business involves the distribution of DVDs.
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15 Plaintiffs have pled the following relevant facts in their
16 Third Amended Complaint ("TAC"). On July 10, 1976, KISS performed
17 at New Jersey's Roosevelt Stadium as part of its "Spirit of '76"
18 concert tour. TAC at ¶ 19. John Scher, the President and CEO of
19 Metropolitan Talent, Inc. ("Metropolitan"), was the concert promoter
20 for the Roosevelt Stadium performance. Id. at ¶ 20. As part of its
21 services, Metropolitan filmed the Roosevelt Concert so that it could
22 simultaneously project KISS' performance on-screen behind the band
23 while it was onstage. Id. Metropolitan then apparently held on to
24 its recording of the concert for the next thirty years.
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27 Plaintiffs have alleged that, on or about June 2003, Historic
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1 Films Archive LLC ("Historic"), acting as an agent for Metropolitan,
2 entered into a "Stock Footage License Agreement" with Passport
3 regarding the use of the long-forgotten Roosevelt Concert footage.
4 Id. at ¶ 21. Passport contends that the "Stock Footage License
5 Agreement" allowed it to distribute the Roosevelt Concert film
6 footage to the public. Passport packaged the Roosevelt Concert
7 footage, in DVD format, as "KISS: The Lost Concert" and began
8 selling the product in October 2003. Id. at ¶ 22.

10 In November 2003, Plaintiffs first filed suit against
11 Defendants' on a variety of trademark and state law claims. Soon
12 thereafter, in December 2003, this Court issued a preliminary
13 injunction against Defendants' sale of the disputed footage. That
14 preliminary injunction order was appealed and subsequently reversed
15 by the Ninth Circuit.

17 In August 2004, Plaintiffs amended their Complaint to add an
18 anti-bootlegging claim under 17 U.S.C. § 1101(a)(3). More recently,
19 in October 2004, Plaintiffs amended their Complaint a second time in
20 order to add a claim of copyright infringement. Plaintiffs added
21 their copyright infringement claim after obtaining a declaration
22 from Scher stating that the Roosevelt Concert footage was a work-
23 for-hire and KISS was the rightful copyright owner.

25 After the Ninth Circuit's reversal, Plaintiffs again moved the
26 Court for a preliminary injunction to enjoin the distribution of the
27 Lost Concert DVD. On November 8, 2004, the Court granted
28

1 Plaintiffs' Motion for a Preliminary Injunction on the basis of
2 their recently-added copyright infringement claim.

3
4 Prior to court's decision on Plaintiffs' Motion for a
5 Preliminary Injunction, Defendants' filed the instant Motion to
6 Dismiss Plaintiffs' claims of copyright infringement and anti-
7 bootlegging.

8 9 10 **DISCUSSION**

11 **I. Legal standards**

12 Pursuant to Rule 12(b)(6), a party may bring a motion to
13 dismiss a plaintiff's claims on the ground that the allegations
14 "fail to state a claim upon which relief can be granted." Fed. R.
15 Civ. P. 12(b)(6). Generally, "[a] complaint should not be dismissed
16 for failure to state a claim unless it appears beyond doubt that the
17 plaintiff can prove no set of facts in support of his claim which
18 would entitle him to relief." Conley v. Gibson, 355 U.S. 41, 45-46
19 (1957). Thus, dismissal is proper because of either a "lack of a
20 cognizable legal theory or the absence of sufficient facts alleged
21 under a cognizable legal theory." Balistreri v. Pacifica Police
22 Dep't, 901 F.2d 696, 699 (9th Cir. 1990).

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25 In reviewing a Rule 12(b)(6) motion, the court must construe
26 all allegations in the complaint in the light most favorable to the
27 plaintiff and accept as true all material allegations in the
28

1 complaint. Hosp. Bldg. Co. v. Trs. of the Rex Hosp., 425 U.S. 738,
2 740 (1976). The court may consider any material that is properly
3 submitted as part of the complaint, including exhibits, as part of
4 the pleadings to be reviewed. See Amfac Mortgage Corp. v. Arizona
5 Mall of Tempe, Inc., 583 F.2d 426, 430 (9th Cir. 1978).

7 Finally, a court should grant leave to amend even if the
8 plaintiff does not request it, unless the court "determines that the
9 pleading could not possibly be cured by the allegation of other
10 facts." Doe v. United States, 58 F.3d 494, 497 (9th Cir. 1995).

11
12 **A. Copyright infringement**

13 "Copyright claims need not be pled with particularity."
14 Perfect 10, Inc. v. Cybernet Ventures, Inc., 167 F. Supp. 2d 1114,
15 1120 (C.D. Cal. 2001). "[S]imply alleging present ownership by
16 plaintiff, registration in compliance with the applicable statute
17 and infringement by defendant" is sufficient to state a claim for
18 copyright infringement. See id.

20 **B. Anti-bootlegging, 17 U.S.C. § 1101**

21
22 Title 17, Section 1101 of the U.S. Code broadly prohibits
23 unauthorized fixation and trafficking in sound recordings and music
24 videos:

25 (a) Unauthorized acts. Anyone who, without the consent of the
26 performer and performers involved--

27 (1) fixes the sound or sounds and images of a live musical
performance in a copy or phonorecord . . .

