

RECENT DEVELOPMENTS

Golan v. Gonzales: Capitalizing on Eldred’s Defeat

I. INTRODUCTION	505
II. BACKGROUND.....	506
III. THE COURT’S DECISION.....	511
IV. ANALYSIS.....	518
V. CONCLUSION	520

I. INTRODUCTION

Section 514 of the Uruguay Round Agreements Act of 1994 (URAA), codified in 17 U.S.C. § 104A, restores copyrights in certain foreign works that had passed into the public domain.¹ As a result, artists and purveyors of restored works, such as Sergei Prokofiev’s *Peter and the Wolf*, Dmitri Shostakovich’s *Symphony No. 5*, and works by Igor Stravinsky, must pay higher royalties to perform or otherwise use these works.² In some cases, these royalty costs are prohibitive.³

In April of 2005, a group of individuals, who rely on the now-copyrighted works for their livelihood, filed suit in the United States District Court for the District of Colorado, challenging the constitutionality of the URAA.⁴ The court granted summary judgment to the government on the plaintiffs’ two URAA claims.⁵ Noting several occasions throughout history where Congress restored copyright protection to material in the public domain, the district court ruled that section 514 of the URAA did not exceed Congress’s power under the

1. *Golan v. Gonzales*, 501 F.3d 1179, 1181 (10th Cir. 2007); Uruguay Round Agreements Act of 1994, Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976-81 (codified at 17 U.S.C. § 104A (2000)). Section 104A(h)(6) restores copyright protection to foreign copyright holders whose works have not yet passed into the public domain in the country of origin but have entered the public domain in the United States, because (1) the authors failed to comply with the formalities of United States copyright law; (2) the subject matter was previously unprotected, such as sound recordings fixed before February 15, 1972; or (3) the authors were nationals or domiciled in countries that had not formed a copyright agreement with the United States. *Golan*, at 1181 n.1 (quoting 17 U.S.C. § 104A(h)(6)).

2. *See id.* at 1182, 1193.

3. *Id.*

4. *Id.* at 1182-83.

5. *Id.*

Copyright Clause.⁶ “The court also granted summary judgment on the plaintiffs’ First Amendment claim,” reasoning that they had no protected right in the restored works.⁷

The plaintiffs appealed, seeking reversal of the district court’s judgment.⁸ On September 4, 2007, in a unanimous vote, the United States Court of Appeals for the Tenth Circuit *held* that (1) section 514 of the URAA did not exceed the authority granted to Congress under the Copyright Clause, and (2) Congress’s removal of works from the public domain requires First Amendment scrutiny because it alters the traditional contours of copyright protection. *Golan v. Gonzales*, 501 F.3d 1179, 1195 (10th Cir. 2007).

II. BACKGROUND

The source of Congress’s copyright and patent authority, the Copyright Clause of the Constitution, provides that Congress shall have the power to “promote the Progress of Science . . . by securing for limited Times to Authors . . . the exclusive Right to their respective Writings.”⁹ This clause authorizes Congress to grant limited monopoly privileges to authors in order to “motivate the creative activity of authors . . . and to allow the public access to the products of their genius after the limited period of exclusive control has expired.”¹⁰

The Constitution gives Congress broad power to define the scope of the limited monopoly granted to authors, but it also limits Congress’s power as to the subject matter and term of protection.¹¹ The Constitution requires protected material to be original.¹² Copyright protection must also be limited in duration.¹³ Furthermore, the United States Supreme Court has recognized that the First Amendment can limit Congress’s power to legislate under the Copyright Clause; however, the Court has noted that copyright’s built-in First Amendment protections—the idea/expression dichotomy and the fair use defense—generally offer sufficient protection.¹⁴ Therefore, the Court has found that First

6. *See id.* at 1183.

7. *Id.*

8. *See id.*

9. U.S. CONST. art. I, § 8, cl. 8.

10. *Golan*, 501 F.3d at 1183.

11. *See id.* at 1183-84.

12. *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 345 (1991).

13. *See Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 37 (2003).

14. *See Eldred v. Ashcroft*, 537 U.S. 186, 219-21 (2003). The idea/expression dichotomy protects an author’s expression, but denies copyright protection to “any idea, procedure, process, system, method of operation, concept, principle, or discovery.” 17 U.S.C. § 102(b) (2000). The

Amendment review is only warranted where Congress “has . . . altered the traditional contours of copyright protection.”¹⁵

Constitutional challenges to copyright legislation are a recent phenomenon.¹⁶ These challenges began when Congress passed the URAA and the Copyright Term Extension Act of 1998 (CTEA).¹⁷ Section 514 of the URAA, which implements article 18 of the Berne Convention, restores copyrights to foreign works that are still protected in their source country, but have fallen into the public domain in the United States for failure to comply with formalities or the source country’s previous lack of copyright relations with the United States.¹⁸ The CTEA extends the term of protection for existing and future works from life plus fifty years to life plus seventy years.¹⁹

Recent challenges to legislation under the Copyright Clause started with the Supreme Court case, *Eldred v. Ashcroft*.²⁰ In *Eldred*, various users of formerly copyrighted works that had fallen into the public domain challenged the constitutionality of the CTEA’s extension of existing copyrights.²¹ The Supreme Court held that (1) the CTEA’s extension of existing copyrights did not violate the constitutional requirement that copyrights endure only for a limited time, and (2) the CTEA did not violate plaintiffs’ First Amendment rights.²² In holding that the CTEA’s extension of existing copyrights did not exceed the “limited Times” provision of the Copyright Clause, the Court reasoned

fair use safeguard allows the public to utilize protected expression “for purposes such as criticism, comment, news reporting, teaching . . . , scholarship, or research.” *Id.* § 107.

