SECONDARY LIABILITY UNDER THE COPYRIGHT ACT

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To the memory of

Gentry Aubrey

a fellow law student at Chase who impacted us all.

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I. INTRODUCTION

This Essay suggests possible explanations for why there is not very much legal scholarship devoted to gender issues on the Internet; and it asserts that there is a powerful need for Internet legal theorists and activists to pay substantially more attention to the gender-based differences in communicative style and substance that have been imported from real space to cyberspace. Information portals, such as libraries and web logs, are “gendered” in ways that may not be facially apparent. Women are creating and experiencing social solidarity online in ways that male scholars and commentators do not seem to either recognize or deem important. Internet specific content restrictions for the purposes of “protecting copyrights” and “protecting children” jeopardize online freedoms for women in diverse ways, and sometimes for different reasons than they do for
men. Disparities in the ways women and men use, experience and communicate over the Internet need to be recognized, studied, and accommodated by those who would theorize cyberspace law and advocate directions for its evolution.

II. WORLD WIDE WOMEN

The content layer\(^1\) of the uncensored Internet is a special place for alienated or marginalized populations, because it provides an infrastructure of communication that supports new forms of social solidarity.\(^2\) The Internet facilitates the formation of virtual communities which are accessible to non-mobile populations anywhere there are networked computers and electricity.\(^3\) It also enables the collection and distribution of local information to geographically-based as well as interest-connected communities.\(^4\) The Internet has had a very positive effect on global communications between women’s organizations, and has the potential to increase the numbers and visibility of feminists around the world, if the cultural attributes of feminism can be successfully imported into cyberspace.

Fully flourishing informal virtual communities require liberal linking and copying capabilities, and community-based norms with respect to the degree of acceptable information propertization and control.\(^5\) These communities have a tremendous stake in copyright laws and practices that needs to be considered more openly in information policy debates. Because copyright-related policing of the Internet facilitates monitoring and filtering for content censorship purposes, and vice versa, the two are inextricably linked in cyberspace. Decisions that are made about the structure and functioning of the Internet, particularly the World Wide Web, will profoundly affect women.\(^6\) However, neither women’s groups nor women as individuals are likely to have significant participatory roles in Internet governance, nor, if the past is any guide, are the people who formulate

\(^1\) Yochai Benkler, From Consumers to Users: Shifting the Deeper Structures of Regulation Towards Sustainable Commons and User Access, 52 FED. COMM. L.J. 561, 568 (2000).


\(^4\) Anupam Chander, Whose Republic?, 69 U. CHI. L. REV. 1479, 1481 (2002) (“Cyberspace may also support the project of modern cosmopolitans by bringing people all over the world into daily contact with one another.”).


cyberspace policies likely to account for differences between women and men as they use and experience online communications.

The late Sam Kinison found comedy in the chronic famines experienced by places like Ethiopia, and the subsequent recurring relief efforts raised and publicized in response, and he humorously posed one stark question to starvation victims: “Can’t you people just move to where the food is?”

Economist Amartya Sen has, with decidedly less hilarity, argued that famines can result from political rather than agricultural failures. Famine, he has asserted, is a consequence of the distribution of income within a political subdivision, and the allocation of entitlements to food. The actual food supply is certainly not irrelevant, but a nation experiencing a famine can have adequate food within its borders that is inequitably distributed. Countries that lack an effective press or mass media lack information about where the food is, how it got there, and what efforts, if any, are being made to redistribute it.

That the press can have a profound impact on the well-being of a nation was explained quite powerfully by economist Peter Griffiths, who described how a man named Steven Lombard prevented a famine in Tanzania in part by leaking information about the impending disaster to the BBB World Service, which in turn informed the Tanzanian people. This focused public scrutiny upon Tanzanian politicians, who otherwise stood too reap enormous personal profits by controlling the dispersal of emergency famine aid.

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8 AMARTYA SEN, POVERTY AND FAMINES: AN ESSAY ON ENTITLEMENT AND DEPRIVATION 39-44 (1982).
9 Id.
10 Id.

Wars not only lead to massacres and associated horrors, they also destroy crops and other economic resources, undermine traditional patterns of livelihood, discourage economic investment and capital formation, and also disrupt the normal operations of trade and commerce. They also help consolidate the grip of the military on civil life and tend to disrupt civil liberties, including the freedom of the press, which - as I shall presently discuss - is an important safeguard against famines and other man-made catastrophes. The ‘peace dividend’ in Africa can stretch well beyond the saving of financial and economic resources on which the discussion in the West has tended to concentrate.

12 See generally PETER GRIFFITHS, THE ECONOMISTS TALE – A CONSULTANT ENCOUNTERS HUNGER AND THE WORLD BANK (2004) (illustrating the political corruption resulting from a secret ban imposed by the World Bank on governmental imports or food subsidies and the consequences of one man’s fight to expose this corruption).
13 Id.
Even in developed countries with large media entities, smaller political subdivisions may lack home grown information sources. A community press can be a very powerful tool for community advancement, and the Internet can be tremendously useful to publications with small circulations, supplementing or even substituting for expensive ink, paper, and delivery in the physical world. Web logs (or “blogs”) can supplement community newspapers to make local information more accessible, to the extent the Internet is available, but only if pertinent technologies remain unfettered and are profitable to maintain and develop. A community press, or list-serv, or web log, cannot realize its distributive or democratic potential if it is forced to comply with a regime of high-barrier intellectual property protections, nor if it asserts such protections for itself.

The Internet offers interconnection, a series of links with which one can move from one web page to another, seamlessly crossing the borders that cabin the computers and servers that created the pages and keep them available. A person could access the average daily rainfall of a small village in a nation half a world away almost instantly. This assumes, however, that someone has posted this information to a website somewhere. If the person posting the data collected it from a local weather report, and then reposted at her own site, potentially there is an intellectual property problem. The weather reporter cannot in most nations own the individual historical temperatures, but a compilation of them is likely to be protected as a database or by copyright. If the person posting the

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14 See generally C. EDWIN BAKER, MEDIA, MARKET AND DEMOCRACY (2002) (arguing that free press and the will of the people cannot prevail absent government regulation); C. EDWIN BAKER, ADVERTISING AND A DEMOCRATIC PROCESS (1994) (arguing that the more newspapers depend financially on advertising, the more they favor the interests of advertisers over those of readers).
17 E.g., Boing Boing, Bloggers in SE Asia Cover Quake and Tsunami Disaster (Dec. 27, 2004), at http://www.boingboing.net/2004/12/27/bloggers_in_se_asia_.html. But see Elayne Riggs, On Getting Local Breaking News (Jan. 26, 2005), at http://elayneriggs.blogspot.com/2005/01/on-getting-local-breaking-news-our.html. (“Our modern telecommunications era can be a frustrating thing; I can find out what’s happening in close to real time in so many spots in the world, you’d think I’d be able to find out with a couple mouse clicks or channel flips why there were helicopters circling around our area for hours.”).
21 See generally Henry V. Barry, Information Property and the Internet, 19 HASTINGS COMM. & ENT. L.J. 619, 623 (Spring 1997) (arguing that states will be able to protect facts compiled on the
measurements actually ascertained them herself, no one else may have a claim to this data, but she herself may raise intellectual property rights challenges to later “downstream” users of her climatic information, linkers as well as posters.\textsuperscript{22} Such disputes, because the monetary stakes are small, are likely to be resolved short of litigation.\textsuperscript{23} They may, however be forcibly mediated by technological blocking or filtering undertaken by governments, or by business entities. In other words, online information flow about rainfall data could be damned.

These observations appear on the surface to be gender neutral, with general applicability to anyone using or studying the Internet, and many cyberspace law scholars have largely declined to probe beneath this deceptive façade of online equality. The purpose of this Essay is twofold: to suggest possible explanations for why there isn’t very much legal scholarship devoted to gender issues on the Internet; and to assert that there is a powerful need for Internet theorists and activists to pay substantially more attention to the differences between women and men that have been imported from real space to cyberspace. On the Internet it may be true that no one knows you are a dog, but as one commentator has asked, “[w]hat is wrong with being a dog?”\textsuperscript{24} Women should not have to hide their genders or feel pressured to conform to male mores or behaviors to take full advantage of cyberspace.

\begin{itemize}
\item Internet, which will include things such as satellite weather images and even sports scores); \textit{cf.} Robert P. King, “Fed’s Weather Info Could Go Dark, Palm Beach Post, 4.21.05 “http://www.palmbeachpost.com/news/content/news/epaper/2005/04/21/m1a.wx_0421.html (A Senate bill, introduced last week by Sen. Rick Santorum, R-Pa., would prohibit federal meteorologists from competing with companies such as AccuWeather and The Weather Channel, which offer their own forecasts through paid services and free ad-supported Web sites.)
\item \textit{Id.} at 629.
\end{itemize}
III. FILTERING AND FEMINISM

A. No One Goes to Public Libraries Any More Because They Are Too Crowded.\(^{25}\)

In *Bowling Alone*, author Robert Putnam expressed concern about what he termed “single stranded interactions,” in cyberspace, which he worried could lead to focused virtual homogeneity in online communities, and the “cyberbalkanization”\(^{26}\) of an Internet in which informal contacts and communications were restricted to people who shared precise interests.\(^{27}\) Putnam


\(^{26}\) *Webster’s New International Dictionary* 166 (3d ed. 1964).