28 (2) transmits or otherwise communicates to the public the

1 sounds or sounds and images of a live musical performance,
2 or . . .

3 (3) distributes or offers to distribute, sells or offers
4 to sell . . . any copy or phonorecord fixed as described
5 in paragraph (1) . . .

6 shall be subject to the remedies provided in sections 502
7 through 505, to the same extent as an infringer of copyright.

8 17 U.S.C. § 1101.

9 **II. Application to the Instant Case**

10 **A. Copyright infringement**

11 Defendants offer two arguments as to why Plaintiffs' copyright
12 infringement claim should be dismissed: (1) Plaintiffs should be
13 estopped from pleading this claim because it allegedly conflicts
14 with exhibits attached to the Third Amended Complaint, see
15 Defendants' Motion at 5-7; and (2) Plaintiffs should be estopped
16 from pleading this claim because it is factually inconsistent with
17 their anti-bootlegging claim, see id. at 7-8.

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19 As to their first argument, Defendants cite Helfand v. Gerson,
20 105 F.3d 530 (9th Cir. 1997), and Trans-World International v.
21 Smith-Hemioin Productions, 972 F. Supp. 1275 (C.D. Cal. 1997), for
22 the proposition that "Plaintiffs must be estopped from alleging
23 these factually inconsistent positions before this Court." See
24 Defendants' Motion at 7. On the basis of letters submitted with
25 Plaintiffs' TAC, Defendants argue that Plaintiffs cannot now claim
26 that they own the copyright to the disputed footage. See id. at 5-
27 7. Both of the cases cited by Defendants discuss the doctrine of
28

1 judicial estoppel:

2 Judicial estoppel, sometimes also known as the doctrine of
3 preclusion of inconsistent positions, precludes a party from
4 gaining an advantage by taking one position, and then seeking a
5 second advantage by taking an incompatible position. It is an
6 equitable doctrine intended to protect the integrity of the
judicial process by preventing a litigant from playing fast and
loose with the courts.

7 Helfand, 105 F.3d at 534 (citations and quotations omitted). The
8 Court holds that this equitable doctrine does not apply in the
9 instant case since Plaintiffs are not arguing inconsistent
10 positions. Plaintiffs have submitted exhibits in their TAC
11 indicating that Metropolitan and its agent, Historic, may have
12 misrepresented (or, at least, failed to be forthcoming) about what
13 Defendants had obtained through the Stock Footage License Agreement.
14 Even though Plaintiffs have only recently produced the Scher
15 Declaration and amended their complaint to include a copyright
16 infringement claim, KISS has never said that it, as opposed to
17 Metropolitan or Historic, granted Defendants the copyright to the
18 Roosevelt Concert. Thus, their current claim that Defendants are
19 infringing their copyright does not present an inconsistency worthy
20 of imposing judicial estoppel.
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23 As to their second argument, Defendants cite Stutz Motor Car of
24 America, Inc. v. Reebok International, 909 F. Supp. 1353, 1360 (C.D.
25 Cal. 1995), for the proposition that: "Plaintiffs must be barred
26 from taking these inconsistent factual positions." See Defendants'
27
28

1 Motion at 7. This portion of Stutz also discusses the doctrine of
2 judicial estoppel. In this apparent version of judicial estoppel,
3 Defendants argue that Plaintiffs cannot simultaneously claim that
4 Metropolitan's taping was a work-for-hire and that the footage was a
5 bootleg video prohibited by 17 U.S.C. § 1101. See id.

7 However, under the Federal Rules of Civil Procedure, a litigant
8 can properly plead inconsistent claims:

9 Under Rule 8(e)(2) a party is permitted to set forth
10 inconsistent statements either alternatively or hypothetically
11 within a single count or defense, or in separate claims or
12 defenses. He also may state as many separate claims or
13 defenses as he has, regardless of consistency

13 Wright & Miller, Federal Practice and Procedure: Civil 2d § 1283
14 (West 1990). Further, "[u]nder Federal Rule 8(e)(2) a party may
15 include inconsistent allegations in a pleading's statement of
16 facts." Id. See also Ryan v. Foster & Marshall, Inc., 556 F.2d
17 460, 463 (9th Cir. 1977) ("Under Fed. R. Civ. P. 8(e)(2) a pleader
18 can assert alternative claims even if the claims are
19 inconsistent."). Thus, Plaintiffs' claims of copyright infringement
20 and anti-bootlegging may both be pled despite this apparent
21 inconsistency.
22

23 In response, Plaintiffs simply argue that they have
24 sufficiently pled a copyright infringement claim. Plaintiffs have
25 alleged that they own the copyright to the Roosevelt Concert
26 footage. TAC at ¶ 80. They claim ownership through a work-for-hire
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1 arrangement with John Scher, the promoter for the Roosevelt Concert.
2 TAC at ¶ 81, Ex. 3. Plaintiffs have registered their copyright to
3 the concert footage with the U.S. Copyright Office. TAC at ¶ 80,
4 Ex. 2. They have also duly alleged that Defendants infringed their
5 copyright. TAC at ¶ 82. The Court holds that Plaintiffs' copyright
6 infringement claim should not be dismissed since they have pled
7 ownership of the copyright via the work-for-hire arrangement,
8 registration of the copyright, and infringement by Defendants. See
9 Perfect 10, 167 F. Supp. 2d at 1120.

