

TEXAS INTELLECTUAL PROPERTY LAW JOURNAL

INTELLECTUAL PROPERTY LAW SECTION OF THE STATE BAR OF TEXAS
THE UNIVERSITY OF TEXAS SCHOOL OF LAW

STRENGTH OF THE INTERNATIONAL TRADE COMMISSION AS A PATENT VENUE

Christopher A. Cotropia

ENDING DILUTION DOUBLESPEAK: REVIVING THE CONCEPT OF
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STATE BAR SECTION NEWS

TEXAS INTELLECTUAL PROPERTY LAW JOURNAL

The University of Texas School of Law

Volume 20

Fall 2011

Number 1

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STATE BAR SECTION NEWS 179

Prepared at the University of Texas School of Law (U.S. ISSN #1068-1000)

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TEXAS INTELLECTUAL PROPERTY LAW JOURNAL

The University of Texas School of Law

Volume 20

Fall 2011

Number 1

The State Bar of Texas

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The *Texas Intellectual Property Law Journal* would like to congratulate the newly appointed Articles Editors: Veronika Bordas, Andrew J. Broadaway, Matthew David Tanner, and Dustin Taylor.

The *Journal* would also like to congratulate several of its editors for their outstanding contributions to this issue: Brian Talbot Cumings, Jennifer Georg, and Courtney Jones.

Finally, mark your calendars for the *Journal's* Thirteenth Annual Intellectual Property Law Symposium, which will be held at The University of Texas School of Law on Friday, February 17, 2012. For more information, please see pages vi and vii.

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Strength of the International Trade Commission as a Patent Venue

Christopher A. Cotropia*

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* Professor of Law, Intellectual Property Institute, University of Richmond School of Law. This Article received a 2011 competitive grant from Samsung and Stanford Law School for scholarship in the area of patent remedies. Thanks go to Dawn-Marie Bey, Juliana Cofrancesco, Peter Lee, Karin Norton, and Rafael Pardo on an earlier draft.

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I. Introduction

The United States International Trade Commission (“ITC”) is a unique venue for patent enforcement. After a finding of patent infringement, the ITC, an administrative agency, has the power to enlist United States Customs and Boarder Protection (“Customs”) to bar entry of the infringing products into the United States. ITC actions also must, pursuant to statute, end within a defined time period, causing such cases to move swiftly.¹ Finally, because of their exclusive jurisdiction over such actions, ITC administrative judges are seen by many as patent law savvy and, in turn, patentholder friendly. As a result, the ITC has become a favored jurisdiction for patent infringement disputes, being used more and more by patentees.

While the ITC has been available to patentees for quite some time,² only recently has the venue become a significant player.³ Patent actions before the ITC have nearly doubled in recent years.⁴ Scholars have begun to examine in depth the ITC’s place in patent law,⁵ looking, for example, to see if the venue is patent friendly⁶ or at least really comprised of patent experts.⁷

Given the ITC’s recent rise in patent law, the next logical focus of scholarly inquiry is on its strength as a patent venue and whether it has staying power. Will patentee use of the ITC continue to increase or is this just a fad? There are also questions as to whether the advantages of the ITC to patentees are really that strong.

The Federal Circuit’s recent decision in *Kyocera Wireless Corp. v. International Trade Commission*⁸ presents the first real test to the favorability of the ITC. Prior to *Kyocera*, the ITC was willing to grant remedies to exclude

¹ 19 U.S.C. § 1337(b) (2006).

² Colleen Chien, *Patently Protectionist? An Empirical Analysis of Patent Cases at the International Trade Commission*, 50 WM. & MARY L. REV. 63, 67 (2008) (noting that the 1930 Trade Act established the “Section 337” action before the ITC for patent infringement).

³ Sapna Kumar, *The Other Patent Agency: Congressional Regulation of the ITC*, 61 FLA. L. REV. 529, 529 (2009) (stating that the ITC “has recently experienced a dramatic increase in patent infringement investigations”).

⁴ *Id.*

⁵ See Chien, *supra* note 2, at 69.

⁶ David Schwartz, *Courting Specialization: An Empirical Study of Claim Construction Comparing Patent Litigation Before Federal District Courts and the International Trade Commission*, 50 WM. & MARY L. REV. 1699, 1709–11 (2009).

⁷ Robert Hahn & Hal Singer, *Assessing Bias in Patent Infringement Cases: A Review of International Trade Commission Decisions*, 21 HARV. J. L & TECH. 457, 460 (2008).

⁸ 545 F.3d 1340 (Fed. Cir. 2008).

imports by individuals not explicitly named as a respondent in a given ITC action. Essentially, the ITC would grant relief in the form of a limited exclusion order (“LEO”) to exclude third party products that infringe by using a respondent’s technology. The ITC employed what became known as the EPROM factors to determine when a remedy can cover non-respondents.⁹

The Federal Circuit reversed this practice in *Kyocera*, finding that the ITC’s statutory authority limited LEOs to the named respondents.¹⁰ Such a broad remedy is now reserved for only general exclusion orders (“GEO’s”), where a patentee must satisfy a much higher burden than under the ITC’s EPROM factors.¹¹

After the decision in *Kyocera* was issued, many wondered how it would impact ITC practice. There are law review collections on the case,¹² and many law firms issued “legal alerts” informing patentees of the decision.¹³ Most of these commentaries include three postulates: the *Kyocera* decision will force patentees to name more respondents in ITC cases in order to get a remedy similar to that enjoyed before under the EPROM factors; the rate of requests and grants of GEOs, which can exclude non-respondents, will increase to compensate for *Kyocera*; and that *Kyocera* makes the ITC so unfavorable as a patent enforcement venue because of the restriction on remedies that the number of ITC filings will go down.

While these articles evidence the high interest amongst industry, practitioners, and academics in both *Kyocera* and the ITC, the articles contain only speculation as to *Kyocera*’s impact. No one has systematically examined what has really happened to ITC practice post-*Kyocera*, even though more than two years have passed since the decision’s issuance. Nor has anyone used *Kyocera* as a litmus test on the viability and strength of the ITC as a patent enforcement venue.

This Article fills these voids; it tests the various postulates and describes the real impact of the *Kyocera* decision. While doing this, the Article also provides real insight into how strong the ITC is in patent law.

The Article does this by looking at all ITC utility patent investigations filed after the date of the *Kyocera* decision until the end of 2010 (eighty-seven investigations) and comparing them to a similar number filed prior to the decision.

⁹ The EPROM factors are set forth in *Certain Erasable Programmable Read-Only Memories, Components Thereof, Products Containing Such Memories, and Processes for Making Such Memories*, USITC Pub. 2196, Inv. No. 337-TA-276, at 125 (May 1989).

¹⁰ *Kyocera*, 545 F.3d at 1355–56 (citing 19 U.S.C. § 1337(d)).

¹¹ *Id.* at 1356 (citing 19 U.S.C. § 1337(d)(2)(A) and (B)).

¹² See Symposium, *Where is the ITC going after Kyocera?*, 25 SANTA CLARA COMP. & HIGH TECH. L.J. 701 (2009).

¹³ See, e.g., Sidley Austin LLP, *General Exclusion Orders in the Wake of Kyocera*, INTELLECTUAL PROPERTY: ITC SECTION 337 UPDATE, (Sept. 9, 2009), available at <http://www.sidley.com/SidleyUpdates/Detail.aspx?news=4152>.

For both periods before and after *Kyocera*, the number of named respondents per investigation as well as the raw number of investigations is observed. The subset of investigations that were filed prior to *Kyocera*, but still pending when *Kyocera* was issued, were also examined to determine whether respondents were added after *Kyocera*. Additional information on the grant of GEOs both before and after *Kyocera* is also collected. This data can test whether *Kyocera* has changed the number of respondents, the grant of GEOs, or the number of investigations. Data from district court patent infringement actions filed in parallel to the observed ITC cases is collected as a control in an attempt to isolate the impact of *Kyocera*.

The results of the study run counter to the conventional wisdom on *Kyocera*. Patentees have not reacted in any of the ways projected after *Kyocera*. There is no statistical difference between the average number of respondents per ITC case before *Kyocera* and those observed after. This lack of statistical difference is even observed in the industries most likely to be affected—electronics and computer-related technologies. Furthermore, no respondents were added in those ITC investigations pending when *Kyocera* was issued.

Nor has the grant of GEOs increased. The number of ITC investigations continues to rise at a rapid pace. While all of this is going on, the number of defendants in the parallel district court cases has stayed constant; this discounts other legal or economic influences that may have counteracted *Kyocera*'s effect at the ITC and thus explains the lack of change. To date, *Kyocera*, appears to have not caused the dramatic changes predicted.

These results speak volumes for the attractiveness of the ITC as a patent venue. Even with the effectiveness of the venue significantly diminished by *Kyocera*, the ITC's use continues to rise. The data suggests that the ITC is here to stay and almost all patent enforcement actions will take place, at least in part, in the ITC. The landscape of patent enforcement has permanently changed, and the ITC is a solid part of it.

This Article reaches these conclusions by first, in Part I, describing the unique features of the ITC that make it a favored venue of patentees. Part II describes the Federal Circuit's decision in *Kyocera* and the various postulates as to its impact. Part III describes the study, the specific data obtained, and the results. Part IV analyzes the results, looking at whether the predictions of *Kyocera* were true and what the data says about the ITC place in patent enforcement.

II. ITC's Unique Position in Patent Enforcement

The ITC provides a special forum for hearing patent infringement disputes.¹⁴ "Section 337" (19 U.S.C. § 1337) gives the ITC power to both exclude products

¹⁴ 19 U.S.C. § 1337 (2006); Kumar, *supra* note 3, at 534 ("Patent litigation in the ITC differs significantly from litigation in federal court."); Hahn & Singer, *supra* note 7, at 460–61.

that are found to infringe a U.S. patent and issue cease and desist orders to the same.¹⁵ A patentholder files a complaint with the ITC, requesting that the ITC investigate the alleged infringement of a U.S. Patent, which harms a domestic industry.¹⁶ A Section 337 action then proceeds before an administrative law judge (“ALJ”), who determines questions of infringement and validity, amongst others.¹⁷ These determinations are ultimately reviewed by the ITC commissioners, the President, and then appealable to the Federal Circuit.¹⁸ A parallel action for patent infringement can be pursued in United States district court.¹⁹

The number of Section 337 actions has grown tremendously over the past twenty years.²⁰ The average number of section 337 actions was ten per year in the 1990s; this doubled from 2000-2007, when the average jumped to twenty-three a year.²¹ The increase in use is particularly prevalent in the electronics industries given that most products containing these technologies are manufactured abroad and imported into the United States.²² This puts the ITC in a unique position to provide effective remedies in this area of technology.²³

Several perceived advantages contribute to the increased use of the ITC as a patent enforcement forum. The first is jurisdiction. The ITC gains jurisdiction over importers via the “mere act of importation.”²⁴ This makes jurisdiction over foreign companies much easier, and less complex, than in United States district court where venue and personal jurisdiction rules can deny jurisdictional coverage over such defendants.²⁵

The second perceived advantage is the speed of ITC proceedings.²⁶ Fast track adjudication venues have historically attracted patentees.²⁷ The ITC is required, by

¹⁵ 19 U.S.C. § 1337(d) (setting forth exclusion standards); Kumar, *supra* note 3, at 537–38.

¹⁶ 19 U.S.C. § 1337(b)(1); Kumar, *supra* note 3, at 536.

¹⁷ 19 U.S.C. § 1337(a)(1); Kumar, *supra* note 3, at 536.

¹⁸ 19 U.S.C. § 1337(b), (c); Kumar, *supra* note 3, at 536–37 (setting forth ITC procedures for patent actions).

¹⁹ *Tex. Instruments, Inc. v. U.S. Int’l Trade Comm’n*, 851 F.2d 342, 344 (Fed. Cir. 1988); Chien, *supra* note 2, at 74–75.

²⁰ Hahn & Singer, *supra* note 7, at 460 (Figure 1).

²¹ *Id.*

²² *See id.* (“A review of the ITC Database of section 337 investigations . . . suggests that other important industries are affected by the ITC’s role in patent law, including computers, semiconductors, and communications systems.”).

²³ *Id.* at 461.

²⁴ 19 U.S.C. § 1337(a)(1); Hahn & Singer, *supra* note 7, at 461; Kumar, *supra* note 3, at 535.

²⁵ Hahn & Singer, *supra* note 7, at 461; *see also* Kumar, *supra* note 3, at 535 (“The ITC also has nationwide jurisdiction to conduct investigations, including nationwide service of process for subpoena enforcement actions.”).

²⁶ Hahn & Singer, *supra* note 7, at 461.

statute, to complete an investigation “at the earliest practicable time after the date of publication of the notice of such investigation.”²⁸ Statistics show that “on average a district court case took about twice as long as an ITC case to fully litigate.”²⁹

Third, there is a perception, that the ITC is patent friendly.³⁰ This perception is based on results, with patentees winning in 65% of cases between 1975 and 1988, compared to 40-45% in district courts.³¹ Given the exclusive jurisdiction over Section 337 cases, the ALJ’s are also very experienced with patent cases, which may also lead to patent friendliness.³²

Finally, and perhaps most importantly, the ITC has extremely favorable remedies for patentees: exclusion orders barring the importation of infringing products and cease and desist orders barring the sale of imported articles.³³ The ITC can issue two types of exclusion orders: the limited exclusion order (“LEO”) and the general exclusion order (“GEO”). The LEO is limited to excluding those infringing products imported by respondents and is very similar to an injunction in district court.³⁴ The GEO, on the other hand, prohibits all importation of infringing products regardless of source.³⁵ A GEO therefore applies to all importers of the infringing product, regardless of whether they were a party to the litigation.³⁶

Given these injunctive remedies are essentially the only remedies the ITC can issue,³⁷ “the ITC is extremely likely to issue injunctive relief following a finding of infringement.”³⁸ This is even true after the Supreme Court’s decision in *eBay v.*

²⁷ See, e.g., Mark A. Lemley, *Where to File Your Patent Case*, 38 AIPLA Q. J. 401, 403 (2010) (“Patent plaintiffs generally want speed.”).

²⁸ 19 U.S.C. § 1337(b)(1); *Where is the ITC Going After Kyocera?*, *supra* note 12, at 704.

²⁹ Chien, *supra* note 2, at 101–102.

³⁰ Hahn & Singer, *supra* note 7, at 490 (finding a bias at the ITC in favor of patent holders). *But cf.* Chien, *supra* note 2, at 98 (finding that data does not support the hypothesis that the ITC is biased against defendants).

³¹ Hahn & Singer, *supra* note 7, at 461–62 (“The perception that patent holders enjoy an advantage at the ITC is reinforced statistically.”).

³² *Id.* at 462–64; David Schwartz, *Courting Specialization: An Empirical Study of Claim Construction Comparing Patent Litigation Before Federal District Courts and the International Trade Commission*, 50 WM. & MARY L. REV. 1699, 1709 (2009).

³³ 19 U.S.C. § 1337(d), (f); Hahn & Singer, *supra* note 7, at 462.

³⁴ 19 U.S.C. § 1337(d)(1); Kumar, *supra* note 3, at 537–538.

³⁵ 19 U.S.C. § 1337(d)(2); Kumar, *supra* note 3, at 538.

³⁶ 19 U.S.C. § 1337(d)(2); Kumar, *supra* note 3, at 538.

³⁷ Civil penalties are also available to remedy violations of exclusion and cease and desist orders. See 19 U.S.C. § 1337(f).

³⁸ Hahn & Singer, *supra* note 7, at 462; see also Chien, *supra* note 2, at 99 (“[Prevailing patentees are] essentially guaranteed to get [an injunction] in the ITC (79 percent injunction rate vs. 100 percent injunction rate).”).

MercExchange, which has limited the availability of injunctions in district court patent infringement cases.³⁹ In contrast, as the Federal Circuit recently held, the four-factor equity test for injunctions set forth in *eBay* does not apply in Section 337 actions.⁴⁰ The close linkage between the ITC and Customs increases the efficacy of the exclusion orders, making the remedies available even more attractive. All of these factors are magnified by the extreme value such injunctive relief, or at least the threat of it, has for the patentee in litigation, settlement discussions, and competition.⁴¹

III. *Kyocera* Decision and the Predictions

Prior to the *Kyocera* decision, the ITC would issue LEOs that excluded all infringing articles made by the respondents, regardless of who the importer was.⁴² Those products that include the infringing product are considered “downstream” products in that they incorporate the infringing product into a more complex product that is then imported into the United States.⁴³ To obtain an LEO that excluded all downstream products, regardless of importer, a patentee had to meet the EPROM test, established in the ITC’s decision in *Certain Erasable Programmable Read-Only Memories*.⁴⁴ The EPROM test sets forth nine factors that, if met, allow an LEO to apply to third parties to the ITC investigation.⁴⁵

The Federal Circuit examined both the ability of the ITC to issue LEOs that applied to non-respondents and the EPROM test in *Kyocera*. The decision and the postulated impacts of the decision are set forth below.

A. Federal Circuit’s Decision in *Kyocera*

In *Kyocera*, Broadcom Corporation filed a complaint with the ITC alleging a violation of Section 337 naming Qualcomm Incorporated as the only respondent.⁴⁶ Broadcom alleged that thirteen of Qualcomm’s wireless telecommunication chips and chipsets infringed several of Broadcom’s patents.⁴⁷

³⁹ *eBay Inc. v. MercExchange*, 547 U.S. 388 (2006) (holding four-factor test for permanent injunction relief applies to disputes under the Patent Act).

⁴⁰ *Spansion, Inc. v. Int’l Trade Comm’n*, 629 F.3d 1331, 1359 (Fed. Cir. 2010).

⁴¹ See generally Mark Lemley & Carl Shapiro, *Patent Holdup and Royalty Stacking*, 85 TEX. L. REV. 1991 (2007).

⁴² *Where is the ITC Going after Kyocera?*, *supra* note 12, at 709.

⁴³ *Id.*

⁴⁴ *Certain Erasable Programmable Read-Only Memories, Components Thereof, Products Containing Such Memories, and Processes for Making Such Memories*, USITC Pub. 2196, Inv. No. 337-TA-276, at 125 (May 1989).

⁴⁵ *Id.*

⁴⁶ *Kyocera*, 545 F.3d at 1345–46.

⁴⁷ *Id.* at 1346.

The ITC determined that Qualcomm's chips infringed one of Broadcom's patents.⁴⁸ The ITC also concluded that Qualcomm induced wireless handset manufacturers to include the infringing chips in their mobile devices.⁴⁹ The ITC granted an LEO excluding "[h]andheld wireless communications devices, including cellular telephone handsets and PDAs, containing Qualcomm baseband processor chips or chipsets that" infringed Broadcom's patent.⁵⁰ Thus, the LEO included all downstream products that included the infringing chips, regardless of whether the downstream products were actually imported by Qualcomm.

Six companies who manufactured, sold, or both manufactured and sold downstream products including Qualcomm chips intervened at the remedies stage of the ITC action.⁵¹ These interveners, with Qualcomm's support, argued that since they were not named respondents in the ITC action, their actions could not be subject to the ITC's LEO.⁵²

The Federal Circuit agreed, holding that 19 U.S.C. § 1337(d) limits LEOs to excluding only named respondents.⁵³ The Court noted that the ITC is a creature of statute, and thus the scope of any remedy it issues is limited by its statutory authority.⁵⁴ Section 1337(d)(1) limits LEO exclusions to articles "imported by any person violating the provision of [Section 337]"⁵⁵ and § 1337(d)(2) indicates that LEOs "shall be limited to persons determined by the Commission to be violating [Section 337]."⁵⁶

Section 337's plain language describes the two forms of exclusion orders:

[T]wo distinct forms of exclusion orders: one limited and one general. The default exclusion remedy 'shall be limited to persons determined by the Commission to be violating this section.' By contrast, a 'general exclusion' order ('GEO') is only appropriate if two exceptional circumstances apply. Specifically, under subsection d(2)(A), the Commission may issue a GEO if it is 'necessary to prevent circumvention of an exclusion order limited to products of named persons' or, under subsection d(2)(B), if 'there is a pattern of violation of this section and it is difficult to identify the source of infringing products.'⁵⁷

⁴⁸ *Id.*

⁴⁹ *Id.*

⁵⁰ *Id.* (quoting the ITC's LEO).

⁵¹ *Id.* at 1354.

⁵² *Id.* at 1354-5.

⁵³ *Id.* at 1356.

⁵⁴ *Id.* at 1355-56.

⁵⁵ *Id.* (quoting 19 U.S.C. § 1337(d)(1)).

⁵⁶ *Id.*

⁵⁷ *Id.* at 1356 (citation eliminated).

The Federal Circuit vacated the ITC's exclusion order because it exceeded the ITC's statutory authority.⁵⁸ None of the downstream device importers were named respondents in the action. "Broadcom . . . could have named such manufacturers as respondents to the Section 337 investigation," but "Broadcom appear[ed] to have made the strategic decision to not name downstream wireless device manufacturers."⁵⁹ The ITC could have excluded these unnamed downstream product importers via a GEO, but Broadcom did not request one or make the necessary proof to meet the extra statutory requirements to warrant one.⁶⁰

B. Postulated Impacts of *Kyocera*

Kyocera reversed the ITC's long-standing practice of issuing LEOs that extend to downstream products imported by unnamed respondents.⁶¹ LEOs are now limited to named respondents in ITC actions. Accordingly, to exclude such downstream importers via a Section 337 action, complainants presently have two options: they may either explicitly name the importer as a respondent in the ITC complaint⁶² or they may request, and eventually meet, the requirements for a GEO.⁶³

These impacts of *Kyocera*—both changing longstanding ITC remedy practice and forcing complainants to add respondents or request GEOs to obtain remedies that were once routine—have garnered much attention, particularly from patentees and practitioners.⁶⁴ Commentators have, in turn, postulated as to the impact of the *Kyocera* decision on ITC practice. These postulates fall into three categories: increasing the number of respondents in a given investigation, increasing requests and grants of GEOs, or decreasing ITC filings. All three of the postulates and the rationales behind them are explained below.

⁵⁸ *Id.* at 1358.

⁵⁹ *Id.* at 1357.

⁶⁰ *Id.*

⁶¹ *Where is the ITC Going after Kyocera?*, *supra* note 12, at 710–13.

⁶² Michael Lyons *et al.*, *Exclusion of Downstream Products After Kyocera: A Revised Framework for General Exclusion Orders*, 25 SANTA CLARA COMPUTER & HIGH TECH. L.J. 821, 822–23 (2009) ("Obviously, a patent holder seeking to exclude only the downstream products of the manufacturer of the infringing component itself would be unaffected by the [*Kyocera*] decision, as would a patent holder that can name all possible downstream infringers as respondents in the investigation.").

⁶³ *Id.* at 833 ("[P]atent holders should consider seeking a general exclusion order to exclude downstream products . . .").

⁶⁴ *See, e.g., id.*; *see also Where is the ITC Going After Kyocera?*, *supra* note 12, at 715–17.

1. Increase in Number of Named ITC Respondents

One potential reaction to *Kyocera* is to simply name more respondents in the ITC complaint.⁶⁵ Specifically, name those importers of downstream products that the patentholder—the complainant—wishes to exclude.⁶⁶ Under *Kyocera*, and the statutory language of § 1337(d) at issue, a named respondent can be subject to a LEO; thus, if downstream importers are named, they can be excluded.⁶⁷

This naming of more respondents is the very thing that the Federal Circuit noted that Broadcom could have done.⁶⁸ If Broadcom wanted to exclude handsets via a LEO that included the Qualcomm infringing chip, but were imported by other companies, it could have simply named those companies. Broadcom would then have had a broader LEO available to it, even with the *Kyocera* ruling.

The assumption is that such a reaction—increasing the number of respondents—is particularly likely in the electronics area because of the high rate of integration of infringing products into a final, multi-component consumer product prior to importation. This integration is typically done by someone other than the base, electronic component manufacturer. Just as Qualcomm’s chips were put into handsets prior to import, other electronic components or software, which may be covered by a patent, are packaged inside more complex goods before entering the United States. To obtain an effective remedy—excluding all infringing products—these downstream (multi-component product) importers need to be excluded as well.

2. Increase in Requests for, and Grants of, GEOs

The alternative to naming more respondents in order to expand the scope of the available LEO is for a complainant to obtain a GEO. A GEO excludes all infringing products, regardless of whether that product’s importer was named in the ITC action. As the Federal Circuit noted in *Kyocera*, § 1337(d)(2) explicitly defines the GEO as an *in rem* remedy focused on the infringing device, not particular respondents.⁶⁹

A GEO is another way to obtain an effective remedy against downstream importers.⁷⁰ For example, as discussed above, Broadcom could have excluded downstream headsets from being imported by unnamed respondents if it had requested and received a GEO.

⁶⁵ *Where is the ITC Going After Kyocera?*, *supra* note 12, at 716; Lyons *et al.*, *supra* note 62, at 832–33.

⁶⁶ *Id.*

⁶⁷ *Kyocera*, 545 F.3d at 1357.

⁶⁸ *Id.*

⁶⁹ *Kyocera*, 545 F.3d at 1357–58.

⁷⁰ 19 U.S.C. § 1337(d)(2) (2006).

For that reason, more GEOs may be requested and, hopefully, granted in order for patentees to continue to obtain effective remedies. This reaction is driven by the need to duplicate the now invalid broad LEOs that were issued before *Kyocera*. The GEO is a way to get a similar remedy and still stay true to the *Kyocera* interpretation of 19 U.S.C. § 1337(d).

3. *Decrease in ITC Filings*

Other commentators postulate that *Kyocera* will actually lead to less ITC filings.⁷¹ The reasoning behind this conclusion is that the two other responses to *Kyocera* discussed above are actually not practical and will not be used by patentees; without such corrections truly being available to patentees, the ITC may no longer be a favorable venue and thus not used.⁷²

Complainants may be reluctant to add more respondents, particularly downstream product importers.⁷³ Adding more respondents can increase the duration and costs of an ITC investigation.⁷⁴ More respondents means more documents, more accused devices to investigate, and more depositions. All this increases the likelihood of the patentee's failure at the ITC. Magnifying this increase in costs to the patentee is the fact that respondents may also cooperate with each other and share litigation costs.⁷⁵ This decreases the costs of litigating for each individual respondent.⁷⁶ Reduced costs allow respondents to decrease their settlement point and stay with the investigation longer. The respondents may be more likely to outlast the complainant when more respondents are present. In addition, more respondents may increase the likelihood of failure by the patentee on the merits. More alleged infringers in a given action means more pairs of eyes looking for prior art, constructing invalidity defenses, and coming up with noninfringement arguments, all of which makes the likelihood of a successful argument higher.

Moreover, complainants are unlikely to add downstream importers as respondents because these companies are usually the complainant's customers, or potential customers.⁷⁷ For example, the handset manufacturers in *Kyocera* were both customers of the named respondent, Qualcomm, and the complainant, Broadcom. A practitioner confirmed this line of reasoning, saying that "[i]n many cases[,] the downstream manufacturer or distributor may be an actual or potential

⁷¹ See *Where is the ITC Going After Kyocera?*, *supra* note 12, at 720–21.

⁷² *Id.*

⁷³ Lyons *et al.*, *supra* note 62, at 832–33 (noting that adding more respondents may not be practical).

⁷⁴ *Where is the ITC Going after Kyocera ?*, *supra* note 12, at 716.

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ *Id.*

customer of the complainant that the complainant would not ordinarily wish to sue.”⁷⁸

The alternative to adding more respondents is pursuing a GEO.⁷⁹ This may not be a viable option because of the high burden that accompanies GEOs.⁸⁰ GEOs are granted only upon a showing of widespread pattern of infringement and evidence that others besides the respondent are attempting to enter the U.S. market with infringing devices.⁸¹ Furthermore, the complainant must prove that the source of these other infringers is difficult to identify.⁸² The usual way to help prove these facts is to name a large number of respondents in the complaint, which is likely to be avoided for the reasons set forth above. Accordingly, this heightened burden has resulted in very few granted GEOs. For example, over a ten-year period prior to *Kyocera* when 158 complaints were filed, only eleven GEOs were issued.⁸³

Because of the fact that these alternatives to excluding downstream importers post-*Kyocera* have their drawbacks, some commentators think the result will be less use of the ITC.⁸⁴ The ITC becomes a less attractive venue for patent infringement relief because of the incompleteness of the remedy it can provide.⁸⁵ Attempting to fill the void left by *Kyocera* is either strategically or commercially harmful, in the case of naming more respondents, or practically impossible to obtain, in the case of a GEO. As a result, less ITC complaints will be filed post-*Kyocera* because one of the biggest advantages to the venue—broad injunctive relief—is gone.

IV. Study Testing The Impact of *Kyocera* and Strength of the ITC

To test the hypotheses above, this study collects information on ITC filings, decisions, and parallel United States district court filings to discern what, if any, impact *Kyocera* has had. The discussion below describes the study’s methodology and the results from the data collected.

⁷⁸ Brian Busey, *Federal Circuit Limits ITC’s Authority to Issue Downstream Exclusion Orders*, MORRISON FOERSTER, (Oct. 15, 2008), <http://www.mofo.com/federal-circuit-limits-itcs-authority-to-issue-downstream-exclusion-orders-10-15-2008/>.

⁷⁹ *Where is the ITC Going After Kyocera?*, *supra* note 12, at 716–17; Lyons et al., *supra* note 62, at 833–34.

⁸⁰ *Kyocera*, 545 F.3d at 1358; *Where is the ITC Going After Kyocera?*, *supra* note 12, at 717–20.

⁸¹ *Where is the ITC Going After Kyocera?*, *supra* note 12, at 717.

⁸² 19 U.S.C. § 1337(d) (2006).

⁸³ *Where is the ITC Going After Kyocera?*, *supra* note 12, at 718.

⁸⁴ In fact, one article suggests that data right after *Kyocera* supported this conclusion. *Id.* at 720–21 (finding a 43% decrease over a three month period after *Kyocera*).

⁸⁵ *Id.* at 720.

A. Study Methodology

The study focuses on two time periods—both before and after the Federal Circuit’s *Kyocera* decision, which was issued on October 14, 2008. The question is how the decision has impacted litigant activity.

1. ITC Complaints and Determinations

The first set of data collected was from the ITC. Eighty-seven (87) complaints filed after *Kyocera*, including all investigations initiated through the end of 2010, were examined. An equal number of ITC complaints filed prior to *Kyocera* were also looked at—those 87 complaints filed from March 22, 2006, until just prior to the Federal Circuit’s *Kyocera* decision. Only those ITC complaints filed that alleged infringement of at least one utility patent were collected.⁸⁶

For each of these complaints, data was obtained from the ITC’s online Section 337 investigation database.⁸⁷ This data included the date the action was instituted, patents at issue, field of technology, complainants, and respondents. The field of technology was determined by looking at the patents at issue and using field of technologies categories that have been used in prior empirical patent studies.⁸⁸

From this data, the number of respondents identified in each ITC complaint was also calculated. The number of respondents was recorded in two ways. First, the raw number of respondents was determined, with each named respondent counting as a single respondent. Second, the respondents were “consolidated” before counting in that corporately related respondents were counted as a single, consolidated respondent.⁸⁹ When determining whether to consolidate, care was taken to err on the side of under-consolidating by combining respondents only if it was clear from their name that they were related.⁹⁰ Thus, the consolidated number

⁸⁶ Section 337 actions based solely on design patents and trademarks were not included in the study.

⁸⁷ 337 Investigational History, USITC, available at http://www.usitc.gov/intellectual_property/inv_his.htm (last visited Oct. 26, 2011).

⁸⁸ Previous articles by this author, and others, have used fourteen industry categories to identify a particular patent case with a given technology. See John R. Allison & Mark A. Lemley, *Who’s Patenting What? An Empirical Exploration of Patent Prosecution*, 53 VAND. L. REV. 2099, 2110–12 (2000) (listing and defining the 14 categories); Christopher Cotropia & Mark Lemley, *Copying in Patent Law*, 87 N.C. L. REV. 1421, 1445 n.101 (2009) (explaining the use of the 14-category system). Here, given the low numbers of patent cases being considered, the technology categories have been combined and simplified, into three categories—(1) Electronics and Computer-Related technologies; (2) Chemistry, Biotechnology, and Pharmaceutical technologies; and (3) Mechanical technologies.

⁸⁹ For example “Research In Motion, Ltd., Canada” and “Research In Motion Corporation, Irving TX” were named as separate respondents in one investigation. Wireless Communications System Server Software, Wireless Handheld Devices and Battery Packs, Inv. No. 337-TA-706 (Feb. 24, 2010) (Completed).

⁹⁰ To give another example, “Samsung Electronics Co., Ltd., South Korea,” “Samsung Electronics America, Inc. Ridgefield park, NJ,” “Samsung International, Inc. San Diego, CA,” “Samsung

recorded is probably higher than the number of truly distinct (not legally or factually related) respondents identified in a single ITC complaint.⁹¹

In addition, of the two groups of 87 complaints, a third subset was constructed. This subset included all ITC complaints that were filed before the *Kyocera* decision but which were still pending before the ITC when *Kyocera* was issued. For this subset, the ITC dockets were looked at to determine whether any respondents were added to the ITC action after the *Kyocera* decision.

The other numbers identified from these ITC complaints were the number of ITC actions instituted per month over the periods prior to and after *Kyocera*. Data on ITC actions during these windows before and after *Kyocera* was also collected from issued ITC determinations.⁹² The focus of the search was whether a GEO was granted in a given ITC action and the number of such grants prior to and after *Kyocera*.

2. District Court Complaints

Data on parallel district court complaints was also collected. It is common for patent holders to file both a Section 337 complaint with the ITC on a given patent and also to sue on the same patent for infringement in a United States district court.⁹³ This is often against the same alleged infringers, although the targets can vary. Even if the patent holder does not file a district court complaint, the respondents in the ITC action will typically file a declaratory judgment action in district court.⁹⁴

Thus, for a majority of the ITC complaints recorded, there were also parallel district court complaints that could be collected. These were collected by searching complaints in the Intellectual Property Litigation Clearing House (“IPLC”) database for cases filed alleging infringement of at least one of the same patents identified in the ITC complaint.⁹⁵ The study also looked for other factors that helped identify that it was truly a parallel case, such as filing of the district court

Semiconductor, Inc., San Jose, CA,” and “Samsung Telecommunications America, LLC, Richardson, TX,” were named as separate respondents in one investigation and counted as a single respondent upon consolidation. Flash Memory Chips and Products Containing the Same, Inv. No. 337-TA-735 (Sept. 13, 2010) (Pending).

⁹¹ Obviously, the study wanted to avoid counting an upstream and downstream producer as a single entity. While these two producers are related—one using the others product in the product they are making—they are counted separately even when consolidating respondents.

⁹² This information is also obtained from, again, the ITC’s online, 337 action database. 337 Investigational History, USITC, available at <http://info.usitc.gov/ouii/public/337inv.nsf/All?OpenView&Start=1> (last visited Oct. 26, 2011).

⁹³ See Chien, *supra* note 2, at 92–93 (documenting parallel litigations).

⁹⁴ *Id.* at 94 n.165.

⁹⁵ See *Stanford IP Litigation Clearinghouse*, STANFORD LAW SCHOOL <http://lawstanford.edu/program/centers/iplc> (last visited October 24, 2011).

complaint around the same time period of the ITC complaint and the naming of at least some of the same alleged infringers in the ITC complaint. Some of the parallel cases recorded did not include all of the same patents as the ITC complaint, but as long as one patent was the same, the district court complaint was considered to be parallel. In addition, there were sometimes multiple district court complaints for a given ITC complaint, and the data collected from these—number of alleged infringers, for example—was combined and counted as part of a single, parallel district court case.

For each parallel district court complaint, the following data was collected: date complaint was filed and number of defendants. For declaratory judgment actions, the plaintiffs were considered the “defendants” for this study’s purposes. The number of defendants was recorded in the same two manners as with ITC complaints—the actual of number of defendants listed and the number of defendants when they are consolidated.

B. Number of ITC Respondents

The number of named respondents in ITC complaints before and after the *Kyocera* decision was first observed. For these numbers, the mean (average) and median were calculated. The standard deviation was also calculated. The results for the 87 complaints filed before *Kyocera* and 87 filed after are set forth in Tables 1 and 2 below. Table 1 is from the raw respondent numbers, while Table 2 uses the “consolidated” respondent numbers— results that merge related corporate entities into one counted respondent.

	Pre- <i>Kyocera</i> (n=87)	Post- <i>Kyocera</i> (n=87)
Mean	6.62	6.95
Standard Deviation	9.06	7.53
Median	3	3

Table 1 – Number of Respondents Named

	Pre- <i>Kyocera</i> (n=87)	Post- <i>Kyocera</i> (n=87)
Mean	5.31	4.87
Standard Deviation	8.39	6.13
Median	2	2

Table 2 – Number of Respondents Named
(Consolidated)

From this data, a two-sided t-test was performed to determine whether the differences in means both prior to and after *Kyocera* were statistically significant.⁹⁶ The differences both between the raw respondent averages and consolidated respondents averages were not statistically significant.⁹⁷ In addition, the median has stayed the same under both respondent calculations.

These results may hide the real story, however, because *Kyocera* likely does not impact all industries the same. Only those industries with multi-component products—products were infringing devices are sold and integrated into downstream devices before importation—are the ones that may need to increase the number of respondents to still get an effective remedy post-*Kyocera*. Accordingly, the consolidated respondent numbers are set forth below by technology in Tables 3, 4, and 5.⁹⁸

	Pre- <i>Kyocera</i> (n=56)	Post- <i>Kyocera</i> (n=74)
Mean	5.66	4.72
Standard Deviation	8.35	5.87
Median	2	2

Table 3 – Number of Respondents Named (Consolidated) –
Electronics/Computer-Related

	Pre- <i>Kyocera</i> (n=19)	Post- <i>Kyocera</i> (n=2)
Mean	5.47	15.5
Standard Deviation	10.69	13.44
Median	2	15.5

Table 4 – Number of Respondents Named (Consolidated) –
Chemistry/Biotechnology/Pharmaceutical

⁹⁶ See James H. Stock & Mark W. Watson, INTRODUCTION TO ECONOMETRICS 68–70 (2003) (describing the t-test).

⁹⁷ The t-test produced a p-value of 0.7922 for the raw number of respondents and 0.6957 for the consolidated numbers. For the distribution to be statistically significant, a p-value must be less than 0.05. See David Freedman et al., STATISTICS 484 (3d ed. 1998). A p-value less than 0.01 is considered highly statistically significant. *Id.*

⁹⁸ Similar results are observed when using the raw respondent numbers.

	Pre- <i>Kyocera</i> (n=12)	Post- <i>Kyocera</i> (n=11)
Mean	3.17	4
Standard Deviation	3.16	5.51
Median	2	2

Table 5 – Number of Respondents Named (Consolidated) – Mechanical

The average number of respondents in the electronics and computer-related technological areas went down after *Kyocera* (5.66 to 4.72). A t-test showed that this difference is not statistically significant.⁹⁹ In contrast, in the other two technological areas—chemistry, biotechnology, and pharmaceutical technologies and mechanical technologies, the average went up after *Kyocera*. However, these later numbers come from a very small sample size—something not surprising given that the ITC’s usage is dominated by the electronics industry.

For the third subset of ITC actions looked at—those filed before *Kyocera* but were pending when the *Kyocera* decision was issued—the number of respondents added after *Kyocera* was examined. For the 39 investigations that fit into this category, none of them added respondents after *Kyocera*’s issuance. Respondents were added in these cases.¹⁰⁰ However, none of these additions took place after *Kyocera* issued.

These results can be compared to the number of defendants named in parallel district court lawsuits. In the 87 cases prior to *Kyocera*, there was parallel district court lawsuits filed in 77 of them. For the 87 after *Kyocera*, there were parallel district court lawsuits in 77 of them. The number of defendants named, both the raw numbers and those consolidated for obviously corporately related defendants, are reproduced in Tables 6 and 7 below. In each table, the ITC data, discussed above, is reproduced next to the district court data for comparison purposes.

⁹⁹ The t-test produced a p-value of 0.4641. When looking at the raw number of respondents, the t-test produced a p-value of 0.4652.

¹⁰⁰ See, e.g., *In re Certain Computer Products, Computer Components and Products Containing the Same*, Inv. No. 337-TA-628 (Jan. 31, 2008) (adding two additional respondents after the complaint was filed).

	Pre-Kyocera		Post-Kyocera	
	ITC	D.Ct.	ITC	D.Ct.
Mean	6.62	5.62	6.95	5.70
St. Dev.	9.06	7.90	7.53	7.20
Median	3	3	3	3

Table 6 – Number of Respondents/Defendants Named

	Pre-Kyocera		Post-Kyocera	
	ITC	D.Ct.	ITC	D.Ct.
Mean	5.31	3.98	4.87	4.22
St. Dev.	8.39	6.16	6.13	6.71
Median	2	2	2	1

Table 7 – Number of Respondents/Defendants Named (Consolidated)

The mean number of defendants in parallel district court cases essentially did not change when looking at the raw number of defendants (5.62 to 5.70), while ITC respondents increased slightly (6.62 to 6.95). When looking at consolidated defendants, the defendants in parallel district court cases increased slightly (3.98 to 4.22), while ITC consolidated respondents decreased (5.31 to 4.87). T-tests for both the raw and consolidated numbers indicated that the difference in means in the district court, like in the ITC, were not statistically significant.¹⁰¹

Of particular interest are those parallel district court cases involving electronics and computer-related technologies. These are shown, next to the ITC data, in Table 8 below, looking at consolidated defendants/respondents.

	Pre-Kyocera		Post-Kyocera	
	ITC	D.Ct.	ITC	D.Ct.
Mean	5.66	4.25	4.72	3.75
St. Dev.	8.35	6.87	5.87	6.10
Median	2	1	2	1

Table 8 -- Number of Respondents/Defendants Named (Consolidated) –
Electronics/Computer-Related

¹⁰¹ The t-test produced p-values of 0.9304 for the raw number of respondents and 0.9281 for the consolidated number.

As with the ITC numbers, the difference in the average number of respondents in district court electronics and computer-related cases was not statistically significant.¹⁰² This holds true when looking at the raw number of defendants as well.¹⁰³

C. GEOs Granted

The number of GEOs granted before and after *Kyocera* was collected. Two GEOs were granted in the 87 investigations started before *Kyocera*; none have yet been issued after.¹⁰⁴ One GEO grant came before *Kyocera* was issued and one after. However, not enough time has passed for those investigations after *Kyocera* to reach a final determination, that is, to have survived past presidential review, at the time of this study.

Another factor one can look at to determine whether complainants are pushing harder for GEOs is whether they are naming a large number of respondents. The more respondents named, the easier it is for a complainant to meet the numerosity and inability to identify requirements for a GEO.¹⁰⁵

Looking at the 174 investigations in the data set, sixteen (16) of the investigations prior to *Kyocera* named more than ten respondents, while twenty-two (22) investigations after *Kyocera* named more than ten. This difference is not statistically significant.¹⁰⁶ When the respondents are consolidated, there is no difference before and after *Kyocera*. Thirteen investigations both before and after *Kyocera* name ten or more consolidated respondents.

D. ITC Filings

The number of ITC filing was also looked at. First, the ITC complaint data was examined in two windows— a two-year period prior to *Kyocera*, and a two-year period after. In Table 9, below, the total number of Section 337 investigations, involving utility patents, in both of these windows is reported. The data in Table 9 is also broken up by technology.

¹⁰² The t-test produced a p-value of 0.6779.

¹⁰³ The t-test produced a p-value of 0.5855.

¹⁰⁴ See *Coaxial Cable Connectors and Components Thereof and Products Containing Same*, Inv. No. 337-TA-650; *Ink Cartridges and Components Thereof*, Inv. No. 337-TA-565 (granting GEO before and after *Kyocera*).

¹⁰⁵ 19 U.S.C. § 1337(d)(2).

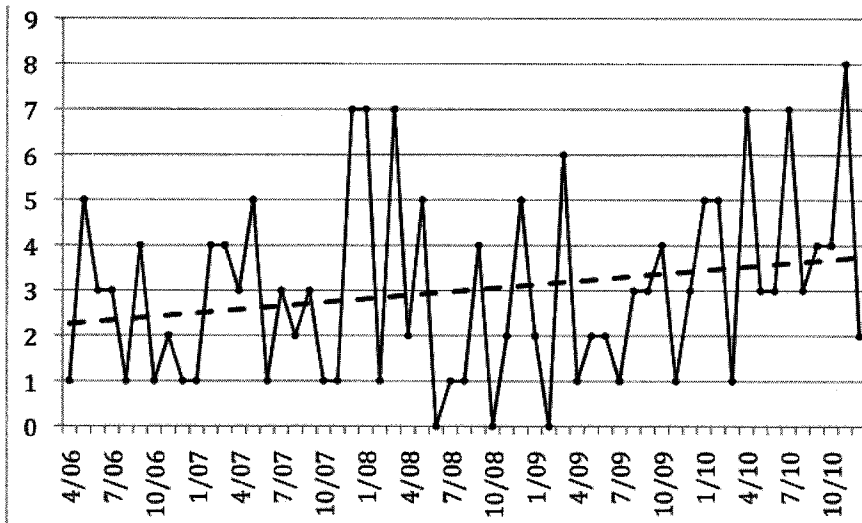
¹⁰⁶ Using the Pearson's chi-squared test, a two-tail p-value of 0.18 was observed.

	2 Years Prior to <i>Kyocera</i>	2 Years After <i>Kyocera</i>
Total	68	74
Electronics/Computer-Related	45	62
Chemistry/Biotechnology/Pharmaceutical	12	2
Mechanical	11	10

Table 9 – Number of Section 337 Investigations

The number of investigations in a two-year period is higher after *Kyocera*, with 74 investigations being filed. This is six more than those filed two years before *Kyocera*. When looking at only electronics and computer-related technologies, the increase in investigation after *Kyocera* is greater, with 62 investigations after *Kyocera* compared to 45 before. The opposite effect is seen in the other technology fields, with the greatest drop in the biological, chemical, and pharmaceutical field.

Next, the rate of investigations initiated over time was observed. Specifically, Graph 1, below, shows the number of Section 337 investigations filed per month from April 2006 to December 2010.¹⁰⁷



Graph 1 – Number of 337 Investigations Filed Per Month

¹⁰⁷ This is for only those Section 337 actions including utility patents.

A linear regression plot line is overlaid in Graph 1 on the data observed. It shows an increase in ITC Section 337 investigations, with *Kyocera* issuing at essentially the center of the graph in October of 2008. From April of 2006 until December of 2010, it appears the average number of ITC complaints initiated a month has gone up from a little over two a month to almost four a month.

V. Implications for *Kyocera* and the ITC as a Patent Venue

A. Data Does Not Support the Post-*Kyocera* Predictions

The data collected does not support any of the predictions of *Kyocera*'s impact.

1. Named Respondents Did Not Increase

The number of respondents named after *Kyocera* did not increase as predicted from the number named prior to *Kyocera*. The average raw number of respondents raised slightly (6.62 to 6.95).¹⁰⁸ When looking at the consolidated numbers, the respondents named actually went down by a greater magnitude (5.31 to 4.87).¹⁰⁹ Neither of these changes is statistically significant.¹¹⁰ These results run counter to predictions that the number of respondents would increase to capture downstream product importers. The number of named respondents has remained essentially constant.