\(^{27}\) ROBERT D. PUTNAM, *Bowling Alone* 177-78 (2000); see also http://www.inc.com/magazine/20000515/18987.html.

The Internet is about communication, and communication is central to community, not just etymologically but substantively. You don’t get community without communication. The Internet certainly provides an opportunity to build what I would call social capital -- connections among people and, possibly, a deeper sense of reciprocity and trust. That’s the fundamental case for cyberoptimism. I think, however, there are four important obstacles to the Internet’s becoming a way of solving the problem of the decline of community. The first, and the one that is most widely discussed, is the digital divide. Insofar as access to the Internet is class biased or racially biased or biased in terms of education, it tends to exacerbate the decline of bridging social capital. In a certain sense, it’s easy to fix. It’s just money. It’s money for computers and hand-holding and so on. That problem ought to be the top item on the list because it’s the one we do know how to solve. The second obstacle is bigger, and that’s the difference between face-to-face and text-based communication. It’s pretty clear that there’s a lot that cannot be communicated with words alone. Talking face-to-face is quite important, particularly with respect to issues of trust. Enabling face-to-face communication is fundamentally a bandwidth problem, and it won’t be fixed quickly or easily. The third hurdle is one that is even higher, and it goes under the heading of cyberbalkanization. It’s intrinsic to the attractiveness of the Internet in that it enables us to connect with people who have exactly our interests and to not futz around with people who don’t. So it’s not BMW owners, but red-BMW owners, and if you want to talk about your blue BMW, you risk being flamed for being off topic. By contrast, in a bowling league, you’re almost never flamed for being off topic; you can talk about whatever you want. The ability to confine our communications to people who share our exact interests has a powerful potential for decreasing connections on more broadly shared interests. And that is not a technological problem. It goes to the core of what’s attractive about the Internet and therefore is even harder to fix. Finally, and I think most fundamentally, the jury is still out on whether the Internet will come to be a really nifty telephone or a really nifty television. By
is somewhat vague about the definition of “precise interests” in this context, but one can deduce it is far narrower than simply a shared gender. Though he did an admirable job of discussing differences between women and men with respect to real space social connectedness in this book, he did not address them specifically within the cyberspace realm.

In Republic.com, Cass Sunstein suggested that it was possible and even likely that without government intervention socially undesirable cyberbalkanized communication patterns would come to dominate Internet discourse. This, Sunstein avowed, could lead to group polarization, increased extremism, and deleterious cascades of false information. He argued that the Internet might threaten democracy if it allowed people to isolate themselves within groups that shared their political views, and thus cut themselves off from any information that might challenge their beliefs. It relied in part on a belief in the possibility of “perfect filtering.” Perfect filtering, Sunstein asserted, undercuts the formation of a pool of shared information and experiences that is crucial to the common understandings and social cohesiveness necessary for true deliberative democracy.

While Sunstein never made the overt assumption that simply being female constitutes membership with a group, he did seem to assume that feminism is some kind of unitary special interest. Writing in a later article that, with respect to the Internet, like-minded groups of people “will end up thinking the same thing that they thought before—but in more extreme form,” he specifically asserted that, “[a] group of moderately profeminist women will become more strongly profeminist after discussion.”

Sunstein declined to contemplate in any significant way the possibility that differences between the ways women and men interact and communicate in real

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Id.
28 Id. at 177.
29 Id. at 177-78.
30 See generally PUTNAM, supra note 27 (discussing social connectedness with regard to the workplace and informal settings).
31 See generally CASS SUNSTEIN, REPUBLIC.COM (2001) (discussing the general trend towards the balkanization of cyberspace [i.e., viewers reading only sites and posting by socially and politically like-minded individuals] and recommending increased government regulation to promote the existence of government sponsored and mandated public media fora to foster the free exchange of ideas).
32 Id.
33 Id.
34 Id.
35 Id.
36 Id.
space might be replicated in cyberspace. Some social science research suggests that women are more socially engaged than men are in real space. They attend religious services, volunteer in communities, and participate in social organizations at far higher rates than males. That large numbers of women might form cohesive groups around shared interests and concerns, such as contraception, pregnancy, childbirth, or breast cancer, for examples, that form and function very differently from male dominated Internet assemblages is something he either did not consider, or did not consider important.

Dan Hunter passionately disagreed with Sunstein, but not because of his failure to substantively address gender issues. In his review of Republican.com, entitled Phillipic.com, Hunter challenged virtually every contention made by Sunstein in Republic.com, and with quite a bit of spirit and vinegar, being faithful to his chosen title and rendering forth unto the discourse a true “speech of violent denunciation.” Hunter particularly derogated the possibilities that the “perfect filtering” of the sort predicted by Sunstein was either technologically possible, or premised upon a realistic model of human behavior.

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38 SUNSTEIN, supra note 31.
39 See generally Louise Mailoux et al., Motivation at the Margins: Gender Issues in the Canadian Sector (Mar. 31, 2002), at http://www.vsiisbc.ca/eng/knowledge/motivation_margins/index.cfm (discussing the results of a research brief to outline some of the challenges women volunteers and paid staff in the voluntary and community sector face; to identify both gaps in research and indications of progress toward gender equality to advance in that direction; and to make recommendations on how to move toward gender equity in the voluntary sector).
40 Salman Haq, A Lamentable Step Backward (Nov. 2003), at http://www.ultravires.ca/ nov03/editorial_gq.html. “Women continue to predominate in associations related to traditional female roles, such as religious groups and social welfare organizations.” Id.

During the September 2001-September 2002 reference period, women volunteered at a higher rate (31.1 percent) than did men (23.8 percent), a relationship that held across age groups, education levels, and other major demographic characteristics. The gap between the volunteer rates of men and women tended to be greater among groups with relatively high rates, such as whites and the more highly educated.

Id.
44 Id.
46 SUNSTEIN, supra note 31.
48 Id. at 612.
49 Id. at 613-71.
50 Id. at 611-14, 618, 625-27.
In the context of rejecting and criticizing Sunstein’s generalizations about the ways that humans typically behave, Hunter in part presented himself as the best evidence of errors in Sunstein’s analysis.\textsuperscript{51} Hunter described how his tastes in literature have changed over the years, and how he doesn’t always like the books that his friends suggest, or that Amazon.com recommends to him.\textsuperscript{52} To over-generalize fairly broadly, Sunstein offered an expansive theoretical critique of the Internet as a tool for societal engagement, and Hunter determined that because Sunstein’s predictive behavioral assumptions did not apply to his friends or him, Sunstein must be, as Hunter put it in an early draft of his screed,\textsuperscript{53} “wrong!!” and “wrong again!!”\textsuperscript{54}

Anupam Chander also expressed concerns about the broad applicability of Sunstein’s analysis, but in a very different context (and significantly less pugnaciously), writing: “The problem with Sunstein’s claim is that the shared experiences of the republic he seeks to maintain are principally those by and for the majority. The shared experiences he champions tend to be assimilationist rather than multicultural. They elide the experiences and concerns of minority groups.”\textsuperscript{55} While he allowed that Sunstein was generally correct about the social benefits of robust civic debate and exposure to diverse viewpoints,\textsuperscript{56} he questioned whether an unregulated Internet could possibly do a worse job of fostering deliberative democracy than other forms of mass communication.\textsuperscript{57} He compellingly illustrated the point by describing the homogenous terrain of prime time television, in which:

The poor and working class are almost invisible; Latinos are rare and Latinas are rarer; Asian-American families do not exist; immigrants appear occasionally, but only to drive cabs. A comprehensive study by a children’s advocacy group concludes that a youth watching primetime television would most likely see a “world overwhelmingly populated by able-bodied, single, heterosexual, white, male adults under 40.” When minority groups are depicted in the media, they are generally stereotyped, with Asian women, for example, cast as “China dolls” or “dragon ladies” and Asian men denied any positive sexuality. Latinos are commonly depicted as “criminals, buffoons, Latin lovers, or law enforcers.”\textsuperscript{58}

\textsuperscript{51} Id. at 627-31.
\textsuperscript{52} Id. at 627.
\textsuperscript{54} Dan Hunter, Phillipic.com, 90 CAL. L. REV. 611, 629-30 (2002).
\textsuperscript{55} Anupam Chander, Whose Republic?, 69 U. CHI. L. REV. 1479, 1480 (Summer 2002).
\textsuperscript{56} Id. at 1481, 1484-85.
\textsuperscript{57} Id. at 1485-86.
\textsuperscript{58} Id.
The Internet, he argued, actually empowers minority groups ignored or misrepresented in the mainstream information commons, by providing a communication tool through which likeminded individuals could discover each other, and potentially form cognizable, coherent communities fragmented by geography but unified by common interests or goals.\(^5^9\) The Internet has the potential to provoke a global cosmopolitanism that is the polar opposite of the insularity predicted by Sunstein, “in which common humanity takes precedence over national attachments.”\(^6^0\)

Chander expressed concern that the people most likely to be marginalized by pre-existing media mechanisms might be most likely to fall on the wrong side of the “digital divide” and lack physical access to the Internet.\(^6^1\) The Internet, he asserted, is a primary tool of citizenship that can enhance or even revolutionize citizenship if it is made more widely available.\(^6^2\) What he did not elaborate upon, however, was the importance of how the Internet as a “tool of citizenship” might be fabricated, operated or calibrated along gender lines, and these are critical considerations.\(^6^3\)