11 **B. Anti-bootlegging, 17 U.S.C. § 1101(a)(3)**

12 Section 1101 was a provision of the Uruguay Round Agreements
13 Act that brought the United States into the World Trade Organization
14 (WTO). "The enactment of the anti-bootlegging statute grew out of
15 the Uruguay Round of trade negotiations under the General Agreements
16 on Tariffs and Trade ("GATT")." United States v. Martignon, 2004 WL
17 2149105 at *2 (S.D.N.Y. Sept. 24, 2004). "In April 1994, 111
18 nations signed the Final Act Embodying the Results of the Uruguay
19 Round of Multilateral Trade Negotiations, and in so doing adopted
20 the Agreement on Trade-Related Aspects of Intellectual Property
21 Rights ('TRIPs')." Id. "In the United States, TRIPs became law
22 with Congressional approval of the Uruguay Round Agreements Act
23 ('URAA')" on December 8, 1994. Id. Before 1994, there was no
24 federal anti-bootlegging protection for live performances. Id. at
25 *1. However, anti-bootlegging laws previously existed at the state
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27
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1 level. Id.

2 Despite the existence of the anti-bootlegging law for ten
3 years, this Court has been unable to find any reported cases
4 addressing this statute. Thus, many of the issues discussed below
5 are matters of first impression.
6

7 In the instant motion, Defendants present three arguments as to
8 why Plaintiffs' anti-bootlegging claim should be dismissed.
9

10 **1. Inconsistency with copyright infringement claim**

11 Defendants' first argument is that Plaintiffs' anti-bootlegging
12 claim cannot succeed because the Roosevelt concert was recorded with
13 the consent of KISS via the work-for-hire agreement with
14 Metropolitan. See Defendants' Motion at 2-3. However, Plaintiffs
15 have pled that "[t]he Roosevelt Concert was fixed in a copy or
16 phonorecord without the consent of Plaintiffs Klein and Stanley."
17 TAC at ¶ 75. Further, Plaintiffs have also pled that Defendants
18 attempted to distribute copies of the Roosevelt Concert without
19 their consent. TAC at ¶ 76. Thus, Plaintiffs have stated a claim
20 under § 1101(a)(3).
21

22
23 Again, Defendants seem to be arguing that there is an
24 impermissible inconsistency between Plaintiff's copyright
25 infringement and anti-bootlegging claims. This argument is the
26 mirror-image of Defendants' second argument to dismiss Plaintiffs'
27 copyright infringement claim. As already discussed, Rule 8(e)(2)
28

1 permits inconsistent pleading. For this reason, Defendants'
2 argument is unavailing here as well.

3
4 **2. Time of fixation vs. time of distribution**

5 Defendants' second argument is that § 1101(a) (3) does not apply
6 to their distribution of the concert footage since the unauthorized
7 recording allegedly occurred before the time period covered by the
8 statute. See Defendants' Motion at 3-4. Section 1101(c) states
9 that the statute "shall apply to any act or acts that occur on or
10 after the date of the enactment of the Uruguay Round Agreements Act"
11 in 1994. In response, Plaintiffs argue that while the fixation of
12 the concert performance took place prior to 1994, Defendants are now
13 attempting to distribute copies of KISS' performance--thus making
14 Defendants' present behavior actionable. See Opposition at 7-8.
15 Plaintiffs believe, relying on Nimmer on Copyright, that the broad
16 language of § 1101 does in fact prohibit distribution of a pre-1994
17 bootleg.¹ See Opposition at 8; Nimmer on Copyright § 8E.03[C][2]
18 (Matthew Bender 2004).
19
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21 It is possible that Congress could have intended to limit the
22 scope of § 1101(a) (3) to instances where the live performance being
23 protected took place after 1994. However, the plain text of the
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26 _____
27 ¹ Defendants argue further that Nimmer's opinion is wrong because
28 it is based on faulty readings of the TRIPs Agreement and the Berne
Convention for the Protection of Literary and Artistic Works. See
Defendants' Motion at 4 n.2. But, in fact, Nimmer's opinion is based
largely on a reading of the plain text of the statute.

1 statute does not support that reading. Statutory interpretation
2 "begins with the language of the statute." Leocal v. Ashcroft, 125
3 S. Ct. 377, 382 (2004). Further, "[w]hen interpreting a statute we
4 must give words their 'ordinary or natural' meaning." Id. No
5 language in § 1101(a)(3) restricts the distribution prohibition to
6 bootleg recordings made after 1994.

8 Defendants seem to argue that § 1101(a)(3) incorporates
9 § 1101(a)(1) in that the distribution of an unauthorized recording
10 is not prohibited unless that bootleg was made post-1994. However,
11 the plain language of the statute prohibits distribution of a
12 bootleg recording as an offense distinct from the initial recording.
13 In fact, it seems that one could violate both § 1101(a)(1) and
14 § 1101(a)(3) by first making a bootlegging recording and then
15 attempting to distribute or sell that bootleg. Since these are
16 distinct provisions, the temporal restriction of § 1101(a)(1) would
17 have no impact on § 1101(a)(3).