In addition, when looking at the subset of investigations filed before *Kyocera* but still pending when *Kyocera* was issued, the data also does not support the hypothesis that respondents named will increase. For all 39 investigations that fit within this category, the complainant did not add respondents after *Kyocera*.

The results run counter to the hypothesis even more when focusing on the industry that *Kyocera* is most likely to have a negative impact—the electronics and computer-related industries. The number of named respondents *decreased* both when reported as raw results (7.22 to 7.03) and consolidated (5.66 to 4.72).¹¹¹ These differences were also not statistically significant.¹¹² Such results further rebut the assumption that patentees in this industry would increase the number of named respondents when filing ITC complaints.

The results are not conclusive, however. When looked at in isolation, there is no control to ensure that changes in the number of respondents are due solely, if at all, to the *Kyocera* decision. Other legal and economic changes can also influence the number of respondents named. The results reported above do not control for

¹⁰⁸ See *supra* Table 1.

¹⁰⁹ See *supra* Table 2.

¹¹⁰ See *supra* note 97.

¹¹¹ See *supra* Table 3.

¹¹² See *supra* note 100.

such influences. And thus, it might be that *Kyocera* actually did increase the number of respondents, but there were countervailing influences that pushed the number down, masking the impact of *Kyocera*.

But the results in parallel district court cases suggest there were no such influences. These cases include some of the exact same facts as the ITC cases—similar patents, similar alleged infringers, and filed around the same time. And in these cases the number of defendants did not change much at all from before to after the *Kyocera* decision, with the raw number of defendants (5.62 to 5.70) and consolidated number of defendants (3.98 to 4.22) essentially staying constant.¹¹³ These differences were found to not be statistically significant.¹¹⁴ When *Kyocera* is taken away, but the other facts stay essentially the same, there is no change in number of accused infringers. This suggests no such external factors were present, or at the very least, impacted how many defendants a patentee would name in a given litigation.¹¹⁵ Admittedly, the ITC and district court cases are not exactly the same, given the jurisdictional and likely defendant differences.¹¹⁶ However, the parallel district court data discount an alternative explanation for the ITC results. That is, the district court data supports the conclusion that *Kyocera* did not increase the number of respondents.

The ITC data could also be discounted because, even when isolated to just electronic and computer-related technologies, the cases considered are too broad. The focus needs to be on changes in respondent numbers in cases that involved downstream importers — the specific types of cases *Kyocera* impacts.¹¹⁷

This is a valid critique. But doing such a narrow study with any accuracy would be very difficult. When looking at those ITC cases that name more than ten respondents prior to and after *Kyocera*, no statistical differences in the number of such cases is observed.¹¹⁸ Cases with downstream importers, particularly after *Kyocera*, would likely be those that name a large number of respondents (e.g., more than ten). It turns out that there is no real uptick, or any change, in the number of such cases filed at the ITC after *Kyocera*.

2. GEO Grants Did Not Increase

The rate of GEO grants did not change much either. Just as infrequent as they were before *Kyocera*, they are after. Only two were granted over the almost five

¹¹³ See *supra* Tables 7 & 8.

¹¹⁴ See *supra* note 102.

¹¹⁵ Or at the very least, any that were present offset each other in their impact on number of respondents.

¹¹⁶ See *supra* Part II.A. (detailing differences/advantages of the ITC).

¹¹⁷ See *Kyocera*, 545 F.3d at 1345, 1357–58 (discussing the statutory authority of the ITC to grant GEOs and LEOs against downstream products of non-respondents).

¹¹⁸ See *supra* Part III.C.

year period observed.¹¹⁹ These were granted on two investigations started prior to *Kyocera*, with one GEO actually granted after *Kyocera*.¹²⁰ And, when using the naming of a large number of respondents as a proxy for a complainant trying to obtain a GEO, no statistically significant change before and after *Kyocera* is observed.¹²¹ There does not appear to be much of a change in reliance on or granting of GEOs after *Kyocera*.

3. ITC Filings Did Increase

Given the two results observed above—the number of respondents and GEO has not increased—the natural conclusion would be that patentees have simply deserted the ITC. Without these two safety valves to get around the restrictions of *Kyocera* being used, the ITC is no longer a viable venue.¹²² Instead of using the workarounds, patentees must be forgoing the ITC altogether.¹²³

The data shows that this is not the case. The rate of ITC filings continues to increase, with *Kyocera* not dampening the trend at all.¹²⁴ The increase over the four-year period observed is quite large, with the number of investigations started per month almost doubling. A linear regression establishes this fact.

And in the industry that is the most likely to be affected by *Kyocera*, the electronics and computer-related industries, the increase is the most significant amongst the various technologies observed. The number of investigations increased from 45 before to 62 after *Kyocera*.¹²⁵

B. Data Implications Regarding the ITC as a Patent Venue

The data provides insights regarding the ITC beyond discounting the hypotheses of *Kyocera*'s impact. Most significantly, the data shows how attractive, and in turn used, the ITC is for patent enforcement.

Initially, the fact that ITC filings have continued to increase, even though the scope of remedies available at the ITC, due to *Kyocera*, has decreased, reinforces that patentees favor the ITC as a venue. Even with restricted remedies, patentees still file ITC actions and the amount of filings is still increasing. This suggests that the other advantages—jurisdictional-breadth, speed of adjudication, high-likelihood of injunctive relief—have tremendous perceived individual value to the patentee.

¹¹⁹ *Id.*

¹²⁰ *Id.*

¹²¹ *Id.*

¹²² See *supra* Part II.B.

¹²³ *Id.*

¹²⁴ See *supra* Graph 1.

¹²⁵ See *supra* Table 9.

Kyocera has not dampened these advantages and patentees, by continuing to increase their usage of the ITC, confirm this fact.

Second, the data confirms some common assumptions about the ITC. The data shows that the ITC is mainly a venue for electronic and computer-related patent disputes. Of the 174 investigations looked at, 130 investigations (75%) involved the electronic and computer-related industries. And the trend is toward an even greater prevalence of these industries at the ITC, with 74 of the last 87 investigations (85%) at the ITC involving patents covering electronics and computer-related technologies.

Third, the filing of a parallel district court cases is extremely common. Of the 174 investigations observed, parallel district court cases were filed in 154 of those cases (89%). This means that around the same time of an ITC case, at least one of the patents in that ITC case was also the subject of a district court patent infringement case. This data falls in line with that observed by Chien in an earlier study, finding that “there was close to a 90 percent likelihood that, for any given ITC dispute, at least one of the patents litigation was also at some point the subject of a district court dispute.”¹²⁶ ITC actions, therefore, cannot be considered in isolation. They are almost always part of a larger, multi-venue push to enforce patent rights in the United States.

VI. Conclusion

The results are surprising. While consensus is that *Kyocera* should either increase the number of respondents, reliance upon and granting of GEOs, or both, neither has happened; this is true even in the electronics and computer-related industries that were predicted to be hit the hardest. Even with no such correction by patentees to obtain exclusion orders having pre-*Kyocera* scope, the usage of the ITC continues to rise.

These findings do more than simply answer open questions regarding *Kyocera*. Their significance is much broader. The results speak volumes to the favorability of the ITC as a venue for patent enforcement. In the face of a dramatic change in the law that significantly reduced the remedies available at the ITC, ITC filings continued to increase. The ITC is clearly a major part of patent enforcement landscape in the United States.

¹²⁶ See Chien, *supra* note 2, at 92.

Ending Dilution Doublespeak: Reviving the Concept of Economic Harm in the Dilution Action

Alexander Dworkowitz*

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* J.D. 2011, University of Pennsylvania Law School. The author would like to thank the staff of the *Texas Intellectual Property Law Journal* for the opportunity to publish and for their diligent work on the article.

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I. Introduction

In 1912, the magazine *Vogue* celebrated its twentieth anniversary. Long before Anna Wintour, it had become “one of the dominating factors in the creation and promotion of styles,”¹ and designers were eager to earn the magazine’s praises, as “approval or promotion of any pattern or style in its pages carried great influence.”²

One company seeking to benefit from the *Vogue* name was the Vogue Hat Company, which incorporated in 1912 and began manufacturing hats with the *Vogue* label the following year.³ The Vogue Hat Company borrowed more than the magazine’s name: they also copied part of *Vogue*’s trademark. *Vogue* had used what was known as the “V-Girl” mark.⁴ The mark showed the letter “V” with a drawing of a woman in an elaborate dress standing in front of the “V.” The hat company used a similar “V” and also had a woman as part of the drawing; however, the Vogue Hat Company’s picture only showed the woman’s head, not her entire body, she was seen wearing (predictably) a hat, and the words “Vogue Hats” and “New York” also appeared.⁵

By the time these hats had made it into a department store in Toledo, Ohio, *Vogue* had had enough. The magazine sued both the hat manufacturer and the department store in federal court. The district court found for the defendants, saying there was no unfair competition and no trademark infringement.⁶ But in a 1924 decision, the court of appeals found otherwise. Focusing on the similarity of the two marks, the court argued that at least some consumers would think the hats were sponsored by the plaintiff.⁷ The consequence of this source confusion was material to the plaintiff: “[i]t seems not extreme to say, as plaintiff’s counsel do, that persis-

¹ *Vogue Co. v. Thompson-Hudson Co.*, 300 F. 509, 510 (6th Cir. 1924).

² *Id.* at 511.

³ *Id.*

⁴ *Id.* at 510.

⁵ *Id.*

⁶ *Id.*

⁷ *Vogue*, 300 F. at 511.

tence in marking under this trade-mark articles of apparel which are unfit, undesirable, or out of style would drive away thousands of those who customarily purchase plaintiff's magazine."⁸ The court issued an injunction against the defendants preventing them from using the "V-Girl" or the "V" on the hat's label.⁹ The court based its decision not on trademark infringement, but on broader principles of unfair competition.¹⁰

The *Vogue* case caught the attention of Frank Schechter, in-house counsel for BVD, an underwear manufacturer.¹¹ In a 1927 law review article, Schechter argued that the *Vogue* case was not an isolated one; instead, it was part of a broader pattern.¹² Citing the use of the "Rolls Royce" name on automobile and radio parts, "Ritz-Carlton" on coffee, and "Kodak" for bath tubs, cakes, and bicycles,¹³ Schechter argued that the traditional standard for trademark infringement, which at the time only allowed for claims when the two uses were for the same class of goods, was not enough to protect against these misappropriations.¹⁴ Traditional trademark infringement depended on a "likelihood of confusion" standard; if consumers were likely to be confused as to the source of the product, then there was infringement.¹⁵ But in these cases, the real harm was not a confused consumer; rather, the injury "[was] the gradual whittling away or dispersion of the identity and

⁸ *Id.* at 512.

⁹ *Id.*

¹⁰ *Id.*

¹¹ Brian A. Jacobs, *Trademark Dilution on the Constitutional Edge*, 104 COLUM. L. REV. 161, 166, n.29 (2004) ("Although frequently mis-cited as 'Professor Schechter,' Frank Schechter was actually in-house counsel for the famous BVD undergarment brand . . .").

¹² Frank Schechter, *The Rational Basis of Trademark Protection*, 40 HARV. L. REV. 813, 825 (1927). Schechter is frequently cited as being the pivotal figure in the history of anti-dilution laws. Some think his influence is exaggerated. See, e.g., Symposium: Panel III: *Trademark Dilution and Its Effects on the Marks of Big and Small Business*, 19 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1025, 1034 (2009) (quoting Hugh Hansen's contention that anti-dilution laws had little to do with what Schechter actually wanted).

¹³ See Schechter, *supra* note 12, at 825, 830–31.

¹⁴ See *id.* at 829–30 ("Should the rule, still broadly enunciated by the Supreme Court, that a trademark may be used on different classes of goods, be literally adhered to, there is not a single one of these fanciful marks which will not, if used on different classes of goods, or to advertise different services, gradually but surely lose its effectiveness and unique distinctiveness . . .").

¹⁵ See *Dart Drug Corp. v. Schering Corp.*, 320 F.2d 745, 748 n.10 (D.C. Cir. 1963) ("[C]onfusion to the public is the essence of both trademark infringement and unfair competition . . .") (citations omitted).

hold upon the public mind of the mark or name by its use upon non-competing goods.”¹⁶

Schechter did not give a name to this injury, but he did quote a German case that spoke of a mark being “diluted,”¹⁷ and the word “dilution” came to be the name for the doctrine Schechter advocated. Massachusetts passed the nation’s first anti-dilution law in 1947, and in the following decades most other states followed suit.¹⁸

In 1995, Congress passed its own anti-dilution law, the Federal Trademark Dilution Act (FTDA).¹⁹ The Act defined dilution as “the lessening of the capacity of a famous mark to identify and distinguish goods or services.”²⁰ Dilution claims began pouring into federal courts following the passage of the FTDA, and plaintiffs were often successful.²¹ The 2003 Supreme Court decision, *Moseley v. V Secret Catalogue, Inc.*, cut into that success, holding that plaintiffs must show actual dilution, not just likelihood of dilution.²²

In response to the *Moseley* decision, Congress revised federal law in 2006 with the passage of the Trademark Dilution Revision Act (TDRA).²³ The TDRA made several changes to dilution law. First, it established “likelihood of dilution” as the standard, not actual dilution, thus overruling *Moseley*.²⁴ Second, it clarified the requirement that the plaintiff’s mark be “famous.”²⁵ Finally, it stated that two different types of dilution were actionable. The first type is known as “dilution by blurring.”²⁶ This is the type of dilution that Schechter focused on, and it is what is

¹⁶ Schechter, *supra* note 12.

¹⁷ *Id.* at 831–32.

¹⁸ See J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 24:77 (4th ed. 2010) (providing a historical overview of state anti-dilution statutes).

¹⁹ Pub. L. No. 104-98, 109 Stat. 985 (codified at 15 U.S.C. § 1125(c) (1995)) (amended 2006).

²⁰ *Id.*

²¹ See Clarisa Long, *Dilution*, 106 COLUM. L. REV. 1029, 1031 (2006) (documenting that in the first year after the passage of the FTDA, plaintiffs won dilution claims in nearly half of the cases in the sample, but that “relief rates have been on a downward trajectory since then”).

²² *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418, 433 (2003), *superseded by statute*, Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730.

²³ 15 U.S.C. § 1125(c) (2006). Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730 (Codified at 14 U.S.C. § 1125(c)).

²⁴ 15 U.S.C. § 1125(c)(1) (2006).

²⁵ *Id.*

²⁶ *Id.*

traditionally meant by the term dilution.²⁷ The second is “dilution by tarnishment,” defined as an “association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.”²⁸ While Kodak bicycles is a prototypical example of dilution by blurring, a Kodak strip club is an example of dilution by tarnishment, the idea being that a strip club has unsavory connotations that will harm the reputation of Eastman Kodak.²⁹

Despite sixty years of anti-dilution laws, disagreement still exists as to what dilution actually means. J. Thomas McCarthy wrote:

No part of trademark law that I have encountered in my forty years of teaching and practicing IP law has created so much doctrinal puzzlement and judicial incomprehension as the concept of “dilution” as a form of intrusion on a trademark. It is a daunting pedagogical challenge to explain even the basic theoretical concept of dilution to students, attorneys, and judges.³⁰

Indeed, even the Supreme Court was confused as to what dilution actually meant when it considered the *Moseley* case.³¹ The Court issued the decision without attempting to give a definition to the concept.³²

This confusion led to disparate answers to a simple question: what harm do anti-dilution laws actually protect against? Critics of anti-dilution laws have concluded that the harm posed by products like Kodak bicycles is either non-existent or so negligible that it does not justify legal protection.³³ Modern defenders of anti-

²⁷ This Comment uses the term “dilution” to refer to the “dilution by blurring” cause of action; “dilution by tarnishment” is always written out.

²⁸ 15 U.S.C. § 1125(c)(2)(C).

²⁹ Naming a strip club after a famous brand is a commonly cited example of dilution by tarnishment. See, e.g., *Ty Inc. v. Perryman*, 306 F.3d 509, 511 (7th Cir. 2002) (arguing that a Tiffany’s strip club would have a negative effect on Tiffany & Co.).

³⁰ J. Thomas McCarthy, *Proving a Trademark Has Been Diluted: Theories or Facts?*, 41 HOUS. L. REV. 713, 726 (2004).

³¹ See Thomas R. Lee, *Demystifying Dilution*, 84 B.U. L. REV. 859, 883 (2004) (noting that the first substantive comment from a Justice was: “It would help me a lot if you explained to me what dilution is.”) (citing Transcript of Oral Argument, *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003) (No. 01-1015), 2002 WL 31643067, at *4).

³² Christine Haight Farley, *Why We Are Confused about the Trademark Dilution Law*, 16 FORDHAM INTEL. PROP. MEDIA & ENT. L.J. 1175, 1178 (2006) (“The Court ultimately failed to define dilution and acknowledged this by holding that whatever dilution is, at least you have to prove it.”).

³³ See, e.g., Jonathan E. Moskin, *Dilution or Delusion: The Rational Limits of Trademark Protection*, 83 TRADEMARK REP. 122, 147 (1993) (arguing that in most cases, “the phenomenon of dilution seems immune from proof by competent evidence”); Rebecca Tushnet, *Gone in Sixty Milliseconds: Trademark Law and Cognitive Science*, 86 TEX. L. REV. 507, 510 (2008)

dilution laws have responded to these criticisms in two distinct ways. Some defenders argue that anti-dilution laws protect trademark owners against economic harm, and therefore have turned to empirical studies for evidence trying to demonstrate that harm.³⁴ Other defenders of anti-dilution laws say the focus on economic harm is misplaced, that the laws protect trademark owners from some other form of harm that has little to do with their financial bottom line.³⁵ Often these defenders of anti-dilution laws do not address the critics head on, however. Rather than articulating a coherent alternative theory of harm, this group has instead emphasized examples of dilution,³⁶ the importance of brands to companies,³⁷ and tests for determining whether or not dilution has occurred.³⁸ The uncertainty over the nature of dilution is reflected in the text of the TDRA. The TDRA defines dilution as an association between two trademarks that “impairs the distinctiveness” of the plaintiff’s mark.³⁹ That language does not obviously point to any theory of dilution.

This Comment argues that the confusion over dilution follows from the incentives of the proponents of anti-dilution laws. It contends that the theory of economic harm is the true theory behind dilution; however, this theory is not particularly plaintiff friendly, since proving economic harm in dilution cases is difficult. Thus, the proponents of anti-dilution laws have little incentive to clarify the actual theory

(“Dilution is, ultimately, an underevidenced concept and one that invites socially wasteful litigation.”); David S. Welkowitz, *Reexamining Trademark Dilution*, 44 VAND. L. REV. 531, 533 (1991) (“These [dilution] statutes protect against something whose existence seems a tenuous proposition at best.”).

³⁴ See, e.g., Chris Pullig, Carolyn J. Simmons & Richard G. Netemeyer, *Brand Dilution: When Do New Brands Hurt Existing Brands?* 70 J. MARKETING 52, 62 (2006) (“From a practical perspective, dilution is of interest because it can affect sales in the marketplace.”).

³⁵ Lee Goldman, *Proving Dilution*, 58 U. MIAMI L. REV. 569, 589 (2004) (“[R]equiring a showing of economic harm would be inconsistent with the [FTDA’s] stated purposes.”); Lee, *supra* note 31, at 896 (“[D]ilution is an interference with the senior mark’s distinctiveness and . . . such interference may occur despite the presence or absence of affiliated economic consequences.”).

³⁶ See, e.g., *Madrid Protocol Implementation Act and Federal Trademark Dilution Act of 1995: Hearing on H.R. 1270 and H.R. 1295 Before the Subcomm. on Courts and Intellectual Property of the H. Comm. on the Judiciary*, 104th Cong. 77, 103 (1995) [hereinafter *1995 Hearing*] (testimony of Nils Victor Montan, Vice President and Senior Intellectual Property Counsel, Warner Bros.) (providing an example of a snowboard company that created their own logo by altering the famous shield of Warner Bros.).

³⁷ See, e.g., Jerre B. Swann, Sr., *Dilution Redefined for the Year 2002*, 92 TRADEMARK REP. 585, 592 (2002) (“[S]trong, singular brands today are trustmarks, not as to source, but as to sensation.”).

³⁸ See, e.g., Lee, *supra* note 31, at 890 (arguing the proper test for dilution is evidence of a “downstream mental association”).

³⁹ 15 U.S.C. § 1125(c)(2)(B).

behind dilution, as doing so would narrow the amorphous doctrine. Instead, these advocates will prefer that the dilution doctrine remain muddled because they are more likely to win cases if the judge does not have a definite understanding of dilution. The TDRA in fact directly reflects these incentives, as the text of the statute was written by the trademark lobby.⁴⁰

Moreover, this Comment further maintains that even though the dilution statute is unclear, its key language follows traditional dilution theory and points to a theory of economic harm. Judges, then, can consider the likelihood of economic harm and act consistently with the text of the statute. This Comment suggests that judges should accomplish this by allowing defendants to present evidence on the lack of economic harm.

Part I describes five different theories of dilution. Part II examines cases decided after the passage of the TDRA and concludes that many judges have little sense of the theory of harm behind the dilution cause of action. Due to this confusion, some courts have found in favor of plaintiffs in dilution cases without articulating what harm the plaintiffs actually incurred. Part III examines the sources of the courts' confusion, starting with Schechter's vague conception of dilution. This Part focuses on the incentives of proponents of anti-dilution laws, noting that they have little reason to clarify the meaning of the doctrine. It also notes how the proponents of anti-dilution laws often use muddled language described as "double-speak." Part IV investigates the text and the legislative history of the statute, concluding that despite some lack of clarity in the dilution doctrine, the TDRA is rooted in a theory of protecting trademark owners from financial harm. Finally, Part V argues that courts should allow defendants to introduce evidence showing a lack of economic harm.

II. The Different Theories of Dilution

Multiple theories of dilution contribute to make the dilution doctrine difficult to comprehend. Despite over eighty years of discussion concerning dilution, some disagreement still exists as to which theory best represents dilution. The following is an attempt at producing a comprehensive list of the different theories behind the dilution action. Not all of the theories are equally as popular, but each influences the dilution debate in their own way.

⁴⁰ See *infra* notes 161–164 and accompanying text.

A. Dilution as Trespass on the Mark

The first theory, and perhaps the easiest to understand, is that dilution is a form of trespass, violating a “trademark right in gross,” or a trademark owner’s exclusive right to the commercial use of the mark.⁴¹ Under this theory, a trademark owner (the senior user) has an absolute right to the trademark, and no one else (no junior user) can use that mark, or a similar mark, to identify their products or services.⁴² For an example, take the Kodak bicycles case, which was discussed by Frank Schechter in his 1927 article.⁴³ Under a trespass theory, Eastman Kodak, the camera company, has a right to prevent all other companies from using the name Kodak, and therefore can get an injunction to prevent the bicycle company from attaching the name to their bicycles.⁴⁴ There is no need to show any harm to the camera company, nor is there any need to discuss the motive of the bicycle company.⁴⁵ If the bicycle company chose the name “Kodac” instead of “Kodak,” then there would be some debate as to whether the marks were similar enough to cause consumers to associate the two together.⁴⁶ If the court found that these two marks were indeed similar, then “Kodac bicycles” would be barred as well.⁴⁷

Language from a 1928 Judge Learned Hand opinion is often cited as supporting this theory of dilution. Hand wrote:

His mark is his authentic seal; by it he vouches for the goods which bear it; it carries his name for good or ill. If another uses it, he borrows the owner’s reputation, whose quality no longer lies within his own control. This is an injury, even though the borrower does not tarnish it, or divert any sales by its use; for a repu-

⁴¹ See Rudolf Callmann, *Unfair Competition Without Competition?*, 95 U. PA. L. REV. 443, 454 (1947) (“The injury is to the property and relief cannot be granted to the plaintiff unless an exclusive right, such as property, is recognized.”). The theory has also been described as “dilution of uniqueness.” See Barton Beebe, *A Defense of the New Federal Trademark Antidilution Law*, 16 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1143, 1145 (2006) (arguing that Schechter was primarily concerned with preserving the “arresting uniqueness” of a mark).

⁴² See Beebe, *supra* note 41, at 1146 (discussing uniqueness as an absolute).

⁴³ Schechter, *supra* note 12, at 825.

⁴⁴ See *id.* at 823, 830 (stating that protection of a mark allows for the “broadest scope possible”).

⁴⁵ See Moskin, *supra* note 33, at 131–32 (noting that by analogizing dilution to trespass, the plaintiff need not show any harm, but can still win an injunction even if the alleged diluter provides an economic benefit to the plaintiff).

⁴⁶ See, e.g., Monica Hof Wallace, *Using the Past to Predict the Future: Refocusing the Analysis of a Federal Dilution Claim*, 73 U. CIN. L. REV. 945, 979–80 (2005) (discussing the importance of the similarity of marks and the effect on consumers).

⁴⁷ See *id.* at 981–82 (providing examples of when a mark should receive more protection).

tation, like a face, is the symbol of its possessor and creator, and another can use it only as a mask.⁴⁸

Hand's logic parallels the Supreme Court of Wisconsin's reasoning in deciding a more conventional trespass case:

[T]his court [has] recognized that in certain situations of trespass, the actual harm is not in the damage done to the land, which may be minimal, but in the loss of the individual's right to exclude others from his or her property, and the court implied that this right may be punished by a large damage award despite the lack of measurable harm.⁴⁹

Just as a landowner has a right to exclude others from using her land, so does a trademark owner have a right to exclude others from using her mark. The question of any economic harm to the trademark owner is irrelevant; the loss of the right to exclude is harm enough.

B. Dilution as Free-riding

The second theory is a free-riding theory.⁵⁰ This theory centers on the motive of the defendant. Here, defendants cannot use the mark if they intended to capitalize on the plaintiff's goodwill.⁵¹ For example, if the Kodak bicycle company specifically chose the name "Kodak" because it wanted to attract consumers who liked Kodak cameras, then the bicycle company would be free-riding on the camera company's reputation. The camera company could get an injunction preventing the bicycle company from using the Kodak name.⁵² If, on the other hand, the bicycle company simply chose the name "Kodak" because the last name of their founder was "Kodak," then there is no free-riding and the defendant can use the mark.

Some have criticized the free-riding theory as a weak rationale for dilution. For example, Judge Richard Posner of the 7th Circuit has argued that the free-riding theory poses as a theory of economic harm, but in fact there is little evidence that a plaintiff can suffer economic harm as a result of free-riding.⁵³ Posner argued that since the "number of prestigious names is so vast," it is unlikely a licensing

⁴⁸ Yale Elec. Corp v. Robertson, 26 F.2d 972, 974 (2d Cir. 1928).

⁴⁹ Jacque v. Steenberg Homes, Inc., 563 N.W.2d 154, 159 (Wis. 1997).

⁵⁰ See Goldman, *supra* note 35, at 574 (observing that the free-riding theory is related to John Locke's labor theory, i.e., that an individual should be able to reap the benefits of what one has created, and no one else has a right to share in those benefits).

⁵¹ *Id.*

⁵² See *id.* (stating that senior users should be able to reap the benefits of their efforts).

⁵³ See Ty Inc. v. Perryman, 306 F.3d 509, 512 (7th Cir. 2002) (noting that the validity of this rationale is doubtful).

market could ever develop for the use of a famous brand name by other companies in an unrelated field.⁵⁴ Since Eastman Kodak would be extremely unlikely to license the use of the “Kodak” name to Kodak bicycles, the argument goes that Eastman Kodak is not losing any revenue due to the bicycle company’s action.⁵⁵

C. Dilution as a Thought Injury to the Consumer

The third theory can be called a “thought injury to the consumer” and also been described as the “Internal-Search-Costs Model.”⁵⁶ Under this theory, the use of the mark by the junior user causes the consumer to stop and think, thereby harming the consumer in causing the consumer to waste her time.⁵⁷ For example, imagine a consumer sees an ad that says: “Kodak products: 30 percent off!” If there is only a Kodak camera company, then the consumer knows that the ad refers to cameras. But if there is also a Kodak bicycle company, the consumer may initially view the ad and be unsure of what products are being advertised. Thus, the consumer will have to take time to think about what product the ad refers to, or she will have to further scan the ad to figure it out. In short, the theory is simply that dilution represents a waste of consumers’ time.⁵⁸

Some empirical basis for the theory exists, as studies show that consumers do in fact have to think longer when answering questions about brands after being exposed to ads from a junior user. For example, after seeing an ad for Heineken popcorn, test subjects took longer to answer questions such as whether or not Heineken is a beer, as compared with other groups that were not exposed to the popcorn ad.⁵⁹ However, the group who saw the Heineken popcorn ad responded only 125 milliseconds slower (a little more than a tenth of a second) than another group that saw an ad unrelated to Heineken.⁶⁰ And respondents who saw an ad for Hyatt Legal

⁵⁴ *Id.*

⁵⁵ *See id.* (basing the argument on Posner’s argument).

⁵⁶ *See* Tushnet, *supra* note 33, at 517–20 (describing the arguments in favor of the internal-search-costs model).

⁵⁷ *See* Stacey L. Dogan & Mark A. Lemley, *What the Right of Publicity Can Learn from Trademark Law*, 58 STAN. L. REV. 1161, 1197 (“[D]ilution properly understood is targeted at reducing consumer search costs.”).

⁵⁸ This waste of time may also have a financial impact on the trademark owner, but this particular theory focuses on the effect on the consumer, not on the owner of the famous mark.

⁵⁹ Maureen Morrin & Jacob Jacoby, *Trademark Dilution: Empirical Measures for an Elusive Concept*, 19 J. PUB. POL’Y & MARKETING 265, 269 (2000).

⁶⁰ *Id.*

Services actually responded more quickly to questions about the Hyatt brand than respondents who saw an ad unrelated to Hyatt.⁶¹

The internal-search-costs model is appealing because it mirrors the rationale for protection against trademark infringement.⁶² Trademark infringement protects consumers from being confused about the source of their products.⁶³ If a cell-phone company offers a camera phone under the name of Kodak, consumers may be confused as to whether the phone was made or sponsored by the camera company.⁶⁴ Consumers would then have to engage in research to answer that question, and these search costs are harmful to society because they represent a waste of time. Those consumers would not have to engage in such a search if it was clear whether or not Kodak was behind the camera phone. Likewise, the internal-search-cost model requires consumers to engage in search costs; however, this search is not outside research but is instead a search through one's own brain to try to understand the meaning of a given word. Judge Posner has advocated for this theory:

A trademark seeks to economize on information costs by providing a compact, memorable, and unambiguous identifier of a product or service. The economy is less when, because the trademark has other associations, a person seeing it must think for a moment before recognizing it as the mark of the product or service. There is an analogy to the point that language purists make when they object that using "disinterested" as a synonym for "uninterested" blurs the original meaning of disinterested (which is "impartial").⁶⁵

The parallels with trademark infringement, however, are not as strong as they might seem. Trademark infringement is not solely concerned with consumers engaging in extra research. Part of the fear is that consumers might actually be fooled and buy products they might not otherwise want.⁶⁶ A fan of Kodak cameras may buy the Kodak camera phone thinking the camera company produced the phone

⁶¹ *Id.*

⁶² See Tushnet, *supra* note 33, at 518 (“[The internal-search-costs model] offers an attractive definition of dilution, one that creates a pleasing symmetry between dilution and the standard—now ‘external’—search-cost model of infringement.”).

⁶³ Joseph J. Ferretti, *Product Design Trade Dress Hits the Wall . . . Mart: Wal-mart v. Samara Brothers*, 42 IDEA 417, 419 (2002).

⁶⁴ Kodak has in fact collaborated with Motorola on a camera phone. See Jennifer Cisney, *Motozine ZN5 Kodak Camera Phone*, KODAK: PLUGGED IN (June 23, 2008), <http://pluggedin.Kodak.com/post/?10=2216068> (featuring the MOTOZINE ZN5 camera phone and its use of “Kodak Imaging Technology”).

⁶⁵ Richard Posner, *When Is Parody Fair Use?* 21 J. LEGAL STUD. 67, 75 (1992).

⁶⁶ See MCCARTHY, *supra* note 18, at § 2:33 (observing that trademark infringement can cause a consumer to mistakenly purchase “a box of JEM brand soap, thinking he or she was buying GEM brand soap . . .”).

when in fact it was manufactured by a phone company that uses inferior technology. Moreover, even if the studies are correct in concluding that people actually have to think longer after being exposed to a secondary use of a trademark (a conclusion that is in doubt given that most of the studies have not been applied to a real-world setting),⁶⁷ the harm of an extra tenth of a second of thinking seems marginal compared to the potentially long research one would have to engage in to determine whether or not two products are actually made by the same company.

D. Dilution as an Economic Injury to the Trademark Owner

The fourth theory is the theory of economic harm. Under this theory, dilution threatens trademark owners because it could potentially lead to a loss in sales.⁶⁸ Here, an association between the senior and junior products is not a harm in and of itself, but is damaging because it can reduce a company's revenues.⁶⁹ The theory does not require demonstration of past economic harm but does require some likelihood of future harm.⁷⁰ This theory may completely overlap with the consumer thought theory, as forcing consumers to think more may be the cause of the economic harm to the plaintiff.⁷¹ The difference between the theories is that "thought injury" theory focuses on harm to the consumer in the form of wasted time, while the economic harm theory focuses on harm to the trademark owner in the form of lost sales.⁷²

The difficulty with this theory of economic harm is that it is extremely counterintuitive. How can Kodak bicycles possibly hurt the sales of Kodak cameras? If a consumer sees a Kodak bicycle and then walks into a camera store, would we really expect her to be less likely to buy a Kodak camera? If anything, we would expect the consumer to be more likely to buy a Kodak camera, since she would be thinking of the word Kodak after seeing the bicycle.

⁶⁷ See *supra* note 57.

⁶⁸ See Pullig, *supra* note 34, at 62 ("From a practical perspective, dilution is of interest because it can affect sales in the marketplace.").

⁶⁹ *Id.*

⁷⁰ See Daniel H. Lee, *Past and Future Harm: Reconciling Conflicting Circuit Court Decisions Under the Federal Trademark Dilution Act*, 29 PEPP. L. REV. 689, 704 (2001) (discussing courts' divergence on this issue).

⁷¹ See Pullig, *supra* note 34, at 64 (suggesting consideration of a junior brand affects consideration and choice of the senior or famous brand).

⁷² Compare Dogan, *supra* note 57, at 1197 ("[D]ilution properly understood is targeted at reducing consumer search costs."), with Pullig, *supra* note 34, at 62 ("From a practical perspective, dilution is of interest because it can affect sales in the marketplace.").

Yet some argue that cognitive research supports this theory. Psychological scholars believe that memory is stored in “‘cognitive networks,’ each consisting of ‘nodes’ and ‘links.’”⁷³ Brand names are “information chunks,” core nodes that link to a multitude of other information.⁷⁴ In the case of dilution, two cognitive networks develop for the same mark, “so that the consumer will require additional information before being able to determine just which cognitive network applies.”⁷⁵ Because the mind might activate the wrong cognitive network, the consumer will make mistakes about the brand. Thus, a consumer who sees a Kodak bicycle might activate the Kodak bicycle network and not the Kodak camera network, so when that person thinks about buying a camera online, she may search for Canon cameras and not Kodak cameras because she forgot that Kodak is a brand of camera.⁷⁶ The economic harm might not be limited to lost revenues but can also take the form of increased costs, as companies may have to spend more money on advertisements to make sure the ability of their brands to attract consumers does not diminish.⁷⁷

Some studies lend support to this theory, as these studies find some evidence that suggests Kodak bicycles might hurt the sales of Kodak cameras. In the past, studies repeatedly found that exposing individuals to allegedly diluting advertisements does result in some of those individuals forgetting information about the trademark owner’s brand. One study found that after seeing advertisements for

⁷³ Jacob Jacoby, *The Psychological Foundations of Trademark Law: Secondary Meaning, Genericism, Fame, Confusion, and Dilution*, 91 TRADEMARK REP. 1013, 1018 (2001).

⁷⁴ *Id.* at 1024–25.

⁷⁵ *Id.* at 1047.

⁷⁶ This economic harm argument can also be characterized as a more subtle form of consumer confusion. Under traditional consumer confusion doctrine, a consumer is confused if she is unsure about the source of the product. There is consumer confusion of this sort if a consumer sees the Kodak bicycle and is unsure as to whether Eastman Kodak made the bicycle. Under the economic harm argument, the consumer is not confused under this more narrow definition of confusion. Sticking with the previous example of a consumer who shops online for a cameras after seeing a Kodak bicycle, if you were to stop and ask that consumer whether Eastman Kodak makes cameras, then the consumer would say yes. So, consciously, the consumer is aware that Eastman Kodak made the camera. But if the economic harm theory is true, then at least some consumers in that situation would subconsciously be confused: they would forget that Kodak was a brand of cameras. For this and other reasons, some have argued that consumer confusion doctrine actually does cover many dilution cases. See Moskin, *supra* note 33, at 144 n.95 (“Although it would be essentially impossible to prove, and of academic interest only, there also is reason to believe that wherever dilution has been found without a finding of likelihood of confusion, sponsorship confusion, subliminal confusion or post-sale confusion could have been found.”).

⁷⁷ See Welkowitz, *supra* note 33, at 543–44 (suggesting the possibility that a junior user could force the senior user to spend more on “maintenance costs,” but arguing that this scenario is unlikely).

Heineken popcorn, Hyatt Legal Services, and Dogiva dog biscuits, individuals were less likely to provide accurate responses regarding Heineken beer, Hyatt hotels, and Godiva chocolates, respectively.⁷⁸ Another study found that participants exposed to logos for brands such as Parker games, Ace uniforms, Kiwi airlines, and Bass shoes were less likely to remember that there are also Parker pens, Ace hardware stores, Kiwi shoe polish, and Bass beer than individuals not exposed to those diluting logos.⁷⁹ A third study found that after exposing individuals to an advertisement for “Big Red strawberry snack bars,” participants were less likely to think of Big Red when asked to name a chewing gum and were less likely to think of Big Red as having a cinnamon flavor.⁸⁰

These studies have been criticized for proving that economic harm exists in a laboratory, not in the real world, since context prevents such harm from actually occurring.⁸¹ One part of the Big Red study, however, did attempt to supply such context. Participants were divided into two groups.⁸² The diluted group was shown an advertisement for Big Red strawberry snack bars, while the control group was shown an advertisement for Nutri-Grain strawberry snack bars (the study also examined the effects on buying Gap khakis and Trix cereal).⁸³ After seeing the ads, both groups then engaged in a “simulated shopping experience” on a computer.⁸⁴ The participants were shown logos from different brands and were asked to choose a chewing gum with long-lasting cinnamon flavor.⁸⁵ The group that saw the Big Red strawberry snack bar advertisement only chose Big Red gum fifteen percent of the time, while the group that saw the Nutri-Grain ad chose Big Red sixty percent of the time.⁸⁶ Other participants did not undergo the simulated shopping experience

⁷⁸ Morrin & Jacoby, *supra* note 59, at 269.

⁷⁹ Maureen Morrin, Jonathan Lee, & Greg M. Allenby, *Determinants of Trademark Dilution*, 33 J. CONSUMER RES. 248, 252 (2006).

⁸⁰ Pullig, *supra* note 34, at 63.

⁸¹ See Tushnet, *supra* note 33, at 529 (noting that cab drivers know to go to the airport and not the local “American Apparel” store when a passenger puts luggage in the trunk and asks to go to “American”).

⁸² Pullig, *supra* note 34, at 63.

⁸³ *Id.* at 55–58.

⁸⁴ *Id.*

⁸⁵ *Id.*

⁸⁶ *Id.* at 63.

until five days after seeing the advertisements, and they too were less likely to choose Big Red gum.⁸⁷ The study results were the same for Gap and Trix.⁸⁸

While the Big Red study comes closest to finding an economic harm of dilution in the real world, it still has flaws. Most importantly, there may be an important difference between a single exposure and repeated exposure. Seeing one advertisement for Big Red snack bars may be jarring to someone who thinks Big Red is a chewing gum, and that shock may cause the consumer to question his or her understanding of what Big Red actually is. But if the consumer is exposed to many advertisements for Big Red snack bars, that consumer may come to realize that it really is a separate product from Big Red gum and therefore may gradually disassociate the two products. We sometimes experience this phenomenon when we meet new friends. If we meet someone who has the name of an old friend, we may think of that old friend the first time we meet that person. But as we get to know that person, we may no longer associate the new friend and the old friend with one another.⁸⁹ This may explain why a single exposure to an ad for Bass shoes may make people forget about Bass beer, but the two brands seem to exist harmoniously in the real world.⁹⁰

In short, there is still an active debate as to whether allowing a junior user to use the same mark as used by a senior user actually causes that senior user any economic harm. Dilution proponents can point to several studies that show that people exposed to junior brands sometimes forget information about the senior brand and therefore are less likely to buy the senior brand. But dilution skeptics have correctly criticized these studies for not going far enough to simulate real world conditions.

E. Dilution as Trespass on the Mark's Mental Associations

The "dilution as trespass on the mark" theory, discussed in Part I.A, views a trademark as property, and anyone who used that property without the permission of the owner engaged in trespass.⁹¹ The "dilution as trespass on the mark's mental

⁸⁷ *Id.*

⁸⁸ Pullig, *supra* note 34, at 63.

⁸⁹ Jonathan Moskin noted this phenomenon regarding a local cheese shop. He testified before Congress that when viewing Miller's Cheese in New York City, "Never once in that time has it entered my consciousness that Miller's Cheese had anything to do with Miller's Beer." 1995 *Hearing*, *supra* note 36, at 155 (testimony of Jonathan Moskin, Partner, Pennie & Edmonds).

⁹⁰ Morrin, Lee, & Allenby, *supra* note 79, at 252.

⁹¹ See Callman, *supra* note 41, at 453 (discussing protection based on proeprty rights).

associations” theory also is analogous to trespass, but the property is defined differently. Here, the property is not the mark itself, but the mental associations the mark creates in the mind of consumers.⁹² Beverly Pattishall described the fundamental concept behind the theory: “[T]he ‘property right,’ if any, deserving protection against dilution is the mark’s distinctiveness *in the minds of those who have encountered it*, rather than an ‘in gross’ property right in the mark itself.”⁹³

Under this theory, any trespass on the property—meaning any interference with the mental association between the mark and the product—is actionable.⁹⁴ As Thomas R. Lee argued, “[T]he actionable wrong is the loss of control over the link between the famous mark and a single source”⁹⁵ Lee noted that there are two forms of mental association, upstream and downstream.⁹⁶ Upstream mental association occurs when the person sees the junior product (here Kodak bicycles) and thinks of the senior product (Kodak cameras).⁹⁷ Downstream mental association is the opposite and occurs when a consumer sees the senior product and thinks of the junior product.⁹⁸ Lee argued that downstream mental association is the real danger:

When the mental association flows downstream from the famous mark to the junior mark, dilution is a “necessary consequence.” Indeed, the connection that I have termed downstream mental association is precisely the connection that by definition interferes with the capacity of the famous mark to identify or distinguish the famous source from all others. If consumers associate not just the senior source with the senior mark, but also a second source, then dilution by blurring has occurred.⁹⁹

Returning to the Kodak example, under this theory Eastman Kodak owns the mental associations produced in a consumer’s head that occur upon seeing a Kodak camera. When a consumer sees the “Kodak” mark, that consumer thinks of a camera, and Kodak owns this thought process. If Kodak bicycles interferes with this thought process by making that consumer think of bicycles upon seeing the Kodak

⁹² Beverly W. Pattishall, *The Dilution Rationale for Trademark—Trade Identity Protection, Its Progress and Prospects*, 71 NW. U. L. REV. 618, 631 (1977).

⁹³ *Id.* at 632.

⁹⁴ *Id.* at 631, 633; *see also* Lee, *supra*, note 31 at 898 (arguing that dilution law should allow claims regarding loss of control over mental associations).

⁹⁵ Lee, *supra* note 31, at 898.

⁹⁶ *Id.* at 889–90.

⁹⁷ *Id.* at 889.

⁹⁸ *Id.* at 890.

⁹⁹ *Id.*

mark (a downstream mental association), then Kodak bicycles has trespassed on Eastman Kodak's property, and dilution has occurred.

According to this theory, dilution occurs even if the senior user's sales experience no negative effect.¹⁰⁰ Thus, the theory actually comes very close to being a trademark right in gross, and it might be described as a "quasi rights in gross" theory.¹⁰¹ Kodak does not automatically win in their suit against Kodak bicycles. Yet, to win they only need to demonstrate that consumers exposed to Kodak bicycles sometimes think of those bicycles when they see Kodak cameras. This may not be automatic (do you think of Bass shoes when you see Bass beer?).¹⁰² However, it seems likely that if the survey is done correctly, some consumers will indicate that they think of the junior product when seeing the senior product.

III. Courts Have Engaged in a Formulaic Application of the TDRA with Little Discussion about the Nature of the Dilution Harm

In reviewing courts' treatment of dilution cases in the two years immediately following the passage of the FTDA, one author stated: "Even a cursory reading of these cases reveals the lack of care with which courts approach the Federal Trademark Dilution Act's fame requirement."¹⁰³ Today, courts' "lack of care" is still a common feature of case law in dilution actions, not with respect to the fame requirement, but with respect to the larger question of the nature of the injury under dilution.¹⁰⁴ The use of the vague phrase "impairs the distinctiveness" by the authors of the TDRA benefited trademark owners on several occasions.¹⁰⁵ Courts often fail to inquire about the nature of the harm that the statute is designed to protect

¹⁰⁰ *Id.* at 896.

¹⁰¹ See *Volkswagen AG v. Dorling Kindersley Publ'g, Inc.*, 614 F. Supp. 2d 793, 807 (E.D. Mich. 2009) (describing dilution as bestowing "quasi-property rights" on the trademark owner).

¹⁰² See, e.g., *Morrin, Lee, & Allenby*, *supra* note 79, at 252 (finding that individuals exposed to an advertisement for Bass shoes were less likely to remember that the Bass brand also represented beer).

¹⁰³ Robert N. Gieger, *Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection*, 58 U. PITT. L. REV. 789, 849 (1997).

¹⁰⁴ See *Jada Toys, Inc. v. Mattel, Inc.*, 518 F.3d 628, 636 (9th Cir. 2008) (applying TDRA factors without discussing plaintiff's losses); *Nike, Inc. v. Nikepal Intl'l Inc.*, No. 05-CV-1468, 2007 WL 2782030 (considering only the six TDRA factors regardless of actual losses); *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97, 109 (2nd Cir. 2009) (holding dilution does not require bad faith or confusion of marks).