15. *Eldred*, 537 U.S. at 221.

16. *See id.* at 202.

17. *See* *Luck’s Music Library, Inc. v. Gonzales*, 407 F.3d 1262, 1262-63 (D.C. Cir. 2005).

18. *Id.* at 1263; Uruguay Round Agreements Act of 1994, Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976-81 (codified at 17 U.S.C. § 104A (2000)); Berne Convention for the Protection of Literary and Artistic Works art. 18, July 14, 1967, 828 U.N.T.S. 221, 251 [hereinafter Berne Convention]. Article 18 of the Berne Convention requires Member countries to afford the same copyright protection to foreign authors as they provide their own authors. Berne Convention, *supra*, art. 18. To be eligible for restoration to copyright, the work must (1) be protected by copyright in its source country; (2) be in the public domain in the United States for noncompliance with U.S. formalities; (3) have at least one author who, at the time of creation, was a citizen or domiciliary of an eligible country, and (4) if published, have been first published in an eligible country and not published in the United States less than thirty days from the first foreign publication. 17 U.S.C. § 104A(h)(6)(B)-(D). Eligible countries are those countries that are members of the Berne Convention, the World Trade Organization, the World Intellectual Property Organization (WIPO) Copyright Treaty, or the WIPO Performances and Phonograms Treaty. *Id.* § 104A(h)(3).

19. Pub. L. No. 105-298, §§ 102(b), (d), 112 Stat. 2827-2828 (1998) (amending 17 U.S.C. §§ 302, 304).

20. *Eldred*, 537 U.S. at 186.

21. *Id.* at 193.

22. *Id.* at 198.

that the CTEA's twenty-year extension is limited, not perpetual.²³ Furthermore, the Court noted that "limited" does not mean the duration must be fixed or inalterable.²⁴ The Court went on to outline Congress's consistent historical practice of copyright extension, noting that each time Congress had granted such an extension, it did so for new and existing works.²⁵ Accordingly, the Court concluded that "[t]ext, history, and precedent . . . confirm that the Copyright Clause empowers Congress to prescribe 'limited Times' for copyright protection and to secure the same level and duration of protection for all copyright holders, present and future."²⁶

The Court also held that Congress's exercise of copyright authority can be reviewed only to determine if it is rational.²⁷ The Court stated, "[W]e are not at liberty to second-guess congressional determinations and policy judgments of this order, however debatable or arguably unwise they may be."²⁸ Noting Congress's proffered reasons for enacting the CTEA—to ensure that American authors' protection in Europe be on par with protection granted to European authors and to motivate authors to create new works—the Court concluded that the CTEA was a rational exercise of Congress's authority and therefore constitutional.²⁹

The *Eldred* Court also rejected the plaintiffs' argument that the CTEA should be subject to First Amendment scrutiny for punishing the use of works which, but for the legislation, would be in the public domain.³⁰ The Court based its holding on three factors.³¹ First, the Court

23. *Id.*

24. *Id.* at 199.

25. *Id.* at 200-01.

26. *Id.* at 199 (quoting U.S. CONST. art. I, § 8, cl. 8). The *Eldred* Court also rejected the plaintiffs' challenge that an extension of copyright protection, like patent, requires additional consideration. The Court stated, "[P]atents and copyrights do not entail the same exchange." The Court noted that an inventor discloses his invention against his will, while an author desires disclosure. *Id.* at 216-17. Furthermore, the Court noted that a patent grants a monopoly on knowledge, while copyright merely grants a monopoly on expression, not knowledge. Thus, the Court held that copyright extension did not require additional consideration. *Id.* at 217.

27. *Id.* at 208.

28. *Id.*

29. *Id.* at 205-06, 208. The Court noted that a key factor behind the passage of the CTEA was a 1993 European Union (EU) directive instructing member states to establish a copyright term of life plus seventy years and to deny this longer term of protection to non-EU countries that did not secure the same term. *Id.* at 205-06 (citing Council Directive 93/98, pmbl. 23, 1993 O.J. (L 290) 11); 144 CONG. REC. S12377-S12378 (daily ed. Oct. 12, 1998) (statement of Sen. Orrin Hatch)).

30. *See id.* at 218.