20 Perhaps one could seize on the "fixed as described in paragraph
21 (1)" portion of § 1101(a)(3) as integrating § 1101(a)(1)'s temporal
22 restriction. However, nothing in § 1101(a)(1) actually restricts
23 the time in which a violation has occurred. The "applicability" of
24 § 1101 is contained in § 1101(c). Thus, the reference to
25 § 1101(a)(1) only indicates that § 1101(a)(3) prohibits distribution
26 of bootleg recordings.
27
28

1 Therefore, the Court holds that the plain language of
2 § 1101(a) (3) does not limit its scope to post-1994 live
3 performances.
4

5 There is no legislative history on this aspect of § 1101(a) (3)
6 to rebut the plain language of the statute. Actually, there is
7 little legislative history on § 1101 besides various statements that
8 Congress intended to prohibit bootlegged recordings of live
9 performances. See H.R. Rep. No. 103-826, pt. 1, at 8 (1994); S.
10 Rep. No. 103-412, at 225 (1994); H.R. Rep. 103-316 (1994)
11 (incorporating Statement of Administrative Action, "an authoritative
12 expression by the Administration concerning its views regarding the
13 interpretation and application of the Uruguay Round agreements").
14 As the statute was part of significant and wide-ranging trade
15 legislation, the anti-bootlegging provisions were understandably not
16 a focus of the debates.²
17
18

19 Given the absence of any language limiting the prohibition on
20

21 ² To the extent that Congress enacted § 1101 in order to comply
22 with the TRIPs agreement, the Court notes that Article 14 of that
23 agreement specified that anti-bootlegging protection "shall last at
24 least until the end of a period of 50 years computed from the end of
25 the calendar year in which the fixation was made or the performance
26 took place." Trade-Related Aspects of Intellectual Property Rights
27 (TRIPs), art. 14(5), [http://www.wto.org/english/docs_e/legal_e/](http://www.wto.org/english/docs_e/legal_e/27-trips_01_e.htm)
28 [27-trips_01_e.htm](http://www.wto.org/english/docs_e/legal_e/27-trips_01_e.htm). To the Court's knowledge, the TRIPs agreement only
establishes a floor, rather than a ceiling, for the protection of
intellectual property. Thus, Congress could have intended to establish
a term of protection even longer than 50 years. In any case, 1976 is
well within the minimum 50-year period established by TRIPs. See
generally Susan M. Deas, *Jazzing up the Copyright Act? Resolving the*
Uncertainties of the United States Anti-Bootlegging Law, 20 *Hastings*
Comm. & Ent. L.J. 567, 587-94 (1998) (discussing TRIPs and the URAA).

1 distribution of bootleg recordings to those fixed after 1994, the
2 Court holds that Plaintiffs' § 1101(a)(3) claim does not fail even
3 though the Roosevelt Concert was filmed in 1976.

4 5 **3. Constitutionality of § 1101**

6 Lastly, Defendants have argued that § 1101(a)(3) is
7 unconstitutional. See Defendants' Motion at 4-5. For this
8 proposition, Defendants cites two cases, Martignon and United States
9 v. Moghadam, 175 F.3d 1269 (11th Cir. 1999), that addressed 18
10 U.S.C. § 2319A, a criminal statute that prohibits bootlegging.
11 While there are slight differences between the statutes, § 1101 and
12 18 U.S.C. § 2319A are sister provisions implicating similar
13 questions of constitutionality. Besides the difference in
14 penalties, the only substantive differences are that § 2319A also
15 requires that the infringer "knowingly" made an unauthorized
16 recording and did so "for purposes of commercial advantage or
17 private financial gain." Both § 1101 and § 2319A were provisions of
18 the Uruguay Round Agreements Act. See Pub. L. No. 103-465, 108
19 Stat. 4809 (1994).

22 In the Martignon opinion, Judge Baer presents a thorough
23 analysis of whether 18 U.S.C. § 2319A is constitutional. That Court
24 held that § 2319A was unconstitutional after making the following
25 points:
26

27 (1) Congress' enactment of § 2319A was made under the express
28 authority provided by the Copyright Clause of the Constitution,

1 Congress viewed its enactment authority. There is no answer.
2 Chapter 11 itself offers no clue as to how it might pass
3 constitutional muster. The legislative history, Statement of
4 Administrative Action, and floor statements are similarly bereft of
5 support.”).

7 After further analysis, the Martignon court, based on the
8 statute’s “language, history, and placement,” held that § 2319A was
9 copyright-like regulation passed pursuant to Congress’ Copyright
10 Clause power. Id. at *6. This Court does not believe there can be
11 much debate that § 1101 is a copyright-related statute. Unlike the
12 criminal prohibitions contained in § 2319A, section 1101 is attached
13 to the rest of the U.S. Code’s copyright provisions and seeks to
14 offer copyright-like protections for recordings of live
15 performances.³

17 **b. Whether § 1101 is constitutional as legislation**
18 **passed under the Copyright Clause**

19
20 The Copyright Clause is both a grant of power and a limitation.
21 See Eldred v. Aschroft, 537 U.S. 186, 212 (2003) (citing Graham v.
22 John Deere Co. of Kansas City, 383 U.S. 1, 5 (1966)). The Copyright
23 Clause contains two limitations with respect to copyright; the
24 Copyright Clause protects “writings” only “for limited Times.” See
25 U.S. Const., Art. I, § 8, cl. 8 (“To promote the Progress of Science
26

27
28 ³ Section 1101 offers “the remedies provided in sections 502
through 505, to the same extent as an infringer of copyright.”