Hunter is most likely correct that Sunstein overestimates the effectiveness and pervasiveness of consumer driven information self-selection,\(^6^4\) and Chander is probably right to assume that government intervention into the architecture of Internet access would maintain the marginalized status of minorities endemic in other mainstream communicative media.\(^6^5\) Neither Chander nor Hunter addressed in much detail their visions of the likely evolution of the Internet in the absence of Sunsteinian interventionism.\(^6^6\)

Michael Froomkin has written that, among other requirements, “to achieve a Habermasian practical discourse, participants must come as close as possible to an ideal in which . . . all voices in any way relevant get a hearing.”\(^6^7\) A practical discourse is defined as “a procedure for testing the validity of norms that are being proposed and hypothetically considered for adoption,”\(^6^8\) and is central to

\(^{59}\) Id. at 1488-89.
\(^{60}\) Id. at 1495.
\(^{62}\) Id. at 1500.
\(^{63}\) Id.
\(^{64}\) See Hunter, supra note 47, at 654-58 (“First, in arguing against consumer empowerment and in favor of a reduction in choice . . . Sunstein seeks to protect us against ourselves. Reared on rugged individualism and the invocation of personal liberties, an American audience is unlikely to appreciate this paternalism.”).
\(^{66}\) See generally Hunter, supra note 64 (addressing how the recent theories on how the Internet may bring an end to democracy are not based on fact); Chander, supra note 55, at 1481 (“Cyberspace helps give members of minority groups a fuller sense of citizenship—a right to a practice of citizenship that better reflects who they are.”).
\(^{67}\) Michael Froomkin, Habermas@discourse.net, 116 HARV. L. REV. 749, 771 (2003).
\(^{68}\) Id. at 772.
“Habermas’s vision of the collective formation of legitimate rules.” Froomkin asserted that, “[H]is theory inevitably requires a fairly strong understanding of the community in which the discourse will take place.” To the extent that the Internet is a giant electronic discourse, however, as Froomkin observed, it is a discourse that has been dominated by English speaking males. Few of these men seem to have the requisite strong understanding of the women in the community, at least as evidenced by the scholarship they produce.

The intersection of copyright laws and the technologies of cyberspace have generated a lot of legal friction and commentary. The substance of deliberations about the future of intellectual property controls and other content restrictions online may seem, on the surface, gender neutral. However, this is usually because no one has introduced the gendered implications of particular policies or practices into a given discussion, not because the issues do not exist.

In one real space academic debate over the future of nonprofit libraries in the wake of the Digital Millennium Copyright Act, several speakers suggested that once copyrighted works could be legally and technologically “secured,” real space libraries would no longer be necessary because the collective printed wisdom of the universe would be accessible via the Internet. When it was pointed out that the number of library patrons and library visits had been increasing during the same interval that legal and technological copyright protections had been strengthened, the reply came, in slightly more sophisticated jargon, that no one went to libraries anymore because they were too crowded, filled with people seeking a communal public place in which to casually read and socialize, rather than to perform important text based research. Digital libraries would allow the people who counted, those for whom important information was intended, to access it from home, and avoid the teeming masses of library-frequenting riff raff. This, it was asserted, would improve information flow.

69 Id. at 773.
70 Id.
71 Id. at 805.
72 Id. at 805-06.
76 By “real space debate,” I am referring to an open air discussion, i.e. people talking and debating, so no written record exists.
78 This reply came during the “real space debate.” See supra note 76.
79 E.g., Bonita Wilson, About D-Lib Magazine (2005), at http://www.dlib.org/about.html.
80 Id.
81 This assertion came during the “real space debate.” See supra note 76.
It was clear that the participants in the debate felt that important copyright questions needed to be framed solely around library uses of social significance, which did not include taking advantage of the library’s air conditioning and comfortable chairs, checking e-mail without charge, or hosting a Harry Potter fan club. They viewed copyright controls as facilitators of information consumption, and libraries as vessels that were accorded special regulatory status that was becoming anachronistic and unnecessary in the digital age.

Unlike, say, French or German, English is not a language in which inanimate objects must be assigned genders, and yet often they are anyway. Ships and cars and airplanes are often referred to with feminine pronouns, because they are, for some reason, socially viewed as female in form or function. This seems particularly anachronistic when a ship habitually referred to as “she” has as its official name something along the lines of the “U.S.S. Abraham Lincoln.”

Gender neutrality: Avoid gender-specific terms and titles such as chairman, foreman, mankind; instead, use chair, supervisor, humanity. Use the same standards for men and women when deciding whether to include specific mention of personal appearance or marital and family situation. Don’t refer to cars, boats, aircraft or other inanimate objects as feminine.

And this friend is male. Most computer users talk to their computers and give them nicknames, as other people do boats, cars, airplanes (for example, Enola Gay), and even guns (Big Bertha). But where the nicknames for cars, boats, airplanes, and guns are usually female, nicknames for computers are invariably male. In an American study, subjects “made a total of 358 pronoun references, variously referring to the computer as ‘it,’ ‘he,’ ‘you,’ ‘they,’ (and even ‘Fred’)–[but] never as ‘she.’”

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82 See supra note 76.
83 Id.
84 E.g., Bill Schanen, There “She” Goes-is it a Boat or a Farm Implement? (June 2002), at http://www.sailnet.com/sailing/02/f&bjun02.htm (discussing language differences).
87 Cf. UCANR Cooperative Extension: Agricultural Experiment Station, at http://ucanr.org/internal/internalstories/styleguide.shtml (last visited Feb. 27, 2005).
very planet is often referred to as “Mother Earth.” The nickname of the British Broadcasting Corporation (BBC) is “Auntie Beeb.” The *New York Times* is often referred to as “The Gray Lady.”

Real space libraries are a feminine construct as well, community living rooms stocked with books and magazines and administered by a librarian, often female, who will help you find information and materials you need, but gently discipline you if you are loud or unruly. Library patrons are usually referred to as “visitors,” which can complicate interactions between library professionals and the public. By way of example, one librarian euphemistically cataloged patrons from her former library whom, she declared, she would not miss after changing jobs. The list included characters denominated “Creepy Prison Guard Guy,” “Sourpuss Newspaper Lady,” “Expressionless Video Vampire,” “Guy [She] Picked Out Of A Line-up” (a.k.a. Mr. Weiner – the reader is invited to guess how he earned these appellations), “Guy Who Always Says ‘You’re Pretty - What’s Your Name?’,” and “Asked-[Her]-Out-While-On-Jury-Duty-And-Doesn’t-Understand-No-Means-No Man.” To facilitate access to information,


93 Id.


95 Id.

Here is a list of patrons from my former library whom I shall not miss: Creepy Prison Guard Guy, Angry Mean Lady, Whose Eyes Pointed in Different Directions, Sourpuss Newspaper Lady, Google Guy (A condescending telephone patron whose tagline was, “Yeah, uh, you have a browser open?”), Full Moon Garbage Bag Guy, The Grandchild Smacker, Expressionless Video
For people who are really interested in finding out about things and engaging ideas, the excitement of libraries is sensual and visceral as well as cerebral. Emerson, the greatest of all op-ed writers, and the most quotable of all the Victorian sages, says that “A man’s library is a kind of harem”. And if he dared to say it, I dare to quote it, even without the sort of prudent gender modification that might spare me a few emails. (Somehow “A person’s library is a kind of singles’ bar” just doesn’t cut it.) Emerson is not what you would call a lubricious writer, but he knew what excitement was and where to find the action.

Efforts to digitalize books and efficiently fulfill distributive functions via the Internet will lead to a more linear, masculine, and arguably less sexually charged library experience, because the transactions occur online. Online, librarians can choose to be genderless by using pseudonyms and otherwise declining to disclose their sex. The evolution of online libraries will further relegate the feminized real space library to that of downscale hospitality suite, welcoming lowly library patrons without suitable Internet access, the majority of whom are female, and those who are seeking free access to books, social

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Id.  
97 Id.  
98 Helga Dittmar, Karen Long & Rosie Meek, Buying on the Internet: Gender Differences in Online and Conventional Buying Motivations (March 2004), at http://www.findarticles.com/p/articles/mi_m2294/is_5-6_50/ai_n6079160. The computer environment is seen as “masculine,” which can lead women to feel disempowered and possibly excluded, whereas men feel at home online.  
99 See generally Ann Bartow, Electrifying Copyright Norms and Making Cyberspace More Like a Book, 48 VILLANOVA L. REV. 13 (2003) (arguing that if analog copyright use norms are not electrified for Internet usage, individuals will lose some access to informational works and be deprived of familiar ways of using copyrighted works).  
contact, a children’s story hour, a comfortable chair in a climate controlled environment, a public restroom, or the company of females.

B. Bleeping Mothers

Many women gather informally on the Internet much as they do in real space, and the Internet can be used to facilitate meaningful socialization. Web logs, for example, allow the selective disclosure of deeply personal information. Linguist Deborah Tannen has explained that jokes signify different things for men and women: Men joke to get status, while women joke to connect with others. If men think women have lower status than they do, they will not find women funny, but other women will. A few examples of bawdy, humorous blogging culled from the Internet follow, excerpted from web logs that purport to be written by women. No effort has been made to verify the truth of the represented gender. First:

As much as I wish I was a waif-like dainty pregnant lady, well, I’m not. And I blame that on my ass. (By the way, this post will make record-breaking use of the word Ass. Make yourself comfortable.) During pregnancy, my ass spreads out. In fact, this morning I had to loosen my maternity jeans—not because of my growing baby, but because of the spreading of my ass.