31. *See id.* at 220. In addition, the Court noted that the Copyright Clause and the First Amendment were adopted at nearly the same time, indicating that the Framers viewed copyright's limited monopolies as being compatible with free speech principles. *Id.* at 219.

held that “copyright’s built-in free speech safeguards are generally adequate to address [the plaintiffs’ interests].”³² Second, the Court reasoned that the plaintiffs only had a weak interest in the works at stake because “[t]he First Amendment securely protects the freedom to make—or decline to make—one’s own speech; it bears less heavily when speakers assert the right to make other people’s speeches.”³³ Finally, the Court noted that the CTEA provides supplemental First Amendment safeguards.³⁴ Accordingly, the Court held that although copyright legislation is not categorically immune from First Amendment scrutiny, “when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.”³⁵

Despite the Supreme Court’s holding in *Eldred*, various users of the public domain continued to bring suits challenging the constitutionality of legislation extending the term of copyright protection.³⁶ Applying the *Eldred* Court’s analysis, the United States Courts of Appeals for the Ninth Circuit and the District of Columbia Circuit have dismissed these challenges.³⁷

In *Kahle v. Gonzales*, the plaintiffs alleged that the provisions of the Copyright Renewal Act and the CTEA, eliminating the renewal requirement and extending the term of protection for works created between 1964 and 1977, changed the traditional contours of copyright, triggering First Amendment scrutiny.³⁸ The Ninth Circuit affirmed the district court’s dismissal of plaintiffs’ complaint for failure to state a claim.³⁹ Reasoning that the legislation, as in *Eldred*, simply places protection for existing and future works in parity, the court followed the *Eldred* Court’s holding that the Copyright Clause’s built-in First Amendment safeguards are sufficient to protect the affected speech

32. *Id.* at 221.

33. *Id.*

34. *Id.* at 220. The CTEA offers two supplemental First Amendment protections: “First, it allows libraries, archives, and similar institutions to ‘reproduce’ and ‘distribute . . .’ copies of certain published works [for scholarly purposes] during the last 20 years of [the copyright term], . . . if the work is not already being exploited commercially and [reasonably priced copies are unavailable]. . . . Second, . . . the CTEA . . . exempts small businesses . . . from having to pay performance royalties on music played from licensed radio [or] television.” *Id.* (quoting 17 U.S.C. § 108(h) (2000); *id.* § 110(5)(b)).

35. *Eldred*, 537 U.S. at 221.

36. *See Kahle v. Gonzales*, 487 F.3d 697, 698 (9th Cir. 2007); *Luck’s Music Library, Inc. v. Gonzales*, 407 F.3d 1262, 1263 (D.C. Cir. 2005).

37. *See Kahle*, 487 F.3d at 698; *Luck’s*, 407 F.3d at 1263-64.

38. *Kahle*, 487 F.3d at 699-700.

39. *Id.* at 698.

interests; therefore, the legislation does not require First Amendment scrutiny.⁴⁰

In *Luck's Music Library v. Gonzales*, the D.C. Circuit held that section 514 of the URAA did not overstep Congress's authority under the Copyright Clause.⁴¹ Making no distinction between extending protection and restoring works to copyright, the court followed the *Eldred* Court's analysis.⁴² The D.C. Circuit reasoned that the Copyright Clause does not create any categorical ban on Congress's removal of works from the public domain.⁴³ In addition, the court noted that evidence from the First Congress pointed toward constitutionality:

The Copyright Act of 1790 granted copyright protection to certain books already printed in the United States at the time of the statute's enactment. If such works were unprotected by common law copyright, that statute would necessarily have granted protection to works previously unprotected—that is, works in the public domain.⁴⁴

Therefore, because the First Congress authorized removing works from the public domain, the court concluded that Congress did not overstep its authority by removing works under section 514.⁴⁵

The court went on to hold that Congress's enactment of section 514 was rationally related to the objectives of the Copyright Clause.⁴⁶ The court noted Congress's stated purpose, securing better foreign protection for U.S. intellectual property, advanced the promotion of science.⁴⁷ Furthermore, the court reasoned that the knowledge that Congress may pass an act like the URAA in the future may provide an incentive for authors to create new works.⁴⁸ Accordingly, the court held that it was constitutional for section 514 of the URAA to remove works from the

40. *Id.* at 700. The court also dismissed plaintiffs' claim that the current term of protection, life plus 70 years, violates the Constitution's "limited Times" provision by creating an effectively perpetual term, because this argument was clearly rejected by the Supreme Court in *Eldred*. *Id.*

41. *Luck's Music Library, Inc. v. Gonzales*, 407 F.3d 1262, 1263 (D.C. Cir. 2005).

42. *See id.* at 1265.

43. *Id.* at 1263.

44. *Id.* at 1265. The court's reasoning was based on the Supreme Court's holding in *Wheaton v. Peters*, where the Court held that the 1790 Copyright Act did not protect a preexisting common law right, but instead created a new right. *Wheaton v. Peters*, 33 U.S. 591, 661 (1834). The *Wheaton* Court reasoned that the First Congress would not have created an act, providing that authors "shall have the sole right and liberty of printing," if this right existed at common law because it would be unnecessary to vest a right already vested. *Id.* (quoting Copyright Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124, 124 (1790) (repealed 1831)).