1 and useful Arts, by securing for limited Times, to Authors and
2 Inventors the exclusive Right to their respective Writings and
3 Discoveries.”). The Martignon court held that § 2319A was
4 unconstitutional because the statute violated both limitations. See
5 id. at *6.

7 As to both the fixation and limited duration requirements, this
8 Court bears in mind that “the elementary rule is that every
9 reasonable construction must be resorted to, in order to save a
10 statute from unconstitutionality.” Rust v. Sullivan, 500 U.S. 173,
11 190 (1991) (quotations and citations omitted) (emphases in
12 original). However, this principle “is qualified by the proposition
13 that ‘avoidance of a difficulty will not be pressed to the point of
14 disingenuous evasion.’” Id. at 191 (quoting George Moore Ice Cream
15 Co. v. Rose, 289 U.S. 373, 379 (1933)).

17 **i. “Writings”: fixation requirement**

18
19 The Copyright Clause protects a wide variety of expression far
20 beyond the everyday understanding of “writing.” Copyright
21 protection exists for literary works, musical works, dramatic works,
22 choreography, pictures, sculptures, motion pictures, sound
23 recordings, architectural drawings, among other expressive works.
24 See Martignon, 2004 WL 2149105 at *6 n.12 (citing 17 U.S.C.
25 § 102(a)). The term “Writing” should not be construed in the
26 “narrow literal sense” but with the “reach necessary to reflect the
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28

1 broad scope of constitutional principles." Goldstein v. California,
2 412 U.S. 546, 561 (1973).

3
4 However, as broad as the term has become, the Copyright Clause
5 still limits what can be protected by copyright. "Thus, although in
6 the modern era the term 'Writings' allows Congress to extend
7 copyright protection to a great many things, those things always
8 involved some fixed, tangible and durable form." Moghadam, 175 F.3d
9 at 1274. See also Nimmer on Copyright § 1.08[C][2] ("If the word
10 'writings' is to be given any meaning whatsoever, it must, at the
11 very least, denote some material form, capable of identification and
12 having a more or less permanent endurance.").

13
14 At first glance, it would seem that a live performance
15 protected by § 1101 is not a fixed work. A live performance is
16 intangible and does not endure. If "writings" continues to exist as
17 a constitutional limit, live performances cannot be within the scope
18 of that term. Thus, one would be inclined to think that, as the
19 Martignon court held, live performances could not be regulated via
20 the Copyright Clause.⁴ "While the category of 'writings' has
21 expanded over time, it has never moved into the realm of unfixed
22 works." Martignon, 2004 WL 2149105 at *7. See also David Nimmer,
24 The End of Copyright, 48 Vand. L. Rev. 1385, 1409 (1995) (stating
25 that "no respectable interpretation of the word 'Writings' embraces
26

27 ⁴ In Moghadam, 175 F.3d at 1274, the Eleventh Circuit did not rule
28 on the question of whether protection of live performances would
violate the fixation requirement.

1 presented a serious obstacle to the expansion of copyright
2 protection. In Eldred, 537 U.S. at 199, the Supreme Court held, "At
3 the time of the Framing, [limited] meant what it means today:
4 'confine[d] within certain bounds,' 'restrain[ed]' or
5 'circumscribe[d].'" (citing eighteenth-century dictionaries). In
6 Eldred, the Court held that the Copyright Term Extension Act, which
7 increased the term of existing copyrights by twenty years, did not
8 violate the "limited Times" duration requirement. Id. at 199-208.
9 The Court so held, in part, because Congress "has regularly applied
10 duration extensions to both existing and future copyrights." Id. at
11 200-01. Perhaps, the only way in which Congress could violate the
12 "limited Times" requirement would be to enact "perpetual
13 copyrights." See id. at 208-10.

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15
16 Section 1101 does not contain any time limit for its
17 protections. See Moghadam, 175 F.3d at 1281 (suggesting that "the
18 protection created by the anti-bootlegging statute is apparently
19 perpetual and contains no express time limit"). For this reason,
20 the Martignon court held that § 1101 also violates the Copyright
21 Clause due to the lack of a limited duration.⁶ See Martignon, 2004
22 WL 2149105 at *7. However, the Martignon court did not attempt, as
23 Plaintiffs suggest, see Opposition at 8, to interpret the anti-
24 bootlegging provisions as incorporating the terms for copyright
25

26
27 ⁶ Because the petitioner failed to preserve this issue on appeal,
28 the Moghadam court, see 175 F.3d at 1274 n.9, did not rule on whether
§ 2319A violated the Copyright Clause's limited duration requirement.

1 contained in 17 U.S.C. § 302.