In my opinion, libraries have been doing exactly what they were supposed to -- meeting the needs of their primary patrons. More likely to be working in the home and to have lower incomes, women predominate as public library patrons. It only replicates stereotypes to say that “men want auto repair” and “women want knitting;” a better question would be, are information needs being met within the community? The answer probably includes -- for men with greater resources -- many alternatives other than the library. Women may not have those alternatives.


101 E.g., Rob Walker, Middle Age? Bring It On (Jan. 30, 2005), at http://www.nytimes.com/2005/01/30/magazine/30CONSUMED.html. Many informal gatherings of women are adjuncts of at least marginally formal organizations, such as book clubs, bunco groups, children’s play groups, and the Red Hat Society. Id.

102 See, e.g., http://www.momsclub.org/; David Hochman, Mommy (And Me), N.Y. TIMES, Jan 30, 2005, Section 9, at 1.


104 DEBORAH TANNEN, YOU JUST DON’T UNDERSTAND: MAN AND WOMEN IN CONVERSATION (Ballentine 1991).
Me: “My ass is spreading. It won’t stop spreading. Sideways and up and down. Nonstop spreading for this ass of mine!”
Jeff: “I have no idea how to respond.”
A few nights ago, as I sat on the couch and knitted, I suddenly heard an operator asking me to hang up and try again. You guessed it. My ass had spread over the phone and was trying to make a call.¹⁰⁵

The blogger initially displayed a bit of playful self consciousness about her use of the word “ass” but did not retreat from it.¹⁰⁶ She warned the reader about this, and also that she was not a “dainty pregnant lady,” literally or figuratively it turns out.¹⁰⁷ In a similar voice, when contemplating the completion of an online informational “baby album” questionnaire, one new mother noted:

Third [question]: “The method of childbirth they chose was:”
You know, I’m thinking that’s directed toward your crunchier moms who relish one more opportunity to brag about their homebirths. I get no joy from filling in, “With as many painkillers as humanly possible.” I did, however, get great joy from the painkillers themselves – I’m just not sentimental about it.¹⁰⁸

No cursing was involved in this posting, but it contains some humor-tempered hostility toward the idealized practice of natural childbirth, and can be read as an endorsement of drug use, which also runs counter to the mainstream cultural narrative about the wholesomeness and selflessness of the maternal instinct.¹⁰⁹

Another woman revealed deeply personal physical details via her web log, writing:

You’ve heard about my boobs. You’ve heard about poo and pee and spit up and all of the glamorous things that are Motherhood. You even heard a little about some critch itching. But you haven’t heard about THIS critch itching. WHAT IN ALL CREATION IS GOING ON DOWN THERE? My nether parts are so angry. Is it the PH change from getting my period back? Is it a yeast infection gone mad? I am in A G O N Y. And of course, it’s Saturday. My beautiful, beloved gynecologist who

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¹⁰⁶ Id.
¹⁰⁷ Id.
¹⁰⁹ Id.
has lovely pink pills called Diflucan is out golfing or trying on women’s clothing. I don’t know, whatever he’s doing, he is far, far away from his office.  

One might not guess that a person who refers to a health affliction as “critch itching” was a medical professional. However, extensive perusal of her web log reveals that prior to becoming a “stay-at-home mom,” she worked as a nurse, which might explain how she knew the name of the pill for which she so desperately sought a prescription.  

Many bloggers refrain from talking specifically about their jobs, resulting in transparently opaque postings such as this: “For those interested in such things, our new undisclosed occupation requires us to interact with our employer’s customers, which means that we sometimes get emails like this: ‘I just want to say that your company suck.’ Sadly, being required to be somewhat polite prevents us from replying with gems such as: ‘So do your English.’”  

Another woman at home with a baby of recent origin wrote about her travails with infant colic, and the equipment she employed to try to moderate her baby’s crying, noting:

On the advice of a commenter, and because I’m willing to try just about any solution that costs less than $40, I went out and got a NoJo BabySling. Oh, how I hate that fucking sling. It’s supposed to be SO WONDERFUL for the baby that on top of feeling thoroughly frustrated by my inability to get the damn thing on and him in it at all, much less without hurting my back and shoulder, I also end up feeling guilty that I’m denying my child this incredible developmental experience. The only factor mitigating that guilt is that Austen so obviously hates the sling, too. Of course, the knowledge that I’m causing his frantic screaming by trying to wedge him into the freakish contraption brings on an even bigger tidal wave of guilt and insecurity, not to mention a flop sweat.

The “instructional” video that came with the sling (which, like the chapter devoted to babywearing in Dr. Sears’ Baby Book, is more promotional than instructional) says that with a little patience, babywearing will become easy and enjoyable. I already

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suspected that I was too impatient to be a parent, but thanks, Dr. Sears and NoJo for making me feel too stupid for the job on top of it. Honestly, I’m trying, but I don’t know how many more chances I can give this fucking piece of crap before I toss it into the fucking fireplace.\textsuperscript{114}

Her blogged, posted criticisms are quite specific, and they name names and invoke trademarks.\textsuperscript{115} In addition, she makes liberal use of the work “fuck” in a speech context that I would argue is every bit as political in nature as the \textit{Cohen v. California} jacket commentary about the draft.\textsuperscript{116}

Another blogger humorously wrote about her own perceived deficiencies as a parent, especially in comparison to how she envisioned the parental performances of others:

\begin{quote}
I am the worst mother ever and here is why.

You know how people go on about how sweet a new baby smells, how satiny-smooth their pink cheeks are, how adorable their clean little outfits are? Not my baby.

Right now Charlie is tucked snugly into his co-sleeper, wearing a damp sleeper with spit-up on its feet, lying under a blanket stained with vitamin drops, on a sheet that’s splattered with coffee stains. (Mine, not his. He’s more careful with his sippy cup than his clumsy and bleary-eyed mom. And, no, I did not spill it in his bed while he was in it, so if you were picking up the phone to dial child protective services you can hang it right back up, yo.)\textsuperscript{117}

Still another female web log author, this one with a toddler, reported the apparently profound angst she felt about deviating from the normative dietary behaviors of “good” mothers, observing:

\begin{quote}
Nora and I were at the dining room table, eating grapes. I was slicing the grapes in half for her, as per the current mandate. Actually, “mandate” is putting it lightly: most baby books go on and on about THE DANGERS OF UNSLICED GRAPES until you are scared to have a bunch of grapes in the same room as
\end{quote}

\textsuperscript{114} Lori Avocado, \textit{I Hate This Fucking Sling} (Jan. 15, 2005), at http://www.avocado8.com/blog/archives/2005/01.html.

\textsuperscript{115} Id.


your child, because one could come loose, roll across the table under its own power, leap into your baby’s esophagus, and CHOKING WILL UNDOUBTEDLY ENSUE. I cannot find any information about when a kid can safely handle a DEADLY WHOLE GRAPE, but from the general terrified tone of baby books and websites I would guess at around age seventeen.

I wanted some grapes for myself, and I made the error of simply picking one off the stalk and putting it in my mouth, you know, as humans do. Nora immediately wanted to eat a grape “that way,” as she put it, and she repeated Nora eat grapes! That! Way! Like! Mommy! Nora do it! until I said fine, handed her a whole grape, and resisted the urge to kiss her goodbye and tell her I’d see her in heaven. She chomped up the grape just fine, asked for more, and handled those as well, and while I am still not completely comfortable with bucking the toddler-grape-slicing establishment, she is whole and healthy and unchoked. And now I have learned my lesson, which is to slice the fucking grapes in the kitchen, ahead of time and out of her sight. Cleaning up after our grapefest, I told LT, “I feel like we’ve cheated Death.”

Posting this account of her at least temporary rejection of the seemingly consensus based “safety norms” of modern parenting was a deeply subversive act, and the tone as well as the content of the narrative reflect her potent awareness of this. She arguably invited readers to challenge common wisdom, but tempered the challenge with her expressions of remorse and expectation of engaging in normatively compliant behavior in the future. In doing so she more subtly semaphored the same sentiment that the prior web log entry made explicit: “if you were picking up the phone to dial child protective services you can hang it right back up . . . .”

A final example confronts romanticized views of the sacrosanct purity and innocence of young children:

Imagine, if you are able: Scott comes home; Henry and I are listening to music, as is our way at times (those times being when we are not making Playdoh pancakes or weeping into our fists).