¹⁰⁵ See 15. U.S.C. § 1125(2)(B) (2006); see also *Jada*, 518 F.3d at 635–36; *Nike*, 2007 WL 2782030.

against, and this sometimes results in a plaintiff winning a sought-after injunction or a verdict.¹⁰⁶

In a 2008 court case, Mattel claimed that a rival toy company, Jada Toys, diluted its trademark in “Hot Wheels.”¹⁰⁷ Jada manufactured its own line of toy cars called “Hot Rigz,” using a flame and similar colors to the iconic “Hot Wheels” mark.¹⁰⁸ The district court found no trademark infringement, nor dilution by blurring, arguing that the marks were too dissimilar to lead to liability on either count.¹⁰⁹ The Ninth Circuit reversed on the trademark infringement claim, saying that the lower court artificially limited its analysis in focusing only on the dissimilarity of the marks and not taking into account other factors.¹¹⁰ But, the court also reversed on the dilution claim in what amounted to a very casual analysis.¹¹¹ The court noted that a reasonable factfinder could find “Hot Rigz” diluted “Hot Wheels” by blurring.¹¹² After reciting the relevant provisions of the TDRA, the court concluded there was evidence that an association of the two marks existed, as a plaintiff survey showed that twenty-eight percent of respondents thought that Mattel (or the company that produced Hot Wheels) either manufactured Hot Rigz or gave permission to the manufacturer to sell the product.¹¹³

The Ninth Circuit’s opinion fell short on multiple levels. First, the survey it referenced was intended to demonstrate likelihood of consumer confusion, not dilution, as it showed that consumers mistakenly believed that Mattel had manufactured or sponsored “Hot Rigz.”¹¹⁴ Second, even if the survey was interpreted to show that consumers thought of Mattel when they saw “Hot Rigz,” this only showed upstream mental association. It does not show that consumers of Hot Wheels think of “Hot Rigz” after “Hot Rigz” was introduced to the market; it did not show the downstream mental association thought to be important to proving a brand injury. But most critically, the court assumed that association, regardless of what direction

¹⁰⁶ See, e.g., *Nike*, 2007 WL 1782030 at *8.

¹⁰⁷ *Jada*, 518 F.3d at 631.

¹⁰⁸ *Id.* at 635.

¹⁰⁹ *Id.* at 631–32.

¹¹⁰ *Id.* at 633–34.

¹¹¹ *Id.* at 636.

¹¹² *Id.* at 637.

¹¹³ *Jada*, 518 F.3d at 636.

¹¹⁴ *Id.*

it flowed, was enough to show injury to the plaintiff.¹¹⁵ The court's analysis suggests it endorsed a "trespass on mental associations" theory of dilution, rejecting the more defendant-friendly theory of economic harm.¹¹⁶ However, it may be more accurate to say that the court simply ignored the theory behind dilution altogether. The court was concerned only with the statutory test, not the nature of the harm that the test was designed to protect against.

Since the court found for the plaintiff on the dilution claim while also finding for the plaintiff on the trademark infringement claim in *Mattel*, the court's determination of the dilution claim arguably had no effect on the defendant.¹¹⁷ The case would have been sent to a jury even if the Ninth Circuit had reached the opposite determination on the dilution claim.¹¹⁸ As one author has demonstrated, such a result is typical, as in most cases the dilution claim is simply treated as an add-on to the trademark infringement claim so that liability for dilution simply follows from liability under trademark infringement.¹¹⁹ But in other cases, the dilution analysis is determinative.¹²⁰

In another California case, the TDRA factors prevented the court from examining the "impairs the distinctiveness" language. In *Nike, Inc. v. Nikepal International, Inc.*, Nikepal sought to register its trademark with the United States Patent and Trademark Office.¹²¹ Nikepal distributed glass syringes and other products to laboratories, operating through a website, via email, and via telephone; its owner did not have an actual office.¹²² The company had a few hundred customers, but hoped to grow, and had a list of thousands of prospective customers.¹²³ The owner

¹¹⁵ *Id.* Certainly, not all courts assume that evidence of any association is enough to show dilution. See, e.g., *Volkswagen AG v. Dorling Kindersley Publ'g, Inc.*, 614 F. Supp. 2d 793, 808 (E.D. Mich. 2009) (noting that although there is evidence of an association between the two products, there is no evidence of "a lessening of [the plaintiff's] ability to identify and distinguish its cars as a result of the [defendant's] release of *Fun Cars*").

¹¹⁶ *Jada*, 518 F.3d at 636.

¹¹⁷ *Id.* at 637.

¹¹⁸ *Id.*

¹¹⁹ See Beebe, *supra* note 41.

¹²⁰ *Nike*, 2007 WL 2782030, at *8; *Starbucks*, 588 F.3d at 110, 119.

¹²¹ *Nike*, 2007 WL 2782030, at *8.

¹²² *Id.* at *1-2.

¹²³ *Id.* at *2.

of Nikepal claimed he had come up with the name by randomly finding the word “Nike” in the dictionary, but the court did not believe that explanation.¹²⁴

The court began its analysis by reciting plaintiff’s evidence of Nike’s billions of dollars of annual sales as well as evidence of the company’s advertising expenses, which by 1997 had reached a total of nearly \$1.6 billion in the United States since the corporation’s founding.¹²⁵ The court also stressed the plaintiff’s evidence of actual association; when asked “What, if anything, came to your mind when I first said the word Nikepal?”, eighty-seven percent of respondents said they thought of Nike.¹²⁶ The court then focused on the six factors listed in the TDRA, finding: a) sufficient similarity; b) the Nike mark to be inherently distinctive; c) substantially exclusive use of the mark “Nike” by Nike; d) a high degree of recognition of the mark; e) an intent to create association; and f) evidence of actual association.¹²⁷ Finding that all six of the factors favored Nike, the court agreed to issue an injunction preventing the use of the Nikepal mark.¹²⁸

The court never asked whether Nike really stood to lose one dollar in sales due to the existence of Nikepal, thus implicitly determining that the statute was not based on a theory of economic harm. The court was so intent on a straightforward application of the TDRA factors that it ignored evidence that a small company using the name Nike had no impact on the shoe giant. The defendant noted that a company called Nike Hydraulics had been operating since 1958, but the court responded that “[e]ven Nikepal’s witness, Roger Smith, admitted that he had not encountered Nike Hydraulics before hearing that name in connection with this action.”¹²⁹ In other words, Nike Hydraulics was too small to be relevant to the case. Yet, a small business operating out of one man’s home was suddenly deserving of an injunction to prevent harm to Nike. The court had fallen into the trap of analyzing a test without a theory.

¹²⁴ *Id.*

¹²⁵ *Id.* at *3.

¹²⁶ *Id.* at *4.

¹²⁷ *Nike*, 2007 WL 2782030, at *6–8.

¹²⁸ *Id.*

¹²⁹ *Id.* at *7.

A Michigan court similarly engaged in a rote application of the TDRA factors in *Hershey Co. v. Art Van Furniture, Inc.*¹³⁰ In the *Hershey* case, a Michigan furniture store invited the public to vote for their favorite truck decoration, and the winner would be displayed on the side of several delivery trucks.¹³¹ One of the advertisements pictured a brown leather couch emerging from a candy wrapper that mimicked the famous design of a Hershey chocolate bar: the wrapper contained silver foil enveloped in a burgundy outer packaging with lettering similar to the font used by Hershey's.¹³² The court found for the defendant on the trademark infringement claim but issued a preliminary injunction barring the defendant's use of the ad anyway, finding a likelihood of success on the merits on the dilution claim.¹³³ The court listed the six TDRA factors, noting that five of the six factors favored the plaintiff.¹³⁴ "The evidence certainly supports an inference that Defendant intended to 'create an association' with Plaintiff's mark (fifth factor), but whether such an association has actually been made is unclear (sixth factor)."¹³⁵ Thus, unlike the *Mattel* and *Nike* courts, the *Hershey* court found for the plaintiff even though there was no evidence of actual association. The court later stated that in cases of dilution by blurring "irreparable harm is presumed," but it never stated what that harm was supposed to be.¹³⁶

Similarly, the Second Circuit mechanically applied the TDRA factors in *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*¹³⁷ There, a husband and wife ran a small New Hampshire company that sold roasted coffee beans over the internet and to local stores; the couple employed only a few part-time employees.¹³⁸ They named one of their blends "Mister Charbucks," as they sought to emphasize how

¹³⁰ *Hershey Co. v. Art Van Furniture, Inc.*, No. 08-14463, 2008 WL 4724756, at *14 (E.D. Mich. Oct. 24, 2008).

¹³¹ *Id.* at *2.

¹³² *Id.* at *1; Martin Schwimmer, *Hershey v. Chocolate 'Couch Bar'*, THE TRADEMARK BLOG (Oct 29, 2008), <http://www.schwimmerlegal.com/category/what-is-this-thing-called-dilution> (displaying an image of the controversial advertisement).

¹³³ *Hershey*, 2008 WL 4724756, at *14.

¹³⁴ *Id.* at *15.

¹³⁵ *Id.*

¹³⁶ *Id.* at *16.

¹³⁷ *Starbucks*, 588 F.3d at 105-06.

¹³⁸ *Id.* at 103.

dark the roast was while also alluding to their famous competitor.¹³⁹ Starbucks sued under a number of theories, and the district court dismissed their complaint under all of those theories following a bench trial.¹⁴⁰ The Second Circuit, however, reversed and remanded on the dilution claim.¹⁴¹ The court pointed to flaws in the trial court's conclusion that the "degree of similarity" and "intent to create an association" factors favored the defendant.¹⁴² The court found that the final factor also favored Starbucks, as a survey showed that 30.5% of people who heard the name Charbucks thought of Starbucks, thus demonstrating an association between the two products.¹⁴³ For the *Starbucks* court, like the courts in *Mattel* and *Nike*, any sort of association was enough.

The Second Circuit was not necessarily wrong in remanding the case, as the circuit court may have been correct in noting that the lower court "placed undue significance on the similarity factor."¹⁴⁴ Like the other dilution opinions, the flaw in *Starbucks* was not the court's conclusion that dilution was possible, given the particular set of facts. Instead, the flaw was the court's singular focus on the six factors, factors that—according to the plain text of the TDRA—courts need not even consider.¹⁴⁵ Further, the statute makes clear that these factors are not exhaustive; courts are free to consider other factors as they see fit.¹⁴⁶ Yet, the *Starbucks* court elevated these factors to primary importance, while ignoring the more difficult issue of what the phrase "impairs the distinctiveness" actually meant.¹⁴⁷

This approach has a larger impact than the relatively few dilution cases might suggest. Even though cases in which a plaintiff wins an injunction solely on dilution grounds are relatively uncommon,¹⁴⁸ court opinions that ignore the nature of the dilution harm can affect the practices of possible defendants. Decisions that do not consider the theory behind the statute essentially reject a theory of economic

¹³⁹ *Id.*

¹⁴⁰ *Id.* at 103–04.

¹⁴¹ *Id.* at 109–10.

¹⁴² *Id.* at 106–09.

¹⁴³ *Starbucks*, 588 F.3d at 109.

¹⁴⁴ *Id.* at 107.

¹⁴⁵ 15 U.S.C. § 1125(c)(2)(B) (2006) ("the court may consider all relevant factors").

¹⁴⁶ *See id.*

¹⁴⁷ *Starbucks*, 588 F.3d at 108.

¹⁴⁸ *See generally* Beebe, *supra* note 41.

harm and implicitly endorse a more plaintiff-friendly trespass theory of harm. This implicit acceptance of a pro-plaintiff theory can result in victories for potential plaintiffs before they even file a lawsuit. Trademark owners often use cease-and-desist letters to threaten smaller companies causing many of these disputes to resolve in the plaintiff's favor without ever getting into court.¹⁴⁹ In effect, the confusion of courts can have tangible benefits to trademark plaintiffs both inside and outside courtrooms.

IV. The Courts' Confusion Stems from the Lack of Incentives of Dilution Proponents to Clarify the Nature of the Dilution Harm

A. The Original Conception of Dilution Did Not Focus on the Nature of the Dilution Harm

The confusion over the nature of the dilution harm can be traced back to Schechter's original discussion of dilution. Although this author believes that Schechter ultimately endorsed a theory of economic harm,¹⁵⁰ Schechter was certainly vague about the nature of the dilution harm.¹⁵¹ Schechter's article on dilution reveals an instinctual aversion to certain junior uses of trademarks, and much of his article attempts to justify that initial instinct.¹⁵² Schechter began his discussion of what would become known as dilution by decrying Kodak bicycles, *Vogue* hats, and Rolls Royce radio parts.¹⁵³ He failed to clearly spell out why these examples were so problematic. He did not explicitly endorse a trespass theory, nor was he explicit in explaining how economic harm might occur. Instead, when describing the "real injury" behind these cases, he turned to a metaphor, saying that injury "[i]s the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods."¹⁵⁴ Since Schechter failed to make it completely clear what theory of harm he endorsed, his article leaves open differing interpretations of the dilution harm.

¹⁴⁹ See, e.g., *Symposium, supra* note 12, at 1062 ("[T]he real strength of a dilution cause of action is in the cease-and-desist letter, is in threatening a small player to get them to stop.").

¹⁵⁰ See *infra* text accompanying note 204.

¹⁵¹ See Robert G. Bone, *Schechter's Ideas in Historical Context and Dilution's Rocky Road*, 24 SANTA CLARA COMPUTER & HIGH TECH. L.J. 469, 471 ("Schechter did not help his cause much either because he never provided a coherent policy justification.").

¹⁵² Schechter, *supra* note 12, at 833.

¹⁵³ *Id.* at 825.

¹⁵⁴ *Id.*

Moreover, Schechter's contemporaries did not actively question his vague description of the nature of the dilution harm. In deciding a 1932 case in favor of plaintiff Tiffany & Co. and against a movie production company adopting the Tiffany name, a New York court quoted Schechter's statement about the "gradual whittling away" verbatim without discussing what that statement actually meant.¹⁵⁵ Likewise, commentators did not press Schechter on the theory of harm behind his proposal.¹⁵⁶ Courts and scholars largely embraced Schechter in part because his theory did not propose a new cause of action; rather, it simply offered a separate justification for decisions that were based on a finding of trademark infringement.¹⁵⁷ Given this warm reception, proponents of the dilution theory managed to introduce anti-dilution laws at the state level in Massachusetts without engaging in an extensive debate over the nature of the dilution harm when they actually did propose a new cause of action in 1947.¹⁵⁸ Thus, dilution made its way into state statutes based on an idea that had never been seriously questioned.

Decades later, the dilution debate still largely reflects Schechter's original conception, focusing on examples of harm rather than describing the nature of that harm. The Congressional consideration of federal dilution legislation is a primary example of the lack of focus on the theory of harm. A House Report on the FTDA did not discuss whether the statute was based on a trespass or economic theory of harm, but instead stated simply "the use of DUPONT shoes, BUICK aspirin, and KODAK pianos would be actionable under this legislation."¹⁵⁹ In speaking in favor of the TDRA in 2005, Representative Howard Berman noted that proof of likelihood of harm would be required, but only referred to such harm as the "whittling away at the value of the famous mark," quoting Schechter's original conception.¹⁶⁰

¹⁵⁵ *Tiffany & Co. v. Tiffany Prod., Inc.*, 264 N.Y.S. 459, 462 (1932).

¹⁵⁶ See, e.g., James F. Oates, Jr., *Relief in Equity Against Unfair Trade Practices of Non-Competitors*, 25 ILL. L. REV. 643, 657-58 (1931) (describing Schechter as writing with "great clarity of thought," and referring to the harm of dilution as "a reduction in distinctiveness"); Milton Handler, *Unfair Competition*, 21 IOWA L. REV. 175, 183 n.22 (1936) (citing Schechter for the proposition that even without consumer confusion, "there may be injury to prestige and reputation, loss of distinctiveness of the mark, and a consequent dilution of its demand-creating properties"). See also Bone, *supra* note 151, at 492 (providing evidence that many scholars were persuaded by Schechter's arguments).

¹⁵⁷ See Bone, *supra* note 151, at 495 (noting that Schechter had a "remarkably positive" reception in part because dilution was not recognized as an independent cause of action).

¹⁵⁸ See *id.* at 503 ("[T]he dilution bill was sold to the legislature as a much less controversial measure than it really was.").

¹⁵⁹ H.R. REP. NO. 104-374, at 3 (1995).

¹⁶⁰ 151 CONG. REC. S2123 (2005) (statement of Rep. Berman).

Eighty-three years after Schechter published his article, his vague vision and confusing metaphors still were front and center in the dilution discussion.

B. Dilution Laws Have Failed to Clarify the Theory of Harm Behind Dilution Because the Lobbyists Behind Those Laws Have a Strong Incentive to Keep the Doctrine Muddled

Given that academics over the past twenty years have explored the different theories of dilution harm, why was Congress still referring to terms that dated back to the 1920s and 1930s? How had Congress completely overlooked more recent discussions of dilution, instead focusing on the words of an author whose ideas have been seriously questioned?

Congress's ignorance stemmed from the influence of trademark lobbyists who have had little incentive to focus on the nature of dilution harm. The FTDA and the TDRA were written primarily by owners of famous trademarks, the group which benefited the most from anti-dilution legislation.¹⁶¹ The United States Trademark Association (USTA) (today known as the International Trademark Association, or INTA), a group representing the nation's largest corporations, proposed a federal dilution statute in 1987.¹⁶² USTA's definition of dilution was eventually adopted word-for-word in the FTDA.¹⁶³ Thus, the primary beneficiaries of the FTDA were the authors of the statute, as the fifteen regular members of the Commission represented corporations that would eventually benefit from the dilution law, including Kraft, General Mills, Procter & Gamble, CBS, AT&T, The Walt Disney Company, Xerox, and, yes, Eastman Kodak.¹⁶⁴

The federal laws are just a more recent reflection of the trademark lobby's influence. The first state anti-dilution law, passed in Massachusetts in 1947, was

¹⁶¹ See generally The United States Trademark Association, *The United States Trademark Association Trademark Review Commission Report and Recommendations to USTA President and Board of Directors*, 77 TRADEMARK REP. 375, 459 (1987).

¹⁶² *Id.* at 455.

¹⁶³ Compare United States Trademark Association, *supra* note 161, at 459, with PUB. L. NO. 104-98, 109 Stat. 985 (codified at 15 U.S.C. § 1125(c) (1995)). A Senate Report also revealed Congress's penchant for copying the USTA's words and ideas. Compare 77 TRADEMARK REP. at 386 ("[W]here the owner of a trade-mark has spent energy, time, and money in presenting to the public the product, he is protected in his investment from its misappropriation by pirates and cheats."), with S. REP. NO. 100-55, at 4 (1988) ("When the owner of a trademark has spent considerable time and money bringing a product to the marketplace, trademark law protects the producer from pirates and counterfeiters.").

¹⁶⁴ United States Trademark Association, *supra* note 161, at 380-81.

promoted by trademark attorneys and trademark owners.¹⁶⁵ The USTA is the author of most states' anti-dilution statutes.¹⁶⁶ Even Schechter himself worked as in-house counsel for a large corporation concerned about its trademarks being misappropriated.¹⁶⁷ This long-running influence has not gone completely unnoticed by the judiciary. One federal judge hearing oral arguments in a dilution case told the plaintiff's attorney "Boy, you must have some lobby to get a law like that passed."¹⁶⁸

Since owners of famous trademarks help make up the driving force behind both federal and state anti-dilution legislation, the legislation reflects their priorities. In particular, the lack of clarity regarding the nature of the dilution harm is in keeping with the incentives of trademark owners. Committing to any theory of harm, regardless of which theory, could hurt owners of famous marks in court. If the INTA made it clear that the statute reflected one of the two trespass theories, then the legislation could be attacked as giving absolute property rights in trademarks, thereby opening the door to criticism that the legislation had gone too far. Arguing that the statute protects consumers from "having to stop and think" makes the protection seem almost silly, and resorting to an anti free-riding theory also suggests the dilution cause of action is not important to trademark owners. The theory of economic harm does suggest the cause of action is important, but it forces trademark owners to explain exactly how a small company like Nikepal hurts the sales of a major corporation such as Nike, thus imposing a difficult standard to meet in court.

Since the defenders of the anti-dilution cause of action have little incentive to clarify the ambiguity in Schechter's arguments, they have instead turned to vague phrases that continue to obscure the meaning of dilution. Some of this language could qualify as political, as defined by George Orwell.¹⁶⁹ In his 1946 essay "Poli-

¹⁶⁵ See Bone, *supra* note 151, at 502 ("The supporters of the Massachusetts dilution bill included members of the Boston Bar as well as industry groups such as the Retail Board of Trade, Better Business Bureau, and Associated Industries of Massachusetts.").

¹⁶⁶ Most states have adopted their anti-dilution laws based on the organization's 1964 Model State Trademark Bill. Robert N. Klieger, *Trademark Dilution: The Whittling Away of the Rational Basis for Trademark Protection*, 58 U. PITT. L. REV. 789, 813 (1997).

¹⁶⁷ See Jacobs, *supra* note 11, and accompanying text.

¹⁶⁸ See Farley, *supra* note 32, at 1177 (citing Transcript of Oral Argument, *Ringling Bros.-Barnum & Bailey v. Utah Div. of Travel Dev.*, 935 F. Supp. 763 (1996)).

¹⁶⁹ See GEORGE ORWELL, *Politics and the English Language*, in A COLLECTION OF ESSAYS 162, 165 (1954) (giving description of this style of writing).

tics and the English Language,” Orwell described the problems of five poorly written examples of prose:

Each of these passages has faults of its own, but, quite apart from avoidable ugliness, two qualities are common to all of them. The first is staleness of imagery; the other is lack of precision. The writer either has a meaning and cannot express it, or he inadvertently says something else, or he is almost indifferent as to whether his words mean anything or not. This mixture of vagueness and sheer incompetence is the most marked characteristic of modern English prose, and especially of any kind of political writing. As soon as certain topics are raised, the concrete melts into the abstract and no one seems able to think of turns of speech that are not hackneyed: prose consists less and less of *words* chosen for the sake of their meaning, and more and more of *phrases* tacked together like the sections of a prefabricated henhouse.¹⁷⁰

Orwell went on to note that “dying metaphors” and “meaningless words” are hallmarks of political writing.¹⁷¹ “By using stale metaphors, similes, and idioms,” he explained, “you save much mental effort, at the cost of leaving your meaning vague, not only for your reader but for yourself.”¹⁷² Based on Orwell’s writings, other authors labeled this type of writing as doublespeak, defined as “language which pretends to communicate but really does not.”¹⁷³

The dilution debate frequently turns on the very type of language that Orwell criticized. Vague terms bordering on meaninglessness are the hallmark of the debate. The phrase “impairs the distinctiveness” may stand for a particular type of mental association between two products, but the phrase is difficult to understand. Other vague phrases include the similarly worded “dilution of the distinctive quality of the mark,”¹⁷⁴ and “dilute the uniqueness”¹⁷⁵ (a mark is either unique or it is not). Even the FTDA’s definition of dilution, “the lessening of the capacity of a famous mark to identify and distinguish goods or services,”¹⁷⁶ while a little more precise than the “impairs the distinctiveness” language of the TDRA, is still highly

¹⁷⁰ *Id.*

¹⁷¹ *Id.* at 165, 168.

¹⁷² *Id.* at 171.

¹⁷³ William Lutz, *Notes Toward a Definition of Doublespeak*, in BEYOND NINETEEN EIGHTY-FOUR: DOUBLESPEAK IN A POST-ORWELLIAN AGE 1, 4 (William Lutz ed., 1989).

¹⁷⁴ H.R. REP. NO. 109-23, at 11 (2005).

¹⁷⁵ *Committee Print to Amend the Federal Trademark Dilution Act: Hearing Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 108th Cong. 89 (2004) [hereinafter *2004 Hearing*] (Statement of James K. Baughman, Assistant General Counsel, The Campbell Soup Company).

¹⁷⁶ 15 U.S.C. § 1127 (2000).

vague. A Kodak bicycle may reduce the capacity of the “Kodak” mark to identify a camera, as an advertisement simply using the word “Kodak” might cause the consumer to think of the bicycle and not a camera. However, by this logic, all junior uses in which the mark is identical to the senior mark would be forbidden.¹⁷⁷ So the language seems to hide the possibility of a trademark right in gross.

Advocates of anti-dilution laws also employ misleading metaphors. Schechter himself defined dilution as “the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods,”¹⁷⁸ calling to mind a woodworker carving away. One Court compared dilution to a “cancer-like growth” that cannot be allowed to spread.¹⁷⁹ Another court described dilution as similar to “the pollution of a lake” in that one polluter does not harm the quality of the water, but polluters collectively make the lake unusable.¹⁸⁰ Another common metaphor is that of bee stings: “Like being stung by a hundred bees, significant injury is caused by the cumulative effect, not by just one.”¹⁸¹

These metaphors are misleading in two ways. First, they all point to a theory of economic harm without actually using the terms of economic harm.¹⁸² If the

¹⁷⁷ One author believes that this language in the FTDA did in fact convey a right in gross. See Klieger, *supra* note 166, at 835 (arguing the FTDA “recognizes unlimited proprietary ownership of a limited class of marks”).

¹⁷⁸ Schechter, *supra* note 12, at 825.

¹⁷⁹ Allied Maint. Corp. v. Allied Mech.Trades, Inc., 42 N.Y.2d 538, 544 (1977) (finding for the plaintiff in a dilution case in which the defendant heating and ventilating business used a similar name as the plaintiff cleaning and maintenance business).

¹⁸⁰ See Brief for The International Trademark Association as Amicus Curiae Supporting Respondents at 18, *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003) (No. 01-1015), 2002 WL 1967947 (quoting *McDonald’s Corp. v. Gunville*, 1979 U.S. Dist. LEXIS 11106, at *8–9 (N.D. Ill. 1979)).

¹⁸¹ MCCARTHY, *supra* note 18, at § 24:120. McCarthy is actually critical of the metaphor, but suggested it as a means of understanding the arguments of advocates of anti-dilution laws. Others, however, have used the metaphor to explain dilution. See, e.g., 151 CONG. REC. 2107, 2123 (2005) (Statement of Rep. Berman) (“[Victims of dilution] analogize the effects of dilution to 100 bee stings, where significant injury is caused by the cumulative effect, not just by one.”). The International Trademark Association also used the metaphor in its amicus brief in support of *Victoria’s Secret* in the *Moseley* case. See Brief for The International Trademark Association as Amicus Curiae Supporting Respondents at 23, *Moseley v. V Secret Catalogue, Inc.*, 537 U.S. 418 (2003) (No. 01-1015) (stating “[A]ctual harm from a ‘single bee sting’ is not only difficult to prove, it is nonexistent.”).

¹⁸² See Moskin, *supra* note 33, at 131 (observing that dilution metaphors are based on the idea of “some taking or diminution” of the value of a trademark).

bee sting metaphor represented a trespass theory, then there would be no need to talk about one hundred bee stings; one bee sting by itself violates the right to exclude and the possibility of future bee stings is irrelevant. Second, the metaphors imply that dilution threatens to destroy brands of companies. Cancer, if allowed to spread, can kill a person. A high level of pollution renders a lake unusable. But the conclusion resulting from these metaphors does not make sense in a dilution context. Despite a lack of federal protection against dilution up until 1995, no one has ever found an example where diluting uses have been so common that the original mark has become valueless.¹⁸³ The metaphors lure a person into thinking that dilution poses a grave threat to companies without providing any evidence that such a major threat actually exists.

In short, owners of famous trademarks responded to the incentives that they were faced with. Rather than endorsing a particular theory of harm that would lead to a narrowing of the dilution doctrine, they have employed vague language and misleading metaphors to suggest dangers of dilution without needing to prove the existence of those dangers. This strategy has sometimes proved effective, as demonstrated by the decisions in the *Mattel*, *Nike*, *Hershey* and *Starbucks* cases.

V. The TDRA Embodies a Theory of Economic Harm

A. The Plain Text of the Statute Reflects an Economic Harm Theory

Which theory does the TDRA actually embody? The statute divides dilution into two different categories: dilution by tarnishment and dilution by blurring.¹⁸⁴ Dilution by tarnishment is a more intuitive cause of action, as the statute describes it as an “association arising from the similarity between a mark or trade name and a famous mark that harms the reputation of the famous mark.”¹⁸⁵ Dilution by blurring is the more common form of dilution and is the type of dilution this Comment focuses on. The statute defines dilution by blurring as an:

[A]ssociation arising from the similarity between a mark or trade name and a famous mark that impairs the distinctiveness of the famous mark. In determining whether a mark or trade name is likely to cause dilution by blurring, the court may consider all relevant factors, including the following:

- (i) The degree of similarity between the mark or trade name and the famous mark.

¹⁸³ See Goldman, *supra* note 35, at 576 (“Indeed, one is hard-pressed to identify any truly famous mark that is no longer famous because of use of the mark by others.”).

¹⁸⁴ Trademark Dilution Revision Act of 2006, 15 U.S.C. § 1125(c) (2006).

¹⁸⁵ 15 U.S.C. § 1125(c)(2)(C).

- (ii) The degree of inherent or acquired distinctiveness of the famous mark.
- (iii) The extent to which the owner of the famous mark is engaging in substantially exclusive use of the mark.
- (iv) The degree of recognition of the famous mark.
- (v) Whether the user of the mark or trade name intended to create an association with the famous mark.
- (vi) Any actual association between the mark or trade name and the famous mark.¹⁸⁶

While the factors are new, the definition of dilution by blurring is similar to the definition under the 1995 law, which stated: "The term 'dilution' means the lessening of the capacity of the famous mark to identify and distinguish the goods or services, regardless of the presence or absence of—(1) competition between the owner of the famous mark and other parties, or (2) likelihood of confusion, mistake, or deception."¹⁸⁷ The new legislation substitutes the term "impairs the distinctiveness" for a reduced capacity to distinguish goods, but the two phrases point to the same core concept.¹⁸⁸

It is clear that the statute does not create a trademark right in gross,¹⁸⁹ despite how one proponent of the 1995 legislation described the law.¹⁹⁰ Had its authors wanted to give such power to trademark owners, then the definition of dilution by blurring would be much less cumbersome; they would have just stated that the junior user can never use the mark of another company without their permission, period.

¹⁸⁶ 15 U.S.C. § 1125(c)(2)(B).

¹⁸⁷ Federal Trademark Dilution Act of 1995, 15 U.S.C. § 11257 (2000).

¹⁸⁸ See Beverly W. Pattishall, *Dawning Acceptance of the Dilution Rationale for Trademark-Trade Identity Protection*, 74 TRADEMARK REP. 289, 296 (1984) (stating that "distinctiveness" refers to a mark's ability to identify goods).

¹⁸⁹ See Beebe, *supra* note 41, at 1147 (noting "the language of the TDRA is careful to steer clear of" adopting the concept of a trademark right in gross, otherwise known as dilution of uniqueness); see also *Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev.*, 170 F.3d 449, 459 (1997) (noting that if Congress had intended to create a right-in-gross with the FTDA, adopting that intention is "easily and simply expressed by merely proscribing use of any substantially replicating junior mark.").

¹⁹⁰ Speaking in favor of the Federal Trademark Dilution Act at a July 19, 1995 congressional hearing, Nils Victor Montan of Time Warner said, "[t]he basic point in our view is that the trademark owner, who has spent the time and investment needed to build up the goodwill in these marks, should be the sole determinant of how the marks are used in a commercial sense." *1995 Hearing, supra* note 36, at 102 (referencing testimony of Nils Victor Montan, President and Senior Intellectual Property Counsel, Time Warner).

The statute also does not embody a free-riding theory. While there are some comments in the legislative history expressing concern about free-riding,¹⁹¹ the text of the statute does not comport with such a theory. Writing a statute that sought to prevent free-riding also would have been straightforward, as the authors of the statute could have simply written that all junior uses intended to capitalize on the fame of the senior user would be forbidden. But the authors of the TDRA did not take that approach. It is worth noting, however, that the free-riding theory may not be completely absent from the statute, as the fifth factor focuses on the intent of the junior user.¹⁹²

Also, there is no mention of any potential harm to consumers in the statute. Protecting consumers against “thought injury” may be a secondary benefit of the legislation, but it is protecting the interests of trademark owners, not consumers, that is at the front and center of the statute.¹⁹³

The key language of the statute, however, does fit the economic harm theory.¹⁹⁴ The critical language is an “association . . . that impairs the distinctiveness of the famous mark.”¹⁹⁵ Clearly, the statute is not referring to just any mental association between the senior product and the junior product, but a particular type of mental association. One could interpret the “distinctiveness” of a mark as representing a mark’s ability to attract consumers, so an association that impairs the distinctiveness of a mark is an association that reduces the selling power of the mark, thereby hurting the trademark owner’s sales.

Admittedly, the text of the statute is also consistent with a “trespass on mental associations” theory. An association that impairs distinctiveness could simply mean a downstream mental association, regardless of whether such an association

¹⁹¹ See 1995 Hearing, *supra* note 36, at 90 (testimony of James K. Baughman, Assistant General Counsel, Campbell Soup Co.) (“We think that there is something wrong here and that these products in fact are taking advantage of a reputation that has been built up over a century.”).

¹⁹² 15 U.S.C. § 1125(c)(2)(B)(v) (2006).

¹⁹³ See, e.g., 151 CONG. REC. E763–64 (2005) (statement of Rep. Wu) (noting that federal dilution legislation shifted the focus away from consumer protection and toward property protection for business owners); see also Long, *supra* note 21, at 1035 (“[T]he legislative history of the FTDA suggests that Congress originally had more producer-centered considerations in mind.”).

¹⁹⁴ The statute does say that a court can issue an injunction to prevent dilution “regardless of the presence or absence . . . of actual economic injury.” 15 U.S.C. § 1125(c)(1). This language, however, by no means suggests that the statute is not about economic harm. Instead, the language is simply stating that past economic injury need not be shown; this is completely consistent with the idea that the *possibility of future* economic injury is the central concern of the statute.

¹⁹⁵ 15 U.S.C. § 1125(c)(2)(B).

tends to hurt a company's sales.¹⁹⁶ The Kodak mark was distinct when it referred to cameras, but if consumers think of Kodak bicycles when seeing the camera company's mark, then the distinctiveness of that mark would be impaired. However, there are reasons to be cautious when applying this theory to the statute. First, adopting a trespass theory goes against a fundamental presupposition of trademark law: that trademarks, unlike copyrights and patents, are not owned by anyone, and thus the right to exclude has little place in trademark law.¹⁹⁷ Second, interpreting the statute as following this theory exacerbates First Amendment concerns. Anti-dilution laws are by definition a restraint on speech.¹⁹⁸ Under the holding of *Central Hudson Gas v. Public Services Commission*, the government can limit commercial speech to the extent that the limitation promotes a substantial state interest; furthermore, the limitation must be in proportion to that interest.¹⁹⁹ While protecting the economic well being of corporations is an important interest, the right to own mental associations is a much weaker rationale.²⁰⁰ Interpreting the TDRA as embracing a trespass theory instead of a theory of economic harm violates a basic tenet of statutory construction: courts should assume that Congress intends for its statutes to comply with the Constitution.²⁰¹

¹⁹⁶ See Lee, *supra* note 31, at 890 (discussing mental association and distinction without mentioning loss in sales).

¹⁹⁷ See, e.g., *United Drug Co. v. Theodore Rectanus Co.*, 248 U.S. 90, 97 (1918) ("There is no such thing as property in a trade-mark except as a right appurtenant to an established business or trade in connection with which the mark is employed . . ."); Long, *supra* note 21, at 1034 ("With this focus on consumers, the classical trademark entitlement is essentially a set of use rights rather than purely exclusionary rights . . ."); Moskin, *supra* note 33, at 124 (noting that an attempt to make dilution into a "purely property-based theory" would move trademark law away from its origins in tort principles).

¹⁹⁸ See Mary LaFrance, *No Reason to Live: Dilution Laws as Unconstitutional Restrictions on Commercial Speech*, 58 S.C. L. REV. 709, 713 (2007) (contending that the "very reason for existence" of anti-dilution laws is to restrict commercial speech).

¹⁹⁹ *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n of N.Y.*, 447 U.S. 557, 564 (1980).

²⁰⁰ Some critics of dilution law think it violates the First Amendment even if it reflects an economic harm theory. See LaFrance, *supra* note 198, at 711 ("[I]f any harm does flow from dilutive activities, it may affect trademark owners in ways that do not affect any broader public interest; indeed, dilutive activities may actually offer some benefits to the public."). In a recent holding the Supreme Court gives even further support to the argument that the TDRA violates the First Amendment. *Citizens United v. Fed. Election Comm'n*, 130 S. Ct. 876, 900 (2010) ("The Court has thus rejected the argument that political speech of corporations or other associations should be treated differently under the First Amendment simply because such associations are not 'natural persons.'").

²⁰¹ See *Clark v. Martinez*, 543 U.S. 371, 381 (2005) ("[The canon of constitutional avoidance] is a tool for choosing between competing plausible interpretations of a statutory text, resting on the

B. Scholarship and Legislative History Support the Central Importance of Economic Harm

Why do owners of famous trademarks care about dilution? Are anti-dilution advocates really worried about a form of trespass that is not related to economic harm? Have trademark owners fought for federal anti-dilution legislation based on a theoretical injury that has nothing to do with their financial bottom line? The answer clearly is no. Trademark owners are not the equivalent of an old man sitting on his porch, getting upset at a passerby crossing through his yard. Their real concern is not enforcing the right to exclude but the potential loss of dollars that they believe dilution represents. The history of dilution scholarship and the legislative history of the statute support this conclusion.²⁰²

Many believe that Schechter, the godfather of dilution theory, advocated a trespass theory and viewed a trademark as a right in gross.²⁰³ Schechter, however, was clearly worried about economic harm to trademark owners. He concluded:

(1) [T]hat the value of the modern trademark lies in its selling power; (2) that this selling power depends for its psychological hold upon the public, not merely upon the merit of the goods upon which it is used, but equally upon its own uniqueness and singularity; (3) that such uniqueness or singularity is vitiated or impaired by its use upon either related or non-related goods; and (4) that the degree of its protection depends in turn upon the extent to which, through the efforts or ingenuity of its owner, it is actually unique and different from other marks.²⁰⁴

The value of the trademark, Schechter said, was in its “selling power”—in other words, its value is in its ability to encourage people to buy the company’s product.²⁰⁵ If the brand’s uniqueness is diminished, then this is worrisome because

reasonable presumption that Congress did not intend the alternative which raises serious constitutional doubts.”).

²⁰² The one court to most extensively consider the issue also reached this conclusion. *See* Ringling Bros-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev., 170 F.3d 449, 458 (4th Cir. 1999) (“[A] general agreement has emerged that ‘dilution’ under the state statutes involves as an essential element some form of harm to the protected mark’s selling power—its economic value—resulting otherwise than by consumer confusion from the junior mark’s use.”).

²⁰³ *See* Beebe, *supra* note 41, at 1146–47 (arguing that Schechter’s proposed test for dilution was simple: if a senior mark is unique and if another company makes use of that mark by incorporating it into their own trademark, then the uniqueness of the original mark is destroyed and there has been dilution); Klieger, *supra* note 166, at 806 (“Under Schechter’s dilution proposal, trademark law would protect only unique marks, but would prevent all junior uses of such marks.”). *But see* Moskin, *supra* note 33, at 132 (“[Schechter], along with most courts and commentators, would seem to agree that some line must be drawn; virtually no one favoring dilution protection seems to insist that all junior uses are per se illegal as causing dilution.”).

²⁰⁴ Schechter, *supra* note 12, at 831.

²⁰⁵ *Id.* at 818–19.

it threatens the company's sales. Schechter may have taken it for granted that a reduction in a brand's uniqueness would hurt the company's sales. But the fact that Schechter assumed that a loss of uniqueness generally leads to a loss in sales does not mean he thought a loss of uniqueness was a harm even without such a loss in sales. Schechter was not worried about uniqueness because it was important in and of itself; he was worried because he believed the loss of uniqueness would be a financial blow to the company.²⁰⁶

Schechter was not merely concerned with lost sales; the original use of the term "diluting" was in conjunction with the concept of economic harm. Schechter focused on a 1924 German case known as the Odol case, in which the defendant used the "Odol" mark for its steel products even though the plaintiff already used "Odol" for mouthwash.²⁰⁷ The court found for the plaintiff, concluding that the plaintiff had "the utmost interest in seeing that its mark is not diluted [*verwassert*]: it would lose in selling power if everyone used it as the designation of his goods."²⁰⁸ Thus, the word "dilution" and the concept of lost sales were initially intertwined. The court in the *Vogue* case discussed above, also cited by Schechter, reached its decision based on a theory of economic harm as well.²⁰⁹

Even advocates of trespass theories often use language of economic harm when arguing in favor of those theories. Rudolf Callman, one of the early supporters of anti-dilution law who spoke in favor of a trespass theory,²¹⁰ also expressed concern over the possibility that competing uses of the mark would "debilitate the advertising power of the original mark."²¹¹ The reference to advertising power seems clear; Callman was worried that advertisements would be rendered less effective at attracting consumers to the brand, thus decreasing sales. Pattishall also worried about lost sales. He wrote: "The essence of dilution is the watering down of the potency of a mark and the gradual debilitation of its selling power."²¹² Thus

²⁰⁶ *Id.* at 830.

²⁰⁷ *Id.* at 831.

²⁰⁸ *Id.* at 832. "Diluted" is the English translation of the German word *verwassert*.

²⁰⁹ See *Vogue Co. v. Thompson-Hudson Co.*, 300 F. 509, 512 (6th Cir. 1924) (expressing concern that the defendant's actions would drive away thousands of customers from the plaintiff's business).

²¹⁰ See Callmann, *supra* note 41, at 463 ("It has generally been said that trademarks are not rights in gross like patents or statutory copyrights. This, however, is a distinction in practical law and not in principle . . .").

²¹¹ *Id.* at 448.

²¹² Pattishall, *supra* note 188, at 296.

the scholar who has come closest to advocating for a “trespass on mental associations” theory also had potential economic harm in mind.

The legislative history of both the TDRA and its predecessor, the FTDA, similarly show a concern expressed by INTA, the author of the legislation, about possible economic harm to trademark owners. The genesis of a federal anti-dilution cause of action came with a 1987 INTA report. The authors of this report did in fact recognize that dilution was designed to protect their employers from economic harm.²¹³ They noted that the “commercial magnetism” of a well-known trademark “builds and retains markets and fosters competitive vigor.”²¹⁴ In other words, the Commission saw brands as helping attract customers, and they viewed dilution as threatening to reduce the sales to these customers.

Speaking on behalf of INTA at a 1995 hearing on the proposed FTDA, Mary Ann Alford stated that “the focus of the dilution doctrine is on damage to the mark’s inherent value as a symbol.”²¹⁵ Alford was making the same argument as Callman—that a mark has value in its ability to attract consumers and that dilution threatens that value. Others made similar comments at hearings on the TDRA. James Baughman of the Campbell Soup Company said dilution cases “represent a financial loss for the trademark owner.”²¹⁶ Jacqueline Leimer, the president of INTA, said at a 2004 hearing on the TDRA that “dilution is a process by which the value of a famous mark is diminished over time.”²¹⁷ The same language was used by another INTA representative at a 2005 hearing.²¹⁸

Statements from Congressional representatives also support the theory of economic harm. In discussing the FTDA, a House Report quoted a federal court decision that stated: “Confusion leads to an immediate injury, while dilution is an infection, which if allowed to spread, will inevitably destroy the advertising value

²¹³ USTA, *supra* note 161, at 455–56.

²¹⁴ *Id.* at 455.

²¹⁵ 1995 Hearing, *supra* note 36, at 72 (Statement of Mary Ann Alford, Executive Vice President, International Trademark Association).

²¹⁶ *Id.* at 92 (Statement of James K. Baughman, Assistant General Counsel, The Campbell Company).

²¹⁷ 2004 Hearing, *supra* note 175, at 25 (Statement of Jacqueline A. Leimer, President, The International Trademark Association).

²¹⁸ *Trademark Dilution Revision Act of 2005: Hearing Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H. Comm. on the Judiciary*, 109th Cong. 72, at 28 (2005) [hereinafter 2005 Hearing] (Statement of Anne Gundel Finger, President, The International Trademark Association).

of the mark.”²¹⁹ As argued above,²²⁰ this metaphor is rooted in a theory of economic harm; if the harm were a form of trespass, then the harm would be immediate. Representative Howard Berman cited to a similar metaphor rooted in a concept of economic harm when speaking in favor of the TDRA, saying “[Victims of dilution] analogize the effects of dilution to 100 bee stings, where significant injury is caused by the cumulative effect, not just by one.”²²¹ Representative Lamar Smith echoed Berman’s thought, saying “Diluting needs to be stopped at the outset because actual damages can only be proven over time, after which the good will of a mark cannot be restored.”²²² Had Smith viewed dilution as a form of trespass, then there would be no need to prove actual damages over time.

In short, the supporters of anti-dilution laws like the TDRA have spent a lot of time thinking about economic harm. The reason for the concern is straightforward. They are not worried about affecting customer’s mental associations because they feel entitled to a right to exclude. They are worried that the interference with mental associations will cause trademark owners financial harm.

C. The Structure of the Statute Supports a Theory of Economic Harm

In addition, the structure of the statute shows that its authors were worried about financial harm to trademark owners. In particular, the decision of the statute’s authors to divide dilution into two types, blurring and tarnishment, puts the economic harm theory at the forefront of the legislation.

Dilution by tarnishment is a cause of action based on economic harm.²²³ Judge Posner gave the example of Tiffany’s & Co. having a tarnishment cause of action against a Tiffany’s strip club.²²⁴ He noted that “[B]ecause of the inveterate tendency of the human mind to proceed by association, every time they think of the word ‘Tiffany’ their image of the fancy jewelry store will be tarnished by the association of the word with the strip joint.”²²⁵ The theory is that in thinking of the strip club, some consumers will be disgusted and subconsciously develop negative asso-

²¹⁹ H.R. REP. NO. 104-374, at 3 (1995) (quoting *Mortellito v. Nina of California, Inc.*, 335 F. Supp. 1288, 1296 (S.D.N.Y. 1972)).

²²⁰ See *supra* text accompanying notes 154–155.

²²¹ 151 CONG. REC. H2121, at 2123 (2005) (statement of Rep. Berman).

²²² *Id.* (statement of Rep. Smith).

²²³ *Id.*

²²⁴ *Ty Inc. v. Perryman*, 306 F.3d 509, 511 (7th Cir. 2002).

²²⁵ *Id.*

ciations against the jewelry store. According to the theory, these customers will be less likely to shop there as a result of these negative associations. Thus, there is little debate that tarnishment is about economic harm.²²⁶

Given that dilution by tarnishment is a cause of action based on economic harm, it would make sense that the other cause of action would also be based on a theory of economic harm. The more natural reading is that blurring and tarnishment represent two different forms of economic harm against the trademark owner. Tarnishment is a harm in which the consumer views a product that disgusts the consumer on some level and causes the consumer to have negative associations about the senior product, thus spending less money on that product. Blurring is a harm in which the consumer views a product that causes that consumer to forget about some of the attributes of the senior product, thus becoming less likely to buy that senior product.

Moreover, if dilution by blurring was simply a “downstream mental association” that had little connection to economic harm, then the dilution by tarnishment cause of action would be completely unnecessary. As Judge Posner pointed out, under tarnishment the consumer views the senior product (an advertisement for Tiffany’s and Co.) and thinks of the tarnishing product (Tiffany’s strip club).²²⁷ Thinking of the junior product after seeing the senior product is the definition of downstream mental association; the only difference is that a tarnishment claim has the added requirement of an unsavory connotation. So dilution by blurring must mean something more than downstream mental association if the TDRA’s tarnishment provision is to be anything other than a redundancy.

VI. A Proposal: Allowing Defendants to Introduce Evidence of a Lack of Economic Harm

Given that the theory of economic harm is at the center of the statute, and given that proponents of the TDRA often try to pretend otherwise, the nature of the economic harm needs to take a more central role in courtroom discussions. In order to achieve this, defendants should be allowed to introduce evidence that their actions will result in no economic harm to the plaintiff.