2 Initially, the Court is skeptical of this approach. The Court
3 notes that § 1101 refers to 17 U.S.C. §§ 502-05 for remedies but
4 does not incorporate § 302 which establishes the duration of
5 copyrights. From this, it is reasonable to conclude that Congress
6 included as much existing copyright law as it intended. While the
7 Court will attempt to “save” the anti-bootlegging statute through
8 “reasonable construction”, incorporating § 302 into § 1101 is much
9 closer to legislating an amendment to the United States Code than
10 this Court is willing to venture.
11

12 Further, Eldred suggests that the courts do not have the proper
13 expertise to divine what is an appropriate term for copyrights and
14 copyright-like protections like the anti-bootlegging statutes. The
15 Copyright Clause is a “constitutional command” directing Congress to
16 design a system that promotes the “Progress of Science and useful
17 Arts.” Eldred, 537 U.S. at 212. In Eldred, the Court “stressed . .
18 . that it is generally for Congress, not the courts, to decide how
19 best to pursue the Copyright Clause’s objectives.” Id. “As the
20 text of the Constitution makes plain, it is Congress that has been
21 assigned the task of defining the scope of the limited monopoly that
22 should be granted to authors or to inventors in order to give the
23 public appropriate access to their work product.” Sony Corp. of
24 America v. Universal City Studios, Inc., 464 U.S. 417, 429 (1984)
25 (emphasis added). This legislative task “involves a difficult
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1 balance between the interests of authors and inventors in the
2 control and exploitation of their writings and discoveries on one
3 hand, and society's competing interest in the free flow of ideas,
4 information, and commerce on the other hand." Id. Given the
5 difficulty of this task, the Court is unwilling to insert the
6 statutory term of protection provided by § 302 without some
7 indication that Congress had contemplated doing so at some point
8 during its deliberation.
9

10 In addition, modern intellectual property law has international
11 implications that makes this task even more difficult. Section 1101
12 "grew out of the Agreement on Trade Related Aspects of Intellectual
13 Property ("TRIPs"), which has been described as 'the highest
14 expression to date of binding intellectual property law in the
15 international arena.'" Moghadam, 175 F.3d at 1272 (quoting The End
16 of Copyright, 48 Vand. L. Rev. at 1391-92). The TRIPs agreement
17 itself incorporates several other international treaties regarding
18 intellectual property:
19
20

21 For instance, all WTO members must follow the Berne Convention
22 in the sphere of copyright (except for its moral rights
23 provision), the Paris Convention in the patent sphere, the
24 Washington Treaty on Intellectual Property in Respect of
Integrated Circuits, and the Rome Convention for performances
and neighboring rights.

25 The End of Copyright, 48 Vand. L. Rev. at 1392.
26

27 Given the designation of Congress as the branch of government
28 to protect copyright and the international complexities of that

1 project, this Court holds that it cannot simply read in the term for
2 copyrights that exists in other portions of Title 17. Since the
3 Court cannot include a limited term of its own accord, the Court
4 holds that the current version of the statute creates perpetual
5 copyright-like protection in violation of the "for limited Times"
6 restriction of the Copyright Clause.
7

8 Since the Court holds that § 1101 violates an express limit of
9 the Copyright Clause, the next inquiry is whether Congress could use
10 one of its other enumerated powers to enact that statute.
11

12 **c. Whether there is an alternative basis for**
13 **§ 1101: Commerce Clause**

14 Whether Congress can use other sources of legislative power,
15 such as the Commerce Clause, to enact a statute that may not be
16 passed under the Copyright Clause is a question with no clear
17 answer. As an initial matter, this Court believes that § 1101 is
18 legislation that could be passed under the Commerce Clause; that
19 copyright-like protection for live performances touches on commerce
20 is a proposition that should be without serious dispute.⁷ Thus, the
21
22

23 ⁷ "The link between bootleg compact discs and interstate commerce
24 and commerce with foreign nations is self-evident." Moghadam, 175 F.3d
25 at 1276. See generally id. at 1274-77 (analyzing enactment of § 2319A
26 under the Commerce Clause). In its analysis, the Eleventh Circuit
27 relied a portion of the criminal statute, requiring that the
28 unauthorized recording or distribution be done for "commercial
advantage" or "financial gain", that does not exist in § 1101.
However, the absence of a financial motive in the civil provision would
not seem to dramatically decrease the potential commercial impact of
bootleggers. "Bootleggers depress the legitimate markets because
demand is satisfied through unauthorized channels." 175 F.3d at 1276.

1 more difficult constitutional question confronts the Court--could
2 Congress use the alternative means of the Commerce Clause to achieve
3 the same end?

4
5 On this question, the Martignon court held that:

6 In order to give meaning to the express limitations provided in
7 the Copyright Clause, when enacting copyright-like legislation,
8 such as the anti-bootlegging statute . . . Congress may not, if
9 the Copyright Clause does not allow for such legislation, enact
the law under a separate grant of power, even when that
separate grant provides authority.

10 Martignon, 2004 WL 2149105 at *8.

11
12 In contrast, the Moghadam court followed a more moderate
13 position. The Moghadam court held that "in some circumstances the
14 Commerce Clause indeed may be used to accomplish that which may not
15 have been permissible under the Copyright Clause." 175 F.3d at
16 1280. In holding that § 2319A was constitutional, the Eleventh
17 Circuit concluded that enactment of the statute pursuant to the
18 Commerce Clause was not "fundamentally inconsistent with the
19 fixation requirement of the Copyright Clause."⁸
20

21
22 For example, the Recording Industry Association of America (RIAA)
23 claims that piracy, including bootlegs, costs the recording industry
\$4.2 billion worldwide. See Recording Industry Association of America:
"Anti-Piracy", <http://www.riaa.com/issues/piracy>.