119 Id.
120 Id.
121 Id.
Scott: What are you listening to, sport?
Henry: It’s a song about fucking.
Scott looks at me.
Me: That’s not what he’s saying! He’s obviously saying something else!
Henry (delighted): It’s about fucking! FUCKING!
Me: I know he’s saying something else! I just can’t identify what it is!
I waited for him to lie his dinosaur on top of Spider-Man and say, “Like that! Fucking!” But fortunately for me and sadly for this blog, no.
Now before I endure another onslaught of scandalized emails: PEOPLE. He was not saying that. He speaks in the charming but often baffling language of toddler-ese, where f’s become s’s and “puppies” becomes something obscene. He was probably saying “It’s a song I enjoy very fucking much.” Like that! You see!122

None of these weblog entries seem linearly directed toward any particular goal oriented objective. This is not academic or intellectual discourse, but rather is one of humorous, self-deprecating personal revelation. It is a raucous, informal meta-commentary that would likely be perceived as lacking the weighty seriousness of purpose Sunstein would have wired into discursive Internet portals, or that Chander would explicitly deem a “democratic tool of citizenship.” Nor are the representative entries likely the sort of unfiltered exchanges Hunter typically shares with his Phillipic.com-referenced friends (though that assumption could certainly be mistaken, and sexist as well).123 These weblog entries employ vulgar language to bawdily discuss pregnancy, childbirth and motherhood, topics generally sanitized and sanctified by top down, intermediated communicative media. Something about motherhood seems to inspire these webloggers to generously pepper their postings with thoughts and words that others might deem as scandalous, offensive or even immoral. Consequently, the referenced weblog entries, and many more just like them, are probably filtered or blocked wherever blocking or filtering software is employed.124


There are three kinds of filters that can be used to restrict Internet access. Content on the world wide web is posted on websites that have addresses called URLs (uniform resource locators). Each posting (whether of one or more “pages”) usually has its own specific URL. The content of any URL, meanwhile, can change dramatically from day to day. Internet filters may be characterized as either blacklists, “whitelists,” or word-rule blocking.
As it happens, thanks in large part to the Children’s Internet Protection Act (CIPA), one place other social-solidarity-seeking mothers are unlikely to be able to access these web logs is at their local public libraries. As written, CIPA requires only that covered libraries block or filter “Internet access to visual depictions that are; (I) obscene; (II) child pornography; or (III) harmful to minors . . . ”. In theory, “the blocking or filtering technology need not affect text, whatever the content, and setting a browser to ‘text only’ would satisfy this requirement.” In reality, however, blocking and filtering software uses automated text-based content analysis to determine which websites are likely to contain objectionable visual images, and that should therefore be blocked. As

Blacklists block access to a specific list of “inappropriate” URLs, as compiled by individuals who evaluate them based on a specific standard. They leave access open to all else. Whitelists - also known as “go lists” - only permit access to a selected list of “appropriate” URLs, blocking entry to all else. Word-rule filters block URLs that fit some rule, such as those for websites that display the letter combinations “sex,” “breast,” or “xxx.” They leave all other URLs unblocked. The Word-rule filters may also sort URLs based on a website’s self-ratings according to the industry’s “PICS” standard or based on “fuzzy logic.” These three methods might be used separately or in combination. For example, a software vendor could design a filter to block out URLs according to a word-rule standard, but provide an automatic override that unblocked any URLs that were on a specific whitelist.

Id. at 1120; see also CIPA Questions and Answers (July 16, 2003), at http://www.ala.org/ala/washoff/WOissues/civilliberties/cipaweb/adviceresources/CIPAQA.pdf. Under the plain language of the statute, libraries must have safety policies that include the operation of blocking or filtering technology “with respect to any . . . computers with Internet access that protects against [even theoretical] access through such computers to visual depictions that are . . . obscene,” etc. Id. The statute requires that libraries receiving E-rate discounts or LSTA or ESEA funds for computers or Internet access adopt a policy for minors and adults that includes blocking or filtering technology, even if minors are unlikely to use their computers. Id.


Id.


a result, over-blocking is a substantial and persistent problem. In addition, portions of the CIPA focus on the topics that must be addressed in an “Internet safety policy” other than in Internet filtering per se. Under CIPA, libraries and schools must “adopt and implement” policies that address, among other things, “access by minors to inappropriate material on the Internet and World Wide Web.” The definition of “inappropriate material” is specifically left to local determination under N-CIPA Sec. 1732(2), which reads:

Local Determination of Content – A determination regarding what matter is inappropriate for minors shall be made by the school board, local educational agency, library, or other authority responsible for making the determination. No agency or instrumentality of the United States Government may –
(A) establish criteria for making such determination;
(B) review agency determination made by the certifying school, school board, local educational agency, library, or other authority; or
(C) consider the criteria employed by the certifying school, school board, educational agency, library, or other authority in the administration of subsection (h)(1)(B).

It seems bizarrely ironic that library Internet filters aimed at protecting children would have the effect of filtering the web logs written by mothers. This is just one example of the ways in which cyberspace laws and policies may impact women in unexpected and under-analyzed ways. Consider also the amount of de facto “self censorship” that occurs when women voluntarily use filtering software on their home computers. Their children may be “protected” from the web logs referenced and quoted above, but these women have foreclosed their abilities to access and participate in online web log communities, often without recognizing that they have done this, or realizing what they are missing.

C. On “Getting It”

One of the section headings in Phillipic.com is entitled, “What Cass Doesn’t Get.” Hunter explained in a footnote that he chose this title because, “[t]here

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132 Id.
133 Id.
is now a convention within debates on cyberspace regulation that any attack by a liberal on a libertarian, or vice versa, will be entitled ‘What X Doesn’t Get.’”

He stated that:

This can be traced back to a debate between the liberal Lawrence Lessig and the libertarian Declan McCullagh, where Lessig entitled a chapter of his book, ‘What Declan Doesn’t Get.’

So, when libertarian David Post sought to criticize Lessig, his article was called, ‘What Larry Doesn’t Get.’

He further observed: “It seems that the convention now extends to any criticism within cyberlaw, even those where a liberal criticizes a liberal,” pointing to an article by Marc Rotenberg entitled: Fair Information Practices and the Architecture of Privacy: (What Larry Doesn’t Get).

The history of the above referenced, personally focused, gladiator-styled theoretical legal analysis of cyberspace explicitly adopted by Hunter is even richer than Hunter suggested. In 1996 Judge Frank Easterbrook published Cyberspace and the Law of the Horse, which elicited The Law of the Horse: What Cyberlaw Might Teach from Larry Lessig. Thereafter David Johnson and David Post penned Law and Borders—The Rise of Law in Cyberspace. Jack Goldsmith took issue with aspects of this article in Against Cyberanarchy, to which David Post responded in the otherwise seemingly redundantly titled Against ‘Against Cyberanarchy.

In his book Code and Other Laws of Cyberspace, Lessig indeed titled Chapter 17 of the tome “What Declan Doesn’t Get,” in reference to Wired News writer Declan McCullagh. In riposte, as Hunter observed, David Post

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135 Id. at 654 n.184.
136 Id.
137 Id.
138 Id.
139 Id.
140 Id., supra note 47, at 654 n.184.
147 Id. See also Lawrence Lessig, Entry Archive (Jan. 27, 2004), at http://www.lessig.org/blog/archives/001696.shtml.
titled a review of the work, *What Larry Doesn’t Get: Code, Law and Liberty in Cyberspace*, and, as noted above, Marc Rotenberg penned, *Fair Information Practices and the Architecture of Privacy: (What Larry Doesn’t Get).*

Rotenberg appended a “good sportsmanship” footnote which stated: “In offering this title, I am following the convention that is appropriate for this genre. Responses in the spirit of ‘What Marc Doesn’t Get’ are welcome and should be sent to rotenberg@epic.org.” In addition to these law review articles, the online publication ReadMe published an interview with McCullagh entitled “What Larry Doesn’t Get,” that provided Declan a direct platform for getting or not getting it, and imputing same to others.

Well, there is something this author gets, but almost wishes she didn’t, which is that the tone of the discourse is one reason for the relative lack of women publicly involved in this particular debate. If the article you are reading was intended for a less formal, different sort of publication, the author might wonder in more colloquial language why certain cyberspace law scholars didn’t simply line up, drop their trousers, and with unambiguous finality resolve their fundamental interpretative differences with a yardstick.

After I began teaching Cyberspace Law as a regular part of a law school curriculum, with an astounding degree of hubris even by law professor standards, I felt sure I had something interesting to contribute to the existing literature on a variety of topics. Yet every time I thought about writing legal scholarship on a cyberspace law topic, I wondered what my tenure prospects might be if someone prominent in the field who disagreed with my perspectives titled a negative response to my writings, “What Ann Doesn’t Get,” and whether I’d even be able to get my sorry self out of bed the morning after such a publication appeared. While I’ve long recognized that I cannot confidently generalize my own thoughts and experiences to those of others in the legal academy, I imagine I am not the only female law professor who reacted this way. Most women I know enjoy

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151 Id.
153 Id.
154 This is not to suggest for even a moment that there aren’t women writing in this area; simply that they are not overtly accusing other academics of “not getting it” or the like in this particular set of scholarly exchanges. Explicitly feminist critiques of cyberspace law, however, are difficult to locate. See Linda Mulcahy, *Feminist Perspectives on Law: Project Description*, at http://www.rdg.ac.uk/law/femlegalnet/ (last visited Mar. 23, 2005). The Feminist Legal Network website has as its stated aim “to identify key publications for use by those academics and students interested in studying law from a feminist perspective.” Id. It lists these publications for many areas of the law, but neither cyberspace law or intellectual property law are among them. Id.
155 Perhaps a simple ruler would be adequate. The author makes no assumptions about this and harbors no interest in conducting empirical research on the matter.
rigorous intellectual challenges, but we would just as soon avoid pointless duels
to the death.