45. *See Luck's Music*, 407 F.3d at 1265.

46. *See id.* at 1263-64.

47. *Id.* at 1264.

48. *See id.*

public domain because the First Congress's similar practice showed there was not a categorical ban on this practice and Congress's purpose was rationally related to "promot[ing] the progress of science."⁴⁹

III. THE COURT'S DECISION⁵⁰

In the noted case, the Tenth Circuit applied the Supreme Court's analysis in *Eldred* to determine whether section 514 of the URAA violated Congress's power inherent in the Copyright Clause and whether this legislation's removal of works from the public domain requires First Amendment scrutiny.⁵¹ The court held that Congress's enactment of section 514 did not exceed its authority under the Copyright Clause.⁵² However, the court, interpreting the *Eldred* Court's suggestion that an act of Congress would be subject to First Amendment review if it "altered the traditional contours of copyright protection," concluded that section 514 does alter the traditional contours of copyright protection in a manner that implicates the plaintiffs' right to free expression and therefore must be subject to First Amendment review.⁵³ Accordingly, the court remanded the case to the district court to conduct a First Amendment analysis.⁵⁴

Before addressing the plaintiffs' arguments regarding the constitutionality of section 514, the court noted that the challenged statute has the presumption of validity.⁵⁵ The court stated that "in the enactment of a statute Congress is presumed to act with knowledge of controlling constitutional limitations or proscriptions and with an intent and purpose to avoid their contravention."⁵⁶

Applying this standard, the court held that section 514 does not exceed Congress's authority under the Copyright Clause.⁵⁷ The court rejected the plaintiffs' first argument, that if section 514 did not violate

49. *See id.* at 1263. The *Luck's Music* court also noted that the plaintiffs did not challenge the adequacy of supplemental First Amendment safeguards in section 514, thus the court did not address this point. *Id.*

50. This Case Note will only address the plaintiffs' claims regarding section 514 of the URAA. However, in the noted case, the Tenth Circuit also affirmed the district court's dismissal of the plaintiffs' claim that the CTEA provision extending existing copyrights violates the Copyright Clause, as foreclosed by the Supreme Court's holding in *Eldred*. *Golan v. Gonzales*, 501 F.3d 1179, 1196-97 (10th Cir. 2007).

51. *See id.* at 1185-87.

52. *Id.* at 1197.

53. *Id.* at 1187 (citing *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003)).

54. *Id.* at 1197.

55. *See id.* at 1183.

56. *Id.* (quoting *Wells, by Gillig, v. Att'y General of the United States*, 201 F.2d 556, 560 (10th Cir. 1953)).

57. *Id.* at 1197.

the Constitution's "limited Times" provision, Congress could adopt a consistent practice of copyrighting works in the public domain, effectively giving Congress the power to grant perpetual copyright monopolies.⁵⁸ The court noted that here, as in *Eldred* where the Supreme Court rejected a similar argument, "a regime of perpetual copyright is clearly not the situation before us."⁵⁹ Thus, the court held that the argument failed in this case as well.⁶⁰

The court also found the Supreme Court's dicta from *Graham*, which stated that "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," did not support the plaintiffs' contention that section 514 violated the Copyright Clause's "limited Times" and Progress Clause proscriptions.⁶¹ The court rejected this argument, noting that in *Luck's Music Library*, where the plaintiffs contended section 514 violated the Copyright Clause, the D.C. Circuit rejected an identical argument, holding that ideas applicable to the patent system are not necessarily applicable to the copyright system.⁶² To illustrate this point, the Tenth Circuit noted the *Eldred* Court's observation that the exchange required in the two intellectual property systems is different.⁶³ Further, the court noted that the *Graham* Court's statements were made in a discussion of the conditions for patentability, and pointed to the fact that "the *Graham* Court only mentioned copyright in a footnote when it explained that . . . the copyright portion of the Patent and Copyright Clause . . . was 'not relevant' to the disposition of the case."⁶⁴ Thus, because *Graham* exclusively looked at the patent system, and the two systems are different, the court found that *Graham* did not offer persuasive support for the plaintiffs' proposition that removing works from the public domain violates the Copyright Clause.⁶⁵

The court went on to conclude that section 514 was a rational exercise of Congress's authority under the Copyright Clause.⁶⁶ The court noted that "[t]he clear import of *Eldred* is that Congress has expansive powers when it legislates under the Copyright Clause, and this court may

58. *Id.* at 1186 (quoting *Eldred*, 537 U.S. at 209; U.S. CONST. art. I, § 8, cl. 8).

59. *Id.* (quoting *Eldred*, 537 U.S. at 209).

60. *Id.*

61. *Id.* (quoting *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966); U.S. CONST. art. I, § 8, cl. 8).

62. *Id.*

63. *Id.*

64. *Id.* at 1186-87.

65. *Id.* at 1187.