24 ⁸ In United States v. Elcom Ltd., 203 F. Supp. 2d 1111, 1138-42
25 (N.D. Cal. 2002), Judge Whyte followed Moghadam in holding that the
26 enactment of the Digital Millennium Copyright Act (DMCA) was within
Congress' Commerce Clause power due to a lack of any fundamental
27 inconsistency with the Copyright Clause. In Elcom, the defendant
28 challenged, on First Amendment and fair use grounds, the DMCA's
prohibition of tools used to circumvent copyright protection
technology. Id. at 1117-21. While the Court does not believe there
are flaws in Judge Whyte's reasoning, Elcom is not helpful in the

1 Both the Martignon and Moghadam courts analyzed the small
2 number of cases that touch on the constitutional question before the
3 Court (albeit with different answers). This Court will now review
4 those cases as well.

5
6 In The Authors League of America, Inc. v. Oman, 790 F.2d 220
7 (2d Cir. 1986), the Second Circuit held that the manufacturing
8 clause⁹ of the Copyright Act of 1976 was constitutional. One of the
9 plaintiffs' constitutional arguments was that Congress exceeded its
10 power under the Copyright Clause because the statute did not promote
11 the progress of the useful arts. Id. at 224. The plaintiffs
12 argued, with some intuitive force, that the manufacturing clause did
13 not further the goals of copyright, i.e., the creation of expressive
14 works, but was really mere protectionist legislation. Id. Rather
15 than responding to this contention directly, the Second Circuit
16 instead invoked Congress' Commerce Clause power: "What plaintiffs'
17 argument fails to acknowledge, however, is that the copyright clause
18 is not the only constitutional source of congressional power that
19
20

21 _____
22 instant case because the court never found that the DMCA violated an
23 express limitation of the Copyright Clause, like duration or fixation.

24 ⁹ The manufacturing clause essentially protects domestic printers
25 by restricting the ability of foreign printers to receive copyright
26 protection for books shipped to the United States. The version of the
27 clause at issue stated: "The importation into or public distribution
28 in the United States of copies of a work consisting predominantly of
[nondramatic] literary material that is in the English language and is
protected under this title is prohibited unless the portions consisting
of such material have been manufactured in the United States or
Canada." Id. at 221 (citing 17 U.S.C. § 601(a) (1985)). There were
several exceptions to this apparently far-reaching provision of Title
17.

1 could justify the manufacturing clause." Id. The Second Circuit
2 went on to quickly hold that "denial of copyright protection to
3 certain foreign-manufactured works is clearly justified as an
4 exercise of the legislature's power to regulate commerce with
5 foreign nations." Id. While the Second Circuit did view the
6 Commerce Clause as sufficient authority for the manufacturing
7 clause, the court did not hold that the Commerce Clause was
8 sufficient authority for legislation that also violated the
9 limitations of the Copyright Clause.
10

11 In The Trade-Mark Cases, 100 U.S. 82 (1879), the Supreme Court
12 addressed the issue of whether Congress could constitutionally enact
13 legislation protecting trademarks. In this inquiry, the Court first
14 considered whether Congress exceeded its power provided by the
15 Copyright Clause. Id. at 93-94. The Supreme Court was initially
16 skeptical that Congress used its power properly:
17

18 Any attempt, however, to identify the essential characteristics
19 of a trade-mark with inventions and discoveries in the arts and
20 sciences, or with the writings of authors, will show that the
21 effort is surrounded with insurmountable difficulties.

22 Id. at 93-94. Since the Court further held that the "ordinary
23 trade-mark has no necessary relation to invention or discovery," the
24 Court concluded that the Copyright Clause did not provide the
25 necessary authority for federal trademark legislation. Id. at 94.
26

27 The Supreme Court then turned to the Commerce Clause as an
28 alternative source of legislative power for trademark legislation.

1 However, at that point in time, the Commerce Clause had not reached
2 its modern scope and the Court was then unwilling to provide
3 Congress a great deal of authority under that clause of Article I.
4 For example, the Court stated that: "Every species of property which
5 is the subject of commerce, or which is used or even essential in
6 commerce, is not brought by this clause within the control of
7 Congress." Id. at 95. Starting from this somewhat antiquated point
8 of view, the Court unsurprisingly held that the Commerce Clause also
9 did not empower Congress to enact federal trademark legislation.
10 Id. at 97-98.

11
12 Other cases that address the interaction of the Commerce Clause
13 and other sources of legislative power unfortunately do not discuss
14 the Copyright Clause in particular.

15
16 One of the most important cases on this general question is
17 Heart of Atlanta Motel, Inc. v. United States, 379 U.S. 241 (1964).
18 In Heart of Atlanta, the plaintiff was the owner of a motel in
19 Atlanta, Georgia that refused to rent out rooms to African-American
20 patrons. Id. at 243. To protect its appallingly racist practice,
21 the plaintiff brought several constitutional challenges to Title II
22 of the Civil Rights Act of 1964, the portion of the landmark
23 legislation that prohibits discrimination on the basis of race in
24 the provision of public accommodations. Id. at 242-43. Congress
25 based its authority to pass the Civil Rights Act on both its
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27
28

1 Commerce Clause power and Section 5 of the Fourteenth Amendment.¹⁰
2 Id. at 249. However, the Supreme Court proceeded to focus on
3 Congress' Commerce Clause power rather than Section 5. Id. at 250.
4 After further analysis, the Court held that Title II was within
5 Congress' Commerce Clause power. Id. at 261.
6