While in the parlance of the playground it might be fair to say “Larry started
it,” so he also deserves some credit for recognizing and regretting the rhetorical
dynamic he helped create. In the context of an exhortation to have in the
cyberspace law field “an ‘enterprise zone’ of free thought” that is “untaxed by
ordinary politics” he wrote:

I have been guilty of the sin I condemn. The last chapter in my
book - “What Declan Doesn’t Get.” is a wonderful example of
this sin. My stupidity here is on many levels. Let’s take the most
obvious first. How stupid must you be not to see that a chapter
like that will just inspire a litany of responses of the form “What
Larry Doesn’t Get.” My friends at Chicago would say
countroversy is great success, but of course I left my friends at
Chicago, and would love to leave controversy as well. But a
back-firing title is not the real problem. The real problem is the
effect such rhetoric has - on debate, and on understanding. For
its effect is to end thought. To push the anti-Declan button - to
push the pro-/anti-libertarianism button - is simply to categorize
the argument, to put it into a box, and to give readers an excuse
not to read.

While I’d agree with his characterization of titling a book chapter “What
[Distinctive and Easily-Recognizable-In-Context First Name] Doesn’t Get” as a
mistake, I’m less enthusiastic about the vision he expressed of the appropriate
scope and tenor of cyberspace law dialectic, particularly his statement: “[O]ur
debates in cyberspace are not debates about feminism.” As a matter of
observation that is inarguably correct, but he seemed to assert that as a normative
matter, notions of equality raise substantially different questions in cyberspace
than have been, or should be, addressed by feminism. I disagree. Both the
theoretical construction of cyberspace and the actual architecture of the Internet
need to account for gender issues, and for differences in the ways in which men
and women communicate in real space and online.

Susan Herring’s research into gender differences in computer mediated
communications supports Deborah Tannen’s theory of gendered communication

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158 Id. at 1001.
159 Id.
styles. Herring observed that men use adversarial styles of communication, which employ strong assertions, sarcasm, and insults, and dominate online discussions. She concluded that: “[t]hese circumstances represent a type of censorship, and thus that an essential condition for democratic discourse is not met.” Women have never been positioned to define or dictate significant aspects of the social or cultural orders, so male domination of cyberspace is not unexpected, but neither should it go unobserved or uninterrogated. In many disciplines, feminism in cyberspace has been a topic of research and commentary to a greater extent than it has in law. One of the reasons for this may be the chilling effect of the fierce tenor of the pioneering cyberspace law discourse.

Additionally, some sectors of the Internet are either inhospitable to women, or project an atmosphere that encourages the women present to keep very low profiles. Consider online gaming. Jack Balkin has written that: “massively multiplayer online games are evolving into something much more than mere entertainment. They are a remarkably important front in the evolution of cyberspace generally.” If this is true, the absence or invisibility of women in these online games is important as well. Balkin’s essay entitled “Virtual Liberty” discusses “some of the legal problems of virtual worlds, and, in particular, how to preserve free speech rights and deal with real world commodification,” and also “several different models of regulation of virtual worlds, including the model of consumer protection, the virtual world as company town, and virtual worlds as places of public accommodation.” It is a fascinating and thought-provoking piece of work about what he describes as the “freedom to design, and

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162 Id.
165 Id.
freedom to play, in virtual worlds.” However, Balkin either does not notice, or chooses not to discuss, any gendered aspects of these issues. The otherwise excellent article doesn’t even use the words “woman,” “women,” or “female.”

Online games are susceptible to the same sorts of feminist critiques that have been directed toward the real space cultural and recreational activities that segregate the sexes or exclude women, such as most organized sports, fraternities and sororities, and other social organizations.

In discussing the use of avatars in “The Laws of the Virtual Worlds,” Greg Lastowka and Dan Hunter noted: “[M]any [online gamers] take advantage of the opportunity to engage in ‘identity tourism,’” and observed:

The avatar masks, however, both conceal and embody real-world individuals who often use the ability to dissemble to achieve social objectives they consider important. In LambdaMOO, for instance, some individuals fashion their avatar masks to project standard stereotypes of sex appeal, perhaps attempting to tantalize others into virtual relationships: ‘Lirra is a short young woman with long blonde hair, an impish grin and a curvaceous figure. Her clear blue eyes sparkle as she looks back at you. She is wearing a short red skirt, a white t-shirt, black fishnet stockings, and black leather boots and jacket.’ Of course, IRL, who knows what Lirra’s controller looks like? . . . Given the chance to be anyone, who wouldn’t want to be sexually attractive, powerful, and strangely mysterious?

One might reasonably, given the context in which it is raised, view the query, “Given the chance to be anyone, who wouldn’t want to be sexually attractive, powerful, and strangely mysterious?” as rhetorical. Intentionally or not,

168 See generally id. (making no references to females).
171 See generally Journal of College and Character, Does Segregation in Campus Fraternities and Sororities Constitute Endorsement of Discrimination by Colleges and Universities? (Sept. 11, 2001), at http://www.collegevalues.org/ethics.cfm?id=572&a=1 (noting that the University of Alabama is seeking to desegregate its campus fraternities and sororities).
172 See generally Inter-American Development Bank, About Social Exclusion (Oct. 11, 2004), at http://www.iadb.org/ids/SOC/site_3094_e.htm (noting that social exclusion in Latin America and the Caribbean affects predominantly indigenous peoples, afro-descendants, women, the disabled, and those living with HIV/AIDS).
174 Id.
however, a few paragraphs later, Lastowka and Hunter answer their own question, writing:

For some male players of EverQuest, however, the choice of ‘presenting female,’ as avatar gender-swapping is called, can be a strategic decision. Female avatars often receive more favorable treatment from other avatars, including free gifts and help from male avatars. On the other hand, presenting female may also lead to an eye-opening understanding of virtual sexual harassment. For some female users, the challenge of dealing with sexual harassment is reason enough to use male avatars.\textsuperscript{175}

If all women participating in an online game chose to employ male avatars, this might raise interesting legal as well as social science questions. Could a game in which all players used avatars of a single sex be the basis for a real space gender discrimination suit? And what would the legal implications be if the rules of a publicly accessible game specifically excluded female avatars? Lastowka and Hunter did not address these possibilities.\textsuperscript{176}

In the absence of law, the norms of an online community prevail. What might the behavioral norms of an online gaming community be? One female gamer reported the following at her blog.\textsuperscript{177}

A female player logged into her female character and was greeted by a male who told her she had a nice chest. She doesn’t say exactly what he says, but it offended her, so she told him to knock it off and that she was reporting him. He went on to scold her about how her doing that would ruin the game for everyone else, and that it was just good fun.

Now, granted, she over-reacted a little bit (she said she never wanted to play the character again because of the comment), but it wasn’t necessarily the original poster’s upset about the avatar having big tits that got me riled, either. It was the responses of other people in the community. Apparently, if you don’t just roll over and take it, you’re just a big stick in the mud. Oh, and didn’t they tell you that video games are a boy’s world, and you should just deal with it? Read on, my friend . . .

\textsuperscript{175} \textit{Id.} at 67. \textit{See also} K.K. Campbell, \textit{Attack of the Cyber-Weenies}, 1 \textit{WAVE} 5, 5 (May 5, 1994), at http://kumo.swcp.com/synth/text/cyberweenies.html (noting that the author, a male, after entering a female name and biography on a chat page, was immediately hit on by many men).


\textsuperscript{177} http://www.utopianhell.com/ (last visit Mar. 18, 2005).
Sounds to me like you’re a touchy broad who has a weight problem and spends too much time at home.
- Mariousmoo

I’m a woman as well, get over it. Seeing as the game was created by men, as is evidenced by the female Night Elf avatar and her dance, just deal with it.
- Absalom

/ignore is there. Use it and stop making a big deal out of what some doofus said to your avatar ingame. Please try to act like an adult (even if you’re not one - it’s good practice.) and just forget that idiots like whoever was bugging you even exist. Yesterday in Darnassus somebody came up to one of my female alts and said “I’ll give you 10s to strip.” I did the /boggle emote, /ignored him and walked away. Simple as that.
- Usdachoince

In public, if a perfect stranger walks up, says some remark about your breasts and then walks away, there’s really nothing you can do about it. He didn’t harm you and is not continuing to harrass you so the cops will not do anything. So what he did is more like my example and nothing like yours . . . Get over it. People are jerks . . . grow a thicker skin.
- Rotaerc

you need some sex and quick . . .
- Darkseeker

Are you friends with the Kobe Bryant Accuser? Also, nice butt.
- Kressa

You fail life. What is it that ever single species in the known universe has in common? Reproduction in some way shape or form. If your a lonly overweight woman and you live off of twinkies and icecream and no one loves you is no reason to be all grumpy. Put down the Rocky Road and pick up an apple. Stop sitting around and feeling sorry for yourself and go out and move a little.
- Dozimbar

All women characters should never get any gear to wear, walk around in the nude, should be created as well endowed blondes, and do nothing but bounce around for everyone else because no
women play online games. And every dwarf should get three broads cuz we be that good lassie! Have I ticked off the feminists yet? Play sims online.
- Jouphan

Jack Balkin has predicted “that both game designers and game players will repeatedly invoke freedom of speech and freedom of association as defenses against attempts by the state to regulate virtual worlds.” For this feminist, Balkin’s descriptions of disputes to come in the sphere of online games evoked images of the private dining clubs of Princeton, which women are now able to join, and golf clubs such as Augusta National, which they remain excluded from based on gender. When Princeton University began admitting female students, not all of its cultural amenities were open to women. Sally Frank sued the all male dining clubs of Princeton while she was still an undergraduate there. Her efforts lead to her being insulted, threatened, spat on, mooned, and showered with beer. “If looks could kill, I would not have survived my junior

178 Id.

In 1969 the admittance of women into Princeton University caused some controversy in the Clubs, but many allowed women to join immediately. In the spring of 1979, a third-year student Sally Frank had tried to gain membership into Ivy Club, Tiger Inn, and Cottage Club. Upon not gaining admittance, Frank filed a lawsuit with the New Jersey Division of Civil Rights. In 1992 a final verdict was announced, Ivy Club and Tiger Inn were forced to admit women into the clubs, though they had been admitting women since the spring of 1991.