²²⁶ See Tushnet, *supra* note 33, at 522 (noting that there has been substantially less debate in the literature over the meaning of tarnishment compared to debate over the meaning of blurring).

²²⁷ See *supra* text accompanying notes 224–226.

A. Allowing Defendants to Rebut the Presumption of Economic Harm Meets the Goals of the TDRA

Allowing the defendant to rebut the presumption of economic harm achieves several important goals. First, it does not create a regime in which it becomes impossible for plaintiffs to win on dilution claims. Economic harm from dilution is very difficult to prove,²²⁸ and if the burden was placed on plaintiffs, they might never win dilution cases. The primary purpose of the TDRA was to overturn the holding of *Moseley* which said plaintiffs needed to show actual dilution instead of likelihood of dilution.²²⁹ The reason why the holding in *Moseley* was so problematic is that advocates of anti-dilution laws view the dilution injury as a “cancer-like growth” that starts small but turns deadly.²³⁰ In other words, the initial economic harm might be miniscule, but it can lead to much greater harm in the future, so there is a need for an injunction to stop the cancer before it spreads. The whole point of the TDRA is to get rid of the requirement that plaintiffs demonstrate that economic harm already has occurred. Establishing a presumption of economic harm based on a showing of downstream mental association is consistent with the purpose of giving dilution plaintiffs the benefit of the doubt.

Second, defendants have a means of defending themselves. Some courts may be quick to infer that there is a mental association, as the *Hershey* court did.²³¹ And even if courts began to recognize the distinction between downstream and upstream mental association, they may be just as comfortable as inferring a downstream mental association as they currently are in inferring any mental association. Thus, plaintiffs can recover on a theory of potential economic harm without introducing much evidence at all. Allowing defendants to rebut the presumption gives defendants a fighting chance.

Third, allowing defendants to rebut the presumption of economic harm returns the focus of the dilution injury to economic harm, in accordance with the true but hidden purpose of the TDRA. Doing so would bring some much needed hones-

²²⁸ See *supra* Part I.D.

²²⁹ See H.R. REP. NO. 109-23, at 5 (2005) (“The *Moseley* standard creates an undue burden for trademark holders who contest diluting uses and should be revised.”).

²³⁰ See Moskin, *supra* note 33, at 137 (“[T]he very essence of the dilution theory is that the plaintiff is not necessarily injured by the particular party that has been summoned to court, but that the one defendant’s conduct, ‘if allowed to spread’ (to other hypothetical defendants), will (‘inevitably’) weaken the plaintiff’s mark.”). As argued previously, this author is suspicious of the merits of this metaphor.

²³¹ See *supra* text accompanying notes 130–136.

ty into the dilution discussion. There would be many tangible benefits of simply referring to the TDRA as a statute based on a theory of economic harm. Courts would no longer have to waste their time trying to figure out what the statute actually means, so the quality of judicial opinions on dilution causes of action would improve. In a related point, any First Amendment challenges to dilution statutes could be more properly framed as pitting speech rights against the right of corporations to protect their sales. In addition, a focus on economic harm would put the academic research on whether or not dilution actually causes any economic harm to the forefront. This would lead to more studies and hopefully better answers to this critical question. And if those studies were unable to document instances of economic harm in the real world, then the purpose of the TDRA and similar statutes would need to be reexamined.

B. Allowing Defendants to Rebut the Presumption of Economic Harm is Workable in the Courtroom

Proving that something does not exist is a more difficult task than proving something does exist. However, there are several pieces of evidence that defendants could present to successfully rebut the presumption. First, they would need to show that the percentage of people exposed to their business is quite small as compared to the percentage of the people who are customers of the plaintiff's business. For example, Nikepal could argue that only a thousand people have ever even heard of their business, as compared to the millions of customers that Nike has around the world. In other words, Nikepal could argue that their business is so small that any potential harm is *de minimis* and not actionable. Alternatively, Nikepal could argue that Nike is so famous that it is immune to any economic harm by dilution by blurring, since consumers are extremely unlikely to forget any attributes of Nike.²³²

If the defendant could first establish that their actions have not caused the plaintiff any economic harm in the past, then the defendant would need to further show that they are unlikely to cause economic harm in the future. If Nikepal made an argument that any harm from their actions was *de minimis*, then they would need to further show that they did not plan to engage in a major expansion of their business. Similarly, in accordance with the purpose of the TDRA, the defendant would need to show that their actions are not likely to induce other businesses to spring up who would also use a trademark similar to the plaintiffs. In the hearings of the TDRA, Mark Lemley discussed eBay's fight against 186 website imitators,

²³² See, e.g., Morrin & Jacoby, *supra* note 59, at 274 ("This study also shows that exceptionally familiar brands may be largely immune to some of the harmful effects of trademark dilution.").

often auction related, that use the “bay.com” mark.²³³ Certainly, if the defendant were starting a “bay.com” website, the defendant would be hard-pressed to argue that the company’s actions were not part of a pattern of dilutive uses. But on the other side of the spectrum, the defendant in the *Hershey* case could argue that there is no trend of people using allusions to Hershey wrappers as part of advertisements, nor is there likely to be such a trend in the future.

VII. Conclusion

This Comment argues that the confusion over dilution stems in part from the incentives of the authors of anti-dilution legislation. At its core, dilution has always been about protecting trademark owners from economic harm. But since the economic harm theory favors defendants, trademark plaintiffs have a strong incentive to avoid clarity in the dilution debate. The vague text of the TDRA reflects this incentive.

This Comment argues that courts should allow defendants to present evidence of their own that suggests they have not caused economic harm. Following such an approach would be consistent with the “impairs the distinctiveness” language of the TDRA. Further, this approach would continue to favor dilution plaintiffs, as the TDRA clearly intends, but it would give defendants more of a fighting chance.

Ultimately, though, the exact approach taken by the courts is not the central issue. Instead, it is critical that courts understand that dilution is a cause of action that aims to prevent economic injury to the plaintiff. If courts are able to move beyond the confusion over dilution and embrace the theory behind the statute, then such an understanding will lead to more just outcomes in dilution cases.

²³³ 2005 Hearing, *supra* note 218, at 44 (Statement of Mark Lemley, William H. Neukom Professor of Law, Stanford University) (providing examples such as “umbrellaBay.com” and “nazibay.com”).

Modernizing Copyright Law

Miriam Bitton*

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I. Background

In November of 2001, the Center for the Public Domain at Duke University's School of Law held a conference on the public domain. The public domain was defined as belonging to the outside of the intellectual property law system and as consisting of the material that is free for all to use and to build upon. The conference touched upon the history and the theory of the public domain and proceeded through a "state of the public domain" report in three subject areas—the digital realm, culture, and science.¹ In a way, the conference launched an ongoing discus-

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sion and debate regarding the public domain and how it should be preserved, guarded, and enriched.

Indeed, legal scholars and the courts have discussed the public domain extensively during the past decade. Some of the major concerns that have occupied legal scholars pertain to the over-properitization of information, which leads to the gradual contraction of the public domain. In sharp contrast, since the invention of the personal computer and Internet technologies (including sophisticated copying technologies), we have witnessed a significant growth in the piracy rates of copyrightable materials. Copying music, movies, software, and other copyrightable works has become common practice.

In addition, during this past decade we have also witnessed the emergence of productive communities that rely extensively upon two important licenses: the GPL license for software, introduced by Stalman's Free Software Foundation; and the Creative Commons license for other creative works. In many ways, the emergence of such licenses represents the desire to collaborate and share information for free or allow access to copyrightable works under less restrictive terms than those required by copyright law. It also reflects a movement against the use of proprietary regimes, demonstrating a drive to create better access to information and knowledge.

Thus, two disparate trends are taking place simultaneously. On the one hand, the growing properitization of the public domain is spreading. On the other hand, we can see a growth of taking proprietary materials occurring in the form of extensive copyright infringement with the emergence of sharing norms for materials that could have been proprietary. These trends and what can be done about them have been the subjects of extensive discussion in academia, Congress, and the courts. However, such discussions have not yet yielded any groundbreaking, satisfactory resolutions to the problems at hand.

nar, University of Miami School of Law faculty seminar, the Ohio State University Moritz College of Law faculty seminar, the Bar-Ilan University Faculty of Law faculty seminar, the Columbus Intellectual Property Law Association March 2011 event, IP Theory Seminar at the Bar-Ilan University Faculty of Law, workshop participants of the 4th Annual Junior Scholars in IP Conference at Michigan State University (2011), conference participants at the WIPIP Conference, 2011 (Boston University), and conference participants at the IP Scholars Conference, 2010 (UC Berkeley, Boalt Law). Last, but not least, many thanks are due to Reemon Silverman for excellent research assistance and very avid discussions.

¹ James Boyle, *The Public Domain: Forward: The Opposite of Property*, 66 LAW & CONTEMP. PROBS. 1 (2003). See also James Boyle, *The Second Enclosure Movement and the Construction of the Public Domain*, 66 LAW & CONTEMP. PROBS. 33 (2003) [hereinafter *The Second Enclosure Movement*]. See generally JAMES BOYLE, *THE PUBLIC DOMAIN: ENCLOSING THE COMMONS OF THE MIND* (2008) [hereinafter *ENCLOSING THE COMMONS OF THE MIND*] (discussing the centrality of the public domain for the production of culture and knowledge and the effects of copyright and patent policy on the public domain).

This Article offers a new perspective on the public domain problem, providing a better legal framework for modernizing copyright law and achieving openness while avoiding some (hopefully many) of the obstacles hindering previous frameworks. Previous proposals have attempted to address the contraction of the public domain by suggesting reforms that were either too narrow by virtue of their piecemeal approaches or too revolutionary in that they offered reforms that significantly departed from the current copyright framework in many ways. The framework offered in this Article attempts to mimic the modern creative environment because such an approach is more responsive to the needs and desires of the creative world while also remedying many of the ills of the current copyright system.

Building on the existing academic literature, this Article suggests that the rules concerning copyrightability should be modernized and designed on the basis of emerging practices. Based on these principles, the default rules concerning creative works would be reversed so that works will be subjected to what I call the “Gradual Dedication Model” (GDM). Under the proposed model, creative works would be dedicated gradually to the public domain, so that at first (GDM Phase 1) they would be owned by the public but at the same time would be subject to some use-restrictions for a set period of time. The use-restrictions would, in essence, reflect emerging practices of sharing for free. The only restrictions imposed would be a duty to attribute the work and a duty to similarly dedicate any derivative works under the GDM, while allowing copying, distribution, display, and public performance of the work, and derivative works based upon it, for both commercial and non-commercial purposes. After the set period of time, at GDM Phase 2, the work would be dedicated to the public domain with no strings attached, free for use by all with no use-restrictions.

This model improves on previous proposals such as those provided by the Creative Commons licenses and the open source movement licenses because it provides authors not just with an alternative; instead, it sets the default. In other words, the new model incorporates the growing culture of openness and sharing by making it the default rule rather than relying on people using complex contracts that pose many difficulties.

This new model will result in a number of benefits: *first*, it will clarify the status of creative works, allowing the public to observe which works are protected and which are not, and use the latter freely. *Second*, it may make copyright law more efficient at incentivizing the production of both original and sequential works by aligning the law with common practices. *Third*, such a solution has great potential to create and ingrain a more robust dynamism of giving and sharing given the structure of its default rule. *Fourth*, it avoids many of the problems we currently experience under other proposals, such as private ordering. *Fifth*, such a solution can enrich the public domain because copyright protection would be claimed for fewer works under this proposed regime. *Lastly*, such a regime can bring about a discursive effect, triggering the consideration of reform initiatives to copyright law.

The Article proceeds as follows: Part II provides an overview of the origins of the public domain, defining the public domain as well as describing the processes of its contraction. Part III introduces and critically reviews different proposals that address the public domain problem. Part IV submits a new solution for the public domain: the Gradual Dedication Model (GDM). This part emphasizes the GDM's positive externalities as compared to other proposals. Part V delineates the challenges to the proposed solution, offering some initial responses to those challenges. Part VI offers some concluding remarks and possible directions for future research on the subject.

II. The Public Domain: Origins, Definition, and Its Ongoing Propertization

The public domain was first recognized in the Statute of Monopolies² and the Statute of Anne.³ In the United States, the origin of the public domain is in the Constitution, where it structurally accords rights of unrestricted access to the public and functionally serves as a restraint against the government in the Copyright and Patent Clause.⁴ The intellectual property clause is in effect an exception to the rule that all knowledge, information goods and expression reside in the public domain. Unless protection is claimed under either the patent or copyright laws, inventions and expressive works are considered a part of the public domain.

As a number of scholars have demonstrated,⁵ since 1960 the Supreme Court has repeatedly emphasized the constitutional dimensions of the public domain, including the principle that it is the public that “owns” public domain materials and that these “ownership” rights are irrevocable—*i.e.*, once something becomes part of the public domain, it will forever remain a part of the public domain. The Court has decided several major cases that place a renewed emphasis on the public domain's preservation. For instance, in the famous *Sears and Compco*⁶ decisions the Court held that states could not prohibit the copying of unpatentable materials that reside in the public domain:

An unpatentable article, like an article on which the patent has expired, is in the public domain and may be made and sold by whoever chooses to do so. . . . To allow a [s]tate by use of its law of unfair competition to prevent the copying of an article which represents too slight an advance to be patented would be to permit

² Statute of Monopolies 1624, 21 Jac 1, c. 3.

³ Statute of Anne, 8 Anne c. 19 (1709).

⁴ U.S. CONST. art. I, § 8, cl. 8. Edward Lee, *The Public's Domain: The Evolution of Legal Restraints on the Government's Power to Control Public Access Through Secrecy or Intellectual Property*, 55 HASTINGS L. J. 91, 139–40 (2003).

⁵ Tyler T. Ochea, *Origins and Meanings of the Public Domain*, 25 U. DAYTON L. REV. 215, 222–24 (2003) (surveying the history and development of the public domain in intellectual property law).

⁶ *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964).

the [s]tate to block off from the public something which federal law has said belongs to the public.⁷

Although determining what resides in the public domain can be somewhat intuitive, some scholars have taken upon themselves the task of actually mapping the public domain. Some of the most comprehensive and thorough mappings of the public domain have been conducted by Pamela Samuelson in her seminal works on the subject.⁸

Samuelson correctly points out that the public domain is actually a murky area that consists of a wide variety of content.⁹ Likewise, she suggests that there are actually thirteen public domains that can be categorized into one of three groups: 1) domains that focus upon the legal status of the content; 2) domains that focus upon the freedom to use content, even if it is protected by intellectual property rights; and 3) domains that focus upon the accessibility of content.¹⁰ For our purposes, we need only to discuss a few of them in order to make a general overview of the materials that reside in the public domain.

Thus, the public domain is composed of content that is completely free from intellectual property rights, such as works whose intellectual property rights have expired, and works that did not or do not qualify for intellectual property rights.¹¹ In addition to this public domain content, there are also information resources such as ideas, concepts, principles, and laws of nature that are outside of the realm of intellectual property.¹² As Samuelson suggests, the privileges awarded under fair use and other copyright rules reside close by -- although outside of -- the public do-

⁷ *Sears*, 376 U.S. at 231–32 (citation omitted); see also *Graham v. John Deere Co.*, 383 U.S. 1, 5–6 (1966) (“[C]ongress 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 This is the standard expressed in the Constitution and it may not be ignored.”) (citations and footnotes omitted); *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 481–84 (1974) (acknowledging that under *Sears/Compro*, “that which is in the public domain cannot be removed by action of the states,” the Court concluded that “[t]he policy that matter once in the public domain must remain in the public domain is not incompatible with the existence of trade secret protection.”) (footnote omitted). *But see* *Goldstein v. California*, 412 U.S. 546 (1973) (criticized as being inconsistent with the principle that the Constitution requires free copying of material in the public domain); Malla Pollack, *Unconstitutional Incontestability? The Intersection of the Intellectual Property and Commerce Clauses of the Constitution: Beyond A Critique of Shakespeare Co. v. Silstar Corp.*, 18 SEATTLE U.L. REV. 259, 305–20 (1995) (suggesting that state protection of intellectual property rights is constitutionally barred).

⁸ Pamela Samuelson, *Enriching Discourse on Public Domains*, 55 DUKE L.J. 783 (2006) [hereinafter Samuelson, *Enriching Discourse*]; Pamela Samuelson, *The Public Domain: Mapping the Digital Public Domain: Threats and Opportunities*, 66 LAW & CONTEMP. PROBS. 147 (2003) [hereinafter Samuelson, *Mapping the Digital Public Domain*].

⁹ Samuelson, *Enriching Discourse*, *supra* note 8, at 783–85.

¹⁰ *Id.* at 785.

¹¹ *Id.* at 789.

¹² *Id.* at 790.

main.¹³ Furthermore, the public domain arguably encompasses contractually constructed information commons, although the materials in these commons remain slightly outside of the public domain. Consequentially, open source and Creative Commons licensing that make information artifacts available also reside close by the public domain.¹⁴ In contrast to the categories discussed so far, this licensing domain utilizes intellectual property rights in order to ensure accessibility and widespread use.¹⁵

However, this does not fully capture the full scope of the public domain. There are many works that reside in the public domain but are not really accessible. For example, some works are out of print or might be single-copy works that are owned by one person who does not provide access to them. Therefore, the public domain includes works that reside in it although they are not necessarily accessible for public use.

Once generally identified, it is also important to articulate why the public domain is important. Many scholars have touched upon this issue, offering varying explanations. One of the more common explanations regarding the significance of the public domain is that it constitutes an integral part of the cultural landscape in which creativity occurs and from which everyone should be able to draw.¹⁶ This view suggests that the public domain is a sphere that reflects a balance created by Congress between intellectual property protected realms and materials free from intellectual property protection. This view suggests that such a balance is important for future creation and innovation and as such should not be disrupted.

Additionally, the public domain serves as a communications sphere that provides societal infrastructure for a democracy inasmuch as it allows people to freely exchange their ideas. David Lange has poetically described the public domain as a “sanctuary for individual creative expression, a sanctuary conferring affirmative protection against the forces of private appropriation that threatened such expression.”¹⁷ This view perceives the public domain as a status which arises from the exercise of the creative imagination.¹⁸ Thus, under this view, even appropriation of protected materials for creating new works is always allowed.¹⁹ While this latter conclusion is less common, Lange’s view emphasizes the importance of the public domain for self-governance in securing the freedom “to think and imagine, to re-

¹³ Samuelson, *Mapping the Digital Public Domain*, *supra* note 8, at 149.

¹⁴ Samuelson, *Enriching Discourse*, *supra* note 8, at 799–802.

¹⁵ Samuelson, *Mapping the Digital Public Domain*, *supra* note 8, at 166–69.

¹⁶ Julie E. Cohen, *Creativity and Culture in Copyright Theory*, 40 U.C. DAVIS L. REV. 1151, 1177–80 (2007) (introducing a cultural landscape explanation).

¹⁷ David Lange, *Reimagining the Public Domain*, 66 LAW & CONTEMP. PROBS. 463, 466 (2006).

¹⁸ *Id.* at 474.

¹⁹ *Id.* at 481.

member and appropriate, and to play and create.”²⁰ Edward Lee suggests a different view, arguing that the public domain serves to provide the public with access to government materials; such access prevents unwarranted government secrecy.²¹

In summary, the public domain’s origins can be traced back to the Intellectual Property Clause in the Constitution. It consists of vast and diverse contents, and secures important social values. Creativity is cumulative to some extent and there is no such thing as true “originality.” Therefore, the public domain serves a very important role in fomenting the creation of new works. Too much protection effectively provides exclusivity of ideas and information, as well as expression. This can stifle future creation in that future authors will not have access to creativity’s building blocks.

Despite these important social values, during the past few decades we have witnessed a trend in which the public domain has been propertized in different ways. Given its importance for further creation and innovation, such a move cannot be perceived as a positive one. The discussion that follows will highlight major benchmarks in this propertization process.

Legal scholarship to date has discussed and critiqued various threats to the public domain. It has reviewed different corporate practices, as well as legal and policy developments, all the while examining their possible impact upon the public domain.²² Samuelson, James Boyle, and other noted scholar have studied some major legislative developments that have significantly shrunk the public domain.²³ The first development, the Copyright Term Extension Act (CTEA), delayed the entrance of thousands of works which would have entered into the public domain, by extending copyright protection for an additional twenty years.²⁴

Another important development has occurred with the enactment of the Uruguay Round Agreement Act (URAA) that restored copyright protection to foreign works that had fallen into the public domain.²⁵ Under the Act, copyright protection in foreign works is restored for one of three specific reasons: “failure to comply with formalities, lack of subject matter protection, or lack of national eligibility.”²⁶

²⁰ *Id.* at 483.

²¹ Lee, *supra* note 4, at 97.

²² Samuelson, *Mapping the Digital Public Domain*, *supra* note 8, at 166–69.

²³ BOYLE, *ENCLOSING THE COMMONS OF THE MIND*, *supra* note 1, at 131, 225–27, 241; *see also* LAWRENCE LESSIG, *CODE AND OTHER LAWS OF CYBERSPACE* 122–41 (1999) (arguing that code can displace copyright law and be used by authors to govern the use of their works well beyond what the copyright laws would provide).

²⁴ Pub. L. No. 105-298, 112 Stat. 2827 (codified in scattered sections of 17 U.S.C.).

²⁵ Uruguay Round Agreements Act, H.R. 5110, 103rd Cong. § 514 (1994) (codified as amended at 17 U.S.C. §§ 104A, 109).

²⁶ *See* Golan v. Holder, 609 F.3d 1076, 1081 (10th Cir. 2010), *cert granted*, 131 S. Ct. 1600 (U.S. March 7, 2011) (No. 10-545) (explaining how copyright protection in foreign works is restored).

The triggers for adopting this legislation were three-fold: attaining indisputable compliance with international treaties and multilateral agreements; obtaining legal protections for American copyright holders' interests abroad; and remedying past inequities of foreign authors who lost or never obtained copyrights in the United States.²⁷ It is difficult to estimate how many foreign works were restored under the Act.

The constitutionality of this Act was challenged in the district court of Colorado by a group of plaintiffs who had relied on artistic works in the public domain for their livelihood.²⁸ Because of the URAA, the plaintiffs were prevented from using these works or were required to pay royalties to the copyright holders.²⁹ The plaintiffs subsequently argued that the URAA violates the First Amendment.³⁰ The district court found that the URAA was unconstitutional to the extent that it suppressed the right of reliance parties to use works they exploited while the works were in the public domain.³¹ On appeal the Tenth Circuit ruled that the URAA provisions in question did not violate the First Amendment.³² The court explained that because the URAA advances a substantial government interest --securing foreign copyrights for American works-- and it does not burden substantially more speech than necessary to advance that interest, it is consistent with the First Amendment.³³ The Supreme Court has recently granted certiorary in the case.³⁴ In light of the Supreme Court's ruling in *Eldred v. Ashcroft*, in which the Court held that extending the term of copyright protection in twenty years and effectively removing works from the public domain was constitutional,³⁵ it may be expected that the Court will confirm the Tenth Circuit's holding.

With the advent of digital technologies, the balances struck by copyright law are also changing. The content industries have begun using revised intellectual property laws to strengthen their hold on their works. As digital technologies continue to develop, copying can be achieved instantly and almost perfectly; in order to protect themselves against this technological infringement, the content industries have created programs (codes) which prevent violations from the very start. However, while useful to some extent, people can develop technologies to circumvent these protections. The Clinton administration allowed the content industries to re-

²⁷ See *id.* at 1083–84 (outlining government rationale behind the URAA).

²⁸ *Id.* at 1081–82.

²⁹ *Id.* at 1082.

³⁰ *Id.*

³¹ *Id.*

³² *Id.* at 1095.

³³ *Id.* at 1084.

³⁴ *Golan v. Holder*, 131 S. Ct. 1600 (2011) (No. 10-545).

³⁵ *Eldred v. Ashcroft*, 537 U.S. 186, 186–89 (2003).

main protected by passing policies that illegalized technologies that circumvent codes.

The Digital Millennium Copyright Act (DMCA) strengthens the protection conferred by intellectual property law to digital information.³⁶ Its protection is focused on the technical measures used to protect digital information. Unfortunately, this law harms fair use doctrines inasmuch as it does not require that the aforementioned technical measures be designed to enable fair uses. This makes the DMCA a significant threat to the public domain. Under the DMCA, technical measures can be enforced without regard to what the law says. These measures can have broad negative effects over the digital public domain, as well as over fair use doctrines.³⁷

The public domain has also shrunk because of other factors.³⁸ Scholars have shown how the scope and duration of patent, copyright, and trademark protections have expanded throughout the years, as well as demonstrating how patent/copyright/trademark overlaps have been able to develop. While channeling (line-drawing) rules prevented such overlaps, today's technologies have blurred the lines. Such overlaps shift the balance in favor of the intellectual property owners, thereby cutting into the rights held by the public.³⁹

Some legislators have even gone so far as to protect classic public domain materials, such as factual databases. In 1996, the European Union adopted the Directive on the Legal Protection for Databases (Database Directive).⁴⁰ This directive constituted a comprehensive attempt to provide protection for databases, granting a fifteen-year, renewable, *sui generis* right to prevent the extraction and utilization of raw data found in a database.⁴¹ Thus, *de facto* protection was provided for the raw

³⁶ Digital Millennium Copyright Act, Pub. L. No. 105-304, 112 Stat. 2860 (1998) (codified as amended in scattered sections of 17, 28 U.S.C. (2006)) [hereinafter DMCA] (providing generally in 17 U.S.C. § 1201 (a)(1)(A) that “[n]o person shall circumvent a technological measure that effectively controls access to a work protected under this title.”); *see also* The Council of the European Union, Directive 2001/29/EC, of the European Parliament and of the Council of 22 May 2001 on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society, 2001 O.J. (L 167) 10-19 (harmonizing EU laws to comply with the WIPO Copyright Treaty); BOYLE, *ENCLOSING THE COMMONS OF THE MIND*, *supra* note 1, at 85–121 (discussing the DMCA and its effects).

³⁷ *See* Samuelson, *Mapping the Digital Public Domain*, *supra* note 8, at 163–66 (noting that content owners can use technological protection measures to protect content they create with or without the DMCA but with the DMCA these measures cannot be circumvented).

³⁸ Viva R. Moffat, *Mutant Copyrights and Backdoor Patents: The Problem of Overlapping Intellectual Property Protection*, 19 BERKELEY TECH. L.J. 1473, 1474 (2004).

³⁹ *Id.* *See also* Laura A. Heymann, *The Trademark/Copyright Divide*, 60 SMU L. REV. 55, 61–62 (2007) (pointing to ways in which monopolies are expanded beyond their limits, thereby encroaching on the public domain).

⁴⁰ Directive 96/9/EC of the European Parliament and of the Council of the European Union of 11 March 1996 on the Legal Protection of Databases, art. 9, 1996 O.J. (L 77) 20 (EC).

⁴¹ *Id.*

data itself.⁴² Similarly, for several years Congress had likewise considered different bills that would substantially reduce the digital public domain by awarding rights to those who compile collections of information that are the product of substantial investment.⁴³

There are many other things that further diminish the public domain. Privacy rights prevent people from using and accessing information that is protected by the laws of privacy.⁴⁴ Privacy protection prevents that information from falling into the public domain.⁴⁵ Similarly, trade secrets prevent information from entering the public domain—provided secrecy is effectively maintained—effectively allowing eternal protection.⁴⁶ Likewise, even rights of publicity prevent certain information-goods pertaining to certain famous individuals from entering the public domain.⁴⁷

There are, however, counter views suggesting that propertizing information does not necessarily have detrimental effects on the public domain. For example, Polk Wagner argued that many scholars overlook the contribution that propertized information makes to the public domain, suggesting that the increasing appropriability of information goods may grow the quantity of open information.⁴⁸

It should be pointed out that propertization trends have also taken place in patent law.⁴⁹ However, these trends go beyond the scope of this Article and will not be discussed here. These and other judicial trends, legislative initiatives, and dif-

⁴² *Id.*

⁴³ See, e.g., Database and Collections of Information Misappropriation Act of 2003, H.R. 3261, 108th Cong. (2003) (passed by House Judiciary Comm., Jan. 21, 2004) (adopting a pure misappropriation approach, the most recent U.S. bill for database protection was modeled almost literally after the court's test formulated in *Nat'l Basketball Ass'n v. Motorola, Inc.*, 105 F.3d 841, 845 (2d Cir. 1997)). Former database protection bills include: Database Investment and Intellectual Property Antipiracy Act of 1996, H.R. 3531, 104th Cong. (1996); Collections of Information Antipiracy Act, H.R. 2652, 105th Cong. (1997); Consumer and Investor Access to Information Act of 1999, H.R. 1858, 106th Cong. (1999); Collections of Information Antipiracy Act, H.R. 354, 106th Cong. (1999).

⁴⁴ See, e.g., Privacy Act of 1974, 5 U.S.C. § 552a.

⁴⁵ *Id.* at § 552a (b).

⁴⁶ See RESTATEMENT OF THE LAW (THIRD) OF UNFAIR COMPETITION, Chapter 4, Topic 2, § 39-40.

⁴⁷ See *Haelan Laboratories Inc. v. Topps Chewing Gum, Inc.*, 202 F.2d 866, 868 (2d Cir.), *cert. denied*, 346 U.S. 816 (1953) (first case which recognized the value of and property right in a baseball player's photograph used on trading cards).

⁴⁸ R. Polk Wagner, *Information Wants to Be Free: Intellectual Property and the Mythologies of Control*, 103 COLUM. L. REV. 995, 995 (2003).

⁴⁹ See, e.g., *State St. Bank & Trust Co. v. Signature Fin. Group, Inc.*, 149 F.3d 1368 (Fed. Cir. 1998) (expanding the scope of patentable subject matter by introducing a liberal patentability standard, exploring whether an invention produces a "tangible, concrete and useful" result). *But see* *Bilski v. Kappos*, 130 S. Ct. 3218 (2010) (reintroducing limitations as to patentable subject matter by suggesting that the Federal Circuit *State Street* ruling introduced a very liberal test as to patentability).

ferent corporate practices have threatened the public domain and have already significantly reduced it.⁵⁰

Promoting learning and preserving the public domain are important factors in the social bargain struck in copyright law.⁵¹ James Boyle argues that this “maximalist rights culture,” in which intellectual property is assumed to automatically promote innovation and that providing more rights is the best way to encourage innovation, only benefits a small sector of businesses and has upset the balance made between the public domain and property.⁵² In light of these pro-*per*ertization trends, legal scholars have proposed different approaches for handling the challenges made to the public domain.

III. The Public Domain: Proposals and Their Critiques

Legal scholars, individuals, corporations, and others have approached these *per*ertization trends in different ways. Interestingly enough, the proposed solutions vary significantly. This Part will discuss some of the major solutions introduced, which include: further reliance on property regimes; resorting to private ordering by using licenses, innovative corporate initiatives, or by employing legal mechanisms of givings; forming institutional solutions; and enacting legislative solutions. Each of these solutions, including their strengths and weaknesses, will be briefly discussed in turn.

As I will show below, the different solutions offered over the years are valuable, but are only applicable in certain circumstances, suggesting that such solutions are limited. Moreover, other than a small number of solutions, most have never been actually employed. As a consequence, many of the threats to the public domain described above have not yet been effectively remedied by the solutions offered.

A. Further Reliance on Property Regimes

As mentioned earlier, some scholars have proposed that the existing property system serve as a solution. Some do not view the *per*ertization trends as a curse

⁵⁰ See generally BOYLE, *ENCLOSING THE COMMONS OF THE MIND*, *supra* note 1.

⁵¹ Stacy F. McDonald, *Copyright for Sale: How the Commodification of Intellectual Property Distorts the Social Bargain Implicit in the Copyright Clause*, 50 HOW L. J. 541, 546 (2007); see also Richard Posner, *Honorable Helen Wilson Nies Memorial Lecture in IP Law: Do we Have Too Many Intellectual Property Rights?*, 9 MARQ. INTEL. PROP. L. REV. 173, 185 (2005) (arguing that intellectual property is being over-*per*ertized, thus impairing the economic goals that underlie intellectual property laws); Mark Lemley, *Romantic Ownership and the Rhetoric of Property*, 75 TEX. L. REV. 873, 902 (1997) (pointing out that the trends in “*per*ertizing” any type of information is challenging the very idea of the public domain as an intrinsic part of intellectual property law).

⁵² Boyle, *The Second Enclosure Movement*, *supra* note 1 at 42–43; see also James Boyle, *Cultural Environmentalism @10: Cultural Environmentalism and Beyond*, 70 LAW & CONTEM. PROBS. 5, 10–11 (2007) [hereinafter *Cultural Environmentalism and Beyond*].

but rather as a blessing, and advance different rationales for their desirability. While most proponents of the public domain view the propertization of public domain materials as a hurdle to further creation and innovation, there are some who suggest that there are advantages to be gained from the increasing propertization in copyright law.⁵³

David Fagundes and others have also observed that it is the unclear doctrines in copyright law, and not the imposition of boundaries, that allow for the privatization of the public domain to take place.⁵⁴ If the boundaries between the public domain and intellectual property rights were clear, litigation testing the boundaries of the uncertainty would not occur.⁵⁵

While clarifying doctrines seems to be a move we should welcome, propertizing materials that otherwise should reside in the public domain is a counterproductive move. The more we propertize materials, the less we will have to draw upon for further creation. Moreover, the further propertization of expression does not necessarily clarify boundaries; rather, it creates more of them. The more clarifying rules there are, the more of a maze it creates for others who could use that expression.

Similarly, some scholars argue that copyright law is far more effective in promoting expression than the public domain, thereby inaccurately downplaying the importance of the public domain. They argue that the fair use clause in copyright law is sufficient for allowing access to works.⁵⁶ Peter Jaszi has asserted that arguments in favor of the public domain, which are based on the protection granted by the Framers in the Intellectual Property Clause in the U.S. Constitution, are no longer given much weight, lamenting the loss of concern with the public domain while not advocating its demise.⁵⁷ Instead, a new understanding of copyright has developed in which the rights of the intellectual property owners are held to be more important on the assumption that giving them financial rewards promotes in-

⁵³ See, e.g., R. Polk Wagner, *Information Wants to Be Free: Intellectual Property and the Mythologies of Control*, 103 Colum. L. Rev. 995, 997 (2003) (contending that critics “understate . . . the contribution even perfect control of intellectual creations makes to the public domain.”).

⁵⁴ See David Fagundes, *Crystals in the Public Domain*, 50 B.C. L. REV. 139, 195 (2009) (noting that a “property-like approach to constructing boundaries around information . . . may provide the best bulwark against excessive privatization of ideas and inventions.”).

⁵⁵ *Id.* at 139.

⁵⁶ Shalisha Francis, *Eldred v. Ashcroft: How Artists and Creators Finally Got Their Due*, 2003 DUKE L. & TECH. REV. 14, 18 (2003).

⁵⁷ Peter A. Jaszi, *Goodbye to All That – A Reluctant and Perhaps Premature Adieu to a Constitutionally Grounded Discourse of Public Interest in Copyright Law*, 29 VAND. J. TRANSNAT’L L. 595, 610 (1996).

creased production of works. Such an approach, however, has been rejected by many scholars.⁵⁸

While copyright law does allow certain uses under the fair use defense, it is clear that the scope of the fair use defense has been significantly blurred and narrowed in the new technological era.⁵⁹ Furthermore, innovation and creation critically rely on the public domain as it provides the building blocks and basic tools we all use. Presumably, for some scholars, enriching and protecting the public domain is not a goal at all.

William Landes and Richard Posner seem to go in a somewhat similar direction, suggesting that providing indefinite copyright protection will bring even more works to the public domain.⁶⁰ In their work on the issue, they raise questions concerning the widely accepted proposition that economic efficiency requires the limited duration of copyright protection.⁶¹ The authors argue that a system of unlimited renewals might, “depending on the length of the initial term and on the fee structure, expand the number of works in the public domain.”⁶² Under the system that the authors suggest, the more extensive the copyright protection is, the greater the incentive to create intellectual property; the net result being, the greater the amount of works which will eventually enter the public domain when the copyright is not renewed.⁶³ Therefore, a system of indefinite copyright renewals would not necessarily entail the depletion of the public domain.⁶⁴

⁵⁸ *Id.* at 609–10.

⁵⁹ Samuelson, *Mapping the Digital Public Domain*, *supra* note 8, at 161.

⁶⁰ William M. Landes & Richard A. Posner, *Indefinitely Renewable Copyright*, 70 U. CHICAGO L. REV. 471, 474 (2003).

⁶¹ *See generally id.*

⁶² *Id.* at 474.

⁶³ *Id.*

⁶⁴ *See id.*; *see also* Kevin A. Goldman, *Limited Times: Rethinking the Bounds of Copyright Protection*, 154 U. PA. L. REV. 705, 708 (2006) (suggesting that by making copyright protection renewable indefinitely but narrowing the scope of protection to cover only those works that would act as market substitutes for the original work, the realignment of rights and privileges would reflect the current trajectory of the law, and moreover would better serve the dual interests of copyright owners and content users); Avishalom Tor & Dotan Oliar, *Incentive to Create Under a “Lifetime-Plus-years” Copyright Duration: Lessons from a Behavioral Economic Analysis for Eldred v. Ashcroft*, 36 LOY. L.A. L. REV. 437, 479 (2002) (showing that behavioral biases—namely, individuals’ optimistic bias regarding their future longevity and their sub-additive judgments in circumstances resembling the extant rule of copyright duration—explain the otherwise puzzling lifetime-plus-years basis for copyright protection given to individual authors, and reveal how this regime provides superior incentives to create); Paul J. Heald, *Property Rights and the Efficient Exploitation of Copyrighted Works: An Empirical Analysis of Public Domain and Copyrighted Fiction Bestsellers*, 92 MINN. L. REV. 1031, 1034 (2008) (empirically showing that as to already published books, copyright extension imposes deadweight losses without offsetting efficiency gains and also suggesting that whether the extension was as deleterious in the context of other types of creative works may depend on the cost of producing and distributing the work: the lower the cost of production, the lower the likelihood of under-exploitation).

Landes and Posner demonstrate that the public-good aspect of intellectual property does not necessarily imply that once a copyright work becomes a part of the public domain it will be distributed and exploited efficiently.⁶⁵ Problems, such as congestion and overuse externalities, apply to intellectual property as well (for example, if everyone uses the likeness of Humphrey Bogart in advertising, it will eventually become worthless).⁶⁶ In addition, they argue that indefinite copyrights will provide incentive for investing in already existing intellectual property items.⁶⁷ If those items had entered the public domain, they would have become obscure and thus no one would invest in them due to the problem of free riding.⁶⁸ Items which retain enough value for future use should be given indefinite copyrights to maintain their value.⁶⁹

While appealing, their analysis can be critiqued on many fronts. Their analysis is overly optimistic in regards to the predicted benefits that would result from more property rights. Extremely valuable works are probably not going to fall into the public domain quickly and it is very likely that delaying their entrance might be the preferable route for their owners. This might result in high pricing of these works for long periods as well as significant free speech concerns when works are indefinitely protectable. Additionally, the authors' assumptions concerning the works residing in the public domain do not seem to be in line with what we know about the role of the public domain in further creation and innovation. Moreover, the contention that the public domain can potentially bring about congestion and overuse externalities has not been empirically proven.⁷⁰ This cannot be the case with regard to works produced in the digital era because their production costs are very low compared to print age costs.

B. Private Ordering

Unlike those who call for the use of property-based solutions, some suggest that private ordering can offer a more useful route for enriching the public domain. The use of licenses, innovative corporate strategies, or the legal mechanisms of givings and dedication are some of the major methods proposed in this regard. Licensing is probably the only proposal that has been employed and used extensively

⁶⁵ See Landes & Posner, *supra* note 60, at 474–75.

⁶⁶ *Id.* at 486.

⁶⁷ *Id.* at 489.

⁶⁸ *Id.* at 493.

⁶⁹ *Id.* at 500.

⁷⁰ See Dennis S. Karjala, *Congestion Externalities and Extended Copyright Protection*, 94 GEO. L. J. 1065, 1067 (2006) (arguing that the Landes & Posner analysis on congestion externalities is incorrect and particularly inapt for copyright rights relating to digital technologies because the functionality of computer software and other works, such as digital databases, maps, and factual compilations, may be superseded by technological advances but not by “overexposure,” and that their analysis is also flawed in more fundamental ways).

compared to other proposals discussed. Therefore, the discussion that follows will thoroughly explore such licensing schemes.

In a way, the production and dissemination of cultural content, using open source and Creative Commons licenses, constitutes a revolution against the intellectual property regime. The open source and Creative Commons movements “bypass the structural inequalities of the intellectual property system” and reject “the philosophical basis of copyright and patent laws.”⁷¹

1. *The Open Source Licensing System*

The open source licensing system functions to facilitate collaboration through easy and open access to software content. Some of the most widely used open source licenses are the GNU General Public License (GPL), the Berkeley Software Distribution License (BSD), and the Apache License.⁷²

Both the Free Software Foundation (FSF) and the Open Source Initiative (OSI) define what constitutes an open source license. According to the FSF, an open source license is “free” if it gives users the freedom to run the program for any purpose, the freedom to study how the program works as well as the freedom to change it according to the user’s wishes, the freedom to redistribute copies, and the freedom to improve the program and release those improvements to the public.⁷³ In order to provide these freedoms, the license must also make the software’s source code available.⁷⁴

The OSI has put forth ten conditions that must be met in order for a license to be classified as open source.⁷⁵ Among other provisions, the OSI mandates that the license provide for free redistribution, access to the source code, and permission to allow modifications and derivative works.⁷⁶ Modified and derivative works must also be licensed under the same terms as the original software.⁷⁷ The OSI also requires that the licenses acknowledge the author of the source code.⁷⁸

The advantages of open source licensing are great. Open source licenses in software have allowed access to and use of material in a manner that would other-

⁷¹ Dan Hunter, *Culture War*, 83 TEX. L. REV. 1105, 1127 (2005).

⁷² *Open Source Licenses by Category*, OPEN SOURCE INITIATIVE, <http://www.opensource.org/licenses/category> (last visited Nov. 22, 2010).

⁷³ *The Free Software Definition*, GNU OPERATING SYSTEM, <http://www.gnu.org/philosophy/free-sw.html> (last visited Nov. 22, 2010).

⁷⁴ *Id.*

⁷⁵ *Open Source Definition*, OPEN SOURCE INITIATIVE, <http://www.opensource.org/docs/osd> (last visited November 22, 2010).

⁷⁶ *Id.*

⁷⁷ *Id.*

⁷⁸ *Id.*

wise have been considered copyright infringement.⁷⁹ Open source licenses have provided access to anyone on the same terms thereby eliminating the need for ‘individual bargaining’ and the increased transaction costs that come with such bargaining.⁸⁰ Content licensed under open source has increased the pool of materials available for use by programmers.⁸¹ These licenses lay behind the GNU/Linux operating system, the Apache web server programs, and the Firefox web browser.⁸² They enable computer programmers to improve software more quickly as the source code is open to public access.⁸³

Despite the successes of open source licensing, the use of such licenses has also come at a price. Questions concerning transaction costs, interpretation, notice, license proliferation, enforcement, and termination remain largely unanswered. Consequentially, the uncertainty surrounding these licenses poses an obstacle for the continued protection and enlargement of the raw materials necessary for creation.

i) Transaction Costs

When there are many contributors to the development of an open source product, and each contributor applies a license to their contribution, the question of who is authorized to enforce the license when copyright infringement occurs is unclear.⁸⁴ Moreover, because the identity of the owner of the licensed work is oftentimes in question, it may be difficult to ascertain to whom the rights in the software belong.⁸⁵

Molly Shaffer Van Houweling asserts that the current licensing system gives today’s contributors too much control over the future decisions of tomorrow’s contributors.⁸⁶ She points out that because there are so many “owners” of an open source product, when a license needs to be upgraded or changed in some unforeseen ways not agreed upon when the license was entered into, each owner’s per-

⁷⁹ Timothy K. Armstrong, *Shrinking the Commons: Termination of Copyright Licenses and Transfers for the Benefit of the Public*, 47 HARV. J. ON LEGIS. 359, 365 (2010).

⁸⁰ *Id.* at 365–66.

⁸¹ *Id.* at 366.

⁸² *Jacobsen v. Katzer (Jacobsen II)*, 535 F.3d 1373, 1376 (Fed. Cir. 2008).

⁸³ *Id.* at 1378–79.

⁸⁴ Dennis M. Kennedy, *A Primer on Open Source Licensing Legal Issues: Copyright, Copyleft and Copyleft*, 20 ST. LOUIS U. PUB. L. REV. 345, 370–71 (2001).

⁸⁵ See Niva Elkin-Koren, *What Contracts Cannot Do: The Limits of Private Ordering in Facilitating a Creative Commons*, 74 FORDHAM L. REV. 375, 419 (2005) (noting how *SCO Group v. IBM* case highlighted the potential problems arising from conflicting claims and “unverified ownership in computer programs”).

⁸⁶ Molly Shaffer Van Houweling, *The New Servitudes*, 96 GEO. L.J. 885, 941–43 (2008).

mission must be sought in order to carry out a licensing change.⁸⁷ This incurs high transaction costs and may not even be possible.⁸⁸ Consequently, future changes in licensing that need to be made will not be able to occur, and this may result in the underuse of open source products.⁸⁹

Dennis Kennedy makes note of the issues that may arise from unauthorized open source licensing.⁹⁰ For example, at times, software is a product of professional development, and the software may be licensed under an open source license when in fact, the developer is not authorized to license the software as it belongs to his employer in the first place.

ii) Notice Issues

Open source licensing imposes restrictions between parties that are far removed from each other (thereby making it very difficult to negotiate problematic clauses in the license), and the contents of the licenses are not always brought to the attention of the user in a straightforward manner.⁹¹ However, these notice problems are downplayed by the fact that the uses permitted by these licenses are normally prohibited under copyright law in the first place, and thus they “complicate only that subset of transactions that are already complicated by copyright.”⁹²

iii) Interpretation Issues

The interpretation of the licenses raises another difficulty. Each license mandates different terms of use; therefore, a developer faces difficulties when trying to determine what is permissible and what is prohibited.⁹³ Licenses are not always clear-cut, and many times are worded ambiguously. For example, questions concerning the scope of the license upon derivative works are oftentimes unclear.⁹⁴ If a work making use of the licensed content is defined as “derivative” according to the license, the owner of the work will also have to share with future users the source code behind it, thereby reducing the chance of any profit being made off the

⁸⁷ *Id.* at 943.

⁸⁸ *Id.*

⁸⁹ *Id.* at 939.

⁹⁰ Kennedy, *supra* note 84, at 370.

⁹¹ Van Houweling, *supra* note 86, at 932–39.

⁹² *Id.* at 936

⁹³ Robert W. Gomulkiewicz, *Open Source License Proliferation: Helpful Diversity or Hopeless Confusion*, 30 WASH. U. J.L. & POL’Y 261, 280 (2009).