7 More recently, the Supreme Court has suggested that the
8 limitations contained in one clause of Art. I, § 8 cannot be
9 subverted by the Commerce Clause. In Railway Labor Executives'
10 Association v. Gibbons, 455 U.S. 457 (1982), the Court addressed
11 whether the Commerce Clause could be the basis for legislation that
12 would have otherwise violated the uniformity requirement of the
13 Bankruptcy Clause. Article I, Section 8, Clause 4 of the
14 Constitution provides that "Congress has power to enact bankruptcy
15 laws that are uniform throughout the United States." Id. at 469.
16 In holding that the Commerce Clause could not authorize non-uniform
17 bankruptcy legislation, the Court stated that:
18

19
20 Unlike the Commerce Clause, the Bankruptcy Clause itself
21 contains an affirmative limitation or restriction on Congress'
22 power: bankruptcy laws must be uniform throughout the United
23 States. Such uniformity in the applicability of legislation is
24 not required by the Commerce Clause. Thus, if we were to hold
25 that Congress had the power to enact nonuniform bankruptcy laws
26 pursuant to the Commerce Clause, we would eradicate from the
27 Constitution a limitation on the power of Congress to enact
28 bankruptcy laws.

27 ¹⁰ Section 5 of the Fourteenth Amendment provides that "[t]he
28 Congress shall have power to enforce, by appropriate legislation, the
provisions of [the Fourteenth Amendment]."

1 Id. at 468-69. After further analysis under the Bankruptcy Clause,
2 the Court held that the challenged statute was insufficiently
3 uniform and therefore outside of Congress' power to enact. Id. at
4 473. In the Court's opinion, "[t]o hold otherwise would allow
5 Congress to repeal the uniformity requirement from Art. I, § 8, cl.
6 4, of the Constitution." Id.

8 Based on these cases, this Court holds that § 1101(a)(3) is
9 unconstitutional. While Authors League and The Trade-Mark Cases
10 would tend to indicate that Congress' powers under the Copyright
11 Clause and the Commerce Clause are non-exclusive, neither of these
12 cases present a conflict between one of the limitations of the
13 Copyright Clause (either fixation or duration) and the Commerce
14 Clause. In Authors League, the Second Circuit did not rule on
15 whether the challenged legislation violated one of the limits
16 contained in the Copyright Clause. In The Trade-Mark Cases, the
17 Supreme Court held that Congress had insufficient power, under both
18 the Commerce and Copyright Clauses, to enact federal trademark
19 legislation. Similarly, in Heart of Atlanta, the Supreme Court did
20 not explicitly hold that Congress exceeded its power under Section 5
21 of the Fourteenth Amendment and then hold that Congress could enact
22 Title II of the Civil Rights Act pursuant to the Commerce Clause.
23

24 Like the Martignon court, this Court finds Railway Labor to be
25 the most instructive case on this issue. The Railway Labor Court
26 examined a clause, like the Copyright Clause, that both provides a
27
28

1 positive grant of power and contains an express limit. In the
2 instant case, allowing Congress to invoke the Commerce Clause in a
3 situation where the Copyright Clause would otherwise be violated
4 would "eradicate from the Constitution a limitation on the power of
5 Congress." See Railway Labor, 455 U.S. at 469. The framers
6 certainly believed that some limit on protection for copyrights and
7 patents should exist; otherwise, they would not have included the
8 explicit limits contained in Art. I, § 8, cl. 8. Permitting the
9 current scope of the Commerce Clause to overwhelm those limitations
10 altogether would be akin to a "repeal" of a provision of the
11 Constitution.¹¹ Cf. Graham, 383 U.S. at 5-6 ("The Congress in the
12 exercise of the patent power may not overreach the restraints
13 imposed by the stated constitutional purpose.").

14
15
16 Thus, since § 1101(a)(3) violates the "for limited Times"
17 requirement of the Copyright Clause and may not be properly enacted
18 via the Commerce Clause, the Court holds that § 1101(a)(3) is
19

20 ¹¹ In making this ruling, the Court feels compelled to respond to
21 the Moghadam court's "fundamental inconsistency" test in more detail.
22 First, in holding that there was no "fundamental inconsistency", the
23 Eleventh Circuit argued that the Copyright Clause's protection of
24 "writings" is "stated in positive terms, and does not imply any
25 negative pregnant that suggests that the term 'Writings' operates as
26 a ceiling on Congress' ability to legislate." 175 F.3d at 1280. This
27 statement is difficult to reconcile with Railway Labor since the
28 uniformity "requirement" is similarly a positive statement and does not
necessarily imply a negative pregnant, i.e., the Bankruptcy Clause does
not state that Congress may not enact non-uniform bankruptcy laws.
Second, the Eleventh Circuit surprisingly relied on a constitutionally
untested definition of "fixed" in Title 17 to argue that fixation may
occur simultaneously with transmission and thus has few boundaries.
It is unclear why Congress' definition of "fixed" informs the
constitutional definition of fixation since these are distinct
inquiries.

1 unconstitutional.

2
3
4 **CONCLUSION**

5 For the foregoing reasons, the Court DENIES, in part, and
6 GRANTS, in part, Defendants' Motion to Dismiss.

7
8 IT IS SO ORDERED.

9 DATED: December 17, 2004.

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WILLIAM J. REA
12 United States District Judge
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