Id. Mike Grabell, After a Century, Eating Clubs Continue to Define Social Scene (Feb. 4, 2000), at http://www.dailyprincetonian.com/archives/2000/02/04/news/65.shtml (noting that the club membership has declined and that the future of the eating clubs relies to an extent on whether the University values the club system and wishes to sustain it).
182 Staff Profiles at Drake, at http://www.law.drake.edu/facStaff/profiles.aspx (last visited Mar. 18, 2005) (noting that today Sally Frank is a law professor at Drake).
183 Lee Williams, Sally Frank ’80, Who Ten Years Ago Forced the Last Three All-Male Eating Clubs to Go Co-Ed Will Speak Today, DAILY PRINCETON.COM (Feb. 28, 2000), at http://www.dailyprincetonian.com/archives/2000/02/28/news/305.shtml (reporting that Sally Frank bickered not only for politically activism reasons, but also to meet other people).
184 Jeff Milgram, A Bittersweet Homecoming (Mar. 3, 2003), at http://www.pacpubserver.com/new/news/3-3-00/sallyfrank.html (noting years later when Ms. Frank returned to the Princeton campus, where she was treated like an honored guest, a role model to a new generation of undergraduates and a pioneer in the women’s movement).
year,” she reported. In 1980, but did not completely succeed in opening up the clubs to women until over a decade later. In 1987, the Princeton administration began supporting the view that the dining clubs should be co-ed, and in 1990, Frank was given an award for service to the University. A year later the last hold out dining club began allowing women to “bicker” for admission.

In contrast, consider Augusta National. Augusta National is an elite golf club in Augusta, Georgia that hosts the prestigious Masters Tournament each year. The club membership was all white until 1990, and remains all male. Efforts to make it possible for females to join have been described by an opponent as “exploitive,” with an allegation that the “actions by a media-starved gang of women’s rights activists are not based upon the law, but on a politically correct crusade to force the private club into accepting women members out of so-called ‘moral obligation.’”

According to one survey, “among the public, 60% of women and 55% of men agreed that Augusta National should accept women as members . . . [a]mong golfers, 63% of women and 41% of men say that Augusta National should accept

During her junior year, Frank filed a legal complaint claiming that though the clubs said they were private, they were public accommodations that would be required to include females. Otherwise, they would be practicing gender discrimination. Cottage — which settled with Frank in 1986 — began to accept female members that year after paying her $20,000 in damages for legal fees. Ivy went coed in 1990 when the New Jersey Supreme Court ruled in Frank’s favor. Tiger Inn, however, held out and asked the U.S. Supreme Court to hear the case twice but was denied both times. The case was heard in the Federal Circuit Court, which upheld the New Jersey Supreme Court’s ruling. As a result, Tiger Inn held coed Bicker in the spring of 1991. Frank’s case officially concluded in June 1992.

See Charles McGrath, Augusta’s Battle of the Sexes, GOLF DIGEST (Sept. 2002), available at http://www.findarticles.com/p/articles/mi_m0HFI/is_9_53/ai_90701714 (noting that sooner or later, there will be a female member of Augusta National).

Center for Individual Freedom, In Our Opinion, Martha Burke is Out of Bounds in Her Attack on Augusta (Oct. 3, 2002), at http://www.cfit.org/htdocs/freedomline/current/in_our_opinion/martha_burk_augusta.htm (noting that there is no other club as private as Augusta, there is no need to apply because there is no application process).
women.” If there were equal numbers of male and female golfers, a small majority of all golfers (52%) would favor the acceptance of women by Augusta National, perhaps generating sufficient pro-equality momentum to effect change. However, the majority of golfers are male, so the prevailing view among golfers (unlike the public generally) favors continued gender segregation. In consequence, the internal norms of the golfing community as currently constituted are not likely to result in Augusta National admitting female members. At the 2004 Masters Tournament, it was reported that “men hawked “Hootie hats” . . . to celebrate William “Hootie” Johnson’s victory over Martha Burk’s tenacious campaign to open the prestigious Augusta National Golf Club to women.”

Within the context of online gaming, substantive norm shifts concerning the sexism female players encounter may also be precluded by the inadequate numerical presence of women in the games in which there is the most gender-linked hostility. To the extent there is sexist abuse, it will drive a number of women gamers away (at least the ones who identify themselves as female), and the remaining female participants, if few in number, may find it difficult to mount effective opposition to the objectionable practices. The forms that effective opposition could take would depend upon the rules and norms of any given online game, if no real world legal relief is available.

D. Censorship, Copyrights, and a Culture of Commodification

194 Augusta & You: The Public and Golfers Have Their Say-National Survey, GOLF DIGEST (Feb. 2003), at http://www.findarticles.com/p/articles/mi_m0HFI/is_2_54/ai_97200552 (reporting that chairman Hootie Johnson says he will not admit women golfers in the foreseeable future).

195 Id.

196 See Peter A. Shatton et al., An Ethnographic Study of Gender Influences on Social Behavior of Members at a Private Golf Club, SOCIOLOGY OF SPORT ONLINE, at http://physed.otago.ac.nz/sosol/v1i2/v1i2s1.htm (last visited Mar. 23, 2005) (reporting the objective of this study was to utilize ethnographic research techniques to gain an understanding of the ways in which gender issues are in evidence in the day-to-day activities of a private golf club); Thomas Melville, Success: It Ain’t Over Until It is Overexposure (Apr. 2001), at http://www.findarticles.com/p/articles/mi_m3514/is_3_48/ai_74513612 (reporting that even though women’s golf and women’s soccer have different beginnings, both experience difficulty “selling a women’s game in a sports world dominated by couch-loving, remote-hogging, “WASSUP!”-spouting men”).


198 Id.
1. Filtering Women World Wide

Laws and technologies that regulate distribution of content on basis of copyright will regulate content on other bases as well.\textsuperscript{200} The same controls that “protect” copyrights from unauthorized access or use will be used to “protect” people from information that is deemed harmful or illicit by any entity in a position from which to censor it. These are, on the surface, gender-neutral observations with equal consequences for all similarly situated Internet users. However, men and women are not necessarily similarly situated in cyberspace. One feminist scholar trenchantly observed:

[T]he majority of the world’s women (and men) have no access to the Internet, have no money to buy things on the Internet or anywhere else, have no telephones, let alone modems, and don’t get surveys emailed to them, faxed to them, or snail mailed to them. One of the most striking things I took back from an international conference I attended in 1998 on “women’s information services,” is that the only technology that can reliably reach the majority of women in the world today is the radio, and the conference platform called for more informational radio programming for poor women.\textsuperscript{201}

One important and productive venue of research about women and cyberspace would obviously be targeted at ways to provide many more of them with Internet access. To simply aim these efforts at “people” may fail to account for the special needs, conditions, and restrictions upon females in any given culture. For those for whom cyberspace entrée is available, women and men on the privileged side of the digital divide experience the Internet differently.\textsuperscript{202}

\textsuperscript{199} Charles Ramiriz, \textit{Online Games Attract More Woman}, DETROIT NEWS (Dec. 21, 2003), at http://www.detnews.com/2003/technology/0312/21/b02-14334.htm (stating only 38% of “gamers” are female).

\textsuperscript{200} Severine Dusollier et al., \textit{Copyright and the Access to Information in the Digital Environment, A Study Prepared for the Third UNESCO Congress on Ethical, Legal and Societal Challenges of Cyberspace, Paris} (Jul. 17, 2000), at http://www.droit.fundp.ac.be.Testes/studyUNESCO.pdf (“Copyright is expanding, not only as regards to the items protected, but also as regards to the areas of protection.”).


\textsuperscript{202} R.C. Sherman et al., \textit{The Internet Gender Gap Among College Students: Forgotten but not Gone?}, 3(5) \textit{CYBERPSYCHOLOGY & BEHAVIOR} 885, 894 (2000).

The Internet has been a male-dominated technology since its beginnings in the late 1960’s. A number of studies have reported that the gap between the numbers of men and women online has narrowed in recent years. However, broad definitions of usage have often masked important differences in how
a result, the legal and technological environments of cyberspace are inherently gendered. As one commentator observed, “[t]echnology is part of our culture; and, of course, our culture, which is male dominated, has developed technologies that reinforce male supremacy.”