⁹⁴ See Joseph A. Chern, *Testing Open Source Waters: Derivative Works Under GPLv3*, 13 CHAP. L. REV. 137, 140–42 (2009) (describing how the GPL license has been upgraded throughout the years in order to clarify the scope of the license’s copyleft provisions); see also, Van Houweling, *supra* note 86, at 937–38 (describing the problematic scope of “derivative works” in Version 2 of the GPL license, which was later addressed in Version 3 of the GPL license).

new program.⁹⁵ In addition, because the number of open source licenses has steadily increased, interpretation difficulties have been exacerbated as each license can be interpreted differently due to the different conditions contained therein.⁹⁶

iv) Proliferation Issues

The steady increase in open source licenses negatively impacts the credibility of the licenses. Scholars continue to recommend that programmers stick to the most popular open source licenses so that case law can develop around them and “help those licenses gain stability and credibility from precedent.”⁹⁷ Each license achieves a different goal and must be read carefully in order to ascertain what actions constitute violations. Programmers who want to select an open source license have over sixty from which to choose from,⁹⁸ and users of a licensed program must caution against using it in such a manner which would violate it.⁹⁹ Thus, the large number of licenses serves more to confuse than to clarify.

The increase in licenses has also resulted in license incompatibility.¹⁰⁰ A user may create content using programs that have conflicting license terms. In such a case, the user cannot release his content because it is the product of incompatible licenses. Thus, the lack of uniformity resulting from the continuing diversification of licenses can actually hinder the development of creative works.

v) Enforcement Issues

Identifying infringement of source codes in the first place is difficult because of the length and complexity of many source codes.¹⁰¹ In addition, enforcing open source licenses is costly, and thus high transaction costs deter people from actually

⁹⁵ Symposium, *Redefining “Free”: A Look at Open Source Software Management*, 8 NW. J. TECH. & INTELL. PROP. 425, 428–29 (2010).

⁹⁶ Gomulkiewicz, *supra* note 93.

⁹⁷ Amanda Albrecht Earl, *Copyright Infringement and Open Source Public Licenses*: Jacobsen v. Katzer, 535 F. 3d 1373 (Fed. Cir. 2003), 77 U. CIN. L. REV. 1605, 1622–23 (2009).

⁹⁸ Gomulkiewicz, *supra* note 93, at 280–81.

⁹⁹ See Christian H. Nadan, *Open Source Licensing: Virus or Virtue?*, 10 TEX. INTELL. PROP. L.J. 349, 359–60 (2002) (warning users to be wary of using open source licensing in the first place, because an unintentional inclusion of open source material would require that the resulting product be licensed on the same terms; this in turn would prevent the product from being put on the market).

¹⁰⁰ Gomulkiewicz, *supra* note 93, at 281–82.

¹⁰¹ See R. Michael Azzi, *CPR: How Jacobsen v. Katzer Resuscitated the Open Source Movement*, 2010 U. ILL. L. REV. 1271, 1294 (2010) (discussing challenges in enforcement of open source licenses).

bringing suit.¹⁰² Moreover, because many of the contributors to an open source product are unknown, it is unclear who will enforce the licenses' restrictions.¹⁰³

In the past, it was uncertain that the open source licenses were even enforceable in court. However, this changed when the Federal Circuit ruled in *Jacobsen v. Katzer* that open source licenses can be enforced under both contract and copyright law.¹⁰⁴ Despite this apparent victory for the open source movement, *Jacobsen v. Katzer* also underscored the far reaching consequences that the wording of the license will have upon the outcome of the case.¹⁰⁵ The likelihood of the license's enforcement and the remedies available depend upon the categorization of the provisions of the license.¹⁰⁶ If the provisions are categorized as contractual (covenants), then the licensor will only be able to receive damages if he proves that the license meets the requirements of state contract law (i.e. there must be an offer, acceptance, and consideration).¹⁰⁷ If this is proven, the licensor has the additional hurdle of proving that he suffered damages from the breach in order to receive a remedy.¹⁰⁸ Proving monetary damage in open source licensing is difficult because the content has been put forth for the public's use and therefore specific monetary damage will be difficult to prove.¹⁰⁹ In addition, the remedies an open source licensor would prefer—an injunction or that the licensee reveal the source code of the violating content—are more easily granted in a copyright infringement suit.¹¹⁰

However, if the license's terms are classified as conditions, as opposed to covenants, then the licensor has the right to seek remedy for violations under copyright law. The conditions that must be proven in order to receive damages are less of a burden than those required under contract law.¹¹¹ The monetary damages available under copyright law are much more generous because they are statutory and can include attorney fees.¹¹² Furthermore, suits filed under copyright law are more advantageous because copyright law is uniform both federally and interna-

¹⁰² *Id.* at 1287.

¹⁰³ Van Houweling, *supra* note 86, at 935.

¹⁰⁴ *Jacobsen v. Katzer (Jacobsen II)*, 535 F.3d 1373, 1376 (Fed. Cir. 2008).

¹⁰⁵ *Azzi*, *supra* note 101, at 1293.

¹⁰⁶ *Id.* at 1283–89.

¹⁰⁷ *Id.* at 1286.

¹⁰⁸ *Id.*

¹⁰⁹ *Id.* at 1297.

¹¹⁰ See Hersh R. Reddy, *Jacobsen v. Katzer: The Federal Circuit Weighs in on the Enforceability of Free and Open Source Software Licenses*, 24 BERKELEY TECH. L.J. 299, 312–13 (2009) (explaining that damages are difficult to prove because the licensor did not extract direct monetary payment in return for the content, and therefore estimating the monetary damage is difficult).

¹¹¹ *Azzi*, *supra* note 101, at 1287–88 (the licensor only has to prove that the content is protectable under copyright and he is the author of the copyrightable content).

¹¹² *Id.* at 1288.

tionally.¹¹³ In contrast, contract law varies from state to state,¹¹⁴ as a result, copyright law offers a steadier and more consistent avenue for pursuing enforcement than does contract law.

Despite the opening created by the *Jacobsen v. Katzer*, many issues concerning the enforcement of open source licenses have yet to be addressed by the courts. For example, the difference between a covenant and a condition is not clearly delineated.¹¹⁵ *Jacobsen v. Katzer* also did not address the responsibility of third parties that have used open source materials in violation of their licenses.¹¹⁶ Furthermore, the case does not address the liability of the middlemen for downstream violations of an open source license.¹¹⁷ Again, these loopholes shroud copyright provisions in uncertainty, thereby undermining the effectiveness of the open source licensing system.

2. The Creative Commons Licensing System

Whereas the open source movement was established in order to promote the sharing of software, the Creative Commons movement was developed in order to promote the sharing of cultural, educational, and scientific content.¹¹⁸ While a copyright restricts the use of a work without the author's permission, the Creative Commons licenses are a means for enabling authors to instantly permit certain uses of their work. Thus, instead of adopting the © "all rights reserved" approach, Creative Commons licenses enable authors to implement a (cc) "some rights reserved" approach.¹¹⁹ By enabling authors to license their work on more generous terms, the Creative Commons movement is able to advance its goal of expanding the works in the public domain, and fostering greater creativity through collaboration.¹²⁰

¹¹³ Reddy, *supra* note 110, at 312.

¹¹⁴ *Id.*

¹¹⁵ *Id.* at 319 (discussing that because contract law varies from state to state, the definitions of covenants and conditions are not uniform); *see also* Azzi, *supra* note 101, at 1299–1300 (cautioning courts against confusing a covenant for a condition and thereby expanding the scope of rights that copyright law actually allows).

¹¹⁶ *See* Azzi, *supra* note 101, at 1293–94 (explaining that under contract law the absence of privity between the licensor and the third party releases the third party from responsibility, whereas *Jacobsen v. Katzer* requires that the user have knowledge of the license in order to be held responsible for its violation; if a middleman in such a case does not provide notice of the license to the third party, then the third party is not responsible for the license's violation).

¹¹⁷ *Id.* at 1294.

¹¹⁸ *About*, CREATIVE COMMONS, <http://creativecommons.org/about/> (last visited Nov. 21, 2010).

¹¹⁹ *Id.*

¹²⁰ *History*, CREATIVE COMMONS, <http://creativecommons.org/about/history> (last visited Nov. 21, 2010).

Most of the Creative Commons licenses consist of four general conditions that can be combined into six different licenses.¹²¹ All of the licenses require attribution, which means that the user of a work can copy, distribute, display, and perform the author's copyrighted work and its derivatives, so long as appropriate credit is given.¹²² The share-alike condition requires that the user of the work license any derivative work with the same license under which the original work is governed.¹²³ The non-commercial condition allows the user to copy, distribute, display, and perform the work so long as the use is for non-commercial purposes.¹²⁴ The no-derivative-works condition allows users to copy, distribute, display, and perform the work itself but prohibits any derivative creations based on the work.¹²⁵

These four conditions serve as the basis for six licenses.¹²⁶ The most generous of the licenses, the attribution license, enables the user to do anything he wants with the work so long as proper attribution is given. Next in line is the attribution, share-alike license, which allows for any use of the work provided that the author is credited and derivatives are licensed under the same license as the original work. The attribution, no-derivatives license permits use of the work only if it is properly attributed and no derivative works are made. The attribution, non-commercial license mandates that any use of the work be for non-commercial purposes with attribution. However, derivative works can be licensed under different terms. In contrast, the attribution, non-commercial, share-alike license also requires that derivative works be licensed under the same conditions set forth by the original work. The last license, the attribution, non-commercial, no-derivatives license is the most restrictive, prohibiting any changes to the original work as well as commercial use.

Like the open source licenses, Creative Commons licenses have allowed access to and use of materials in a manner that would otherwise have been considered copyright infringement. Creative Commons estimates that over 350 million works are licensed under (cc)¹²⁷ and its users include, among others, Flickr, Google, Wikipedia, the Public Library of Science, and WhiteHouse.gov.¹²⁸ However, the Creative Commons licensing system has problems of its own, as well as issues similar to those presented by the open source licenses.

¹²¹ *Licenses*, CREATIVE COMMONS, <http://creativecommons.org/about/licenses/> (last visited Nov. 21, 2010).

¹²² *Id.*

¹²³ *Id.*

¹²⁴ *Id.*

¹²⁵ *Id.*

¹²⁶ *Id.*

¹²⁷ CREATIVE COMMONS, *supra* note 120.

¹²⁸ *Who Uses CC?*, CREATIVE COMMONS, <http://creativecommons.org/about/who-uses-cc> (last visited Nov. 21, 2010).

i) Licensing Ideology

The open source movement and the Creative Commons movement both provide alternative routes to copyright, which have been used to strengthen proprietary hold over content.¹²⁹ However, the open source movement favors user-rights to a larger extent than does the Creative Commons movement.¹³⁰ Because authors are given so much control over how their works will be used in the Creative Commons licensing system, the licenses are actually strengthening the proprietary nature of copyright law instead of weakening it.¹³¹ Niva Elkin-Koren has come out against this development, explaining that by enabling authors to license their works so easily, the norm that will emerge will be one in which every work should be subject to authorial control instead of it being shared among a community of users.¹³² Shun-ling Chen has been even more critical of the movement, suggesting that it “reifies the idea of romantic authorship, maintains a gap between authors and users, and upholds the individual property model of copyright law.”¹³³ Despite the widespread popularity of Creative Commons, some argue that by using licenses that favor authorial control, the Creative Commons movement has confined itself to the very same institution that it asserts has stifled creativity and has led to over-commodification of informational goods.¹³⁴ Thus, according to these critical scholars, the Creative Commons’ licensing system actually works to solidify the proprietary nature of copyright law, instead of promoting the ethos of the open source movement, which encourages easy access to creative works that will facilitate future, collaborative creativity.¹³⁵

ii) Ownership and Notice Issues

Similar to open source licenses, Creative Commons licenses, which lay the groundwork for large, collaborative projects, face the complexities that arise when future contributors decide to change the licenses.¹³⁶ Acquiring permission from the

¹²⁹ Eric E. Johnson, *Rethinking Sharing Licenses for the Entertainment Media*, 26 CARDOZO ARTS & ENT. L.J. 391, 401–02 (2008).

¹³⁰ Shun-ling Chen, *To Surpass or to Conform — What are Public Licenses for?*, 2009 U. ILL. J.L. TECH. & POL’Y 107, 127 (2009).

¹³¹ Elkin-Koren, *supra* note 85, at 400–01.

¹³² *Id.*

¹³³ Chen, *supra* note 130, at 130.

¹³⁴ Séverine Dusollier, *The Master’s Tools v. the Master’s House: Creative Commons v. Copyright*, 29 COLUM. J.L. & ARTS 271, 271–72 and 284–85 (2006).

¹³⁵ See Chen, *supra* note 130, at 132 (“Either way, without clear values to preserve, and without consciously using licenses as an interface to defend against the practices of the dominant proprietary culture, those who adopt CC licenses are more likely to endorse copyright law rather than proposing a different normative structure for their fellow adopters and users of their works. In this sense, one can argue that CC’s licensing model is less likely to build a self-sustainable community, and is more vulnerable to the penetration of the mainstream proprietary culture.”).

¹³⁶ Van Houweling, *supra* note 86, at 940–43.

numerous (and many times anonymous) contributors can incur high transaction costs and the delay in upgrading may result in the underuse of creative works.¹³⁷

Although the (cc) license does appear on websites where licensed content is located, that may not always be sufficient in terms of providing notice for users.¹³⁸ However, as noted above, because the licenses provide users freedoms that would otherwise be prohibited by copyright law, the problem of notice is reduced.¹³⁹

iii) Issues with the Licenses

Some scholars have distinguished particular Creative Commons licenses that they deem to be the most harmful to future creativity. Zachary Katz argues that the share-alike provisions are the most problematic because they completely cut off the production of derivative works with content licensed under incompatible provisions.¹⁴⁰ Erik Moller has claimed that the non-commercial provisions are the most harmful, because if an owner wants to allow derivative works the non-commercial provisions may restrict uses that an owner might actually allow.¹⁴¹ Furthermore, Moller maintains that the non-commercial provisions support “current, near-infinite copyright terms and are unlikely to increase the potential profit from your work.”¹⁴²

In the Association Litteraire et Artistique Internationale’s memorandum on Creative Commons licenses, artists are advised to be aware of the implications of using Creative Commons licenses.¹⁴³ Artists are warned that the licenses will not provide them with any direct remuneration, they will not be able to make exclusive deals nor grant a Creative Commons license, after granting a license they will not be allowed to revoke it unless it has been breached, and they will not receive any assistance from Creative Commons in enforcing their rights if their license is violated.¹⁴⁴ Furthermore, because attribution rights vary from country to country,

¹³⁷ *Id.*

¹³⁸ *Id.* at 933–34.

¹³⁹ *Id.* at 932–39.

¹⁴⁰ Zachary Katz, *Pitfalls of Open Source Licensing: An Analysis of Creative Commons Licensing*, 46 IDEA 391, 408–10 (2006).

¹⁴¹ See Erik Möller, *The Case for Free Use: Reasons Not to Use a Creative Commons NC-License*, OPEN SOURCE JAHRBUCH 2006, 271, 278, available at http://www.opensourcejahrBuch.de/download/jb2006/chapter_06/osjb2006-06-02-en-moeller.pdf (last visited November 21, 2010) (using the example of individual bloggers who use licensed material on websites that also feature ads that are intended to recover costs; the use of content under the non-commercial license on such blogs may be prohibited if “commercial use” is interpreted to include such activities, and owners of the license may want their work to be used by such bloggers).

¹⁴² *Id.* at 275.

¹⁴³ Symposium, *Contract Options for Individual Artists: Association Litteraire et Artistique Internationale (ALAI): Memorandum on Creative Commons Licenses*, 29 COLUM. J.L. & ARTS 261, 262 (2006).

¹⁴⁴ *Id.* at 261–63.

artists licensing under Creative Commons should be aware that international enforcement will differ.¹⁴⁵

iv) Interpretation Issues

Several of the licenses provided by Creative Commons include provisions prohibiting commercial use and derivative products.¹⁴⁶ “Non-commercial use” is not defined; however, “commercial” uses are defined as “primarily intended for or directed toward commercial advantage or private monetary compensation.”¹⁴⁷ Interpreting what constitutes “commercial use” may require the assistance of a lawyer, which effectively encumbers the use of the licenses.¹⁴⁸ The lack of clarity may prevent authors who fear potential commercialization from licensing their work.¹⁴⁹ Commercial use is also left undefined by copyright law and thus its interpretation is in the hands of the court.¹⁵⁰

The definition of derivative works is likewise unclear and may prove to be problematic for users.¹⁵¹ The Creative Commons website itself, which addresses frequently asked questions, has stated vaguely that defining what constitutes a derivative work is “a difficult legal question.”¹⁵²

v) Proliferation Issues

A lack of standardization and the proliferation of Creative Commons licenses have resulted in license incompatibility.¹⁵³ For example, a work licensed under an attribution, non-commercial, share-alike license cannot be mixed with content licensed under an attribution, share-alike license. This incompatibility also occurs with licenses belonging to bodies providing free content outside of the Creative Commons licensing system. Molly Shaffer Van Houweling has described the license incompatibilities that prevented Wikitravel entries from being incorporated into Wikipedia because Wikitravel entries were licensed under a Creative Commons license that was incompatible with GNU Free Documentation license

¹⁴⁵ *Id.* at 265–66.

¹⁴⁶ See, e.g., *Attribution-NonCommercial-NoDerivs 3.0 Unported (CC BY-NC-ND 3.0)*, CREATIVE COMMONS, <http://creativecommons.org/licenses/by-nc-nd/3.0/> (last visited Sep. 11, 2011) (demonstrating one of the most restrictive Creative Commons licenses).

¹⁴⁷ *Legal Code*, CREATIVE COMMONS, <http://creativecommons.org/licenses/by-nc-nd/2.5/legalcode> (last visited Nov. 21, 2010).

¹⁴⁸ Chen, *supra* note 130, at 120.

¹⁴⁹ Johnson, *supra* note 129, at 414–16.

¹⁵⁰ Lynn M. Forsythe & Deborah J. Kemp, *Creative Commons: For the Common Good?*, 30 U. LA VERNE L. REV. 346, 357 (2009).

¹⁵¹ Johnson, *supra* note 129, at 416.

¹⁵² *Frequently Asked Questions*, CREATIVE COMMONS, <http://wiki.creativecommons.org/FFAQ> (last visited Nov. 21, 2010).

¹⁵³ Elkin-Koren, *supra* note 85, at 410–14.

under which Wikipedia entries were licensed.¹⁵⁴ Although the issue was resolved in 2009 when Wikipedia migrated to the Creative Commons license,¹⁵⁵ such obstructions to interoperability demonstrate the complexities entailed in the use of the licenses.

However, license incompatibility can potentially be solved through the application of technological solutions. It is possible to develop computer programs that would immediately identify when certain works are licensed under incompatible licenses, thereby warning the creator from the very beginning that the works he wants to use are licensed under incompatible terms.¹⁵⁶ Incompatibilities can also be solved through “coerced prelicensing” which would provide licensors with a compatible set of licenses from which to choose.¹⁵⁷ Developing, implementing, and raising awareness concerning these solutions is not an easy task, even in our advanced technological environment.

vi) *Enforceability Issues*

Creative Commons licenses are drafted so that they can be enforced in a courtroom; even so, the responsibility for pursuing such enforcement in the case of infringement lies solely upon the owner of the license.¹⁵⁸ Identifying infringement is not a simple matter and with the high costs entailed with pursuing legal action, few individuals will actually seek redress if their license is infringed.¹⁵⁹ Furthermore, although *Jacobsen vs. Katzer* determined that the violation of open source licenses could constitute an infringement claim under copyright law, some Creative Commons licenses demand attribution; given that this right is not granted by federal copyright law, it is unclear whether such terms are enforceable.¹⁶⁰ Even if these terms are enforceable under contract law (under the assumption that these terms will not be preempted by copyright law), then the licensor will have to prove that a contract was made and that he suffered actual monetary damages.¹⁶¹ Similar to the difficulties faced by open source licenses, proving monetary damages is

¹⁵⁴ Van Houweling, *supra* note 86, at 943–45.

¹⁵⁵ Wikimedia, Wikimedia Foundation announces important licensing change for Wikipedia and its sister projects, May 21, 2009 Press Release http://wikimediafoundation.org/wiki/Press_releases/Dual_license_vote_May_2009.

¹⁵⁶ Elkin-Koren, *supra* note 85, at 414–15.

¹⁵⁷ Robert P. Merges, *Individual Creators in the Cultural Commons*, 95 CORNELL L. REV. 793, 799 (2010).

¹⁵⁸ Ashley West, *Little Victories: Promoting Artistic Progress Through the Enforcement of Creative Commons Attribution and Share-Alike Licenses*, 36 FLA. ST. U. L. REV. 903, 910–11 (2009).

¹⁵⁹ *Id.* at 910–13.

¹⁶⁰ *Id.* at 915.

¹⁶¹ *See id.* at 914 (explaining that if contract theory of damages were used, the calculation of actual monetary damages may be next to impossible).

difficult for the Creative Commons licensor, given the fact that his work has already been dedicated for public use.¹⁶²

vii) Termination Issues

While Creative Commons licenses ensure that owners cannot withdraw their licenses from works that are already in circulation, owners are permitted to stop distributing their works under the license.¹⁶³ However, this leaves open the question of what will happen if a license is withdrawn. Can derivative works (which were made when the license was still in place) still be modified? Timothy Armstrong notes that relevant precedents have not addressed these potential issues, adding that “in the case of large-scale projects like Linux or Wikipedia . . . the task of excising a terminating author’s contributions while simultaneously preserving later users’ contributions would prove particularly vexing.”¹⁶⁴

Thus, the open source and Creative Commons licensing systems each raise their own complexities. Although issues such as license proliferation and license incompatibilities can be addressed through standardization, the difficulties arising from interpretation and enforcement issues have yet to be dispelled. Furthermore, in the case of the Creative Commons licenses, the lack of a uniform vision combined with a heavy reliance on the proprietary copyright system fail to provide an alternative institution for promoting the sharing ethos that serve as the pillars of creative invention.

Interestingly, non-licensing mechanisms exist for balancing the intellectual property system and enriching the public domain. Some private investors, for example, have taken active steps to enrich the public domain. Gideon Parchomovksy has shown how private investors are taking it upon themselves to counterbalance the excesses of the intellectual property law system by investing in the public domain in order to preempt their competitors from attaining property rights.¹⁶⁵ Robert Merges suggests that this “self-correction” does not necessarily mean that the current intellectual property system is appropriate, but rather that there are mechanisms besides lawmaking for balancing the system; in doing so, the public domain is becoming enriched.¹⁶⁶ Merges uses examples from the biotechnology and soft-

¹⁶² *Id.*; see also *id.* at 916–19 (noting that in a Dutch case surrounding the enforceability of a Creative Commons license, where a magazine violated the non-commercial provision attached to the content, the court found it difficult to award monetary damages because the content was already available to the public).

¹⁶³ *Frequently Asked Questions*, CREATIVE COMMONS, http://wiki.creativecommons.org/Frequently_Asked_Questions (last visited Nov. 21, 2010).

¹⁶⁴ Armstrong, *supra* note 79, at 363.

¹⁶⁵ See, e.g., Gideon Parchomovsky, *Publish or Perish*, 98 MICH. L. REV. 926 (2000) (discussing patent races with preemptive publication).

¹⁶⁶ Robert Merges, *A New Dynamism in the Public Domain*, 71 U. CHICAGO L. REV. 183, 183–84 (2004).

ware industries to show how companies are using “property preempting investments” to prevent information from being privatized.¹⁶⁷

Parchomovsky’s and Merges’ observations are true in other contexts as well. One of the most famous examples in this regard is the race to sequence the human genome. In the specific case of the Human Genome Project, there were two private firms (HGS and Incyte) who held private databases of the sequences.¹⁶⁸ The private company Merck financially supported a public database, open to all.¹⁶⁹ Since patent rights were not awarded to discoverers of the sequences, HGS and Incyte had to commercialize their sequence through different strategies, adopting licensing mechanisms.¹⁷⁰ Merck, however, maintained the public domain strategy, supporting a database that was freely accessible to the public.¹⁷¹

While valuable, such preemptive disclosures are not prevalent for a number of reasons. In the patent context, one can point to the ongoing commercialization taking place, even within universities. Thus, while we would expect to see more preemptive disclosures coming from basic research institutions, such disclosures do not seem to be taking place. In fact, we do see proprietization of research results since the introduction of the Bayh-Dole Act, which has allowed publicly supported institutions to patent their work product.¹⁷² We have also witnessed a great change in the institutional structure of many of these research institutions: many, if not all of them have technology transfer offices that avidly enforce their IP rights. Moreover, in the corporate world it is probably even less likely for such disclosures to take place given the competitive stance of corporations.¹⁷³

C. Institutional Solutions

Some have suggested that in order to bring about a real change in the intellectual property sphere and in order to move away from the maximalist intellectual property rights regime we currently have, institutional solutions must be introduced. James Boyle compared the growing privatization of the public domain in intellectual property law to environmental policy in order to draw lessons that could be used in shaping intellectual property policy.¹⁷⁴ Thus, in order to protect the public domain there needs to be public or private organizations that set out to protect

¹⁶⁷ *Id.* at 185–86.

¹⁶⁸ Rebecca S. Eisenberg, *Intellectual Property at the Public-Private Divide: The Case of Large-Scale cDNA Sequencing*, 3 U. CHIC. L. SCH. ROUNDTABLE 557, 559 (1996).

¹⁶⁹ *Id.*

¹⁷⁰ *Id.* at 566–69.

¹⁷¹ *Id.* at 569.

¹⁷² Bayh-Dole Act, 35 U.S.C. §§ 200–12 (2006).

¹⁷³ Eisenberg, *supra* note 168, at 569–71 (explaining that Merck’s interest in the sequences themselves was limited).

¹⁷⁴ Boyle, *Cultural Environmentalism and Beyond*, *supra* note 52, at 6.

the public domain just as the environmentalists have organizations to protect their interests.¹⁷⁵ Boyle applauds the increase in movements in the last ten years that center around the public domain.¹⁷⁶

However, such institutional solutions have not yet been fully realized, nor have they brought about new formulations of effective policies. While there are private organizations and movements that are dedicated to safeguarding the public domain, such as commons-based peer production movements (e.g. open source and Creative Commons), public organizations have yet to effectively bring about the unification of interests in order to advance the public domain.¹⁷⁷ Moreover, an examination of the impact of these private organizations suggests that their activity is limited. Consequently, these organizations cannot necessarily bring about a real change in the intellectual property system in every context. Looking at the open source and Creative Commons movements as a case study suggests that these movements have brought about a change, but as the foregoing discussion demonstrated, such movements also introduced many problems and have not yet been able to bring about uniformity and sweeping change.

D. Legislative Solutions

Some scholars suggest that change can be brought about by copyright reform initiatives. Beginning in 1976, the U.S. moved from a conditional copyright system that premised the existence and continuation of copyright on compliance with formalities to an unconditional system, where copyright arises automatically when a work is fixed.¹⁷⁸ Richard Epstein has characterized these changes as copyright law “flipping over from a system that protected only rights that were claimed to one that vests all rights, whether claimed or not.”¹⁷⁹ This represented a major break from the former U.S. formalities practice.¹⁸⁰ This move did not generate any strong debates because formalities were viewed and are still viewed as bothersome and unhelpful.¹⁸¹

¹⁷⁵ *Id.* at 14–19.

¹⁷⁶ *Id.*

¹⁷⁷ *Id.* at 17–18.

¹⁷⁸ Richard A. Epstein, *The Dubious Constitutionality of the Copyright Term Extension Act*, 36 *LOY. L.A. L. REV.* 123, 124 (2002).

¹⁷⁹ *Id.*

¹⁸⁰ Christopher Sprigman, *Reform(aliz)ing Copyright*, 57 *STAN. L. REV.* 485, 488 (2004) (“That is a fundamental shift in any property rights regime, and one that, in the copyright context, represented a break with almost two centuries of practice.”).

¹⁸¹ *Id.* (“The advent of unconditional copyright has nonetheless generated little comment in the academic literature—perhaps because the very term “formalities” signals that the former requirements were trifling, ministerial, or more bothersome than helpful.”).

Christopher Sprigman argues that this shift was a harmful one, suggesting that formalities should be reintroduced.¹⁸² Shifting back to antiquated copyright formalities and thereby resurrecting publication, notice, registration, and deposit as threshold requirements for copyright protection, would solve the uncertainty regarding boundaries and expand the scope of materials that reside in the public domain.¹⁸³ This will ensure that copyright does not apply in contexts where it is neither necessary nor useful.¹⁸⁴ Such a reintroduction would arguably discourage filings when their costs outweigh their expected benefits and as a result would expand the public domain.¹⁸⁵ However, there are problems with such a proposal—especially in the digital environment—because copyright notices can easily be removed and users often do not check registrations.

Some have proposed that copyright law should be altered in a way that would enable effective dedication to the public domain. Lydia Pallas Loren suggested that we adopt a doctrine of limited copyright abandonment.¹⁸⁶ Doing so “would result in the copyright owner retaining the ability to enforce the copyright rights that have not been granted to the public, while at the same time allowing the public to rely on the copyright owner’s clear expression of intent to permit certain uses.”¹⁸⁷ Others have proposed that the mechanisms of open access initiatives, such as Creative Commons or open source licenses, be enacted into the federal copyright statute.¹⁸⁸ The problems with such an approach are many. Introducing a menu of licenses has the potential to turn the copyright code into a complex piece of legislation. Moreover, with the exception of a “standardized license,” it is hard to see how these proposals would provide a simpler mechanism compared to their contractual counterparts. Finally, it is difficult to envision these proposals overcoming many of the complexities described above regarding open source and Creative Commons licenses.

¹⁸² *Id.* at 489–90.

¹⁸³ *Id.* at 488–91.

¹⁸⁴ *Id.* at 555–56.

¹⁸⁵ See also James Gibson, *Once and Future Copyright*, 81 NOTRE DAME L. REV. 167, 172 (2005) (suggesting that resurrecting formalities “prevents authors and publishers from achieving technologically what they do not merit legally, while at the same time ensuring that copyright does not apply in contexts where it is neither necessary nor useful”).

¹⁸⁶ Lydia Pallas Loren, *Building a Reliable Semicommons of Creative Works: Enforcement of Creative Commons Licenses and Limited Abandonment of Copyright*, 14 GEO. MASON L. REV. 271, 278 (2007); see also Laura N. Gasaway, *A Defense of the Public Domain: A Scholarly Essay*, 121 LAW LIBR. J. 451, 462–63 (2009) (suggesting the adoption of a statutory provision that provides a formal means for works’ creators to dedicate their works to the public domain).

¹⁸⁷ Loren, *supra* note 186, at 327–28.

¹⁸⁸ Adrienne K. Goss, Note, *Codifying a Commons: Copyright, Copyleft, and the Creative Commons Project*, 82 CHI.-KENT L. REV. 963, 964–65 (2007) (suggesting the enactment into law of the idea of the Creative Commons’ limited licenses); Severine Dusollier, *The Role of Contracts and Private Initiatives: Sharing Access in Intellectual Property Through Private Ordering*, 82 CHI.-KENT L. REV. 1391, 1392 (2007) (same).

Other scholars suggest that changing the nature of the rights in the material that resides in the public domain could also be a promising route, arguing that the public domain should be viewed as being “owned” by the public, and not as material free from intellectual property protection. If viewed as such, it would be a step in the right direction, insofar as it would give the public domain more weight in legislative and judicial decisions.¹⁸⁹ Some have made even more radical proposals, such as suggesting that because all works are influenced by others, the public should be viewed as a joint author of every copyrighted work as a means of preserving the public domain.¹⁹⁰

As I explain below, these proposals seem to be valuable and the model proposed in this work relies on some of these proposals as a starting point. However, these proposals alone have not yet brought about a real change.

IV. The Public Domain: Towards Modernized Copyright Laws

In this Part, I hope to demonstrate a different creativity paradigm and that if we want copyright law to serve as an engine of creativity, we need to adjust it to the new reality. The discussion that follows will highlight certain key changes and the characteristics of the new creative environment. To begin, it will touch upon one of the most important changes in the new creative environment: the phenomenon of user-generated content. Then it will discuss different forms of resistance to copyright law, reflected in extensive copyright infringement. Together, these two major changes require a response that should be reflected in the design of copyright law.

The last decade has seen the upsurge of user-generated content on the Web. Implicit in this development is the transition of the traditionally passive audience into an active participant in the development of independent content.¹⁹¹ This content is typified by its decentralized production (production rests in the hands of the user)¹⁹² and its generally free availability. Blogs, talkbacks, discussion boards, social networking sites, peer production, fan fiction, news sites, wikis, trip planners, podcasting, and more, come under the wings of the term user-generated content (UGC).¹⁹³ YouTube and Wikipedia are two prominent examples of UGC. A succinct definition of the components of UGC has been provided by Steven Hetcher:

¹⁸⁹ See Christine D. Galbraith, *A Panoptic Approach to Information Policy: Using a More Balanced Theory of Property to Ensure the Existence of a Prodigious Public Domain*, 15 J. INTELL. PROP. L. 1, 25–27 (2007).

¹⁹⁰ LIOR ZEMER, THE IDEA OF AUTHORSHIP IN COPYRIGHT 218–25 (2007). *But see* Roberta R. Kwall, *The Author as Steward “For Limited Times”*, 88 B.U. L. REV. 685, 697–700 (2008) (contesting Zemer’s thesis).

¹⁹¹ *User-Generated Content*, WIKIPEDIA, http://en.wikipedia.org/wiki/User-generated_content (last visited Apr. 12, 2011).

¹⁹² Yochai Benkler & Helen Nissenbaum, *Commons-Based Peer Production & Virtue*, 14 J. POL. PHIL 394, 400 (2006), available at http://www.nyu.edu/projects/nissenbaum/papers/jopp_235.pdf.

¹⁹³ *User-Generated Content*, *supra* note 191.

The “user” in UGC generally refers to amateurs, but also includes professionals and amateurs aspiring to become professionals. “Generated” is synonymous with created, reflecting the inclusion of some minimal amount of creativity in the user’s work.¹⁹⁴ Finally, “content” refers to digital content, or that generated by users online.¹⁹⁴

What incentivizes people to create and contribute content? Scholars point to monetary reasons as well as to a wide variety of non-pecuniary incentives, such as social, hedonistic, and altruistic incentives. Presumably, people may also be motivated by a combination of these incentives. In general, monetary incentives sit on the backburner for explaining the existence of the vast amount of UGC.¹⁹⁵ However, rewards such as monetary payments, prizes, and other rewards may account for part of UGC.¹⁹⁶

In terms of non-pecuniary incentives, Yochai Benkler and Helen Nissenbaum note that “some contributors contribute because of an expectation of learning and earning a reputation that could translate into a job in the future.”¹⁹⁷ Generating content may also boost one’s reputation and career.¹⁹⁸ Various websites use status incentives such as badges in order to motivate users to participate and contribute to the websites.¹⁹⁹

Some people may simply enjoy creating content and expressing themselves through the photography, videos, and writings that they upload onto the Internet.²⁰⁰ The autonomy that users have in creating “when and how much they want” has also been recognized as an incentive to create.²⁰¹ Moreover, the low-cost, and accessible technological means for producing and disseminating material can also motivate and enable users to contribute content.²⁰²

¹⁹⁴ Steven Hetcher, *User-Generated Content and the Future of Copyright: Part One - Investiture of Ownership*, 10 VAND. J. ENT. & TECH. 863, 863 (2008).

¹⁹⁵ Benkler & Nissenbaum, *supra* note 192, at 402.

¹⁹⁶ *User-Generated Content*, *supra* note 191.

¹⁹⁷ Benkler & Nissenbaum, *supra* note 192.

¹⁹⁸ Hetcher, *supra* note 194, at 875.

¹⁹⁹ *User-Generated Content*, *supra* note 191; see, e.g., *Frequently Asked Questions*, THE HUFFINGTON POST, <http://www.huffingtonpost.com/p/frequently-asked-question.html> (last visited Apr. 12, 2011) (informing users that “If you’ve been busy commenting on HuffPost and sharing stories to Facebook and Twitter, we’ll award you with a Level 1 Superuser Badge. If you’re among the busiest, most engaged users when it comes to commenting and sharing, and if you’ve connected your HuffPost account to your Facebook or Twitter account, then we make you a Level 2 Networker, upgrade your Badge, and feature your comments in purple. If you’re like many users, you’ll want to comment and share even more, so you can level up!”).

²⁰⁰ Hetcher, *supra* note 194, at 875.

²⁰¹ Benkler & Nissenbaum, *supra* note 192, at 405.

²⁰² David A. Hoffman & Salil K. Mehra, *Wikitruth Through Wikiorder*, 59 EMORY L.J. 151, 158 (2009).

The fact that a song, article, or picture can be uploaded onto the Internet at no cost and without losing the original content facilitates sharing.²⁰³ One scholar coins this sharing “cheap altruism,” in which something is given and at the same time still kept by the giver.²⁰⁴ Other motivations may involve the obligation people feel to give back after having received material.²⁰⁵ This ties into our need “to continue to share when someone has shared with us, although not necessarily with the same person.”²⁰⁶ Striving for “positive social relations” may also give rise to the volunteerism found in large-scale projects such as Wikipedia.²⁰⁷ Finally, in terms of social incentives, social networking sites such as Facebook and Twitter play into the people’s desire to be active members of a community.²⁰⁸

The increasing salience of user-generated content translates into the amount of which is being uploaded onto sharing websites and the number of participants. According to YouTube, as of March 2010, twenty-four hours of video is being uploaded per minute and its website receives a staggering two billion views a day.²⁰⁹ Facebook reports that it has over 500 million active users and that the average user creates 90 pieces of content each month.²¹⁰ Meanwhile, a simple visit to Wikipedia’s website reveals that there are over eighteen million articles posted on its Wikipedias.²¹¹

Over the years we have also witnessed the development of certain emerging practices concerning works that are protected by intellectual property, especially in the field of copyright law. Since the introduction of information technologies and the development of the Internet, we have seen an ever-growing resistance to protection provided for copyrightable works. The largest challenge is faced by the music, software and movie industries, and these three industries have not been particularly successful in handling these challenges. One of the core problems faced by these industries is that of user practices: namely, that many users have developed practices under which content is shared for free. Such sharing, or in effect piracy, has become a widespread practice. Such sharing constitutes copyright infringement under

²⁰³ Russell Belk, *The Politics Of Consumption/The Consumption Of Politics: Why Not Share Rather Than Own?*, 611 ANNALS AM. ACAD. POL. & SOC. SCI. 126, 132 (May 2007) .

²⁰⁴ *Id.* at 132–33.

²⁰⁵ *Id.* at 133.

²⁰⁶ *Id.*

²⁰⁷ Benkler & Nissenbaum, *supra* note 192, at 402–03.

²⁰⁸ *User-Generated Content*, *supra* note 191; Belk, *supra* note 203, at 133.

²⁰⁹ *Timeline*, YOUTUBE, http://www.youtube.com/t/press_timeline (last visited Apr. 12, 2011).

²¹⁰ *Statistics*, FACEBOOK, <http://www.facebook.com/press/info.php?statistics> (last visited Apr. 12, 2011).

²¹¹ *List of Wikipedias*, WIKIPEDIA, http://meta.wikimedia.org/wiki/List_of_Wikipedias (last visited Apr. 12, 2011).

the Copyright Act. However, the emerging practice of making copyrighted works available in digital form has made sharing materials commonplace.

A brief look at some empirical studies is instructive, because can jumpstart our understanding of emerging practices with regard to copyright law. This data is significant inasmuch as it will be used below as a justification and basis for the design and scope of the Gradual Dedication Model proposed in this Article.

The International Federation of the Phonographic Industry (IFPI), a trade group, has recently estimated that a full 95% of the music downloaded globally is downloaded illegally.²¹² BigChampagne, a firm that monitors file sharing traffic for major record labels and music industry magazines like Billboard, reported that the average number of simultaneous users on peer-to-peer networks was 9.35 millions in 2007.²¹³ Additionally, during the *Grokster* litigation the music industry contended that more than 2.6 billion infringing music files are downloaded every month.²¹⁴

In contrast to popular belief that file-sharing is limited only to teenagers, as of 2003, 27% of Internet users between the ages of thirty and forty nine and 12% of those over fifty engage in file-sharing.²¹⁵ Unsurprisingly, however, about half of all Americans in ages twelve to twenty-two with access to the Internet have downloaded music from file-sharing networks.²¹⁶ There is reason to suspect the accuracy of estimates coming from the content industries themselves.²¹⁷ However, there is no doubt based on other estimates (as outlined below) that file-sharing is not far from the content industries' estimates

One would assume that such extensive file-sharing and music piracy would directly affect the revenue stream of the music industry. Indeed, the music industry accusation has been for many years that consumers, who would otherwise buy the music, consume it free of charge and distribute it to others who do the same, thus

²¹² *Digital Music Report 2009*, THE INTERNATIONAL FEDERATION OF THE PHONOGRAPHIC INDUSTRY, available at <http://www.ifpi.org/content/library/DMR2009-real.pdf> (last visited Oct. 26, 2011) (discussing that the International Federation of the Phonographic Industry is an international organization that represents the recording industry worldwide, its membership comprising some 1400 record companies in 72 countries and affiliated industry associations in 44 countries).

²¹³ Eric Bangeman, *P2P Traffic Shifts Away From Music, Towards Movies*, ARS TECHNICA (July 6, 2007, 12:26 AM), <http://arstechnica.com/tech-policy/news/2007/07/p2p-traffic-shifts-away-from-music-towards-movies.ars>.

²¹⁴ Oral Argument at 59:00, *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster*, 545 U.S. 913 (2005) (No. 04-480), available at http://www.oyez.org/cases/2000-2009/2004/2004_04_480/argument.

²¹⁵ Amy Harmon & John Schwartz, *Despite Suits, Music File Sharers Shrug off Guilt and Keep Sharing*, N.Y. TIMES, Sep. 19, 2003, at A1.

²¹⁶ Amy Harmon & John Schwartz, *Despite Suits, Music File Sharers Shrug Off Guilt and Keep Sharing*, N.Y. TIMES, Sept. 19, 2003, at C2.

²¹⁷ Annemarie Bridy, *Why Pirates (Still) Won't Behave: Regulating P2P in the Decade After Napster*, 40 RUTGERS L.J. 565, 566 at n.2 (2009).

harming market revenues for artists.²¹⁸ The IFPI suggested in February 2009 that file-sharing is responsible for the 30% global decline in music revenues.²¹⁹

However, the notion that file-sharing inherently excludes revenues to artists is far from accurate.²²⁰ The Recording Industry Association of America (RIAA) reports stating a steady decline of net revenues since the year 2000²²¹ raised speculations that the industry had been manipulating data.²²² But even ignoring these speculations, the attribution of these claimed losses to file-sharing is questionable. Empirically, there is disagreement over the impact of file-sharing on sales.²²³ As

²¹⁸ See, e.g., *U.S. v. Dove*, 585 F. Supp.2d 865, 869–70 (W.D. Va. 2008) (stating claims by RIAA that illegal downloading harms industry because people who download would otherwise legally purchase); see also *U.S. v. Chalupnik*, 514 F.3d 748, 755 (8th Cir. 2008) (stating claims by the government that lost sales can be assessed because customers have purchased discs from BMG instead of used record stores).

²¹⁹ Nate Anderson, *IFPI boss at TPB trial: you're either with us or against us*, ARS TECHNICA (Feb. 25, 2009, 10:51AM) <http://arstechnica.com/tech-policy/news/2009/02/ifpi-boss-youre-either-with-us-or-against-us.ars>.

²²⁰ See, e.g., Boyle, *The Second Enclosure Movement*, *supra* note 1, at 42–43 (2003) (“The Internet does lower the cost of copying and, thus, the cost of illicit copying. Of course, it also lowers the costs of production, distribution, and advertising, and dramatically increases the size of the potential market. Is the net result, then, a loss to rights-holders...? A large, leaky market may actually provide more revenue than a small one over which one’s control is much stronger.”).

²²¹ *2007 Year-End Shipping Statistics*, RECORDING INDUSTRY ASSOCIATION OF AMERICA, available at <http://www.scribd.com/doc/6386390/RIAA-Annual-Music-Sales-Data-2007-Year-End> (last visited Oct. 26, 2011).

²²² See, e.g., Martin F. Halstead, Comment, *The Regulated Become the Regulators—Problems and Pitfalls in the New World of Digital Copyright Legislation*, 38 TULSA L. REV. 195, 226 (2002) (“An accounting system in which possible but unrealized income is considered a loss appears an unrealistic basis for policy formulation, yet it is a primary accounting theory on the industry side of the piracy question”); see also, Julian Sanchez, *750,000 lost jobs? The dodgy digits behind the war on piracy*, ARS TECHNICA (Oct. 7, 2008, 11:30), <http://arstechnica.com/articles/culture/dodgy-digits-behind-the-war-on-piracy.ars/1> (reporting manipulation of statistics regarding number of jobs lost due to piracy).

²²³ See, e.g., Stan J. Liebowitz, *File Sharing: Creative Destruction or Just Plain Destruction?*, 49 J. L. & ECON., 1, 24 (2006) (suggesting that file-sharing has a negative effect on music sales); Stan J. Liebowitz, *A Comment on the Oberholzer-Gee and Strumpf Paper on File-Sharing* (Sept. 2007), available at <http://ssrn.com/abstract=1017418>; Norbert J. Michel, *The Impact of Digital File Sharing on the Music Industry: An Empirical Analysis*, 6 TOPICS ECON. ANALYSIS & POLY, Art 18 (Sept. 10, 2006), available at <http://www.bepress.com/cgi/viewcontent.cgi?article=1549&context=bejeap>. But see Felix Oberholzer-Gee & Koleman Strumpf, *File-Sharing and Copyright 4* (Harvard Business School, Working Paper No. 09-132, May 15, 2009) available at www.hbs.edu/research/pdf/09-132.pdf: (finding that evidence suggests piracy and music sales are largely unrelated); Birgitte Andersen & Marion Frenz, *The Impact of Music Downloads and P2P File-Sharing on the Purchase of Music: A Study for Industry Canada*, INDUSTRY CANADA, <http://www.ic.gc.ca/eic/site/ippd-dppi.nsf/eng/ip01460.html> (last updated Sept. 14, 2011) (finding amongst Canadian population that “P2P file-sharing tends to increase rather than decrease music purchasing”); David Blackburn, *On-line Piracy and Recorded Music Sales*, 45–46 (Dec. 2004), available at <http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=297F8BFF0C1A3A8331D80B5FB84E4361?doi=10.1.1.117.2922&rep=rep1&type=pdf> (finding that three-fourth of artists increased their sales as a result of file-sharing, while the most popular quarter’s sales have decreased).