66. *Id.*

not interfere so long as Congress has rationally exercised its authority.”⁶⁷ The court held that the reason underlying Congress’s enactment of section 514, compliance with the Berne Convention, which secures protection for American works abroad, is not “so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power.”⁶⁸ Accordingly, because the plaintiffs did not offer arguments sufficient to overcome section 514’s presumption of validity, and Congress’s stated purpose was rationally related to copyright’s purpose, the court held that section 514 did not overstep Congress’s Copyright Clause authority.⁶⁹

However, the court noted that even though section 514 did not violate the Copyright Clause, this was only the first step in its analysis because the legislation must also comport with the Constitution’s other express limitations.⁷⁰ Thus, the court next examined whether section 514 requires First Amendment review.⁷¹

Based on the *Eldred* Court’s ruling that the CTEA’s extension of existing copyrights did not require First Amendment review and its suggestion that First Amendment review is only necessary where Congress “altered the traditional contours of copyright protection,” the court noted that Congress is entitled to a presumption of First Amendment constitutionality when it legislates consistent with its tradition.⁷² However, the court concluded that when Congress changes that tradition, the changes must be scrutinized under the First Amendment.⁷³

The first step in the court’s analysis, whether section 514 was consistent with tradition, required the court to determine the “traditional contours of copyright protection,” because the *Eldred* Court did not define the phrase, and it did not appear “in any other federal authority.”⁷⁴ The court held that the phrase had two components: functional and historical.⁷⁵ The court reasoned that the relevant inquiry for the functional component is whether section 514 alters the ordinary process of copyright protection.⁷⁶ Noting “the *Eldred* Court’s use of the word

67. *Id.* (citing *Eldred*, 537 U.S. at 213).

68. *Id.*

69. *See id.* at 1186-87.

70. *Id.* at 1187 (citing *Saenz v. Roe*, 526 U.S. 489, 508 (1999)).

71. *Id.*

72. *See id.* at 1187-88 (quoting *Eldred*, 537 U.S. at 221).

73. *See id.*

74. *Id.* at 1188-89 (quoting *Eldred*, 537 U.S. at 221).

75. *Id.* at 1189.

76. *Id.* With regard to the functional component, the court noted that the plain meaning of the word contour is “an outline” or “the general form or structure of something.” *Id.* (quoting

'traditional' to modify 'contours,'" the court determined that the second part of its inquiry, the historical component, required it to determine whether section 514 departed from "Congress's historical practice with respect to copyright."⁷⁷

The court found that section 514's removal of works from the public domain did alter the ordinary process of copyright protection.⁷⁸ The court noted that before the passage of section 514, every copyright statute had followed the same sequence: "(1) creation; (2) to copyright; (3) to the public domain."⁷⁹ Moreover, the court held that section 514 "contravened a bedrock principle of copyright law that works in the public domain remain in the public domain."⁸⁰ Therefore, the court held that in the functional component of its inquiry, section 514 changed a traditional contour of copyright protection.⁸¹

In the historical component of its inquiry, the court also found that copyrighting works in the public domain was not a tradition of American copyright law.⁸² The court began its historical analysis by addressing the Framers' views on this practice.⁸³ However, the court noted that this inquiry offered little guidance because "none of the usual, reliable sources—The Federalist Papers, James Madison's notes from the Constitutional Convention, or accounts of the First Congress's deliberations—take up the subject in any detail."⁸⁴ Furthermore, although the court noted that the *Eldred* Court clearly held that the 1790 Copyright Act granted copyright protection to works in the public domain, it held that this interpretation was debatable.⁸⁵ The court reasoned that the plaintiffs' contention that these works were not in the public domain, but instead protected under state law, was well-supported.⁸⁶ Therefore, the court held that "the answer to the question of whether Congress thought it was removing works from the public domain is probably not just unclear but also unknowable."⁸⁷ Thus, given

WEBSTER'S NINTH NEW COLLEGIATE DICTIONARY 284 (1984)). Noting that "the term copyright refers to a process as well as a form," the court stated that the relevant inquiry under its functional analysis is "whether removing a work from the public domain alters the ordinary procedure of copyright protection." *Id.*

77. *Id.* (quoting *Eldred*, 537 U.S. at 221).

78. *Id.*

79. *Id.*

80. *Id.* at 1192.

81. *See id.* at 1189.

82. *Id.* at 1190.

83. *Id.*

84. *Id.*

85. *Id.* (citing *Eldred v. Ashcroft*, 537 U.S. 186, 196 n.3 (2003)).

86. *See id.* at 1190-91.