Lital Helman has recently shown “[b]ecause the data regarding actual damages from file-sharing on the music industry is speculative, the severe and resource-thirsty measures currently taken to combat file-sharing are questionable at best It strengthens the suspicion that the industry’s fight is not centered on increasing revenues.”²²⁴ Additionally, as Helman argues, “[ev]en without deciding between the contradicting empirical analyses regarding its impact on sales, file-sharing probably causes the music business more benefit than harm. Exposure to music can facilitate new opportunities and open new markets.”²²⁵

Although the impact of file-sharing on industry revenue stream is unclear at best, it remains undeniable that there is evidence that unauthorized file-sharing is a widespread phenomenon. Scholars have pointed to different explanations that might account for unauthorized file-sharing.²²⁶ Perhaps many people view intangible property as free for use by all, suggesting that it cannot be stolen.²²⁷ In fact, 78% of individuals who download music do not consider it to be stealing.²²⁸

Equally plausibly as an explanation, the Internet’s architecture and design is grounded on culture of sharing information for free. Because of its design, the Internet allows every user to freely distribute materials that can be digitized.²²⁹ College students, in particular, have always perceived the Internet as a way of accessing things for free.²³⁰ File-sharing has also been justified due to lack of online alternatives for buying information online and because of its convenience.²³¹ Furthermore, many consumers view file-sharing as a way to first experiment with the music copied without paying first.²³² On a legal plane, surveys among users of file-sharing networks show that before and after the wave of industry lawsuits against individuals, people did not think that file-sharing is a violation of copyright laws.²³³ Simple personal economics and the perceived high price of CDs are an intuitive possibility. Many believe that sharing is justified, even if it is indeed stealing, because of the high charges for CDs.²³⁴ And, somewhat ironically, music consumers

²²⁴ Lital Helman, *When Your Recording Agency Turns Into An Agency Problem: The True Nature of the Peer-to-Peer Debate*, 50 IDEA 49, 85–86 (2009).

²²⁵ *Id.* at 86.

²²⁶ Yuval Feldman & Janice Nadler, *The Law and Norms of File Sharing*, 43 SAN DIEGO L. REV. 577 (2006).

²²⁷ *Id.* at 585.

²²⁸ *Id.*

²²⁹ *Id.*

²³⁰ *Id.*

²³¹ *Id.* at 586.

²³² *Id.*

²³³ *Id.* at 586–87.

²³⁴ *Id.* at 587.

also believe that the recording industry exploits artists, which supports their views that sharing implies taking from the greedy industry.²³⁵

Very much like music piracy, software piracy is also common in the U.S. and worldwide. Exploring existing data concerning software piracy reveals a very interesting picture. Although the Western World has low piracy rates, in 2009 the sheer size of their technology markets yielded \$21 billion in unlicensed software.²³⁶ The economies of United States, Japan, and Luxembourg have the lowest software piracy rates at 20%, 21%, and 21%, respectively.²³⁷ However, the economies of Georgia, Bangladesh, Zimbabwe, and Moldova each have software piracy rates exceeding 90%.²³⁸

According to the Business Software Alliance (BSA) 2009 Piracy Study, use of unlicensed software dropped in 49% of the individual economies studied, and rose in only 17% of the economies.²³⁹ In recent years, the software industry, governments, and law enforcement agencies have led anti-piracy education and enforcement campaigns, which have positively impacted the legal purchase and use of software.²⁴⁰ The 2009 BSA/IDC Global PC Software Piracy Study found that in 2009 the overall software piracy rate increased by 2% but the total value of unlicensed software decreased by 3% at \$51.4 billion.²⁴¹ However, with a 2009 piracy rate of 43%, software piracy continues to be a pressing issue.²⁴²

While piracy rates in the U.S. have been pretty steady during these past few years, it is evident that very much like music piracy, software piracy is widespread and prevalent. It is possible that the explanations for the widespread piracy practices are somewhat similar to those discussed above regarding music piracy, *i.e.*, copying intangible property such as software is not equivalent to theft, software prices are prohibitively high and therefore resorting to piracy is justified, and the open sharing environment that the Internet has created suggests that materials are free for copying.

The discussion concerning music and software copyright piracy is simply illustrative of widespread piracy regarding works in digital form. It is clear that sharing and free exchange are the evolving practices in that regard. Piracy, however, is also prevalent with regard to other works that have not been discussed, such as

²³⁵ *Id.*

²³⁶ See *Seventh Annual BSA/IDC Global Software 09 Piracy Study*, BUS. SOFTWARE ALLIANCE, 9 (May 2010) <http://portal.bsa.org/globalpiracy2009/studies/globalpiracystudy2009.pdf>.

²³⁷ *Id.* at 2.

²³⁸ *Id.*

²³⁹ *Id.*

²⁴⁰ *Id.* at 4.

²⁴¹ *Id.* at 9.

²⁴² *Id.* at 4.

movies, computer games, as well as other works in digital form.²⁴³ This Article will not discuss these other copyright industries because data on specific industries is not readily available.

Furthermore, piracy of copyrighted works is not the only issue we should explore regarding emerging practices. Unlike the negative example of piracy and very much like the emergence of productive communities that endorse the sharing ideal through private ordering as exemplified by the open source and Creative Commons movements, the fast growing phenomenon of user generated content (UGC) is illustrative of emerging practices of sharing (mostly for free) of works created by users.²⁴⁴

In summary, exploring emerging practices in the contexts of music and software piracy, as well as emerging practices in the realm of UGC, is very insightful in that it can demonstrate that a significant portion of the American public is resistant to copyright policy. It also illustrates that the emerging practice in some productive communities and amongst many members of the public is one of sharing content for free.

Based on the emerging practices of sharing for free that is reflected in part by both the open source and Creative Commons licensing regimes discussed above and the phenomenon of UGC and resistance to and rejection of copyright policy as it is currently crafted, reflected in extensive infringement of music, software, and other digitally available copyrighted products, I argue that copyright law and policy should be reexamined and reshaped in a way that more accurately reflects emerging practices, suggesting that copyright law has to reflect this growing tension between copyright owners and the desires and practices of a large portion of members of the public, including users who generate content as well as a growing number of authors of creative works. I argue that copyright law should be modernized and crafted in a way that reflects this new emerging reality by offering the public, authors, and users a statutory-based alternative that makes their sharing ideal viable and that can allow in turn the creation of a formalized and richer public domain.

Although challenging on many fronts, this ideal can be realized by adopting and formally legislating the Gradual Dedication Model. In essence, I argue that copyright law has become outdated because of challenges introduced by information technologies and that subsequently we must adapt our copyright laws as well as other fields of intellectual property law to the new reality.

²⁴³ See, e.g., Bangeman, *supra* note 213 (noting increase in piracy of media such as movies and television).

²⁴⁴ See, e.g., *User-Generated Content*, *supra* note 191 (outlining user-generated content theory and evolution).

A. The New Gradual Dedication Model

The new model envisions a world in which copyright protection is claimed rather than automatically granted. Building on the important work of Christopher Sprigman,²⁴⁵ I argue that our starting point for the creation of this new legal reality should be reintroduction of formalities into copyright law. As outlined above, resurrection of formalities means that rather than being an unconditional system under which copyright protection automatically attaches to works upon creation, formalities, like registration, notice, filing fees and renewal fees would be reintroduced to the copyright law system so that protection has to be claimed at a cost. It should be emphasized that the regime is not reverting back to publication as the benchmark for copyright protection but rather assumes that creation and fixation is the relevant date for claiming protection. As for filing and renewal fees, one could argue that all creators and authors of copyrightable works will opt into the system by simply filing for copyright protection to an extent that the new regime will become a futile effort to enrich the public domain. However, filing and renewal fees can be structured in a way that can affect people's decisions to file for copyright protection.

Additionally, evidence that suggests that people are not necessarily going to opt into copyright protection can be seen in existing registration practices with the Library of Congress. Copyright registration is not mandatory but it offers many advantages to filers.²⁴⁶ It establishes a public record of the copyright claim. Moreover, before an infringement suit may be filed in court, copyright registration is necessary for works of U.S. origin.²⁴⁷ If made before or within five years of publication, copyright registration will also establish *prima facie* evidence in court of the validity of the copyright and of the facts stated in the certificate.²⁴⁸ If copyright registration is made within three months after publication of the work or prior to an infringement of the work, statutory damages and attorney's fees will be available to the copyright owner in court actions.²⁴⁹ Otherwise, only an award of actual damages and profits is available to the copyright owner.²⁵⁰

Despite these advantages and the very low filing fees, copyright registration is not so common and not every creator of a copyrighted work registers her work. In fact, it is interesting to note that there is a decline in the number of works registered by the copyright office; data concerning claims to copyright protection during the

²⁴⁵ See Sprigman, *supra* note 180, at 551 (noting reintroduction of formalities).

²⁴⁶ See 17 U.S.C. § 408 (2006) (describing how authors may achieve protection).

²⁴⁷ See 17 U.S.C. § 411 (2006) (stating that no civil action may be initiated until registration of copyright).

²⁴⁸ 17 U.S.C. § 410(c) (2006).

²⁴⁹ See 17 U.S.C. § 412 (2006) (providing that statutory damages and attorney's fees will not be available if infringement occurs prior to copyright registration or if the author fails to register within three months after the first publication of the work).

²⁵⁰ *Id.*

years 2005 through 2009 shows a steady decline in the number of copyrights claimed in works.²⁵¹ While it is hard to estimate how many copyrightable works are created in general, it is certainly the case that a large percentage of works created are not registered with the Copyright Office. While not dispositive, such evidence suggests that although registration offers significant advantages to the copyright filers, many copyright owners do not register their works. Under the new regime, the motivation to file would undoubtedly be greater given the constitutive effect of registration. Yet, given possible changes to fees structure and existing registration patterns it is unclear whether authors would opt into the regime. Thus, introduction of formalities would make copyright protection conditioned upon meeting certain requirements, so the default rule would be that if no protection is claimed, every work that is created automatically falls into and resides in the Gradual Dedication Model default regime.

Reintroduction of formalities would not constitute a significant burden on the legislative and executive branches because under U.S. law we currently have a system in place for registration of copyrighted works that provides additional independent benefits to creators of expressive works.²⁵² Such a mechanism has many advantages. It would provide better notice as to what works are protectable. More importantly, it would provide information as to when works fall into the public domain. This latter role of formalities is very important as it effectively creates an identifiable and formalized public domain. This naturally also significantly reduces transaction and search costs.

A further notable contribution of formalities is that they make copyright protection available “on demand,” weeding out works whose creators are not interested in any economic rewards for their creation. If we accept the economic argument that creation of works will not happen unless some form of exclusivity is introduced, then we can assume that most of the creators who will seek protection are those who really need the economic incentives. This in essence optimally uses copyright law only when incentives are needed rather than when unnecessary. Therefore, even under the GDM regime current copyright holders are not necessarily hurt by the model proposed because those who benefit most from copyright protection are those who would be most likely to go to the lengths necessary to claim copyright protection under the GDM (e.g., the music, software, and motion picture industries, etc.).

²⁵¹ *Annual Report of the Register of Copyright*, U.S. COPYRIGHT OFFICE, 48 (2009), <http://www.copyright.gov/reports/annual/2009/ar2009.pdf> (last visited Apr. 28, 2011). See also Sprigman, *supra* note 180, at 513 (noting that “Copyright Office data on the annual number of copyright registrations . . . suggest[s] that the rate of registration is responsive to relatively small changes in registration fees.”).

²⁵² 17 U.S.C. §§ 408–12 (2006).

However, the proposed model has a few additional elements beyond reintroduction of formalities. Under the proposed model, the world of creative works would reside in three separate domains. The first is the “Copyrighted Works Domain,” where only works that were claimed under the reintroduced formalities regime would reside. The second domain is the “public domain” where different unprotectable and expired works would reside. If a creator of a work desires to dedicate the work to the public domain, she would be able to do so. The third domain will be one that is generated and regulated under the newly introduced “Gradual Dedication Model” (GDM). Under the GDM model, copyright law would be revised and a new domain would be created that would be designed in a way that closely reflects the emerging practices and ideals described above of free sharing. Because the values this domain reflects are prevalent, this new GDM domain would become the new default regime of copyright law.

As I demonstrated above, identifying current practices is an empirically difficult undertaking. However, based on the analysis conducted above of available data concerning music and software piracy, user generated content, as well as the discussion of prevailing sharing regimes, such as the Open Source GPL and Creative Commons licenses, it is fairly clear that there exists a desire in some productive communities and in a significant part of the public to weaken the strength of copyright protection in creative works. Additionally, and even more significantly, a practice of sharing works for free is emerging and is extensively employed in different contexts by productive communities.

Therefore, and in line with emerging practices, under the GDM, a legislative-based model would be introduced in which creators of copyrightable works would be able to gradually dedicate works to the public domain if they decide not to claim copyright protection or decide not to immediately dedicate the work to the public domain. Under the proposed model, rather than dedicating the work to the public domain immediately and effectively, the work would be dedicated to the public in two phases – GDM Phase 1 and GDM Phase 2. In GDM Phase 1, the owner would dedicate the work to the public, which would jointly own the work together with its creator. This dedication would be subject to some use-restrictions that are detailed below. The notion of joint ownership is aimed at reflecting the sharing ideal endorsed by many members of the creative community and the public at large. The public would “own” the work but would be restricted in what it can do with the work for a set period of time, which would be determined by the legislature. This GDM Phase 1 term will be significantly shorter than existing terms under the copyright laws. The possible term can range between 10 and 20 years at most.

Building on lessons emanating from the experiences of Open Source GPL licenses and Creative Commons licenses, the use-restrictions introduced will be simple and clear; in essence, closely reflecting emerging practices of sharing for free or

under less restrictive terms than copyright protection as well as other sharing practices of productive communities. The only restrictions imposed on the public as well as the original creator of the work,²⁵³ which build on a variation of the Creative Commons license, are the following: 1) *Attribution* – this condition requires that each and every member of the public can use the work provided she always attributes it to her creator, giving appropriate credit; this feature is important because it guarantees the integrity of the model in particular and the system in general. Based on studies conducted in different productive communities employing the different licensing regimes discussed above, attribution seems to be a very important provision in granting consent to use a work;²⁵⁴ 2) *Share Alike* – this condition requires that the user of the work similarly dedicate any derivative work under the GDM regime. This feature seems to be the most promising feature of the GDM for enriching the public domain, guaranteeing dynamism of giving or more accurately “coercing” those who use works shared under the GDM regime to similarly dedicate their works under the same conditions; 3) Derivative works created can be for either commercial or non-commercial use. Under this condition others can copy, distribute, display and publicly perform the work, and derivative works based upon it, for both commercial and non-commercial purposes. It is important to note that during Phase 1 of the GDM, it does not matter for what purpose the work is used. Even if the work is used for commercial purposes, we would allow it because the newly created derivative work would also be dedicated under the same GDM Phase 1 terms. This provision also avoids the need to engage in difficult interpretations concerning the meaning of commercial and non-commercial uses.

Another notable aspect of the proposed regime is that during Phase 1, works dedicated under the GDM are jointly owned by the public. This property structure is aimed at reflecting and further ingraining the sense of collectivity concerning the dedicated work, as well as overcoming some of the challenges concerning the licensing regimes described above. In the GPL and Creative Commons schemes, some of the lurking issues are the problems encountered when amending or changing the license and the question of who has standing to sue under the license. Joint ownership avoids these questions altogether by vesting a property interest in the work to each member of the public. This reinforces the sense of sharing and also avoids the ability to make changes to the use-restrictions imposed by the regime given the fact that they are statutorily rather than contractually mandated. Addi-

²⁵³ This suggests that - unlike the standard GPL/Creative Commons license - the original creator of the work will not be able to grant a license to a future user that will allow this user to use the work without sharing it alike, for example. Preventing such grants is aimed to expand the public domain.

²⁵⁴ Victoria Stodden, *Why Copyleft Isn't Good for Scientific Code: A Case Study in the Normative Structuring of Law* (2011) (unpublished manuscript) (on file with author) (showing with regard to the scientific community that attribution is a key provision for sharing under the open source licenses).

tionally, each and every member can bring a suit given their ownership interest subject to the original creator consent. The original creator consent is required in order to avoid the phenomenon of professional plaintiffs.²⁵⁵

Therefore, in phase 1 of the GDM, a phase which closely follows, reflects, and eventually accomplishes the social norms' goal of sharing for free, with no threats of proprietization of one's contribution, a GDM Phase 1 Domain is created and works reside in it for the set period of time.

After the set period of time elapses, at GDM Phase 2, the work will be dedicated to the public domain with no strings attached, and will be free for use by all, subject to no use-restrictions of any kind. Therefore, at this second phase, the work simply falls into the public domain.

If under the proposed regime claiming copyright protection is conditioned upon adoption of formalities (notice, registration, and filing and renewal fees) and dedication of a work to the public domain requires notice only, resorting to the GDM will be fairly straightforward and easy. In the new default regime, most works will immediately fall into the GDM Phase 1. However, the underlying assumption is that a work was dated by its creator in some way. Dating the work provides accurate notice to the public concerning the expiration date of Phase 1 and the date in which the work will fall into the public domain (Phase 2). Since most digital works are dated,²⁵⁶ resorting to this default regime will prove simple and easy. As for works that are not in digital form, it is probably harder to make the same assumption about them being dated. However, most newly created works are usually also produced in digital form so it is very likely that most of them will be dated. Failure to date the work, however, will effectively dedicate it to the public domain.

In other words, the GDM, combined with reintroduction of formalities, essentially introduces a mechanism for effectively formalizing, identifying, and enriching the public domain. It does so in a very simple and inexpensive manner, building on already existing registration systems in place. The GDM regime essentially changes copyright law default rules and adds into the menu of options additional prominent options, reflecting the public and productive communities' choices. In a way, the GDM model offers an alternative to private ordering or a way to introduce a fix to Creative Commons and Open Source software licensing, overcoming some of these regimes' flaws.

²⁵⁵ See generally Douglas C. Buffone, Note, *Predatory Attorneys and Professional Plaintiffs: Reforms are Needed to Limit Vexatious Securities Litigation*, 23 HOFSTRA L. REV. 655 (1995) (examining professional plaintiffs in the context of individual stockholders suing corporations).

²⁵⁶ Dating a work can be done in different ways. The work may have internal evidence that it was completed after a certain date. If so, it would be possible to use that date as the starting date for its term under the GDM Phase 1. Alternatively, extrinsic evidence might provide a date of release or dissemination.

This new regime would require a transition period. During the transition period, copyright protection will need to be claimed for existing and new works. Works in which copyright protection is not claimed will automatically fall into the public domain and will be free for use by all. Only newly created works, including New Media, will be subject to the new GDM default regime.

B. GDM's Advantages

Prior to discussing the GDM regime advantages, a few preliminary remarks need to be articulated. The newly introduced GDM regime is not aimed to fully replace existing licensing regimes or to write into the law, as a default rule, a GPL/Creative Commons mechanism. Rather, the GDM regime aims to introduce a legislative-based alternative that responds to emerging sharing norms of productive communities and the public desire to operate in a less proprietary environment. As outlined above, the new regime is in line with the goals and ideologies of those regimes. Therefore, while the GDM regime cannot necessarily serve as a perfect substitute to each and every GPL/Creative Commons license, it does offer a regime that these productive communities, mainly the open source community as well as some parts of the Creative Commons community, can endorse and employ while overcoming many of the challenges they currently face under their licensing schemes.

It also needs to be clarified that the open source GPL and Creative Commons licenses are a good solution for promoting sharing and greater creativity, and have produced really successful computer programs and other creative works. For example, these licenses lay behind the GNU/Linux operating system, the Apache web server programs, and the Firefox web browser as well as the Wikipedia project. Although many licenses exist and they raise many problems and concerns, it is possible that the day will come in which the different productive communities will try to produce some standardized license. This has not happened yet, probably due to the lack of litigation surrounding these licenses. In any event, the lack of a united vision on the part of the Creative Commons movement, as well as the other problems raised by these licensing schemes might bring about a change in the near future.

The new regime is also not aimed at legalizing file-sharing or other forms of copyright infringement. It simply allows the public and other productive communities to decide how to protect their newly created works through a statutory vehicle. More importantly, the new regime is intended to be transitory rather than a permanent change to the copyright laws. Given the regime's rules, adoption would provide a platform for reforming copyright law in a way that will be more responsive to the new creative environment. By more accurately reflecting the different copyright agendas of different groups, the regime better reflects the debates surrounding copyright protection.

Viewed in light of the preceding, a move towards a common-practices-based GDM is desirable for many reasons. As a baseline, it would provide a voluntary

formalities-based mechanism for obtaining copyright protection, weeding out many works that are created for reasons besides economic incentives. Thus, as highlighted before, whenever economic incentives are required or when creators are interested in benefitting from copyright protection, they will opt for the copyright law regime. As a practical matter, such a regime would better reflect current perspectives on copyrightable works and (to a certain extent) legitimize trends in popular opinion concerning created content. This move would foment a “dynamism of giving,” the dedication of works to the public domain that will result in further enrichment of the public domain. Subjecting works to the GDM forces others to similarly dedicate their derivative works if they wish to incorporate a GDM Phase 1 work.

As other scholars have shown, introduction of default rules through legislation has a constitutive effect and might bring about an adoption of standardized rules provided by the legislature rather than non-standardized contractual arrangements. Yair Listokin has demonstrated in the context of corporate law that menus and legal defaults have an important effect on actors’ choices. Listokin found that default arrangements provided by the legislature are adopted by different actors even though they had the option to contractually modify them. He also noted that when a statutory menu provides an opt-in arrangement, it is more likely to be adopted compared to a contractual regime.²⁵⁷

Beyond these possible constitutive effects, adoption of legislative default rules can also affect the creation of social norms, affect perceptions, and assist in changing peoples’ perception of justice concerning copyright in creative works.²⁵⁸ Adoption of the GDM as the default regime can thereby ingrain values of sharing in society. Moreover, the GDM regime would bring more coherence and symmetry to intellectual property law, creating a non-automatic protection rule similar to the one currently in place under patent law. This increased coherence and symmetry would encourage businesses to rely on innovative business models in conducting their businesses. Assuming that the dynamism of giving is indeed created, businesses that wish to join such an environment or alternatively are coerced to opt in, will be incentivized to create new business models to recoup their investment.

²⁵⁷ Yair Listokin, *What Do Corporate Default Rules and Menus Do? An Empirical Examination 6* (Yale Law School, Research, Working Paper No. 335, 2006), available at <http://ssrn.com/abstract=924578> (noting that Georgia’s decision to expressly provide in its corporate statute that a corporation can opt into a fair price treatment led Georgia corporations to adopt this option more frequently than corporations in other states that allow this option but did not include it in their statutory menus); see also Ian Ayres, *Menus Matter*, 73 U. CHI. L. REV. 3, 3 (2006) (making an argument similar to Listokin, suggesting that lawmakers can affect contractual equilibria by using menus).

²⁵⁸ See Cass R. Sunstein, *Preferences and Politics*, 20 PHIL. & PUB. AFF. 3, 8–10 (1991); Cass R. Sunstein, *Social Norms and Social Roles*, 96 COLUM. L. REV. 903 (1996); Richard A. Posner, *Social Norms, Social Meaning and the Economic Analysis of Law*, 27 J. LEGAL STUD. 553, 564–65 (1998).

In a related vein, the GDM model would better avoid the complexities stemming from licensing under the Open Source GPL license or under Creative Commons licenses. Similar to the Open Source GPL and the Creative Commons licenses, such a model encourages openness and sharing. However, as compared to Open Source and Creative Commons licenses, the GDM is superior in that it avoids many of the problems encountered under these licensing schemes (as described in Part II). Both the GPL and Creative Commons regimes raise ownership problems, failing to address questions concerning standing to sue, or in obtaining permission from the many different owners when the license needs to be changed or upgraded. They also raise interpretation problems concerning key provisions and definitions such as “derivative works”, “commercial use”, and other important phrases. Additionally, they raise notice issues because the content of the licenses is not always brought to the attention of the user. As a result, they have left room for concern regarding such contracts’ enforceability as well as questions pertaining to licenses compatibility given the large number of versions used.

Many of these issues are addressed by the GDM statutory-based model in the description of the exemplified model. The ownership issues are resolved by vesting property rights with members of the public. The model can be changed only through legislative action rather than by obtaining permission from owners. Standing to sue is granted to all owners, fostering the collective interest in the public domain. Some of the definitional issues are also addressed by adopting the share-alike regime, which ignores the nature of the use made by latecomers. Additionally, the GDM regime is arguably constitutional and enforceable and is not exposed to any challenges on those grounds—unlike its contractually grounded counterparts. The GDM avoids the problem of proliferation of licenses and resulting problems of incompatibility of different licenses by introducing a clear, simple, and uniform legislative-based regime. Rather than providing a menu of statutory-based licenses, only one set of restrictions is provided that reflects emerging practices; overall, the set of restrictions chosen clearly accomplishes additional public goals by enlarging and preserving the public domain.

It is true that the model might miss the preferred positions of many creators. However, the proposed model aims to mimic the prevalent sharing practice. Indeed, exploring, for example, the distribution of Creative Commons licenses deployed and their properties as of June 2006 reveals that more attribution-non-commercial-share-alike licenses were adopted (29.01%) than any other type of license.²⁵⁹ The majority of the licenses (96.6%) deployed attribution, share-alike condition was deployed by 45.5% and 67.5% deployed the non-commercial use

²⁵⁹ *License Statistics*, CREATIVE COMMONS, http://wiki.creativecommons.org/Metrics/License_statistics (last visited July 6, 2011).

condition.²⁶⁰ Moreover, introduction of more options might create a complex code. These and many more advantages make the GDM regime a better route to take.

Because this model creates public ownership in the dedicated materials subject to certain use-restrictions, a property interest is vested in each member of the public. This allows any one of them to challenge illegal takings from the public domain, thereby guaranteeing the openness of the public domain and thus enlarging the number of public domain guardians. Moreover, the GDM provides the public with a rather straightforward choice-set: just as people can decide to opt for a copyright regime, so too people can decide to opt for the superior GDM regime. Rather than accepting a complicated set of rules or resorting to complex licensing—which are counterintuitive in a world of widespread sharing and use of materials (including infringement)—we can choose the more robust practice-based GDM.

One might question why a gradual dedication model should be implemented instead of a regime of unconditional dedication to the public domain. As the size of the public domain increases, so does the number of sources from which one can draw upon to create derivative works. Ironically, this enables the further creation of propertized materials. Thus, while the greatest virtue of the public domain is that it allows others to freely use such materials for further creation of derivative works, this virtue also serves as a vice because those who naturally benefit from the public domain are usually powerful creators or their assignees.²⁶¹

Even if unconditional dedication is positively perceived, it would be illogical not to use a GDM as a means of enriching the public domain and creating the aforementioned dynamism of giving and dedication. If our default rules are changed in a manner that closely follows emerging practices, our copyright system might better and more optimally incentivize the creation of works by providing protection where it is really needed or desired. In a sense, this GDM is a superior incarnation of the public domain because it leverages public choices regarding dedication into a dynamic model of positive “coercion.” The decision to opt into the GDM allows others to benefit from positive externalities (*i.e.*, public domain materials) provided that they similarly positively externalize. Thus, it can be argued that the GDM in essence better reflects emerging practices than an unconditional dedication model.²⁶²

²⁶⁰ *License Statistics*, CREATIVE COMMONS, http://wiki.creativecommons.org/Metrics/License_statistics (last visited July 6, 2011).

²⁶¹ See generally Anupam Chander & Madhavi Sunder, *The Romance of the Public Domain*, 92 CALIF. L. REV. 331 (2004) (arguing, in the context of traditional knowledge, that the public domain merely serves private property by providing the materials which will eventually be used to create works which will be protected under private property regimes).

²⁶² Theoretically, one could also argue that a better regime would incorporate the GDM Phase 1 only, which means that the limitations in this stage will never expire. However, as explained above, the two phases of the model are aimed to respond to the different creators and users desires, and to in-

V. Possible Challenges to the Model and Responses

There are several potential criticisms of this model. Some might argue that the proposed model might negatively affect incentives to create. Once the GDM is introduced, creators will be subject to “coercive” dedication forces. Every use of a work that is in the “coercive” dedication phase will require reciprocal dedication under the same rules. This might have serious effects on the creation of very valuable works that are commercialized rather than dedicated because of the inability to use information residing in the GDM Phase 1 domain. The response to this argument is that creators are not necessarily worse off under this model as compared to the policies we currently have in place. Under existing copyright law, creators cannot use works without a license unless they meet the fair use defense requirements or other available defenses.²⁶³

It is also possible to argue that infringement rates, the user generated content culture, and other practices cannot empirically prove the existence of norms of sharing for free; moreover, even if such a social norm exists, it does not necessarily teach us much about the public’s preferred default rules. However, the suggested model does not make creators worse off; rather, they can select the property option right away by simply claiming copyright protection.

Additionally, although some scholars have suggested the opposite,²⁶⁴ it should be noted that there is no attempt to argue that extensive infringement rates reflect social norms that have some normative component to them. It is equally important to recognize that such an argument is not necessary in advancing the GDM regime. Existing extensive infringement simply reflects the fact that many people commonly behave in self-interested ways without necessarily feeling that they would face social sanctions for doing so. However, extensive infringement rates may also indicate that the current copyright system does not respond well to different creators or the public values implicit in the new creative environment. In contrast to infringement rates, the different productive communities discussed above revolve around sharing. These movements have developed ideologies that have normative components to them, attempting to offer alternative regimes to copyright law

centivize others to share rather than propertize works. A single step regime that includes only GDM Phase 1 is problematic because a too long phase 1 period can potentially increase the cost of creating proprietary copyrighted works. Even those who believe that the public domain is shrinking too much should acknowledge that it is important to allow the creation of proprietary works.

²⁶³ See 17 U.S.C. §§ 106–06A (introducing exclusive rights of copyright owners); §§ 107–12 (introducing limitations on exclusive rights, including the fair use defense).

²⁶⁴ See Geraldine Szott Moohr, *The Crime of Copyright Infringement: An Inquiry Based on Morality, Harm, and Criminal Theory*, 83 B.U. L. REV. 731, 767–73 (2003) (suggesting that there exists a social norm that supports the free use of information and that copyright piracy is caused by consumer confusion stemming from the difficulty in differentiating between what is criminal infringement and what is legal conduct).

through private ordering. The GDM regime, on the other hand, offers an alternative that covers gaps left by the current copyright and licensing regimes.

Furthermore, the GDM attempts to closely follow common widespread practices and integrate them into a legislative workable framework that will provide a streamlined system that not only takes creators' choices into account but also provides a menu that allows meaningful public participation in the process. Even if this response is not persuasive or lacks strong empirical support, we can still argue that the suggested GDM reintroduces balance into our copyright law and policy by giving more room for the public and users in crafting legislation. At its center, it aims to bring the public domain back to life.

Others might object on the grounds that the GDM is going to negatively affect the number of valuable works created for commercial exploitation. While this argument is valid because creators of such works will be incentivized to claim copyright protection and will be limited in their ability to rely on the GDM Phase 1 domain in creating their works, it is also clear that many works, whether commercially valuable or not, will fall into the public domain. Creators that do not need copyright incentives, creators that do not know that their work is protectable, or creators that simply wish to create for the sake of creation and for the enrichment of the public domain, will all produce works that will immediately fall into the public domain. The GDM provides a voluntary model under which creators can opt out and benefit from copyright protection. The GDM rule better reflects the reality under which we live in the information age.

In a sense, one can argue that the model suggested is not substantially different from a licensing regime because the intermediate public domain that is crafted under the GDM is the product of granting a license consisting of several use-restrictions. Such an argument, however, should be rejected. Under the new model the legislature would provide a greater menu of options rather than the two tier model of either protection or full dedication (or in essence abandonment) as described above. Such effective dedication provides the public with a vested interest, allowing it to use the material subject to certain use-restrictions. Additionally, during the set period of time, every member of the public has a property right and interest in the materials that are gradually dedicated, suggesting that every member of the public is not only a joint owner with the other members of the public, but also has the ability to defend his or her interest, which is a major difference compared to the licensing models. Lastly, as discussed above, the GDM is a better workable model as compared to the private ordering schemes we have in place.

It is true that some complexities can emerge. For example, what will happen when a derivative work relies on multiple original sources, only a few of which are Phase I sources, while others might be pure public domain or purely copyright protected. Would the resulting derivative have to be similarly dedicated to the public under the GDM? There is no doubt that there are many additional scenarios that should be considered. However, it is possible to afford such authors some solu-

tions, such as the “one-for-one” rule discussed above or other solutions that can be crafted.

One of the most significant challenges to this model is that while it aims to introduce a regime that will strengthen the public domain, it might negatively affect small players and individuals. It will also not necessarily have any impact on those that benefit the most from the current copyright system. There is no doubt that under the current regime, copyright owners, especially sophisticated players, will choose to obtain copyright protection for their works. Very big and strong players (e.g., the big movie studios, the big label companies, and the big software companies) believe in a proprietary model of copyright and therefore, if we switch to the GDM model, they will register their copyrighted work, even with reintroduced formalities and fees. As a result, under the GDM regime sophisticated players will not be significantly affected. However, when viewed from the perspective of those who engage in creative endeavors, the proposed regime might actually hurt such unsophisticated individuals. When copyright protection is the default, such creators benefit from protection automatically; when the GDM regime is the default regime of protection, such individuals might be disadvantaged due to lack of means or knowledge regarding their legal rights in their works and their ability to exploit them economically using exclusivity as a mean.

While this argument seems to be strong, it rests on some flawed assumptions. Since the introduction of the Internet, the public has also been introduced to the regime of copyright law through the well-known disputes concerning online file sharing. Familiarity with the discourse over protection for music, software and other products available in digital form, suggests familiarity with copyright law and the protection it offers. Individuals who engage in creative activity can be assumed to know about the benefits of copyright protection. If and when copyright laws undergo extensive reform, there is no doubt the public will learn about it, including those creative individuals. Therefore, it seems fair to assume that such problems can be overcome through education or simply publication of the regime’s fundamental changes. Assuming that such a regime is adopted, it will require some transition period as well as educational activities that will inform the different copyright holders and potential creators about the fundamental change in copyright protection.

As for the sophisticated players, the current GDM regime does not have any major implications concerning their ability to obtain copyright protection. However, the model introduces a new balance into copyright law that will eventually affect the attitudes of sophisticated players concerning the design and scope of the copyright regime, exerting pressure on them to move towards a regime that better responds to the changing creative environment.

Naturally, there will be some fear that the reintroduction of formalities might disadvantage the academic and scientific community. With formalities, the academic community will be institutionally forced to claim copyright protection in

many cases. This issue can be addressed by introducing different fees for different entities. One can envision a different lower fee for academic institutions as opposed to commercial players.

Finally, there will be those who will argue that standardization of creative communities licensing regime (which is what the GDM regime is in essence trying to accomplish) can also be achieved technologically. Access to each work can be conditioned upon filling or signing a license agreement that reflects the conditions of the GDM model. While possible, such a regime cannot be very feasible or as strong as a statutory based regime. Statutory-based regimes are inherently stronger in that they can easily reach more people and provide better normative sustainability.

The GDM model and the general regime introduced rely heavily upon formalities. Such reliance is arguably problematic under international treaties such as the Berne Convention that prohibit the use of formalities as a condition to copyright protection.²⁶⁵ Furthermore, this regime arguably violates the U.S. obligations under the TRIPS agreement that have adopted the Berne Convention by reference.²⁶⁶ While this problem is acknowledged, it nevertheless does not affect the analysis and the need to rethink allocations of right under copyright law.

VI. Conclusion

The public domain is viewed as a major engine for further creation and innovation. Therefore, it is important to preserve it and guarantee its continued vitality. This Article has introduced a novel model for handling challenges and threats to the public domain, building upon lessons and insights learned from other solutions introduced to date. It has presented the origins, definition, and importance of the public domain, described current threats to the public domain as well as their impact, and provided an overview concerning solutions that were introduced over the years, particularly private ordering schemes introduced by the Creative Commons and the open source movement licensing schemes. This comment has also described a superior new legislative-based GDM that seeks to reintroduce new balance to the copyright laws, allowing authors as well as the public to make valuable choices regarding their own creations. Resorting to these solutions will bring about many advantages and ultimately preserve and enrich the public domain on which we all rely and from which we draw materials for further creation. Additionally, while transitory in nature, it is believed that this regime will bring about a better discourse concerning the optimal design of copyright law.

²⁶⁵ Berne Convention for the Protection of Literary and Artistic Works art. 6bis, Sept. 9, 1886, S. Treaty Doc. 99-27 (1986), 1 B.D.I.E.L. 715 (revised July 24, 1971) (amended 1979).

²⁶⁶ Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, 33 I.L.M. 1125, 1201 (1994).

No Bitin' Allowed: A Hip-Hop Copying Paradigm for All of Us

Horace E. Anderson, Jr.*

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Introduction

*I'm not a biter, I'm a writer for myself and others.
I say a B.I.G. verse, I'm only biggin' up my brother¹*

It is long past time to reform the Copyright Act. The law of copyright in the United States is at one of its periodic inflection points. In the past, major technological change and major shifts in the way copyrightable works were used have rightly led to major changes in the law. The invention of the printing press prompted the first codification of copyright. The popularity of the player piano contributed to a reevaluation of how musical works should be protected.² The dawn of the computer age led to an explicit expansion of copyrightable subject matter to include computer programs.³ These are but a few examples of past inflection points; the current one demands a similar level of change. Today, owners of copyright face a world where digital technology has made it easy and cheap to reproduce, adapt, distribute, display, or perform the works of another. Equally important, a generation of users has grown up expecting to be able to freely usurp the traditional exclusive rights of the copyright owner. If the declining sales and audiences in the music, newspaper, and broadcast television industries tell us anything, it is that old legal paradigms regarding copying, and the business models built around them, are in jeopardy.

What level and type of reform is appropriate? With what do we replace the old approach to copying? The short answer is: something less like the rigid blanket ban on copying currently in place, and something more like a flexible approach that distinguishes acceptable, or even laudable, imitation of another's expression from undesirable copying. Scholars have explored norms-based alternatives to intellectual property law in policing copying in various creative and innovative communities, such as chefs,⁴ comedians,⁵ research scientists,⁶ jam bands,⁷ and magicians.⁸

¹ JAY-Z, *What More Can I Say*, on THE BLACK ALBUM (Roc-a-Fella Records/Def Jam Records 2003).

² LYMAN RAY PATTERSON, COPYRIGHT IN HISTORICAL PERSPECTIVE 21, 114 (1968).

³ Stephen Breyer, *The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies, and Computer Programs*, HARV. L. REV. 281, 323 (1970).

⁴ Emmanuelle Fauchart & Eric von Hippel, *Norms-Based Intellectual Property Systems: The Case of French Chefs*, 19 ORG. SCI. 187 (2008).

⁵ Dotan Oliar & Christopher Sprigman, *There's No Free Laugh (Anymore): The Emergence of Intellectual Property Norms and the Transformation of Stand-Up Comedy*, 94 VA. L. REV. 1787 (2008).

⁶ Arti Kaur Rai, *Regulating Scientific Research: Intellectual Property Rights and the Norms of Science*, 94 NW. U. L. REV. 77 (1999).

⁷ Mark F. Schultz, *Fear and Norms and Rock & Roll: What Jambands Can Teach Us About Persuading People to Obey Copyright Law*, 21 BERKELEY TECH. L.J. 651 (2006).

But, norms-based communities can give us more than examples of life without intellectual property law. At least one creative community has developed norms for policing and distinguishing good copying from bad, copying that promotes “progress” from copying that inhibits it. Hip-hop artists have traditionally employed a norms-based approach to imitation that points to a possible framework for regulating copying under the Copyright Act of the future. In hip-hop, the types of copying, and the consequences of each type, are varied and nuanced. The cultural implications of imitating in the “wrong” way are such that the formal legal consequences are nearly irrelevant (at least within the community). Even though hip-hop music has become popular music, and popular music is largely owned commercially and protected with copyright law, instances of one hip-hop artist (not record company) suing another over copying are rare. This phenomenon suggests a robustness with respect to hip-hop’s internal imitation paradigm that warrants further examination for general use.

Hip-hop recognizes at least eight different ways in which an artist can imitate an existing piece of expression (three types of wholesale appropriation, three types of lyrical quoting, and two types of musical sampling). The most egregious, and the one that can lead to sanctions from the hip-hop community, is biting, the appropriation of another’s lyrics and passing off of such lyrics as one’s own without the authorization of the primary lyricist. The next type of imitation, beat jacking, is the non-vocal equivalent of biting, the appropriation of another’s “beat,” the musical and rhythmic core of a hip-hop song. Beats are often composed from pre-existing recorded sounds, but the particular style with which such sounds are combined help create the appeal of a particular song and build the reputation of the DJ or producer who created the beat. Sanctions for beat jacking are roughly similar to those for biting. A third type of wholesale imitation of another’s expression is what I will call “ghosting,” being ghost-written for. Ghosting can be characterized as a kind of “authorized” biting. The imitator is using someone else’s expression, but is remunerating that person in exchange for consent to imitate. Ghosting has not traditionally been a favored practice, but it is also not fatal to an artist’s career. Although the community places a premium on having the ability to write one’s own lyrics, occasional ghosting may be acceptable under certain circumstances.

There are three recognized ways in which an artist may “quote” another artist, that is, imitate her lyrics without reaching the level of wholesale copying represented by biting and ghosting. One artist may quote the other in the “battle” context, twisting the adversary’s words or turning them against him in order to belittle him

⁸ Daniel B. Smith, *Creative Vigilantes*, 43 *LES NOUVELLES* 117, 119 (2008); Jacob Loshin, *Secrets Revealed: Protecting Magicians’ Intellectual Property without Law*, in *LAW AND MAGIC: A COLLECTION OF ESSAYS* 123 (Christine A. Corcos ed., 2010).

and trumpet the quoter's superiority. An artist may also quote another out of respect, with a short quote serving as a nod or homage to the other's skill. The Jay-Z quote above, which explicitly announces Jay-Z's intention to pay homage to, or "big up," the Notorious B.I.G., precedes a line in which Jay-Z quotes verbatim a very popular line from a Notorious B.I.G. song.⁹ Respectful quoting often occurs across generations, with a later generation artist quoting one from an older school. A third type of quoting is quoting for the purpose of riffing, or demonstrating the quoter's lyrical agility and acuity. Like a jazz musician, a hip-hop artist may use a quote from another as a springboard for her own creativity. The quote usually is a well-known, even iconic one, so that the audience clearly understands that the quoter is quoting and not biting. All three types of quoting are acceptable in the hip-hop community, and an acceptable quantity of quoting can range from one line to many bars of the quoted song.¹⁰

The final two types of imitation in hip-hop involve the creation of beats. Sampling, which has been a part of hip-hop from the beginning and is actionable under the Copyright Act if done without authorization, is a prized skill. I include in the definition of "sampling" for my purposes here all of the various DJ/producer skills that go along with sampling (e.g., looping, cutting, mixing). The creativity involved in borrowing bits of sound from other sources and combining them into a new whole that forms the core of the traditional hip-hop song is among the highest forms of creativity recognized by the culture.¹¹ Therefore, the copying that is incidental to the creation of the beat is readily accepted. An artist may sample the expression of others in creating a beat (often paying homage in the choice of whom and how much to sample), or he may sample his own prior expression in order to demonstrate just how remarkable his prior expression is.

Whether the community is likely to accept or reject a particular instance of imitation as legitimate can depend on a series of implicit questions that give insight into the overall approach to copying in hip-hop:

- Is there consent from the source?
- Is the source identified or easily identifiable? Is there an appearance of passing off?
- Is the imitation used as a springboard for the imitator's own creativity?

⁹ The line is "The rings and things you sing about, bring 'em out. It's hard to yell when the barrel's in your mouth," from *Rap Phenomenon*. NOTORIOUS B.I.G., *Rap Phenomenon*, on BORN AGAIN (Bad Boy Records 1999).

¹⁰ Extensive quoting is especially permissible for purposes of riffing.

¹¹ Jason H. Marcus, *Don't Stop that Funky Beat: the Essentiality of Digital Sampling to Rap Music*, 13 HASTINGS COMM. & ENT. L. J. 767, 768 (1991).

- Does the imitation enhance branding or accrue good will for the source?
- Does the imitation contribute to an overall conversation in the community/culture?

The use of some trademark terms of art in foregoing questions is deliberate. It is my contention that the hip-hop community's view of imitation is at least partly grounded in notions of brand identity, brand building, and brand enhancement. Of course, honoring the creative enterprise is important as well, but ideas of author's rights and unfair competition are intertwined in judging imitation. This Article concludes by examining the extent to which the intersection of trademark and copyright, as viewed through the prism of hip-hop's copying norms, provides insight into the future of the Copyright Act.

I. History and Purpose of Copyright Act's Regulation of Copying

From the nation's inception, Congress has had the authority to promote the progress of creative enterprise by "securing for limited times to authors . . . the exclusive right to their respective writings."¹² Eschewing a natural law or moral rights underpinning for intellectual property protection, the United States has long built the case for copyright (and patent) law on a utilitarian foundation. Authors should receive a limited monopoly on the economic exploitation of their work, in order to encourage them to engage in creative pursuits. Such engagement ultimately enriches the country by facilitating the production and dissemination of knowledge. The system seeks to achieve optimal dissemination by having works fall into the public domain at the end of their respective "limited times."¹³

Congress revised the federal copyright laws numerous times over two centuries, including a number of revisions tied to eligibility of and scope of protection for musical works. The first Copyright Act in 1790, "[an act] for the encouragement of learning," provided protection for authors and proprietors of published maps, charts, and books.¹⁴ The Act prohibited printing, reprinting, publishing, or importing copies of a protected work.¹⁵ In 1831, Congress expanded the Act's purview to include musical compositions and granted authors the "sole right and liberty of printing, reprinting, publishing, and vending" a copyrighted work, or a "print,

¹² U.S. CONST. art. I, § 8, cl. 8.

¹³ *Id.*

¹⁴ Copyright Act of 1790, in 8 MELVILLE B. NIMMER AND DAVID NIMMER, NIMMER ON COPYRIGHT, app. 7 (Matthew Bender rev. ed. 2010) [hereinafter NIMMER ON COPYRIGHT].

¹⁵ Copyright Act of 1790, § 2, 1 Stat. 124 (1790), in NIMMER ON COPYRIGHT, *supra* note 14, at app. 7.

cut, or engraving” of such work.¹⁶ By its fifty-fourth session, in 1897, Congress was ready to deem unauthorized public performance of a musical composition infringing, and provided for both civil and criminal penalties.¹⁷

In 1909, Congress completed a comprehensive overhaul of the Copyright Act, including the statute’s provisions relating to musical works. The 1909 Act grants the owner of copyright the exclusive right to “print, reprint, publish, copy, and vend the copyrighted work”.¹⁸ Musical works carry with them additional exclusive rights, namely the right to arrange or adapt the work, to perform it publicly for profit, and to arrange or set the composition’s melody for the purpose of public performance.¹⁹ The 1909 Act also grants the author of a musical composition the right to collect a statutory royalty on mechanical reproduction of the composition by others subsequent to the author’s first mechanical reproduction of the composition.²⁰

The most recent comprehensive revision of the copyright statute, in 1976, increased the scope of protection for musical works further, providing the potential for exclusive rights in two separate types of work for each piece of music. A “musical work,” or traditional music composition, is protected against unauthorized reproduction, adaptation, public distribution, public performance, or public display.²¹ A sound recording, a particular fixation of a particular musical work, is protected separately from the underlying musical work, and its author has the exclusive right to reproduce, adapt, distribute, or perform the work via digital transmission.²²

For our purposes, several unifying threads of copyright doctrine over its first 220 years of development are relevant. The first is the primacy of the physical copy as the organizing principle of copyright law. Unsurprisingly in a pre-digital world, the physical copy was the focus of the Copyright Act’s framework for its entire history. Embodiment of the subject work in a physical copy has long been a prerequisite for federal protection. The current statute uses the phrase “fixed in any

¹⁶ Copyright Act of 1831, § 1, 4 Stat. 36 (1831) *in* NIMMER ON COPYRIGHT, *supra* note 14, at app. 7. Even before express inclusion in the statute, musical compositions had been registered and judicially protected under the 1790 Act as “books.”