87. *Id.* at 1191.

the uncertainty of the circumstances surrounding the 1790 Copyright Act and the lack of other reliable evidence, the court found that the Framers' view on the removal of works from the public domain could not be ascertained.⁸⁸

Further, the court held that Congress's practices since the First Congress showed no tradition of removing works from the public domain.⁸⁹ Arguing that the practice of granting copyright protection to works in the public domain was consistent with Congress's past practice, the government pointed to a series of private bills and the 1919 and 1941 emergency wartime bills that granted the President the power to give foreign authors additional time to comply with copyright formalities.⁹⁰ However, the court reasoned that both of these examples illustrated isolated instances, not a traditional practice.⁹¹ As to the private bills, the court stated "the fact that individuals were forced to resort to the uncommon tactic of petitioning Congress demonstrates that this practice was *outside* the normal practice."⁹² Noting the exigent circumstances, the court also rejected the argument that the wartime bills constituted a traditional practice.⁹³ Furthermore, the court mentioned that the scope and intent of the wartime bills did not support the argument that protecting works in the public domain was a traditional practice.⁹⁴

The court reasoned that although these acts removed works from the public domain, Congress's explicit intent was to alter the means by which foreign authors could comply with the procedural requirements while preserving the rights of Americans who had relied on these works.⁹⁵ Moreover, the court noted that unlike section 514, which removes thousands of works from the public domain, the scope of wartime bills was limited to a small number of works published during a brief period of time.⁹⁶ Thus, the court held that the wartime acts and private bills that granted protection to works in the public domain represented the exception, not the rule.⁹⁷ Because both the historical and functional components of the court's inquiry showed that restoring protection to works in the public domain was not consistent with

88. *Id.*

89. *Id.*

90. *Id.*

91. *See id.* at 1191-92.

92. *Id.* at 1191.

93. *Id.* at 1192.

94. *See id.*

95. *Id.* at 1191-92 (citing Wartime Act of 1919, Pub. L. No. 66-102, 41 Stat. 368; Emergency Copyright Act of 1941, Pub. L. No. 77-258, 55 Stat. 732).

96. *See id.* at 1192.

97. *Id.*

tradition, the court held that section 514 changed the traditional contours of copyright protection.⁹⁸

Because the court found that section 514 altered the traditional contours of copyright protection, it went on to evaluate whether this change implicated the plaintiffs' First Amendment rights.⁹⁹ The court based its analysis on the three factors the *Eldred* Court used to determine whether the CTEA required First Amendment review: the nature of the plaintiffs' interest, the adequacy of copyright's built-in free speech safeguards, and the sufficiency of the challenged legislation's supplemental First Amendment safeguards.¹⁰⁰

Unlike the plaintiffs in *Eldred*, who the Supreme Court held had a weak interest, the plaintiffs in the noted case were found by the court to have a vested interest in the restored works.¹⁰¹ The court noted that the *Eldred* plaintiffs, who argued that the CTEA's extension of protection for existing copyrights implicated their First Amendment rights, never possessed unlimited access to the works at issue.¹⁰² In contrast, the protected works in *Golan* had fallen into the public domain; therefore, the court reasoned that "each member of the public—'anyone'—has a non-exclusive right" to use this material.¹⁰³ Further distinguishing the nature of the *Eldred* plaintiffs' First Amendment interest, the court noted that the *Eldred* plaintiffs only had an interest in "making other people's speeches."¹⁰⁴ On the other hand, the court reasoned that the plaintiffs in the noted case were barred from using works in which they held a nonexclusive right as well as their own artistic productions based on these works.¹⁰⁵ The court held that "[t]ogether, the clear import of these principles is that the public in general and these plaintiffs in particular have a First Amendment interest in using works in the public domain."¹⁰⁶ Accordingly, the court held that because section 514 interferes with the plaintiffs' vested interest, this legislation requires First Amendment scrutiny.¹⁰⁷

Second, the court held that copyright's built-in free speech safeguards—the idea/expression dichotomy and the fair use defense—are

98. *Id.*

99. *Id.*

100. *See id.* at 1188 (citing *Eldred v. Ashcroft*, 537 U.S. 186, 219-21 (2003)).

101. *Id.* at 1194 (citing *Eldred*, 537 U.S. at 221).

102. *Id.* at 1193 (citing *Eldred*, 537 U.S. at 218-19).

103. *Id.* (quoting *Nat'l Comics Publ'ns, Inc. v. Fawcett Publ'ns, Inc.*, 191 F.2d 594, 603 (2d Cir. 1951)).

104. *Id.* (quoting *Eldred*, 537 U.S. at 221).

105. *Id.*

106. *Id.*

107. *Id.* at 1194.

not adequate to protect the plaintiffs' First Amendment interests.¹⁰⁸ The court noted that the idea/expression dichotomy, intended to ensure that authors do not gain a monopoly over an idea, was "not designed to combat the threat" at issue because the works in this case are clearly expressions.¹⁰⁹ The court reasoned that "the threat to free expression lies not in [the nature of the material that] is being copyrighted, but in the fact that the works are being removed from the public domain."¹¹⁰

Furthermore, the court held that the fair use defense, which allows the public to use protected expression for purposes such as criticism, comment, and scholarship, is not a sufficient safeguard.¹¹¹ The court noted that fair use typically provides expanded access to the public; however, in the noted case, the provision substituted the plaintiffs' unlimited access with limited access.¹¹² Thus, the court noted that, "instead of providing additional 'breathing space' for free expression," the fair use safeguard restricts the plaintiffs' access.¹¹³ Accordingly, the court held that copyright's built-in safeguards were not adequate to protect the plaintiffs' First Amendment interests.¹¹⁴