¹⁷ Act of Jan. 6, 1897, § 4966, 29 Stat. 481 (1897), *in* NIMMER ON COPYRIGHT, *supra* note 14, at app. 7.

¹⁸ Copyright Act of 1909 § 1(a), 61 Stat. 652 (1909), *in* NIMMER ON COPYRIGHT, *supra* note 14, at app. 6.

¹⁹ Copyright Act of 1909 § 1(e), 61 Stat. 652 (1909), *in* NIMMER ON COPYRIGHT, *supra* note 14, at app. 6.

²⁰ *Id.*

²¹ 17 U.S.C. § 106 (2002).

²² *Id.*

tangible medium of expression” for this requirement,²³ but earlier versions of the statute referred to works “already printed,”²⁴ works “invent[ed], design[ed], engrav[ed], etch[ed] or work[ed],”²⁵ or publication of a (presumably already existent) copy of the work.²⁶

A second thread in the development of U.S. copyright law has been the assumption, even veneration, of singular authorship. The copyright owner is the author, the 1976 Act reminds us, and “author” typically means a sole creator or very small group of collaborators.²⁷ The quintessential joint authors, as far as the Copyright Act is concerned, are a lyricist and musician songwriting team. Most other creation is presumed by the Act to be the culmination of the efforts of a solitary genius applying his talents.²⁸ Incremental development by many creators, large-group collaboration, or advancement of knowledge by borrowing from and reimagining the expression of others are not recognized by the Copyright Act as legitimate forms of creativity.²⁹ Western copyright law brooks no recognition of creator paradigms other than that of the solitary genius. Only works that are “original” merit copyright protection, and the judicial definition of an original work (which is not defined in the Copyright Act itself) is a work containing a “modicum of creativity” that owes its origin to the person claiming copyright in such work.³⁰ The presumption inherent in the definition is that all expressive works “originate from some [single] human creator,” but may also emerge from a creative process involving “borrowing and reworking.”³¹

A third thread in U.S. copyright law is the “strict liability” nature of the copyright infringement cause of action. The Copyright Act asks merely whether a copyright defendant made copies, distributed copies, prepared derivative works, publicly performed, or publicly displayed the work at issue.³² Anyone who “violates any of

²³ 17 U.S.C. § 102(a) (2002).

²⁴ Copyright Act of 1790 § 1, 1 Stat. 124 (1790), in *NIMMER ON COPYRIGHT*, *supra* note 14, at app. 7.

²⁵ Copyright Act of 1831 § 1, 4 Stat. 38 (1831), in *NIMMER ON COPYRIGHT*, *supra* note 14, at app. 7.

²⁶ Copyright Act of 1909, 61 Stat. 652 (1909), in *NIMMER ON COPYRIGHT*, *supra* note 14, at app. 3.

²⁷ 17 U.S.C. § 102(a).

²⁸ See, e.g., Shubha Ghosh, *Enlightening Identity and Copyright*, 49 *BUFF. L. REV.* 1315, 1317 (2001) (Book Review) (arguing that U.S. copyright law is premised on the notion of the “lone genius that creates valuable expression”).

²⁹ This is despite the recognition by scholars that collaboration, incremental development, and borrowing have been a part of musical expression for centuries. See, e.g., Olufunmilayo B. Arewa, *From J.C. Bach to Hip Hop: Musical Borrowing, Copyright, and Cultural Context*, 84 *N.C. L. REV.* 547 (2006).

³⁰ See, e.g., *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 362 (1991).

³¹ See Ghosh, *supra* note 28, at 1331–33.

³² 17 U.S.C. § 106 (2006).

the exclusive rights of the copyright owner . . . is an infringer of the copyright,” regardless of mental state.³³ Unless the fair use doctrine is raised by the defendant, or the defendant is accused of contributory infringement and charged with knowledge of another’s direct infringement, the Act makes no inquiry into the purpose of the copying or the mental state of the copier in determining liability.³⁴ Defendant’s willfulness on the one hand, or lack of knowledge on the other, may enhance or limit remedies in a given case, but mental state will generally matter little in labeling someone an infringer.³⁵ Unless the defendant argues fair use, the Act similarly does not inquire into the impact of the copying on the owner of the copyright. In general, if the defendant has made use of plaintiff’s protectable expression in any of the ways prohibited by Section 106, regardless of why or to what end, she is an infringer, period.

Judicial interpretations of the rights of copyright owners have rarely been amenable to any view but the strict liability view described previously. Near absolute protection of the physical copy from any reproduction, adaptation, distribution, public display, or public performance has been the rule in the general case, and in the case of litigants from the hip-hop culture. Examples from hip-hop cases demonstrate the reluctance to deviate from the strict liability approach. Although there are exceptions, the general rule has been that hip-hop’s ideas about copying are unwelcome in copyright jurisprudence.

A number of early litigations involving copyright owners suing hip-hop artists for copyright infringement for sampling or otherwise duplicating portions of their copyrighted works settled without any legal determinations regarding the copyright issues.³⁶ Then, in 1991, the District Court for the Southern District of New York decided *Grand Upright Music Ltd. v. Warner Bros. Records, Inc.*, the first reported

³³ 17 U.S.C. § 501(a) (2006).

³⁴ The first factor of the Copyright Act’s fair use test examines “the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes.” 17 U.S.C. § 107(1) (2006). The test for contributory infringement requires knowledge of the primary infringing activity, along with inducement, causation, or material contribution on the part of the contributory infringer. *See, e.g.,* Fonovisa, Inc. v. Cherry Auction, Inc., 76 F.3d 259, 264 (9th Cir. 1996); *MGM Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913, 930 (2005).

³⁵ *See* 17 U.S.C. § 504(c)(2) (2006) (regarding enhancement or limitation of statutory damages); *see also* § 506(a)(1) (regarding the role of willfulness in a determination of criminal penalties).

³⁶ *See* JOANNA DEMERS, STEAL THIS MUSIC: HOW INTELLECTUAL PROPERTY LAW AFFECTS MUSICAL CREATIVITY 92–93 (2006) (discussing litigation brought by the writers of “Good Times” against Sugar Hill Records (“Rapper’s Delight”); Jimmy Castor (“The Return of Leroy (Part I)”) against the Beastie Boys and Def Jam Records (“Hold it Now, Hit it”); the Turtles (“You Showed Me”) against De La Soul (“Transmitting Live From Mars”); and David Bowie and Freddie Mercury (“Under Pressure”) against Vanilla Ice (“Ice Ice Baby”)).

decision applying copyright law to hip-hop's copying culture.³⁷ Marcel Hall p/k/a Biz Markie, sampled three words and a musical segment from Raymond "Gilbert" O'Sullivan's "Alone Again (Naturally)" and used the sample in a song called "Alone Again" on Biz Markie's *I Need a Haircut* album. In granting a preliminary injunction which led to the removal of *I Need a Haircut* from the market, not only did Judge Kevin Thomas Duffy dismiss the defendants' argument based on the widespread use of music samples in the hip-hop community, he also cited the Seventh Commandment and referred the matter to the United States Attorney for possible criminal prosecution.³⁸ The parties eventually settled the case, but not before Biz Markie's career was damaged by the disappearance of his album from store shelves.³⁹ Biz Markie tried to legitimize hip-hop cultural practice in the eyes of the Copyright Act, but it was clear from the beginning that the music's cultural nuances would not get much of a hearing when in conflict with copyright law's strict liability ethos.

In *Jarvis v. A&M Records*, the court considered several summary judgment motions by defendants, who had digitally sampled portions of Boyd Jarvis' song "The Music's Got Me" for use in their song "Get Dumb (Free Your Body)."⁴⁰ The defendants conceded copying, and that such copying was without authorization.⁴¹ They argued for summary judgment in their favor on copyright infringement by maintaining that their copying of small bits of the work resulted in what Raymond Nimmer has called "fragmented literal similarity," and that such use should not be deemed infringing unless it results in two works sounding "similar in their entirety" to the lay listener.⁴² The court rejected that argument on the basis that plaintiff's work may be diminished by defendant's copying of even small portions of it, "if the part that is copied is of great qualitative importance to the work as a whole."⁴³ Fact finding on the issue of importance of the portion copied was necessary, and thus summary judgment was inappropriate; the court expressed concern that the result sought by the defendants might allow too much infringement by providing immunity for any copier who copied a fragment from a song and used it in a different genre, so that the relevant lay listener would be unlikely to confuse the two songs in their entirety.⁴⁴ Interestingly, in setting the boundaries for acceptable copying, the

³⁷ 780 F. Supp. 182 (S.D.N.Y. 1991).

³⁸ *Id.* at 183, 185.

³⁹ DEMERS, *supra* note 36, at 94.

⁴⁰ 827 F. Supp. 282, 286 (D.N.J. 1993).

⁴¹ *Id.* at 289.

⁴² *Id.* at 289–90.

⁴³ *Id.* at 291 (quoting *Werling v. Readers Digest Ass'n*, 528 F. Supp. 451, 463 (S.D.N.Y. 1981)).

⁴⁴ *Id.* at 290.

court appeared to be most concerned about precisely the type of creation that most hip-hop artists were engaged in at the time.

The Ninth Circuit Court of Appeals seemed to soften copyright law's stance on hip-hop's copying of short segments of musical compositions in *Newton v Diamond*.⁴⁵ The Beastie Boys had sampled a three-note portion of James Newton's "Choir" for use in their song "Pass the Mic." The group had obtained a license from ECM Records for use of the "Choir" sound recording, but it had not sought a license from Newton for use of his composition.⁴⁶ The court affirmed the district court's grant of summary judgment in defendants' favor, holding that the Beastie Boys' use was a de minimis use of the "Choir" composition, and not actionable. Lest the hip-hop community become too comfortable with the law's seeming new openness to its creative practices, the Sixth Circuit made it clear in *Bridgeport Music, Inc. v. Dimension Films*, that there is no de minimis exception to unauthorized copying of a sound recording.⁴⁷ Hip-hop artists would continue to be at risk if they copied a segment of a sound recording, no matter how brief, without clearing the sample and dealing with the copyright owner. In another case involving the same music publisher, *Bridgeport Music, Inc. v. UMG Recordings, Inc.*, the Sixth Circuit strengthened the case against sampling by upholding a jury's rejection of a fair use defense (and the jury instructions that led to such rejection) despite any alleged transformative nature of defendant's copying or any alleged intent on defendant's part to pay homage to the copied-from artist.⁴⁸

The Copyright Act has a few built-in limitations on the rights of copyright owners that provide some space for imitation by others of parts of a copyrighted work. Chief among the limitations are the idea-expression dichotomy and the prohibition against copyrighting facts.⁴⁹ Ordinarily, however, designation of a work as original expression leads to the work falling outside of the idea-expression dichotomy and the prohibition against copyrighting facts, and further results in imposition of the strict liability protection regime described above. However, a few narrow allowances for copying of expression are made by the law. The merger doctrine bolsters the idea-expression dichotomy in its limiting role by deeming certain ex-

⁴⁵ 388 F.3d 1189 (9th Cir. 2003).

⁴⁶ *Id.* at 1191.

⁴⁷ 401 F.3d 647, 658 (6th Cir. 2004).

⁴⁸ 585 F.3d 267, 278 (6th Cir. 2009).

⁴⁹ Section 102(b) of the Act provides that copyright protection shall not "extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery . . ." 17 U.S.C. § 102(b) (2006). Facts are denied protection under copyright law because they do not owe their origin to any cognizable author. *See, e.g., Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 347 (1991).

pression “merged” and not protectable if there are a limited number of ways to express the idea underlying such expression.⁵⁰ Additionally, the fair use doctrine provides that certain uses of a copyrighted work for purposes such as “criticism, comment, news reporting, teaching . . . scholarship, or research” are not infringing.⁵¹ The fair use determination depends on an analysis of four factors under the statute: the purpose and character of the use, the nature of the copyrighted work, the amount and substantiality of the portion used, and the effect on the market for the copyrighted work.⁵² Why are the forgoing limitations on copyright not enough for my purposes? It is primarily because of the danger of overprotection. The uncertainty surrounding the interpretation and application of the fair use standard, for example, creates a significant risk of “excessive compliance,” as certain users err on the side of not engaging in what could turn out to be fair uses.⁵³ Such excessive compliance leads to cultural impoverishment, as any number of follow-on uses which would serve the intellectual enrichment goals of the copyright system go unattempted.⁵⁴ There is some evidence of the aforementioned over-compliance and cultural impoverishment in modern hip-hop music.⁵⁵

Traditional copyright enforcement was not kind to traditional hip-hop practice. For the technological, cultural, and generational reasons discussed below, it is time to turn the tables and allow the traditional hip-hop ethos to shape the modern direction of copyright. Despite copyright’s insistence on strict liability for most copying of expression, consumers and re-users of copyrighted works have been pushing back. The next part of the Article discusses how the marketplace has begun to define its own boundaries for copying, including boundaries regarding secondary creation.

⁵⁰ See, e.g., *Morrissey v. Procter & Gamble Co.*, 379 F.2d 675, 678–79 (1st Cir. 1967).

⁵¹ 17 U.S.C. § 107 (2006).

⁵² *Id.* at § 107(1)–(4).

⁵³ See Ben Depoorter, *Technology and Uncertainty: The Shaping Effect on Copyright Law*, 157 U. PA. L. REV. 1831, 1837 (2009).

⁵⁴ See *id.*

⁵⁵ For example, Chuck D and Hank Shocklee of Public Enemy have commented that the increased cost of copyright clearances starting in the 1990s led to artists choosing one song on which to build a beat instead of a multiplicity of songs. According to D and Shocklee, the creative sound collages that typified their original sound gradually gave way throughout hip-hop to a simpler, softer sound lacking the same aural impact. Kembrew McLeod, *How Copyright Changed Hip-Hop: An Interview with Public Enemy’s Chuck D. and Hank Shocklee*, STAYFREE MAGAZINE, available at http://www.stayfreemagazine.org/archives/20/public_enemy.html (last visited Oct. 20, 2011).

II. Impact of Technology

A. The Act of Copying and Attitudes Toward Copying

The modern problem for copyright law is that the world, in a sense, has passed it by. First, technology has made copying, adapting, and distributing works much cheaper and easier than before. What used to require sophisticated and expensive equipment, warehouse space, and perhaps logistics capability now requires only a computer, inexpensive or free software, and an internet connection. Of course, technological change has always impacted copyright law and the copyright industries. But the current wave of change allows for such a high degree of user creation and consumer-to-consumer dissemination that the traditional creative distribution infrastructure can be bypassed entirely, even while a robust pipeline of expressive output is maintained.⁵⁶

At least as important as the technological lapping of copyright is the profound cultural disconnect faced by the copyright industries and the Copyright Act. Since at least the time of the original Napster, the idea that information and culture should be freely available because the technology makes such availability possible has influenced the public mind when it comes to the copyright monopoly and its obsession with charging consumers for access to physical copies of works. The spawning of a “Cult of Free” surrounding music, movies, and the like is aided by the absence of a tangible thing in many cultural transactions today.⁵⁷

As a number of commentators have observed, human psychology reinforces the effects of the “Cult of Free.” Ben Depoorter discusses the tendency of file sharers to translate the benefits they derive from file sharing into a normative belief that the activity should be legal.⁵⁸ In order to battle any cognitive dissonance given their knowledge that the practice is technically illegal, many users internalize the idea that copyright law is outdated or biased, and develop anti-copyright behavioral norms implementing that idea.⁵⁹ Brett and Shane Lunceford go so far as to say that copyright law is “unenforceable in its current state because copyright is not really a concern in the public mind.”⁶⁰ In the absence of any reason beyond fear of pun-

⁵⁶ *Id.*

⁵⁷ See Ivor Tossell, *If Piracy is Wrong, Why Does It Feel So Right?*, THE GLOBE AND MAIL (May 15, 2009), <http://www.theglobeandmail.com/news/technology/digital-culture/download-decade/if-piracy-is-wrong-why-does-it-feel-so-right/article1136934/> (linking the “Cult of Free,” which cheers blatant piracy, to John Peter Barlow’s distinction of extant legal concepts based on matter).

⁵⁸ Depoorter, *supra* note 53, at 1851–52.

⁵⁹ *Id.*

⁶⁰ Brett Lunceford & Shane Lunceford, *Meh. The Irrelevance of Copyright in the Public Mind*, 7 NW. J. TECH. & INTELL. PROP. 33, 33 (2008).

ishment to obey copyright laws, Lunceford and Lunceford are not convinced that citizens will continue to be interested in following the rules regarding copying, and they suggest that winning “hearts and minds” is the copyright industries’ only hope for future compliance.⁶¹

Most challenging for proponents of traditional copyright law is that those citizens most interested in following the traditional rules are a dying breed. A generation raised on free music, file sharing, and remix culture is bringing into adulthood expansive notions regarding permissible copying and authorship. In recent studies, forty percent of college undergraduates admitted to copying portions of assignments, and only twenty nine percent considered copying material from the Internet for an assignment—which many professors would consider plagiarism—to be “serious cheating.”⁶² College age citizens have adopted a copying norm that does not view swapping of copyrighted music or movies as wrong.⁶³

B. Suggestions from the Literature for Bridging the Gap

Several commentators have suggested copyright reforms that could help the law bridge this technological and generational gap. Wendy Gordon argues for a harmless use exception to infringement. Such an exception would require a copyright owner to “prove either that she has been harmed, that she is suing simply to clarify title, or that the defendant’s use is not the kind that would be substantively impaired” by having to seek prior permission from the owner.⁶⁴ Gordon’s framework improves on copyright’s strict liability approach by treating differently those uses of copyrighted works that are Pareto optimal to nonuse, providing a place for uses that enrich others without making the copyright owner worse off.⁶⁵

Similarly focusing on the harm caused by the infringing use, Thomas Cotter would revise the fair use analysis to give less weight to whether a defendant’s use is transformative (aiding the defendant’s fair use defense), and more weight to whether such use threatens plaintiffs with “cognizable harm” (in which case the fair use argument is weakened).⁶⁶ Where the use creates a risk of the type of harm that the copyright law was intended to prevent, such as harm to the incentive to create, then

⁶¹ *Id.* at 34.

⁶² Trip Gabriel, *Plagiarism Lines Blur for Students in Digital Age*, N.Y. TIMES (Aug. 1, 2010), available at <http://www.nytimes.com/2010/08/02/education/02cheat.html>.

⁶³ Lunceford & Lunceford, *supra* note 60, at 46.

⁶⁴ Wendy Gordon, *Harmless Use: Gleaning From Fields of Copyrighted Works*, 77 FORDHAM L. REV. 2411, 2435 (2009).

⁶⁵ *Id.* at 2434.

⁶⁶ Thomas F. Cotter, *Transformative Use and Cognizable Harm*, 12 VAND. J. ENT. & TECH. L. 701, 736–37 (2010).

the system should be inclined to prohibit or limit the use (as one factor in the overall fair use scheme).⁶⁷ Uses that do not tend to reduce the incentive to be an author could and would be treated differently.

Tim Wu recognizes that much of today's technically infringing behavior is "mass low-value," copying carried on by large numbers of users (often with the aid of digital technology and the Internet), with each transaction having an extremely small effect, if any, on the value of the copyright owner's monopoly.⁶⁸ That state of affairs calls for a move away from a copyright system that seeks to mirror tangible or real property systems, where trespasses are infrequent and high value. Instead, Wu argues for further recognition by the law and by copyright owners of "tolerated uses," those uses that for various reasons are known to copyright owners but not acted upon by invoking the Copyright Act.⁶⁹ In a mass, low-value infringement world, the law should be more tolerant of uses that complement the copyrighted work, such as fan sites that use images from a movie but also generate excitement for the film and its ancillary merchandise. And copyright owners should reduce the uncertainty surrounding tolerated uses by publishing "No Action" policies, alerting the user community (and presumably, the courts) of those uses to which the copyright owner will acquiesce.⁷⁰

Although the literature has begun to define new directions for copyright law, there is more work to be done. Because of the technological and cultural challenges described above, exploration of norms-based systems will be important in moving copyright forward. It is long past time for copyright to take cues from creative people as to what approaches will preserve and strengthen incentives to create. Copyright also needs to acknowledge the role of users, a group that increasingly overlaps with the community of creative people. In today's creative world, users are key players in assessing the value of creator contributions (think of how many pop stars are currently "discovered" by the recording industry via reality show viewer polls or viral Internet videos). The user relationship with a work can give important cues about how to protect works in general, as can notions of collective ownership arising from strong emotional identification between user and work. Lunceford and Lunceford refer to this latter idea as "cultural ownership," and call for allowances of some non-commercial uses of copyrighted content.⁷¹ K.J. Greene

⁶⁷ *Id.* at 726–27.

⁶⁸ Tim Wu, *Tolerated Use*, 31 COLUM. J.L. & ARTS 617, 617–18 (2008).

⁶⁹ *Id.* at 630.

⁷⁰ *Id.* at 633–34.

⁷¹ Lunceford & Lunceford, *supra* note 60, at 47 (describing feelings of cultural ownership over cultural artifacts created by others, such as a favorite comic strip, poem, or Dr. Martin Luther King Jr.'s "I Have a Dream" speech).

has called for the content industries to understand and assimilate “copynorms,” actual social attitudes toward so-called piracy.⁷² One potential source for such copynorms is the set of norms regarding imitation within the hip-hop community. Given the current popularity and influence of hip-hop music and culture, and given the particular relevance of the art form for the generations that are least inclined to internalize the Copyright Act’s strictures, a hip-hop copying paradigm may be a useful building block of a vision of copyright law in the digital age. The next part discusses how community norms have been useful in robustly protecting expressive enterprise in a number of creative communities and sets the stage for development of the traditional norm framework within the hip-hop creative community.

III. Potential Influence of Norms-Based Approaches to Regulation of Copying

Accomplished chefs have as much interest in protecting their innovative recipes as any content provider in the entertainment industry. But chefs appear to rarely use intellectual property law to protect their intellectual property.⁷³ Instead, they depend on a strong core set of self-enforced social norms that both protect innovators and promote the sharing of knowledge. First, a chef “must not copy another chef’s recipe innovation exactly.”⁷⁴ Second, if a chef shares recipe information with a colleague, that colleague may not further disseminate that information without the permission of the innovator.⁷⁵ Third, if a recipe gains renown, all users of it must credit the innovator.⁷⁶ Violators of this code of norms run the risk of being shut out of the information sharing that is a key part of a chef’s professional and artistic development.⁷⁷

Professional magicians also protect intellectual property with little or no reliance on intellectual property law. They employ a set of norms around attribution, use, and exposure instead. Being the first to perform or publish a trick earns a magician credit for inventing it; other magicians are encouraged to improve existing tricks that have been shared with them by the innovator, but the adapter must give

⁷² See K.J. Greene, “Copynorms,” *Black Cultural Production, and the Debate Over African-American Reparations*, 25 *CARDOZO ARTS & ENT. L.J.* 1179, 1180 (2008) (describing internet policy as a widespread social problem).

⁷³ See Fauchart & von Hippel, *supra* note 4, at 192 (noting that although recipes seldom rise to the level of novelty needed for patent protection, some techniques can be protected by trade secrecy law).

⁷⁴ *Id.* at 188.

⁷⁵ *Id.*

⁷⁶ *Id.*

⁷⁷ See *id.* (relying on research that shows chefs are more likely to deny sharing information with colleagues found violating social norms).

credit to the original performer.⁷⁸ If a magician's innovation has not been shared widely within the community, those few who do know it may not use it; if the information has been widely shared, published, or sold, others in the community may use it freely.⁷⁹ Copying a magician's particular dramatic presentation of a trick is bad form, even if the trick itself is widely known or considered fair game for use by others.⁸⁰ A magician who re-discovers an old trick that has not been performed for a long time is treated as a sort of modern inventor of the trick.⁸¹ Magic secrets are never to be revealed to non-magicians.⁸² Violators of these norms may be shunned; denied valued opportunities to lecture, publish, and perform in competitions; stripped of membership in prestigious magic organizations; or even cut off from supplies of props and apparatuses.⁸³ Enforcement of this "norm-based IP regime protects against harmful exposure while enabling and encouraging productive innovation and sharing."⁸⁴

Stand-up comedians, too, operate a system for protection of creation that has little to do with the copyright system. Their most important norm, the norm against appropriating the joke of another, or "joke stealing," is enforced by sullyng the reputation of the joke stealer or by refusing to work with her.⁸⁵ Even taking the general idea of certain jokes is forbidden, and an injured comedian may seek redress by confronting the offender privately or publicly.⁸⁶ In the event of two comics telling similar jokes, the first to perform her version of the joke has priority.⁸⁷ There is no joint authorship, and, as between collaborators, the comic who came up with the premise of the joke (as opposed to the punch line) is the owner.⁸⁸ Jokes can be bought or sold, and the buyer becomes the complete owner of the material.⁸⁹ Sellers may not even be acknowledged as the writer of the joke.⁹⁰ The norm system seems to be concerned with identifying a single "owner," even if that person is not the sole person responsible for the creation of the joke.

⁷⁸ Loshin, *supra* note 8, at 136.

⁷⁹ *Id.*

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² *Id.* at 137.

⁸³ *Id.* at 138-39.

⁸⁴ *Id.* at 131.

⁸⁵ Oliar & Sprigman, *supra* note 5, at 1791.

⁸⁶ *Id.* at 1814.

⁸⁷ *Id.* at 1826.

⁸⁸ *Id.* at 1825.

⁸⁹ *Id.* at 1828.

⁹⁰ *Id.*

Each of the examples above demonstrates the staying power of norms-based systems among communities of creators. Each set of norms supports a continuing tradition of innovation in a long-established and stable professional group. Each balances protection and dissemination, while also balancing interests of innovator and potential subsequent users. Without using the current copyright system, these communities give creators their due, while making space for follow-on creation as well. Traditional hip-hop approaches to copying evince a similar sense of balance, and offer lessons that may be exportable to copyright law in a manner consistent with its purpose of providing incentives to create while maintaining a robust public domain.

IV. The Hip-Hop Imitation Paradigm

A. Structure

Hip-hop recognizes at least eight different ways in which an artist can imitate an existing piece of expression: three types of wholesale lyrical or musical appropriation, three types of lyrical quoting, and two types of musical sampling. This article will discuss the following specific types of copying in turn: biting, beat jacking, ghosting, battle quoting, homage quoting, riff quoting, self-sampling, and sampling of others.

1. Biting

Biting is the appropriation of another's lyrics and passing off such lyrics as one's own without the authorization of the primary lyricist.⁹¹ Traditionally, biting encompassed the taking of the actual words that another emcee had written or recited, or taking elements of the other emcee's flow, or both. Biting is not merely viewed somewhat negatively; it is among the most egregious, if not the most egregious form of imitation in hip-hop. Early rap lyrics confirm this idea. Grand Master Caz referred to biting as "pure treason."⁹² Slick Rick considered biters to be "back stabbers," who, despite their having taken someone else's quality lyrics, were still poor emcees because an inability to deliver the lines correctly:

*Cuz we know you're sick of all these crab rappers
Bitin' their rhymes, because, um, they're back stabbers*⁹³

⁹¹ *Biting* Definition, URBANDICTIONARY.COM, [http://www.urbandictionary.com/define.php?term=biting &Dcfid=255708](http://www.urbandictionary.com/define.php?term=biting&Dcfid=255708) (last visited Sept. 5, 2011) ("Copying another rap artist's lyrics in a plagiaristic form.").

⁹² "I'm the C-A-S-A-N-O-V-A, and the rest is F-L-Y, the cat who bit this rhyme was my manager, pure treason, I'll tell you why." GRAND MASTER CAZ, *MC Delight*, on MC DELIGHT/HATE DA GAME (Jazz Child Records 2000).

⁹³ SLICK RICK AND DOUG E. FRESH, *La Di Da Di*, on THE SHOW/LA DI DA DI (Reality/Danya/Fantasy 1985).

*Have you ever seen a show with fellas on the mic,
With 1-minute rhymes that don't come out right?
They bite, they never write, that's not polite.
Am I lying? No, you're quite right.⁹⁴*

MC Shan, EPMD, and others expressed outright hatred for biters on record.⁹⁵ MC Lyte and Rakim equated biting with immaturity and lack of skill.⁹⁶ Queen Latifah, Master Ace, Chubb Rock, and others made clear that biting was an offense, and that the practice carried penalties.⁹⁷ KRS-One captured the mood among some in the community by advocating (metaphorically and on record, at least) severe sanctions for biters:

*Get it right,
And train yourself not to bite.
Cause when you bite, you have bit,
And when I hear it, that's it.
I will not contemplate a battle, cause it really ain't worth it.
I'd rather point a pistol at your head and try to burst it.⁹⁸*

The usual penalty, however, was the end of the biter's career as a serious artist within the community. Although specific references to biting are not as prevalent as they were in the 1980s, the practice continued to be mentioned through the 1990s and 2000s, and it retains its negative meaning for hip-hop creators.⁹⁹ In fact,

⁹⁴ SLICK RICK AND DOUG E. FRESH, *The Show*, on THE SHOW/LA DI DA DI (Reality/Danya/Fantasy 1985).

⁹⁵ "What I really hate most be bitin' M.C.s." M.C. SHAN, *Beat Biter*, on BEAT BITER (Bridge Records 1986); "I'm the P-Double E-M-D-E-E, and the one thing I hate is a bitin' M.C. When I enter the party, suckers always form a line. Then they ease their way up and try to bite my lines," PARRISH SMITH OF EPMD, *You Gots to Chill*, on STRICTLY BUSINESS (Priority Records 1988).

⁹⁶ "Be a grown man with the mic in your hand, and understand bitin's not part of the plan," MC LYTE, *Stop, Look, and Listen*, on EYES ON THIS (First Priority Music 1989); "This is what we all sit down to write. You can't make it, so you take it home, break it and bite," ERIC B. & RAKIM, *I Ain't No Joke*, on PAID IN FULL (Island/4th & B'way 1987).

⁹⁷ "There are those who like my taste, but don't consider biting. There's penalties for those who don't be writing, just reciting," QUEEN LATIFAH, *Wrath of My Madness*, on ALL HAIL THE QUEEN (Tommy Boy Records 1989); "You tried biting, but biting is a crime . . . Rappers try to play me, just like a sport. Try to bite my rhymes at night but get caught." MASTA ACE, *Maybe Next Time*, on TAKE A LOOK AROUND (Cold Chillin' Records 1990); "Biting is a crime, and I'll drop the dime." CHUBB ROCK, *Caught Up*, on AND THE WINNER IS... (Select Records 1989).

⁹⁸ KRS, ONE OF BOOGIE DOWN PRODUCTIONS, *Poetry*, on CRIMINAL MINDED (B-Boy Records 1987).

⁹⁹ See, e.g., GANG STARR, *The Militia*, on MOMENT OF TRUTH (Noo Trybe/Virgin/EMI 1998) ("I got stripes, while you got strikes and bogus mikes. Do what b*tch n*ggaz do best and bite."); Lil'

artists K-Solo and DMX, who met and exchanged lyrical ideas in prison, have had a long-running beef over who actually wrote "Spellbound."¹⁰⁰ K-Solo released the single when both artists were relative unknowns, and he was accused of having bitten the song from DMX.¹⁰¹ K-Solo claimed that it was DMX who did the biting and went to great lengths to clear his name, including taking a polygraph (the results of which were inconclusive) and challenging DMX to a five-round mixed martial arts bout. K-Solo eventually slipped into obscurity.¹⁰²

2. *Beat Jacking*

The next type of imitation, beat jacking, also known as beat biting, is the non-lyrical equivalent of biting. When an artist comprehensively appropriates another's "beat," the musical and rhythmic core of a hip-hop song, and treats the beat as if he created it, the appropriator has "jacked" the beat. Beats are often composed from pre-existing recorded sounds, but the particular style with which such sounds are combined help create the appeal of a particular song and build the reputation of the DJ or producer who created the beat. The sort of stylistic appropriation and lack of respect for the work of the beat creator on the part of the beat biter is frowned upon in the hip-hop community. Early hip-hop artists were quick to call others out about beat-biting:

*Let me rock this rhyme, only if I may,
It's directed to my man L.L. Cool J.
Your brand new jam sure does sound sweet.
You rocked the bells, but you stole my beat.¹⁰³*

*Hot damn hoe, here we go again,
Suckers steal a beat when they know they can't win.
You stole the beat, are you havin' fun?
Well, me and the Aud's gonna show you how it's done ...
Beat biter! Dope style taker!
Tell you to your face, you ain't nothin' but a faker!¹⁰⁴*

Flip, *Takeover*, The TAKEOVER (BCD Music Group 2004) ("You ain't write 'Buy the Car,' n*ggga I wrote that hook. But, I should have known—that day I couldn't find my notebook," "Now tell your fans how you stole raps out my books. Tell your fans, Lil Flip wrote all your hooks.").

¹⁰⁰ See *K-Solo's Biography*, ALL MUSIC (Aug. 12, 2011), http://www.allmusic.com/artist/k-solo_p26104/biography.

¹⁰¹ *Id.*

¹⁰² *Id.*

¹⁰³ M.C. SHAN, *Beat Biter*, on BEAT BITER (Bridge Records 1986).

¹⁰⁴ MC LYTE, *10% Dis*, on LYTE AS A ROCK (First Priority 1988).

The copying norms of hip-hop stigmatize the wholesale appropriation of the rhythmic/musical underpinning of a song as well as its lyrical content. This recognition of the creative contribution of the beat creator is linked to the primacy of the DJ in early hip-hop music, and the continued importance of the producer's role in laying down tracks today. Beat biting of the type that offended MC Lyte and MC Shan is still reviled, and sanctions for the practice are roughly similar to those for biting. A career can be made or broken based on the provenance of an artist's beats, and what can be surmised about his skill, or lack thereof, from the sourcing of his final product.¹⁰⁵

A final note on beat biting/beat jacking is necessary. Although the practice was historically viewed negatively, there is a strain of beat jacking that carries more positive connotations from a creative perspective. While taking another's beat and using it unchanged as if it were one's own is objectionable, taking someone's beat for the purpose of battling, baiting, or otherwise calling out the beat creator or his emcee is perfectly acceptable. For example, in the long running beef between Jay Z and Nas in the early 2000s, each insulted the other at least once by freestyling over one of the adversary's beats. Jacking in order to take the beat out of its original context and demonstrate either the jacker's musical prowess or lack of respect for the jackee is likely to be viewed at least neutrally, if not positively. Ice Cube boasts in one of his songs about the improvements that his crew makes to the beats that it jacks, intimating that the hip-hop community is better off for his having intervened:

*And it'll drive you nuts,
Steal your beat and give it that gangsta touch.
Like jackin' at night say hi to the 357 I'm packin'
And it sounds so sweet.
Ice Cube and the Lench Mob is jackin' for beats.
.....
Ice Cube, take a funky beat and re-shape it,
Locate a dope break and then I break it,
And give it that gangsta lean.
Dead in your face as I turn up the bass.¹⁰⁶*

¹⁰⁵ It should be noted that an accusation of beat biting by itself is not determinative of the accused's career path. LL Cool J, accused by M.C. Shan in *Beat Biter*, went on to have a long multi-platinum recording career, which he has since parlayed into an acting career. Antoinette, accused by MC Lyte in *10% Dis*, effectively faded into obscurity soon thereafter.

¹⁰⁶ Ice Cube, *Jackin' For Beats*, on *KILL AT WILL* (Priority Records 1991).

3. *Ghosting*

A third type of wholesale imitation of another's expression is what I will call "ghosting." Ghosting can be characterized as a kind of "authorized" biting. The imitator is using someone else's expression, but is remunerating that person in exchange for consent to imitate. Historically, ghosting was not a favored practice, but its status has become more complex in recent years. Although ghosting offends many hip-hop purists, it is certainly no longer fatal, as it once may have been, to an artist's career.

Although the hip-hop community has traditionally placed a premium on having the ability to write one's own lyrics, in modern hip-hop ghosting may be gaining acceptance in certain circumstances. For example, occasional ghosting with a long-time collaborative partner or crew member is by and large unobjectionable to the hip-hop community. Big Daddy Kane reportedly wrote many lyrics for his friend and fellow Juice Crew member Biz Markie, but he seems to have done so without controversy.¹⁰⁷ Similarly, Ice Cube is said to have ghostwritten for Easy A of N.W.A. during N.W.A.'s heyday.¹⁰⁸

Ghosting has also gained some acceptance where lyrical prowess is a small part of the artistic persona of the rapper for whom the writing is being done. Li'l Kim, whose persona is more vixen than lyricist, reportedly had rhymes written for her by the Notorious B.I.G. while he was alive. Dr. Dre, known primarily as a producer and beat maker extraordinaire even though he has been rapping since the 1980s, has reportedly been written for by Jay-Z and Royce da 5'9".¹⁰⁹ If a rapper has the requisite delivery and flow to deliver another artist's lines effectively, the community appears to be allowing more space for a fruitful collaboration between writer and performer to occur.¹¹⁰

Additionally, ghosting is increasingly viewed at the industry end of hip-hop as part of the normal outsourcing of tasks in an increasingly business-oriented and empire-oriented rap music culture. The entertainment mogul who happens to be a rapper may be analogized to a movie producer who hires all sorts of talent (including writers) in order to bring a project to the market, or to CEO of a manufacturing

¹⁰⁷ Hastings Cameron, *Diddy's Little Helpers: Why Hip-Hop Ghostwriting is an Art Now, and an Actually Respectable One*, VILLAGE VOICE (Nov. 14, 2006), <http://www.villagevoice.com/2006-11-14/music/diddy-s-little-helpers/>. Big Daddy Kane also reportedly wrote "Have a Nice Day" for Juice Crew member Roxanne Shanté. *Id.*

¹⁰⁸ *Id.* Ice Cube also wrote for and with his cousin Del tha Funkee Homosapien.

¹⁰⁹ Adam Conner-Simons, *Hip-Hop's Ghostwriters*, GELF MAGAZINE (Aug. 14, 2007), http://www.gelfmagazine.com/archives/hiphops_ghostwriters.php.

¹¹⁰ See Jesse Kramer, *Some Thoughts on Ghostwriting*, RAP REBIRTH BLOG (June 12, 2010), <http://rap-rebirth.com/blog/?p=25>.

company, who oversees the enterprise but need not make every widget with his own hands. Artists who fit this mold and have been written for include Diddy (reportedly written for by the Game, Pharoahe Monch, Skillz, and others) and Will Smith (Nas, Common, Smitty, and others).¹¹¹

4. Quoting

There are at least three recognized ways in which an artist may “quote” another artist, that is, imitate their lyrics without reaching the level of wholesale copying represented by biting and ghosting. One artist may quote the other in the “battle” context, twisting the adversary’s words or turning them against him in order to belittle him and trumpet the quoter’s superiority.

An artist may also quote another out of respect, with a short quote serving as a nod or homage to the other’s skill. As noted above, Jay-Z’s *What More Can I Say* explicitly announces an intent to lionize, or “big up,” a legendary rapper by quoting him.¹¹² Soon after that announcement, the song quotes verbatim a very popular line from a Notorious B.I.G. song.¹¹³ Respectful quoting often occurs across generations, with a later generation artist quoting one from an older school. For example, both Tupac Shakur (in 1998) and Missy Elliot (in 2009) have used MC Lyte’s well-known chorus from 1988’s *10% Dis*: “Beat biter, dope style taker. Tell you to your face you ain’t nothin’ but a faker.”¹¹⁴

A third type of quoting is quoting for the purpose of riffing, or demonstrating the quoter’s lyrical agility and acuity. Like a jazz musician, a hip-hop artist may use a quote from another as a springboard for her own creativity. The quote usually is a well-known, even iconic one, so that the audience clearly understands that the quoter is quoting and not biting. One example is Fat Joe’s use of a famous Notorious B.I.G. line in Joe’s contribution to Gang Starr’s 2003 release *Who Got Gunz*:

*I got seven Mac-11s, about eight .38s,
Nine 9s, ten Mac-10s, the sh*t's never end.
You can't touch my riches,
Even if you had MC Hammer and them 357 b*tches.*¹¹⁵

¹¹¹ See Cameron, *supra* note 107; see also Conner-Simons, *supra* note 109.

¹¹² NOTORIOUS B.I.G., *Rap Phenomenon*, on BORN AGAIN (Bad Boy Records 1999).

¹¹³ *Id.* (“The rings and things you sing about, bring ‘em out. It’s hard to yell when the barrel’s in your mouth....”).

¹¹⁴ Tupac’s adaptation was, “You’s e a beat biter, a ‘Pac style taker. I tell you to your face you ain’t nothin’ sh*t but a faker.” 2PAC FEAT. THE OUTLAWZ, *Hit ‘Em Up*, HOW DO U WANT IT (Death Row/Interscope 1996). Missy’s was, “Beat biter, dope style taker. Originator, or just an imitator.” MISSY ELLIOT, *Beat Biters*, on DA REAL WORLD (Goldmind/Elektra 1999).

¹¹⁵ NOTORIOUS B.I.G., *Come On*, on BORN AGAIN (Bad Boy 1999).

*I got seven Mac-11s, about eight .38s,
 Nine 9s, ten Mac-10s, man this sh*t never end.
 Even if the apple won't spin,
 I reach into my back pocket and blast you with this twin.¹¹⁶*

An even more famous line from Rakim is quoted and riffed on by Lil Wayne:

*Thinkin' of a master plan,
 Cause ain't nothin' but sweat inside my hand.
 So, I dig into my pocket, all my money's spent.
 So I dig deeper, and still comin' up with lint.
 So I start my mission, leave my residence,
 Thinkin' how could I get some dead presidents.
 I need money, I used to be a stickup kid,
 So I think of all the devious things I did.
 I used to roll up, this is a holdup, ain't nothin' funny.
 Stop smilin', be still, don't nothin' move but the money.¹¹⁷*

*OK I'm thinkin' of a master plan,
 Nah, I'm lyin', Shorty on my mind.
 Shorty like a fryin' pan, and I ain't got
 Nothin' but sweat inside my hands.
 So I dig into my pocket, all my money's spent,
 . . .
 But I don't need a cent, cause Shorty priceless .
 I tell it like this, I been (all around the world),
 So baby I can take you (all around the world).
 I roll up, this is a holdup,
 It's young money man, Shorty made me smile
 When ain't a damn thing funny,
 Heh heh, but still don't nothin' move but the money.¹¹⁸*

All three types of quoting are acceptable in the hip-hop community, and an acceptable quantity of quoting can range from one line to many bars of the quoted song.¹¹⁹ At the extreme, an entire song may be quoted, if the song is sufficiently iconic and important. In 1993, Snoop Dogg essentially covered Slick Rick's *La Di*

¹¹⁶ GANG STARR, *Who Got Gunz (feat. Fat Joe and M.O.P.)*, on *THE OWNERZ* (Virgin/EMI 2003).

¹¹⁷ ERIC B & RAKIM, *Paid in Full*, *ðn PAID IN FULL* (Island/4th & B'way 1987).

¹¹⁸ LLOYD, *Girls Around the World (feat. Lil Wayne)*, on *LESSONS IN LOVE* (Young Goldie Music/The Inc./Universal Motown 2008).

¹¹⁹ Extensive quoting is especially permissible for purposes of riffing.

Da Di, with a few minor lyrical changes.¹²⁰ In 2007, Pharoahe Monch released *Welcome to the Terrordome*, a cover of the classic Public Enemy song by the same name.¹²¹ Quite apart from any issues raised by the Copyright Act and any license fees owed or paid, within the hip-hop community these releases were acceptable homages to important artists and songs of previous generations. The prominent status of the copied songs makes it clear to the community that the copiers are not biting, but are paying respect.

At least as important to the music and the community as respectful quoting are examples of extended quoting for riffing purposes. These borrowings may combine aspects of quoting for homage purposes and quoting to demonstrate one's own prowess. A famous example is Black Star's extensive quoting of Slick Rick's *Children's Story* in Black Star's song of the same name. The Slick Rick song, a cautionary tale about avoiding the easy money and danger of a life of crime (told in the guise of a bedtime story) is a hip-hop classic. Mos Def of Black Star used the bedtime story construct, as well as some of Slick Rick's lines, as a springboard for a cautionary tale for young hip-hop artists to avoid the easy money of selling out to the recording industry instead of creating music from the heart. At the beginning of the song, Mos Def quotes almost directly from Slick Rick:

*Once upon a time, not long ago,
When people wore pajamas and lived life slow.
When laws were stern, and justice stood,
And people were behaving like they ought to, good.
There lived a little boy who was misled,
By another little boy, and this is what he said . . .*¹²²

*Once upon a time, not long ago,
When people wore Adidas and lived life slow,
When laws were stern, and justice stood,
And people was behaving like hip-hop was good,
There lived a little boy who was misled,
By a little Shatan, and this is what he said . . .*¹²³

¹²⁰ SLICK RICK, *La Di Da Di*, on *THE SHOW/LA DI DA DI* (Def Jam Records 1985); SNOOP DOGGY DOGG, *Lodi Dodi*, on *DOGGYSTYLE* (Death Row Records/Interscope Records/Atlantic Records 1993).

¹²¹ PUBLIC ENEMY, *Welcome to the Terrordome*, on *FEAR OF A BLACK PLANET* (Def Jam Records/Columbia Records 1990); PHAROHAHE MONCH, *Welcome to the Terrordome*, on *DESIRE* (Street Records/Universal Motown 2007).

¹²² SLICK RICK, *Children's Story*, on *THE GREAT ADVENTURES OF SLICK RICK* (Def JamRecords/Columbia Records/CBS Records 1988).

¹²³ BLACK STAR, *Children's Story*, on *MOS DEF & TALIB KWELI ARE BLACK STAR* (Rawkus Records/Priority Records/EMI Records 1998).

By the end of the track, Mos Def has taken the storyline in his own direction, giving a nod to the older song, but making a point as important to him and to the community as Slick Rick's:

*He dropped the gun, so went the glory,
And this is the way I have to end this story.
He was only 17, in a madman's dream,
The cops shot the kid, I still hear him scream.
This ain't funny, so don't you dare laugh.
Just another case about the wrong path.
Straight and narrow, or your soul gets cast.
Good night!*¹²⁴

*Thugs grabbed their guns, so goes the glory,
And this is the way I gotta end this story.
He was out chasin' cream in the American Dream.
Tryin' to pretend the ends justify the means.
This ain't funny, so don't you dare laugh.
It's just what comes to pass when you sell your *ss.
Life is more than what your hands can grasp.
Good night!*¹²⁵

Again, the combination of the respect shown for the older song and the lyrical skill demonstrated in reworking the song garner respect, not sanction, for the copier among hip-hop heads.

5. Sampling

The final two types of imitation in hip-hop involve the creation of beats. Sampling, which has been a part of hip-hop from the beginning and is actionable under the Copyright Act if done without authorization, is a prized skill. I include in my definition of "sampling" all of the various DJ/producer skills that go along with sampling (e.g., looping, cutting, mixing). The creativity involved in borrowing bits of sound from other sources and combining them into a new whole that forms the core of the traditional hip-hop song is among the highest forms of creativity recognized by the culture. Therefore, the copying that is incidental to the creation of the beat is readily accepted. Scores of artists have built reputations and careers in hip-hop through inventive beat-making, including the Bomb Squad/Public Enemy, Dr Dre, DJ Premier, and the Beatnuts.