Finally, the court held that section 514 does not supplement the traditional First Amendment safeguards.¹¹⁵ The court distinguished the CTEA supplemental safeguards, which the Supreme Court found sufficient, from URAA section 514's safeguards.¹¹⁶ The court noted that the CTEA provides libraries and similar institutions the right to use certain protected works during the last twenty years of protection, and exempts small businesses and like entities from paying performance royalties on music from licensed radio and television broadcasts.¹¹⁷ Unlike the exceptions and exemptions provided by the CTEA, the court noted that the URAA merely offered a grace period of one year from notice of restoration.¹¹⁸ Reasoning that "when compared to the CTEA, this is hardly 'a guarantee of breathing space,'" the court held that the section 514 supplemental safeguard is less than sufficient.¹¹⁹

108. *Id.*

109. *Id.* (citing 17 U.S.C. § 102(b) (2000)).

110. *Id.*

111. *Id.* at 1195 (citing 17 U.S.C. § 107).

112. *See id.*

113. *Id.* (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994)).

114. *Id.*

115. *Id.*

116. *Id.* at 1195-96 (citing *Eldred v. Ashcroft*, 537 U.S. 186, 220 (2003)).

117. *Id.* (citing 17 U.S.C. §§ 108(h), 110(5)(b) (2000)).

118. *Id.* (citing 17 U.S.C. § 104A(d)(2)).

119. *See id.* at 1196 (quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994)).

Accordingly, the court found that section 514 of the URAA altered the “traditional contours of copyright protection” in a manner that implicates the plaintiffs’ First Amendment interests, and neither copyright’s built-in safeguards nor section 514’s supplemental free speech safeguards adequately protect those interests.¹²⁰ Thus, the court remanded the case to the district court to conduct a First Amendment analysis.¹²¹

IV. ANALYSIS

The Tenth Circuit’s holding that section 514 of the URAA requires First Amendment scrutiny is a significant breakthrough.¹²² Up until this point, all First Amendment challenges to Congress’s copyright lawmaking were losses.¹²³ The court’s holding in *Golan* represents a victory for the plaintiffs and perhaps for the First Amendment. For the plaintiffs, there is a good chance that section 514 of the URAA will be found unconstitutional under First Amendment review.¹²⁴ This case may also point the way to victory for First Amendment challengers in other cases, because the Tenth Circuit’s interpretation of the *Eldred* Court’s rule is different from the interpretation promulgated in *Kahle*, where the Ninth Circuit held that the contours do not extend beyond the two First Amendment safeguards built into copyright law.¹²⁵ This split between circuits greatly increases the chances that the Supreme Court will grant review in *Kahle*.¹²⁶

On remand, the district court will likely find that section 514 is unconstitutional.¹²⁷ Although the court’s decision in the noted case does not necessarily invalidate section 514, it does require that section 514 pass First Amendment scrutiny on remand.¹²⁸ First Amendment scrutiny requires the government to demonstrate that the law does not “burden

120. *Id.* at 1195.

121. *Id.* at 1197.

122. Jack Balkin, *Golan v. Gonzales—How the First Amendment Limits Copyright Law*, BALKINIZATION, Sept. 5, 2007, <http://balkin.blogspot.com/2007/09/golan-v-gonzales-how-first-amendment.html>.

123. See Marybeth Peters, *Constitutional Challenges to Copyright Law*, 30 COLUM. J.L. & ARTS 509, 529 (2006).

124. See Balkin, *supra* note 122.

125. *Kahle v. Gonzales*, 487 F.3d 697, 700 (9th Cir. 2007).

126. Christopher Sprigman, *Golan v. Gonzales—The First Amendment Lives!*, CTR. FOR INTERNET & SOC’Y, Sept. 4, 2007, <http://cyberlaw.stanford.edu/node/5517>.

127. See Balkin, *supra* note 122.

128. Anthony Falzone, *Victory in the 10th Circuit: What Enters the Public Domain Stays in the Public Domain*, CTR. FOR INTERNET & SOC’Y, Sept. 4, 2007, <http://cyberlaw.stanford.edu/case/golan-v-gonzales>.

substantially more speech than necessary to further [a legitimate government] interest.”¹²⁹ Section 514’s failure to protect the interests of reliance parties, including the plaintiffs in the noted case, will likely make it difficult for the government to overcome this bar.¹³⁰

Evidence suggests that Congress can restore copyrights to foreign authors without interfering with American parties who had relied on these works.¹³¹ For example, Congress’s 1919 Wartime Act had the effect of restoring copyright to works in the public domain, stating that “nothing herein contained shall be construed to deprive any person of any right which he may have acquired by the republication of such foreign work in the United States prior to approval of this Act.”¹³² Furthermore, article 18 of the Berne Convention strongly suggests that protection of reliance parties be provided, and several of the Berne countries do protect reliance parties.¹³³ For example, the British, Canadian, and Indian copyright systems provide:

The reliance party is allowed to continue making those uses of the work it had made, or incurred commitments to make, before its copyright is restored. But the reliance party can be “bought out” by the owner of the restored copyright. That is, the reliance party must cease exploiting the work if the owner pays compensation, in an amount to be determined by negotiation or arbitration.¹³⁴

The systems of these Berne countries, and the language of the 1919 Wartime Act and article 18 of the Berne Convention suggest that section

129. *Turner Broad. Sys. v. FCC*, 520 U.S. 180, 189 (1997). In the noted case, the Tenth Circuit instructed the district court to determine whether the URAA is content-neutral or content-based to determine which standard of scrutiny to use in conducting its First Amendment review. *Golan v. Gonzales*, 501 F.3d 1179, 1196-97 (10th Cir. 2007). Content-neutral restrictions, those which serve a purpose unrelated to the expression’s content, must be “narrowly tailored to serve a significant governmental interest.” *Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989). Content-based restrictions, those which impose a burden on speech because of its content, must be necessary to achieve a compelling government interest. *Golan*, 501 F.3d 1179, 1196 (citing *United States v. Playboy Entm’t Group, Inc.*, 529 U.S. 803, 813 (2000); *Grace United Methodist Church v. City of Cheyenne*, 451 F.3d 643, 657 (10th Cir. 2006)).

130. See 17 U.S.C. § 104(A)(d)(2) (2000).

131. See Irwin Karp, *Final Report, Berne Article 18 Study on Retroactive United States Copyright Protection for Berne and Other Works*, 20 COLUM.-VLA J.L. & ARTS 157, 178 (1996).

132. *Golan*, 501 F.3d at 1192 (quoting Pub. L. No. 66-102, 41 Stat. 368, 369).

133. Karp, *supra* note 131, at 178.

134. *Id.* at 180 (citing The Copyright (Application to Other Countries) Order 1989 art. 7(2) (June 13, 1989) (entered into force Aug. 1, 1989), *reprinted in* COPYRIGHT LAWS AND TREATIES OF THE WORLD, United Kingdom: Item 7C, at 2 (1997)). The United Kingdom, Canada, and India define a reliance party as a person who “incurs or has incurred any expenditure or liability in connection with, for the purpose of or with a view to the doing of an act which at the time is not or was not an act restricted by any copyright in the work.” *Id.* at 178.

514 of the URAA substantially burdens more speech than necessary.¹³⁵ Accordingly, it is likely that section 514 will not pass First Amendment scrutiny on remand, and thus will be held unconstitutional.

The Tenth Circuit's interpretation of the *Eldred* Court's rule regarding the First Amendment's application to lawmaking under the Copyright Clause is also notable because it creates a split between two federal circuit courts.¹³⁶ In *Kahle*, the Ninth Circuit held that removal of formalities did not change the traditional contours of copyright protection because it did not change either of copyright's built-in First Amendment safeguards.¹³⁷ The *Kahle* court reasoned that the *Eldred* rule only requires First Amendment review of Congressional copyright legislation that eliminates the idea/expression dichotomy or changes the fair use defense.¹³⁸ In contrast, the Tenth Circuit held that changes in tradition beyond these two First Amendment safeguards may also constitute changes to the "traditional contours of copyright protection," requiring First Amendment scrutiny under the *Eldred* rule.¹³⁹ This split created by the Ninth and Tenth Circuits' differing interpretations of the *Eldred* Court's rule could make a grant of certiorari more likely for the *Kahle* plaintiffs, who have asked the Supreme Court to review the Ninth Circuit's holding.¹⁴⁰ The opportunity to have the Supreme Court review this issue represents a victory for the parties asserting First Amendment challenges to copyright legislation because these claims have been consistently dismissed by the lower courts as foreclosed by *Eldred*.¹⁴¹

V. CONCLUSION

Following the Supreme Court's holding in *Eldred*, it appeared that limits to Congress's power to grant copyright protection were nearly nonexistent. Under the protection of this precedent, Congress continued to expand the scope of copyright protection. The Tenth Circuit's holding in the noted case puts the onus on Congress to consider the First

135. *See id.* at 178.

136. Sprigman, *supra* note 126.

137. *Kahle v. Gonzales*, 487 F.3d 697, 700 (9th Cir. 2007).

138. *See id.*

139. *See Golan v. Gonzales*, 501 F.3d 1179, 1187 (10th Cir. 2007) (quoting *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003)).

140. *See* Sprigman, *supra* note 126.

141. *See* Peters, *supra* note 123, at 529.

Amendment when it legislates under the Copyright Clause, reminding legislators that their Copyright Clause power is broad, but not boundless.

Carrie Lee*

* © 2008 Carrie Lee. J.D. candidate 2009, Tulane University Law School; B.A., Business Administration and Political Science, 2006, Mulenberg College. I dedicate this Case Note to my parents for their encouragement and support.