¹²⁴ See RICK, *supra* note 122.

¹²⁵ See BLACK STAR, *supra* note 123.

In addition to sampling the expression of others in creating a beat (often paying homage in the choice of whom and how much to sample), an artist may sample his own prior expression (emphasizing for the audience that his work is of the highest quality and worthy of being re-presented to the world in some form). A good example of such “self-sampling” is the chorus of Notorious B.I.G.’s 1997 release *Kick in the Door*, which samples a B.I.G. line from 1995’s *Get Money* by Junior M.A.F.I.A. (a group of which B.I.G. was a member).¹²⁶

B. The Trademark Connection

Hip-hop’s view of originality and imitation appears to be tinged with trademark-like ideas as much as explicit ideas about expression and creativity. The cultural reaction to an instance of imitation can be predicted by asking a number of key questions. First, is there consent from the source or originator of the copied expression? If the answer is yes, then the copying may be deemed ghosting, a not universally loved practice, but a tolerable one. If, on the other hand, there is no consent, the copying may amount to biting, which is much more problematic. The marketplace values authenticity and a clear announcement of who is speaking, but certain “licensed” uses of another’s voice are acceptable.

Second, is the source or originator of the expression identified or easily identifiable? In some instances of quoting within hip-hop, an explicit shout-out is given to the originator by the imitator. Snoop Dogg employs such a shout-out in covering *La Di Da Di*. In other instances, the source material is so well known, and so identified with the originator, that no shout-out is necessary. Everyone knows that *Rappers Delight* originated with the Sugar Hill Gang, so when the Def Squad quotes it, the community is able to accept the practice for what it is—an homage. Beyond merely accepting it, the community may celebrate the imitation as an indication that the imitator knows his hip-hop history. If the source material is relatively obscure, however, and if there is no shout-out or other explicit acknowledgment of origin, the copier is biting, and is essentially engaging in the tort of passing off in the hip-hop marketplace.

Next, is the imitation used as a springboard for the imitator’s own creativity? If so, then the community is likely to perceive the copying as quoting or sampling, both culturally acceptable. If quoting, either explicit or implicit identification of the source is important. In the battle quoting context, explicit identification of the adversary, along with explicit statements that the copier makes better use of the material than the originator ever could, is not unusual. With respect to quoting for the

¹²⁶ See JUNIOR M.A.F.I.A., *Get Money*, on CONSPIRACY THEORY (Big Beat Records 1995); THE NOTORIOUS B.I.G., *Kick in the Door*, on LIFE AFTER DEATH (Bad Boy Records 1997) (“Kick in the door, wavin’ the four-four. All you hear is ‘Papa don’t hit me no more.’”).

purpose of homage or riffing, the source is usually iconic and so well-known that it is implicitly understood by the audience. If the imitator is sampling, then a similar source identification or “identifiability” is important in order to avoid charges of beat biting.

Next, is the imitation brand-enhancing for the source? If the imitation calls attention to the source’s work and either identifies the source or uses an iconic source that needs no explicit identification, the imitator may reinforce the value of the contribution that the source has made to the music, thereby enhancing the source’s brand. Homage quoting and sampling both have this value-reinforcing quality. Even battle quoting may create buzz (and sales) around the source in the course of disparaging it. As such uses enhance the goodwill of the originator and inure to that person’s benefit, the hip-hop community is likely to accept them as permissible copying.

Finally, does the imitation contribute to an overall conversation in the community/culture? If the imitation is expressive or “nominative,” rather than “confusing as to source,” (to use a few more trademark terms of art) it will be more acceptable to the community. For example, the “answer record” (including the “battle record” as a subset) is often imitative of the record being answered, but in the context of the ongoing conversation, such imitation is culturally legitimate.

The bottom line is that the imitation paradigm in hip-hop focuses on marketplace impact. The concern is not with copying per se, but copying that constitutes passing off. The verdict on a particular instance of copying is based on at least a tacit examination of the goodwill effects—whether the copying usurps or enhances the goodwill of the originator as a purveyor of creative works in the marketplace. As it mainly condemns passing off and usurpation, the paradigm leaves plenty of room for “non-trademark” uses of existing works.

Were these trademark-like principles of the hip-hop paradigm to be imported into U.S. Copyright law, they would not be completely foreign. Fair use analysis already examines marketplace effects.¹²⁷ Infringement cases look to the effect of defendant’s work on the “ordinary observer,” a marketplace participant, in determining whether there has been illicit copying.¹²⁸ The leading Second Circuit copyright case focused on the plaintiff’s “potential financial returns” as the legally pro-

¹²⁷ 17 U.S.C. § 107(4) (2006).

¹²⁸ See, e.g., *Hamil America, Inc. v. GFI*, 193 F.3d 92, 102 (2nd Cir. 1999) (emphasizing that substantial similarity is a function of the ordinary observer’s scrutiny of the subject works “as used” in the marketplace).

tected interest.¹²⁹ At least one court has used passing off language in explaining why piracy of another's expression is and should be actionable.¹³⁰

C. The Authors' Rights Connection

To a certain extent, the hip-hop copying paradigm also contains elements of the moral rights of authors. The principle traditional Continental moral rights include (1) the right of integrity, the right to prevent certain alterations of the author's work, and (2) the right of paternity/attribution, the right to be identified as the author of a work, and to be disassociated from works not one's own.¹³¹ Hip-hop recognizes a quasi-paternity right for the originating artist. Copying may be acceptable if it is clear who is being copied. Paternity must be acknowledged in order to validate the imitation, but such acknowledgment may be explicit or implicit. When an artist engages in acceptable copying such as paying homage, riffing, or battling, the paternity of the source material will be clear. This may be because the imitator gives an explicit shout-out, or because the source material is well-known in the community.

It should be noted that hip-hop's authors' rights impulse may play out differently than traditional continental moral rights or authors' rights doctrine. Moral rights are often employed as a way of expanding the originator's control beyond the "economic" rights tied to a creative work. A typical assertion of a moral right involves the author's limiting some use of the work despite having assigned away the rights of reproduction, adaptation, public distribution, public performance, and/or public display.¹³²

In contrast, hip-hop's authors' rights sensibility tends to limit the originator's control over the work in service of the overall imitation paradigm. Any notion of a right of integrity is trumped by hip-hop's version of the right of paternity (acknowl-

¹²⁹ *Arnstein v. Porter*, 154 F. 2d 464, 473 (2nd Cir. 1946).

¹³⁰ *Boisson v. Banian, Ltd.*, 273 F.3d 262, 266 (2nd Cir. 2001) ("Copying the creative works of others is an old story, one often accomplished by the copyist changing or disfiguring the copied work to pass it off as his own.").

¹³¹ See generally Martin A. Roeder, *The Doctrine of Moral Right: A Study in the Law of Artists, Authors, and Creators*, 53 HARV. L. REV. 554, 556 (1940) (reciting components that now comprise the moral right); John Henry Merryman, *The Refrigerator of Bernard Buffet*, 27 HASTINGS L.J. 1023, 1027-28 (1976) (presenting case law to support each component of moral rights); Roberta Rosenthal Kwall, *Copyright and the Moral Right: Is an American Marriage Possible?*, 38 VAND. L. REV. 1, 5 (1985) (showing three major components of the moral rights doctrine); Burton Ong, *Why Moral Rights Matter: Recognizing the Intrinsic Value of Integrity Rights*, 26 COLUM. J. L. & ARTS 297, 298 (2002) (introducing rights of integrity and paternity).

¹³² See, e.g., Judgment of May 28, 1991 (*Huston v. Turner Entertainment Co.*), Cour de Cassation (Fr.) (affirming the right of author's heirs under the French right of integrity to challenge the transmission of a colorized version of a motion picture in France, despite the economic copyright owned by defendant).

edged explicitly or implicitly), and by an ethos that supports follow-on creation. Thus, according to hip-hop culture, an originator may insist on being acknowledged as the originator, but may not complain about how her work is used by the imitator. The originator has no valid complaint about the particular choices made by the imitator in riffing, or even about having her own work (beats or lyrics) turned against her in a battle context. As long as there is no biting, both the trademark impulse and the authors' rights impulse of the paradigm are satisfied.

D. The New Style – What the Future of Copyright Could Look Like

The trademark and authors' rights impulses of the hip-hop imitation paradigm combine to focus on the marketplace impact of copying and the presence or absence of attribution (actual or constructive) in assessing imitation. A number of possible elements of a new Copyright Act framework become apparent from this combination. First, the framework would provide tiered protection based on the age of the work. Assuming that the usurpation risk to an author's goodwill is greatest when the work is new, and that most of the financial gain to be reaped from a work is realized in its first few years, the framework could provide something like strict liability protection early in the work's life cycle. As the work ages and becomes known (and as possibilities for constructive or implicit acknowledgment of paternity increase), the level of protection could be relaxed. Some number of years after publication, copying with acknowledgment of source could be permitted.

The framework could go a step further by privileging transformative uses, particularly uses that cite or link to the original work. The incorporation of the transformative privilege with the age-based tiered protection would align copyright law with hip-hop's "no bitin'" ethos. In order to respect the economic incentive goals of copyright policy, and to mitigate the risk of under-compensation of authors for their creative efforts, a compulsory licensing system could be put in place for uses of late life cycle works that have become "well-known." The author gets remunerated for creating a work that has become a fertile springboard for others' creativity, but the process of follow-on creation is not slowed by transaction costs and the threat of injunction.

V. Conclusion

The relatively nuanced hip-hop imitation paradigm provides a view of copying that could inject flexibility into the approach taken by U.S. copyright law. Not all copying is created equal, and a regime that recognizes different levels of culpability for qualitatively different levels of taking provides a better fit for the modern creative economy, with its prevalent secondary creation, than the traditional approach. Inquiring into the expected economic or branding impact of the borrowing, including the extent to which the borrower is passing off versus making a brand-enhancing use of the original work would be crucial. More work is necessary to define the exact contours of a new structure for regulating copying of expressive

works, but the hip-hop paradigm provides a useful and generationally relevant starting point. If we can focus on eliminating biting, while preserving space for creative quoting and sampling, the Copyright Act and copyright jurisprudence just may survive the 21st century after all.

VI. Appendix A
Examples of References to Beat Biting

Artist	Album	Song	Line	Link	Release Date
Grand Master Caz	MC De-light/Hate the Game	MC De-light	I'm the C-A-S-A-N-O-V-A and the rest is F-L-Y, the cattle bit this rhyme was my manager, pure treason I'll tell you why	http://www.youtube.com/watch?v=IDlgB9MbLNA&feature=related	1979
The Treacherous Three	Rap Music	New Rap Language	For MC's who bite The fast talkin rhymes, They are gonna feast so get ready to eat	http://www.youtube.com/watch?v=Hq3mew_T0as	1980
Busy B vs. Kool Moe Dee	(Freestyle)	Freestyle	Who Paid for the rhyme asked for it twice, he said Spoonie G I'll pay any price, when Spoonie finally sold it, Busy B stole it like a fucking thief	http://www.youtube.com/watch?v=dhuqTecycQQ&feature=related	1983
UTFO	UTFO	Bite It	Our rhymes are recited and we are delighted to give you permission to bite it	http://www.youtube.com/watch?v=1QcZaCJXkFE&feature=related	1985
Slick Rick and Doug E. Fresh	The Show and La Di Da Di	La Di Da Di	Because . . . you know, you're all sick of all these crap rappers biting their rhymes because of they're back steppers	http://www.youtube.com/watch?v=icBfl-cYZhpo	1985

Artist	Album	Song	Line	Link	Release Date
Slick Rick and Doug E. Fresh	The Show and La Di Da Di	The Show	Have you ever seen a show with fellas on the mic with one minute rhymes that don't come out right they bite	http://www.youtube.com/watch?v=bDkqz5C62SM	1985
Grand Master Flash and the Furious Five	(Single)	Pump Me Up	Then I meat this shark and his name was George, he was biting my rhymes like y'all bite yours I starting writing my rhymes, the shark grew and grew But I was writing more rhymes than the shark could chew The shark got sick and then he exploded 'cause he didn't realize that my rhymes was loaded	http://www.youtube.com/watch?v=Bt2giMqPmZI	1985
M.C. Shan	The Bridge/Beater Biter (Single)	Beat Biter	What I really hate most be biting M.C.'s	http://www.dailymotion.com/video/x5bvis_mc-shan-the-bridge_music	1986
Roxanne Shante	(Single)	Def Fresh Crew	Hang out at a party till mourning light, chilling all the	http://www.youtube.com/watch?v=ZIxNDYg	1986

Artist	Album	Song	Line	Link	Release Date
			time while other M.C.'s bite	VtM	
Kool G Rap	Cold Chillin'	Rhyme Tyme	The rhyme is very hot, you gotta blow on it to bite it	http://www.youtube.com/watch?v=Nd3BO7xMYbQ	1987
KRS One and Boogie Down Productions	Criminal Minded	Poetry	Get it right or train yourself not to bite. Cause when you bite, you have bitten, when I hear it, that's it. I do not contemplate a battle cause it really ain't worth it. I'd rather point a pistol at your head and try to burst it	http://www.youtube.com/watch?v=gdpI8WQJ9UE	1987
Kool Mo Dee	How Ya Like Me Now	How Ya Like Me Now	Using my rap style and I'm playing the background meanwhile I aint with that . . . You took my style, I'm taking it back	http://www.youtube.com/watch?v=iRb9PONMeLY	1987
EPMD	Strictly Business	You Gots To Chill	And one thing I hate is a biting M.C., when I enter the party suckers always form a line, then they ease their way up and try to bite my lines	http://www.youtube.com/watch?v=JUGis-re9xNU	1988

Artist	Album	Song	Line	Link	Release Date
Big Daddy Kane	Cold Chillin'	Wrath of Kane	Bite like a mosquito but still can't complete a rhyme or find the time to design a line	http://www.youtube.com/watch?v=NFxvgg6m_mo	1988
Slick Rick	The Great Adventures of Slick Rick	Teacher, Teacher	But tonight let's talk about the ones who bite although they know they won't never get it right	http://www.youtube.com/watch?v=9IPUMLEuqgQ	1988
MC Lyte	Lyte as a Rock	10% Dis	Beat biter! Dope style taker! Tell you to your face you ain't nuttin but a faker!	http://www.youtube.com/watch?v=vmd6E_ZCem4	1988
Doug E. Fresh	The World's Greatest Entertainer	Everybody got 2 get some	I'm not a trend follower, Def rhyme swallower Bitin lyrics cause I wanna get popular	http://www.youtube.com/watch?v=aUb-FxpLcls	1988
Audio Two	What More Can I say	Top Billin	Would you bite a rhyme if you dare, I get the papers so I don't care	http://outube.com/watch?v=rek8bbn3kJe	1988
The Main Source	Think 12"	Atom	But people tend to miss when we shoot the gift It's not to imitate another in minute That's slouch life to crush a bad gimmick We like to shoot the breeze the	http://www.co-caineblunts.com/blunts/?p=511	1989

Artist	Album	Song	Line	Link	Release Date
			Main Source way We don't por- tray another and never will per- petrate any horseplay Meaning that if there's a special request For the Main Source to bite, don't hold your breath		
The Main Source	Think 12"	Think	Now I've been holding classes on the creation of slick passages so instead of you biting why don't you just wait, don't ever just sink your teeth into some- thing mouth wa- tering cuz you just ordering me to put the foot to that anus	http://www.youtube.com/watch?v=MRq3kkOh02M	1989
LL Cool J	Moma Said Knock You Out	To Da Break of Dawn	Wouldn't bite because your rhymes are Pup- py Chow	http://www.youtube.com/watch?v=FyW1v8_Q1IQ	1989
MC Lyte	Eyes on This	Stop, Look, Listen	You hear me, junior? cause soon you'll Be a grown man with the mic in your hand	http://www.youtube.com/watch?v=0g_OFB7_z64	1989

Artist	Album	Song	Line	Link	Release Date
			And understand biting's not part of the plan		
Gang Starr	No More Mr. Nice Guy	Knowledge	Rhythms and rhymes, cause I respect you Unless you're a biting one, a non-writing one Reciting some of my lines	http://www.youtube.com/watch?v=AWMyKMp6Nes&feature=player_embedded#!	1989
Queen Latifah	All Hail the Queen	Wrath of my Madness	There are those who like my taste, but don't consider biting There's penalties for those who don't do writing, just be reciting	http://www.youtube.com/watch?v=TxlXcxwdzS0	1989
LL Cool J	Walking With A Panther	1-900 LL Cool J	Cuz you're bitin my lyrics like a Nestle Crunch	http://www.youtube.com/watch?v=UM-nA2LSPWh0	1989
Master Ace	Take A Look Around	Maybe Next Time	You tried biting but biting is a crime . . . Rappers try to play me, just like a sport, try to bite my rhymes at night but get court	http://www.youtube.com/watch?v=TRr7bZH_4ro	1990
Stetsasonic	Blood, Sweat & No Tears	Uda Man	I don't bite, so let me be clear, hey mic controller let's steal some of Paul's ideas	http://www.youtube.com/watch?v=D7qQjfSm93E	1991

Artist	Album	Song	Line	Link	Release Date
Boogie Down Productions	Sex and Violence	We in There	You heard Criminal Minded, and bit the whole shit	http://www.youtube.com/watch?v=yf-fl4Zk_wPQ	1992
Gang Starr	Daily Operation	Much Too Much	To a biting M.C. my lines are toxic and chronic	http://www.youtube.com/watch?v=1u25k3Rlss4	1992
DJ Screw vs. Michael 5000 Watts	Screw Music	Screw Music	We thought Watts was gonna bite off Screw	http://www.youtube.com/watch?v=NkxnfASsbJI	1993
Too Short	Get In Where You Fit In	Get In Where You Fit In	Now you're hardcore like CB4, biting, what you wanna be me for? It's your life, you wish it was a Too Short rap, but you gots no game and your bass aint fat	http://www.youtube.com/watch?v=bjSRfWNXsgQ	1993
Big Daddy Kane	Daddy's Home	Lyrical Gymnastics	I'm lickin the lyrics and shootin the gat, on the mic black And this is for all of the rappers that like, and they bite that	http://www.youtube.com/watch?v=-R0QY0ibgdY	1994
Raekwon	Only Built 4 Cuban Linx	Shark Niggas (Biters)	Word...you know how niggaz be bitin and shit Niggaz be bitin mad styles	http://www.youtube.com/watch?v=hM8kQ-4kn4Ow	1995

Artist	Album	Song	Line	Link	Release Date
			n shit from nig-gaz man		
The Alkaholiks	Coast II Coast	Coast II Coast	My style gets bit like Peter Parker, If imitation is the greatest form of flattery ... punk don't flatter me	http://www.youtube.com/watch?v=Q_8FD40MM-Q	1995
A Tribe Called Quest	Beats, Rhymes and Life	1Nce Again	Yo I got a crew with the beats and the smarts and I fought my shit up on Linden in the 1-9-2. Forever writing, never biting, ain't shit else to do . . . But if they huddle, and word, then this is good as set. You have MCs dropping bombs thats incredible. Some of the brothers their styles are just despicable. As for me see I just do how I love to do. Try to deny me of my props then I'll be seeing you	http://www.youtube.com/watch?v=7PK9-uIQyk0	1996
MC Lyte	Bad as I Wanna Be	Cold Rock A Party	You like the rhyme Bite if you dare, I get the paper so I don't care	http://www.youtube.com/watch?v=gh5OGOunafs	1996
The	The Score	Zealots	Check out the	http://www.	1996

Artist	Album	Song	Line	Link	Release Date
Fugees			retrograde motion, kill the notion Of bitin' and recyclin' and Callin' it your own creation. I Feel like Rockwell, "Somebody's watching me" I got no privacy whether on land or at sea. And for you bitin' zealots, your raps are cacophonous. Hypocrite, critic, but deep inside you wish you had the pop hit	youtube.com/watch?v=fJMT__13-NM	
Rakim	The 18 th Letter	I Ain't No Joke	You can't make it so you take it home, break it and bite it	http://www.youtube.com/watch?v=2TN-kDEKxF0	1997
DJ Pooh	Bad News Travels Fast	MC's Must Come Down	I wish my rhymes were meat and M.C.'s were vegetarians cause when it comes to biting, I don't condone it	http://www.youtube.com/watch?v=ZxxMIC7iRKs	1997
Gang Starr	Moment of Truth	The Militia	Do what bitch niggaz do best bite	http://www.youtube.com/watch?v=CUapg2mOehI	1998

Artist	Album	Song	Line	Link	Release Date
Sunz of Man	The Last Shall Be First	Collabo-ration 98	No copy or biting off what your man make	http://www.youtube.com/watch?v=FO2GZIyyx-0	1998
Lil Flip	The Lep-rechaun	Y'all	But I can't be copied my style ain't sloppy do yo CEO put money in his pocket? How does it feel trying to look like me? Nigga you can't even write a hook like me	http://www.youtube.com/watch?v=smR3qI-amXc	2000
Lil Flip	(Freestyle)	Lil Flex Diss Monday Night Freestyle	Lil Flex you aint nothing but a Yungstar double. I remember when they had you in the studio, you coming up to me telling me you flow, but you can't do a song with me, you can't rap, you wanna sound just like Yung, now how many times on a freestyle can you "Swing and Swung"	http://www.youtube.com/watch?v=5MbZfuyrZAs	2000
Z-Ro	The Life of Joseph Mcvey	That'z who I am	I'ma follow the truth and never follow lies so ima ride on Watts until his fat ass apologize	http://www.youtube.com/watch?v=tCWYrYYxsVmY&feature=related	2000

Artist	Album	Song	Line	Link	Release Date
			for saying what he said about Screw, look who your style is named after (DJ Screw) mother fucker you are number two		
Nas	Stillmatic	Ether	That is Gay-Z and Cockafella Records wanted beef. Started cooking up my weapon, slowly loading up this ammo, to explode it on a camel, and his soldiers, I can handle. This is for dolo and it's manuscript, just sound stupid. When KRS already made an album called Blueprint	http://www.youtube.com/watch?v=np_ajGU42I0	2001
Jay-Z	The Black Album	What More Can I Say?	I'm not a biter I'm a writer for myself and others, when I say a B.I.G. verse I'm only biggin up my brother, biggin up my burrough. I'm big enough to do it, I'm that thorough plus my own flow is foolish	http://www.youtube.com/watch?v=UIJk3IV3E0	2003

Artist	Album	Song	Line	Link	Release Date
Lil Flip	The Take Over	The Take Over-ESG Diss	You ain't write Buy the Car, nigga I wrote that hook But I should of known that day, I couldn't find my notebook . . . Now tell your fans, how you stole raps out my books Tell your fans, Lil' Flip wrote all your hooks I'm spectacular, bite your neck like Dracula Nigga I wrote it, you ungrateful bastard	http://www.youtube.com/watch?v=0v73GZnAkQ	2004
Paul Wall	Sole Music Mix tape	Main Event	Quit biting our style and get off our Dick	http://www.youtube.com/watch?v=vjTR-Vu15PaM&feature=related	2010
Army of the Pharaohs	The Unholy Terror	The Ultimatum	Out my rap books, biting ass niggas get your snacks took	http://www.youtube.com/watch?v=0UbzORbFQ9M	2010

VII. Appendix B
Examples of References to Beat Biting

Artist	Album	Song	Line	Link	Release Date
Vanity 6	Bite the Beat Single	Bite the Beat	Bite the beat, it tastes so good, bite it till you are satisfied	http://www.youtube.com/watch?v=uqNEechHQ5Dc	1982
The Fat Boys	Human Beat Box Single	Human Beat Box	Gonna rock a fresh beat with the human beat box and to the sucka M.C.'s jump off our jocks	http://www.youtube.com/watch?v=jJew-bFZHI34	1984
Roxanne Shante	Roxanne's Revenge 12" Single	Roxanne's Revenge	And every time I do it right-a, everyone is sure to bite-a . . . Rockin' on the beat-a . . . And if you thinkin' that I'm bitin' your beat, well then you just better know	http://www.youtube.com/watch?v=J9IFs13w_JQ	1984
Sugar Hill Gang	Smash	Bite the Beat	Bite the Beat	http://www.youtube.com/watch?v=rMJGqrpqgp0	1985
Rodney O	These are my Beats 12" Vinyl	These are My Bites	These are my beats, these are my beats	http://www.youtube.com/watch?v=nm6jDNNYU3Q	1986
M.C Shan	The Bridge/ Beat Biter	Beat Biters	What I really hate most be biting M.C.'s . . . You rocked my bells but you	http://www.dailymotion.com/video/x5bvis_mc-shan-	1986

			stole my beat	the- bridge_musi c	
Stetsasonic	On Fire	4 Ever My Beat	Camouflage this beat and the'll never get learned . . . 4 ever my beat	http://www. youtube.co m/watch?v= qf_JGGJho6 U	1986
Eric B. & Rakim	Paid in Full	I Ain't No Joke	Use pieces and bits of all the hip hop hits	http://www. youtube.co m/watch?v= 2TN- kDEKxF0	1987
Boogie Down Produ- ctions	Criminal Minded	Essays on BDPism	Our reputation grows as the mu- sic gets vicious . . . time and time again I prove to be exciting but time and time again you prove to be biting, I need no judge, no jury, no law- yers, with DJ Scott La Rock, better known as The Destroyer	http://www. youtube.co m/watch?v= rJ3M8NcEn Jc	1987
Marley Marl ft. Master Ace, Craig G, Kool G Rap, Big Daddy Kane	In Control	The Sym- phony	And never will I ever condone bit- ing in any form	http://www. youtube.co m/watch?v= 62gl8dtMjC w	1988
M.C. Shan	Down By Law	Give Me My Freedom	Rappers often brag about their bitin deejay . . . I	http://www. youtube.co m/watch?v=	1988

			don't bite styles . .. I don't need em	fnXz1NfDI 4U	
M.C Shan	Down By Law	Another One to Get Jealous of	MC's, dem like to bite the things you say Others come along and like the beats you play You know that's considered a dissin of work, ya know	http://www. youtube.co m/watch?v= FX3gB__JA fs	1988
Ultra- mag- netic MC's	Critical Breakdown	Ease Back	Biting and writ- ing and fighting for this beats and wax, rhymes are facts, biting acts . .. biters are around check out the sound	http://www. youtube.co m/watch?v= 8tHqsuY7R 00	1988
MC Lyte	Lyte as a Rock	10% Diss	Beat biter! Dope style taker! Tell you to your face you ain't nuttin but a faker!	http://www. youtube.co m/watch?v= vmd6E_ZC em4	1988
Kool G Rap	Road To The Riches	Poison	Lyrics are fab- rics, beat is the lining, my pas- sion in rhyming is fashion design- ing, now it gets odd it, because people want to sport it	http://www. youtube.co m/watch?v= Ru8hxfokS- I	1989
Audio Two ft. MC Lyte Milk Dee and Posi- tive K	I Don't Care	Start it up Yall	Well if I was a DJ would I play someone's rec- ords strictly for the pay?	http://www. youtube.co m/watch?v= f- 266b7K0yc	1990

Ice Cube	Kill at Will	Jackin For Beats	Ice Cube, will take a funky beat and reshape it Locate a dope break, and then I break it And give it that gangsta lean Dead in your face as I turn up the bass I make punk suckers run and duck because I don't try to hide cause you know that I love to jack a fool for his beat	http://www.youtube.com/watch?v=ui89erSI0c8&feature=fvst	1990
Stet-saSon-ic	Blood, Sweat & No Tears	No B.S. Allowed	Kickin off a fresh rhyme to a beat that's funky Splurgin on the style, you feel you gotta So let loose, sucker . . . Why do you even bother? To call our shit junk From the bottom of heart When you was biting from the start	http://www.youtube.com/watch?v=PrNJy0IUrd	1991
Craig G	Now, That's More Like It	Take the Bait	M.C.'s are the lake that my raps go fishing in . . . take the bait . . . take the beat	http://www.youtube.com/watch?v=UEEAsy-gtnnU	1991
The Large	High School	The Rap World	Yo the beat got me twisted	http://www.youtube.com	1996

Pro- fessor ft. Pete Rock	High Soundtrack		rhymes are too delicious you look suspicious wanna bite but can't grip it	m/watch?v= N8HappWU ELA	
2Pac and Out- lawz	Greatest Hits (2Pac)	Hit'em Up	You'se a beat biter, a Pac style taker, I tell it to your face you ain't shit but a faker	http://www. youtube.co m/watch?v= o9Ee4u5uX uw	1998
Natas	Wicket- World- Wide.com	Bite It	You can take this world nigga all ya gotta do is bite it, you can take my style cuz all they gonna do is bite it, you can take this beat bitch it don't matter just don't bite it	http://www. youtube.co m/watch?v= RhSLai9nv PM	1999
The Phar- cyde	Plain Rap	Trust	Biting our sound like sandwiches	http://www. youtube.co m/watch?v= GYQpAFY 2kD0	2000
Out- Kast	Stankonia	Xplo- sion	Sound travels at one thousand, one thirty, feet per second, Nig- gaz in the street they want it in a hurry, when nig- gaz start biting that's when 3000 starts to worry	http://www. youtube.co m/watch?v= iPsN6u0ES Y4&feature =related	2000
Kardi- nal Of- fishall	Quest for Fire: Fire- starter, Vol 1	U R Ghetto 2002	You know you are ghetto when the money you got is dead wrong it's royal- ties from biting	http://www. youtube.co m/watch?v= b0M4KZPS beE	2001

			Kardinal's song		
Missy Elliot	Da Real World	Beat Biters	Beat Biter, dope style taker, originator, or just an imitator, stealin' our beats like you're the one who made'em	http://www.youtube.com/watch?v=Rc3FxHQIhCI	1999

Appendix C
Examples of Quoting

Artist	Album	Song	Line	Link	Release Date
Rakim Allah (Source Song)	Paid in Full	Paid in Full	Thinkin' of a master plan, cause ain't nothin' but sweat inside my hand. So, I dig into my pocket, all my money's spent. So I dig deeper, and still comin' up with lint. So I start my mission, leave my residence, thinkin' how could I get some dead presidents. I need money, I used to be a stick up kid, so I think of all the devious things I did. I used to roll up, this is a holdup, ain't nothin' funny. Stop smilin', be still, don't nothin' move but the money	http://www.youtube.com/watch?v=E7t8eoA_1jQ&ob=av2el	1987
Lloyd ft Lil Wayne (Quoting Song)	Lessons in Love	Girls Around the World	OK I'm thinkin' of a master plan, nah, I'm lyin', shorty on my mind. Shorty like a fryin' pan,	http://www.youtube.com/watch?v=Xv29j4TQc10&ob=av2el	2008

Artist	Album	Song	Line	Link	Release Date
			and I ain't got nothing' but sweat inside my hands. So I dig into my pockets, all my money's spent, but I don't need a cent, cause shorty priceless. I tell it like this, I been (all around the world), so baby I can take you (all around the world). I roll up, this is a hold-up, it's young money man, shorty made me smile when ain't a damn thing funny, heh heh, but still don't nothing move but the money		
Dr. Dre and Snoop Doggy Dogg (Source Song)	The Chronic	Nothin But a G Thang	Back to the lecture at hand, perfection is perfected so I'ma let'em understand	http://www.youtube.com/watch?v=fhr5UBZh1rY	1992
Lloyd ft. Young Jeezy & R Kelly (Quot-	King of Hearts	Lay it Down Remix	Back to the lecture at hand my sex is perfection so Im gonna make these chicks understand	http://www.youtube.com/watch?v=45W2Xb_zlN0	2011

Artist	Album	Song	Line	Link	Release Date
ing Song)					
UGK (Source Song)	Too Hard to Swallow	Pocket Full of Stones	Forget black Caesar, brothers call me black Trump, pistol grip pump in my lap at all times, brothers step on other brothers cuts but they don't step on mine	http://www.youtube.com/watch?v=MnP1XmxyqxA	1992
Slim Thug (Quoting Song)	Already Platinum	The Interview	Pistol grip pump in my lap at all times, they be jacking other fools but they ain't jacking mine	http://www.youtube.com/watch?v=4-loPhU7uKw	2005
Snoop Doggy Dogg (Source Song)	Doggystyle	Doggy Dogg World	Yall niggas better recognize and see where I'm coming from its still east side 'till I die, why ask why? As the world keeps spinning to the D O double G	http://www.youtube.com/watch?v=YyGdhvtklc8	1993
Bun B ft Tupac, Pimp C, and Trey Songs (Quoting Song)	Trill OG	Right Now	Look here shortly let me tell you what the game is and while I'm at it let me tell you what my name is Bun B the big D up in my draws when I pull out my	http://www.youtube.com/watch?v=5Fd_6hgpltc	2010

Artist	Album	Song	Line	Link	Release Date
			piece it make the girls all pause, yall nig-gas better recognize when yo bitch choose me shouldn't come as a surprise I knew she was a freak I could see it in her eyes, and Ima bring it out her when I get between them thighs		
Tupac Shakur (Source Song)	Greatest Hits (2Pac)	Changes	Wake up in the morning and ask myself is life worth living should I blast myself?	http://www.youtube.com/watch?v=psBEj6cUXyk	1998
Z-Ro (Quoting Song)	Heroine	Blast Myself	I wake up in the morning and ask myself is life worth living should I blast myself? Before I go to sleep at night I ask myself is life worth living should I blast myself? I look at myself in the mirror and ask myself is life worth living should I blast myself? I got problems but too much pride in me to ask for	http://www.youtube.com/watch?v=9TF8h24h8J4	2010

Artist	Album	Song	Line	Link	Release Date
			help so is life worth living should I blast myself?		
Big Tymers (Source Song)	How You Luv That	Drop it Like it's Hot	Drop drop drop it like its hot, watch out watch out drop it like its hot, whoa whoa drop it like its hot	http://www.youtube.com/watch?v=VTMmapEBycg	1998
Lil Wayne ft Mannie Fresh and BG (Source Song) & (Quoting Song)	Tha Block is Hot	Drop it Like it's Hot	I'm on fire yea, I'll make you holla yea, you think I'm play- ing Ima freak ya down, Ima show you how we do it uptown, I'm wanna hear you make the move ooo BG sounds, I wanna hear you say aw boy you laid that down, ass you laid that down, I'm hot yea, people say I'm off the block, But I won't stop till you drop it like it's hot	http://www.youtube.com/watch?v=0yX7SYBiV-FI&feature=related	1999
Snoop Doggy Dogg ft Pharrell (Quoting Song)	R & G	Drop it Like it's Hot	When the Pimp is in the crib Ma drop it like it's hot drop it like it's hot drop it like it's hot, when the pigs try to get at you	http://www.youtube.com/watch?v=RaCoddgL9cvk	2004

Artist	Album	Song	Line	Link	Release Date
			<p>park it like it's hot park it like it's hot park it like it's hot park it like It's hot, and if a nigga get an attitude pop it like it's hot pop it like it's hot pop it like it's hot pop it like it's hot I got the roly on my arm and I'm pouring Sean Don and I roll the best weed cuz I got it going on</p>		
Lil Troy ft Yungstar (Source Song)	Sittin' Fat Down South	I Wanna be a Baller	<p>[Fat Pat] Wanna be a balla shot caller twenty inch blades on the impala, call her, getting laid tonight swisha rolled tight, gotta spray by Ike</p> <p>[Yungstar] I'm a baller I'm a twenty inch crawler, blades on Impala, diamond rottweiler I-10 hauler, not a leader not a follower Break these boys off I'm a twenty inch crawler Bust a left, a right, I'm outta sight I'm throwed</p>	http://www.youtube.com/watch?v=4nO7Uj_cwaQ	1998

Artist	Album	Song	Line	Link	Release Date
Yungstar (Quoting Song)	Threwed Yung Player	Threwed Yung Player T.Y.P.	Wanna be a balla shot calla, I'm a twent inch crawler, blades on the impala, I'm not a follower I'm a leader, block bleeder	http://www.youtube.com/watch?v=ajuc6gp6Z9k	1999
Fat Pat (Source Song)	Fat Pat's Greatest Hits	Last Man Standing	Bottom all the way to the top and it seemed like a struggle but I had to get out no doubt, about my paper so I had to mash, 150 on the gas now you know I'm going fast all about my cash, ain't no time to play put it in perspective	http://www.youtube.com/watch?v=60WeYXC5xjg	1999
Z-Ro (Quoting Song)	Cocaine	Bottom to the Top	Bottom all the way to the top and it seemed like a struggle so I had to get out no doubt, I'm about my paper so I has to smash, 150 on my dash so you know I'm rolling fast, all about my cash. No weapon will prosper that's formed against me, so you can	http://www.youtube.com/watch?v=-Yprs7HYWPM	2010

Artist	Album	Song	Line	Link	Release Date
			<p>pull the trigger til the clips are empty, or you can tie a rope in a noose and even lynch me, if God ain't ready for me to go you can't send me, you grabbing a bucket holding onto my legs, don't want to see me make it over the edge, full speed ahead, nothing can step me even if the prison block me, Im'a press 100,000 and sell each and every copy, from a ja- lopy to a Jag no more doing bad, who go carry all the money I can't fit in my pants, we eat of- fer 130 hard hits, got a 30 yard 6 for you dirty fraud tricks, candy doors open and close on the van and Magnum, and the Lac, I remember where I came from and</p>		

Artist	Album	Song	Line	Link	Release Date
			I ain't going back, I ain't talking about the hood, I'm talking when it wasn't all good understood, from the bottom to the top		
Fat Pat (Source Song)	Fat Pat's Greatest Hits	The Last Man Standin'	Ain't no time to play put it in perspective, time for ho checkin bitch made nigga wreckin, what ho? With the talking down shit but don't know shit, but all up on my dick?	http://www.youtube.com/watch?v=60WeYXC5xjg	1999
Z-Ro (Quoting Song)	Cocaine	Bottom to the Top	Ain't no time to play, put it in perspective, time for ho checkin bitch made nigga wreckin and collecting, memory weapon selecting, cause a mind is a terrible thing to waste, and I'ma keep my mind in they face	http://www.youtube.com/watch?v=-Yprs7HYWPM	2009
Notorious B.I.G. (Source)	Born Again	Come On	I got seven Mac-11s, about eight .38s, Nine 9s, ten Mac-10s, the	http://www.youtube.com/watch?v=7S2B	1999

Artist	Album	Song	Line	Link	Release Date
ce Song)			shits never end. You can't touch my riches, even if you had MC Hammer and them 357 bitches	FxwGl_g	
Gang Starr ft Fat Joe and M.O.P. (Quot- ing Song)	The Ow- nerz	Who Got Gunz	I got seven Mac- 11s, about eight .38s, Nine 9s, ten Mac-10s, man this shit never end. Even if the apple won't spin, I reach into my back pocket and blast you with this twin	http://www. you- tube.com/wa tch?v=Z4V D8IhHmX4	2003
DJ DMD ft Lil Keke and Fat Pat (Sour- ce Song)	Fat Pat's Greatest Hits	25 Ligh- ters	I jumps up early and I yawned and stretched another day another dollar another case to catch, I take some time and realize that this game is real	http://www. you- tube.com/wa tch?v=bN35 i2V-T9U	1999
Paul Wall (Quot- ing Song)	Sole Mu- sic	Take Notes	I wake up in the morning and I yawn and stretch lace up some new J's now I'm new born fresh got the 501 jeans creased starched and pressed	http://www. you- tube.com/wa tch?v=YB6 w8FkOEjc	2010
Big Moe	Purple World	Barre Baby	Now for all yall who ain't heard	http://www. you-	2002

Artist	Album	Song	Line	Link	Release Date
(Source Song)			of me, it's the M O E the Barre baby, I'm a south side living legend from third ward, bone hard, street veteran, it all started in 93', high school I was a fool I was only 18 with the dreams of becoming a ghetto superstar, rolling in foreign cars through the streets of third ward	tube.com/watch?v=OPgTbe4jGUg	
Lil Wayne (Quoting Song)	Rebirth	Me and My Drank	Now for all yall who ain't heard of him Mr. M O E, the Barre baby, was a south side living legend third ward, bone hard, street veteran, it all started in 93', high school he was a fool he was only 18 with the dreams of becoming a ghetto superstar, rolling in foreign cars through the streets of third ward	http://www.youtube.com/watch?v=8E3hDkfJb9c	2010
Z-Ro	Let the	Mo City	I come around	http://www.	2005

Artist	Album	Song	Line	Link	Release Date
(Source Song)	Truth be Told	Don Freestyle	your corner so slow it'll be the nigga in the damn polo, that's the Ralph Lauren	youtube.com/watch?v=O68iTFPaIAk&play-next=1&list=PLBEF0207442E4DDB6&index=15	
Paul Wall & C Stone (Quoting Song)	Sole Music	Freestyle	I come around your corner so slow chunk up in the air just to let them boys know	http://www.youtube.com/watch?v=U8zdR_C_sCo	2010
Kanye West (Source Song)	Graduation	The Good Life	Whether you are broke or rich you gotta get this having money is not everything that having it is	http://www.youtube.com/watch?v=FEKEjpTzB0Q&ob=av2el	2007
Blood Type ft Big K.R.I.T. (Quoting Song)	2 Weeks Notice	I Have Dreams	Whether you are broke or rich you gotta get this, having money is not everything but having it is	http://www.youtube.com/watch?v=Zl4kfmILxw4&feature=player_embedded#!	2011
Z-Ro ft Billy Cook (Source Song)	Cocaine	Gangsta Girl	I know you know I'm a gangsta, by any means necessary I won't be making love to you to Jodeci, Ima be fucking you to Street Mili-	http://www.youtube.com/watch?v=BPFoqJS4pFs	2009

Artist	Album	Song	Line	Link	Release Date
			tary baby, every day all day my attitude is fuck you pay me		
Z-Ro (Quoting Song)	Heroine	Rollin on Swangas	I'm a gangsta, by any means necessary, I wont be making love to you jodeci I'ma be doing you to street Military baby, so hood I might be Swangas on a Mercedes baby, and my ride so clean I know you want to have my baby, baby	http://www.youtube.com/watch?v=nto58fhmdS8	2010
LL Cool J (Source Song)	Mama Said Knock You Out	To da Break of Dawn	Cool J is back on the map, When I see you I'm-a give you a slap, That's right, a little kick for that crap, 'Cause my old gym teacher ain't supposed to rap	http://www.youtube.com/watch?v=FyW1v8_QIIQ	1990
Eastern Conference All-Stars feat. Tame One, Copy-	Eastern Conference All-Stars II	Eastern Conference All-Stars	UPS is hirin' so close your trap, 'Cause my old gym teacher ain't supposed to rap	http://www.youtube.com/watch?v=GcPJpxm9QG8	1998

Artist	Album	Song	Line	Link	Release Date
write, J-Zone, Cage, Mr. Eon, Mad Skillz & Ca- mu Tao (Quot- ing Song)					
Run- D.M.C. (Sour- ce Song)	Run- D.M.C.	Sucker MCs	Fly like a dove, and come from up above, I'm rockin' on the mic, and you can call me Run Love	http://www.youtube.com/watch?v=9s5DCRAAsyc	1984
Wu- Tang Clan (Quot- ing Song)	Legend of the Wu- Tang	Sucker MCs	Fly like a dove, that come from up above My name is Iron Lung but you can say one love	http://www.youtube.com/watch?v=9s5DCRAAsyc	2004
Run- D.M.C. (Sour- ce Song)	Run- D.M.C.	Sucker MCs	I'm DMC, in the place to be, I go to St. John's Universi- ty. And since Kin- dergarten, I ac- quired the knowledge, And after 12 th grade I went straight to col- lege. I'm light skinned, I live in	http://www.youtube.com/watch?v=9s5DCRAAsyc	1984

Artist	Album	Song	Line	Link	Release Date
			Queens, And I love ea- tin' chicken and collard greens. I dress to kill, I love the style, I'm an MC you know who's versatile		
Wu- Tang Clan (Quot- ing Song)	Legend of the Wu- Tang	Sucker MCs	I'm ODB in the place to be, Didn't go to St. John's Universi- ty. In the streets of Brooklyn I ac- quired the knowledge, A Law of Ma- thematics that's higher than col- lege. I'm fly on skins that I gets in Queens She love filthy swine and my collard greens I'm dressed to kill, you know our style Cause niggas don't know that Dirty Dogg fly	http://www. you- tube.com/wa tch?v=9s5D CRAAsyc	2004
Jay-Z (Sour- ce Song)	The Black Album	Moment of Clarity	If skills sold, truth be told, I'd probably be, Lyrically, Talib Kweli. Truthfully, I wanna rhyme	http://www. you- tube.com/wa tch?v=L92d YzBGBHk	2003

Artist	Album	Song	Line	Link	Release Date
			like Common Sense, (But I did 5 mil), I ain't been rhyming like Common since		
Talib Kweli feat. Common & Anthony Hamilton (Quoting Song)	The Beautiful Struggle	Ghetto Show	If lyrics sold, then truth be told, I'll probably be, Just as rich and famous as Jay-Z. Truthfully, I wanna rhyme like Common Sense, Next best thing, I do a record with Common Sense	http://www.youtube.com/watch?v=HAa9nAnp7o8	2004

State Bar Section News



Letter from the Chair

By Steve Malin

The 2011-2012 activities are well underway for the Intellectual Property Law Section of the State Bar of Texas.

Under the leadership of Immediate Past Chair Craig Lundell, we enjoyed a very successful and well attended Advanced Patent Litigation Program in San Antonio in July. This followed another successful State Bar of Texas Annual Meeting Intellectual Property CLE program in June led by the Section Chair.

The Annual meeting IP Section CLE was highlighted by our business lunch, which included the election of our new officers and councilmen: Chair-elect Scott Breedlove; Vice Chair Paul Morico; Secretary Carey Jordan; Treasurer Marcella Watkins; Newsletter Officer Kristin Harkins; Website Officer Matthew Jennings; and new Council Members Kirby Drake, Al Riddle, and Elizabeth Brown Fore.

Paul Morico and Scott Breedlove have already begun the topic and speaker selection process for our Section's Advanced Intellectual Property CLE program in March 2012, and our Section's Intellectual Property CLE program at the State Bar's 2012 Annual Meeting. The topics and speakers look excellent and we look forward to a substantial amount of guidance in reference to the America Invents Act, and other important legislative and judicial enactments.

Another initiative being undertaken by the Section this year is to improve and enhance our website, which will be overseen by our Website Officer Matt Jennings. One of the best means of communicating to our members is through our Section newsletter, and our Newsletter Officer Kristin Jordan Harkins is leading the effort to bring you relevant articles covering current topics and practice points.

Committees are the foundation of our Section, and our committees include: Alternative Dispute Resolution, Antitrust, Copyright, Diversity Task Force,

Electronic & Computer Law, Ethics and Unauthorized Practice, International Law, Inventors' Recognition, Litigation, Membership, Newsletter, Opinions, Patent Legislation/PTO Practice, Pro Bono Task Force, Public Relations, Section Website, Trademark Legislation/PTO Practice, Unfair Competition and Trade Secrets, and Women in IP Task Force.

I encourage you to join a committee or two and get involved. Please contact any of the committee chairs or me to join a committee.

On behalf of our Council, we invite you to join us at an upcoming CLE event and enjoy the other benefits of membership of the Section, including this outstanding *Texas Intellectual Property Law Journal*. If you have any suggestions for improving the Section or how we can better serve our members, please contact me or any other officer or Council member.

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