Realistically, women are not likely to have much input into or control over the future of legal regulation of information across the Internet. Instead, as we do in every society in which we lack political power proportionate to our numbers, we will learn to function as best we can to meet our own needs within whatever cyber-constraints are imposed by the people in power, who will mostly be men. Some blocking and filtering will be rooted in copyright “protections,” while other restrictions will constitute substantive censorship of content more straightforwardly. It is largely men who will decide whether and how filters that block content will be “deployed,” a word with appropriate militaristic connotations.

In the United States, male judges have historically treated information about issues directly pertaining to sexuality and martial status as “unsuitable” for women. In 1875, for example, the Supreme Court of Wisconsin denied the petition of women to practice before it, stating: “It would be shocking to man’s reverence for womanhood and faith in woman . . . that woman should be

much the technology is used in specific ways, as well as qualitative differences in men’s and women’s experiences in using the Internet. One area in which such differences might be particularly important is in higher education, where Internet activities are increasingly a central feature of the curriculum in a variety of departments. We investigated the Internet gender gap among college students by comparing the usage patterns and attitudes of three cohorts of students in 1997, 1998, and 1999. In addition, we examined longitudinal changes from 1997 to 1998 in a subsample of our participants. The cohort comparisons revealed gender differences in five Internet activities (E-mail, WWW, Usenet, MUDs, and chat groups) with no significant lessening of these differences over time. Attitudes toward the technology also differed between men and women and these differences also did not change over time. The longitudinal data showed similar patterns. In general, our investigation suggests that differences continue to exist between college men and women in how they experience Internet technology and assessments that the Internet will soon be gender neutral are perhaps premature.

Id.

203 Id.

204 RUTH HUBBARD, MACHINA EX DEA: FEMINIST PERSPECTIVES ON TECHNOLOGY vii (1983).

205 Get the Facts: Woman in Elected Office, at http://www.voter-unlead.org/facts/women_electedoffice.cfm (last visited Mar. 23, 2005) (stating that there are only eight women governors, a decrease from the record nine women governors who served before the 2004 election; Washington is the first state to have a woman governor and two women senators all serving simultaneously; and five states, New Hampshire, Delaware, Iowa, Mississippi, and Vermont, have never sent a woman to Congress).

206 See VIRGINIA DRACHMAN, SISTERS IN LAW: WOMEN LAWYERS IN MODERN AMERICAN HISTORY 169-214 (1998) (stating the few women that became lawyers were not permitted to practice law in the courtroom but instead were generally given administrative type duties or office duties such as drafting wills).
permitted to mix professionally in all the nastiness which finds its way into courts of justice.”207 The court then listed a string of subjects arising in court that were expressly deemed wholly unfit for the attention of women, including rape, pregnancy, prostitution, abortion, and divorce.208 From 1873 through the 1930s the “Comstock Law” and similar state statutes were employed to prevent the dissemination of information about birth control, venereal diseases and other subjects related to female reproductive health and well being.209

The same sorts of topics continue to be censored today around the world,210 sometimes with the articulated goal of protecting children,211 other times as a means of promoting some construction of “decency.”212 Still, even in widely filtered Internet space,213 a lot more information for and about women is generally available. Yet evidence of the female presence on the Internet is often

207 In re Goodell, 39 Wis. 232, 245 (1875).
208 Id.
209 It would be revolting to all female sense of the innocence and sanctity of their sex, shocking to man’s reverence for womanhood and faith in woman, on which hinge all the better affections and humanities of life, that woman should be permitted to mix professionally in all the nastiness of the world which finds its way into courts of justice; all the unclean issues, all the collateral questions of sodomy, incest, rape, seduction, fornication, adultery, pregnancy, bastardy, legitimacy, prostitution, lascivious cohabitation, abortion, infanticide, obscene publications, libel and slander of sex, impotence, divorce: all the nameless catalogue of indecencies, la chronique scandaleuse of all the vices and all the infirmities of all society, with which the profession has to deal, and which go towards filling judicial reports which must be read for accurate knowledge of the law.

211 E.g., Children’s Internet Protection Act (“CIPA”) and Neighborhood Internet Protection Act (NCIPA), available at http://www.ala.org/ala/washoff/WOissues/civilliberties/washcipa/legislation.html (last visited Mar. 23, 2005) (reporting that the Act places restrictions on the use of funding that is available through the Library Services and Technology Act, Title III of the Elementary and Secondary Education Act, and on the Universal Service discount program known as the E-rate and that these restrictions take the form of requirements for Internet safety policies and technology which blocks or filters certain material from being accessed through the Internet).
213 See, e.g., Bennett Haselton, What is Stealth Blocking? (Mar. 21, 2004), at http://www.peacefire.org/stealth/ (reporting that “stealth blocking” refers to the practice of Internet service providers that do not advertise that their Internet service is “filtered,” but block their users from reaching certain Web sites).
presented through gendered narratives, as it is in real space. For example, Yahoo publishes a “Buzz Log” that chronicles trends in online searching, providing substantive information about Internet information-seeking. One entry reported in pertinent part:

Searches on “prom” were up 47% over the past week, and unsurprisingly, girls 13-17 account for the majority of angst-filled searches on the social event of their year, with 58% of queries coming from this relatively tiny demographic niche. But searches on the generic “prom” pale in comparison to the desperate search for the perfect dress. Girls nationwide are looking to make a fashion statement, and they’ll search far and wide to find the right gown for a formal evening out.214

What the account fails to explain is how the search engine distinguishes between “angst-filled” and “desperate” searches for prom dresses, and perfectly matter-of-fact prom dress pursuits, and how it digitally distills the profoundly heated fashion-statement-making desires of “girls nationwide” from the likely comparatively mundane search terms they enter.215

Internet filtering offers those configuring the filters a chance to elevate the discourse to a level that “ladies and gentlemen” engage in.216 While filters may constrain the use of particular words, the ideas themselves can be still be expressed, though perhaps differently and more eloquently articulated. Describing the scatological or perverse in filtered cyberspace might require a sophisticated vocabulary and flexibility of syntax, while comprehending the scatological or perverse will require literacy and a good imagination.217 To avoid automated filters or blocking, one might, for example, discuss someone “experiencing a cranial-rectal inversion problem,” instead of saying he “has his head up his butt.” However erudite, though, the former expression lacks some of the earthly gestalt and immediate, almost universal recognizability of the latter.

215 Id. On a personal note I want to thank Michele White for this observation. See also Greg R. Notess, The New Yahoo Search, ONLINE (July/Aug. 2004), at http://www.infotoday.com/online/jul04/OnTheNet.shtml (explaining to some degree the actual workings of the Yahoo! search engine).
217 See Richard J. Peltz, Use the Filter You Were Born With: The Unconstitutionality of Mandatory Internet Filtering for the Adult Patrons of Public Libraries, 77 WASH. L. REV. 397, 410 (2002). “Not only are they incapable of applying peculiarly human legal definitions in content analysis, they are too easily circumvented by intelligent, determined users and content providers.” Id.
To the extent men control the levers of content control, it is they who, for example, will determine the language with which the contents of diapers can be discussed in cyberspace. One can predict a filtered discourse in which “poop” is allowable but “shit” deemed offensive, although of course both describe the same essential substance. And then there is the indeterminate “turd,” a word not at all suited for polite discourse but lacking any powerful heuristic of vulgarity. Perhaps more creative online speakers intimately familiar with diapering would invoke tsunamis, or diapers of mass destruction, invoking cultural references as metaphors and confusing any applicable censoring software in the process, especially if the software was designed by people without firsthand diaper experience.

Filters and blockers are unlikely to be sophisticated enough to divine the intent of a speaker in using a particular word or phrase. My late maternal grandmother was very conversationally demure, and the phrase “Oh dumb it!” represented the closest thing to a string of expletives I ever heard her utter. Even a sentient e-mail or web log filterer therefore would have been rather surprised one day to read her description of a complicated and confusing family situation as “all balled up,” because within the male interpretive framework the word “balls” signify male gonads. What the writer would have been referencing, however, invoked her background in knitting and crocheting, wherein an intractably tangled skein of yarn is aptly and innocently described as “all balled up.”

In many contexts women and concepts or things associated with women are trivialized by linguistic distinctions. For example, while certain male undergarments are generally denominated “underwear,” the corollary clothing items for women are commonly referred to as “panties” or “lingerie,” or “knickers.” How filters and blocking software will account for these differences, if at all, is not clear, and these sexist distinctions are likely to be unthinkingly reinforced.

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218 Catherine Rowell McIntosh (1908 - 1990).
219 In addition, consider this post from the Bitch Has Word blog: Quote of the Week:

“You going ballin’ today?” Spoken by one of my writing students to me yesterday, at the start of class. Now, it took me a minute to figure out that he was referring to my Knicks sweatshirt, and therefore basketballing, not my after-class sexual activities. But I swear, I was stunned for a minute.


Id.
Filters and website blocking techniques can be configured to affirmatively restrict the flow of information to reflect or stifle political view points. For example, the advocacy group Peacefire\(^{224}\) created four web pages on free servers that contained anti-gay quotes copied from four conservative Web sites: Dr. Laura\(^{225}\), Concerned Women for America\(^{226}\), the Family Research Council\(^{227}\) and Focus on the Family.\(^{228}\) Then, using anonymous e-mail accounts, the group then sent the URLs of the Peacefire-created pages to companies that sell filtering software, recommending that they block the newly created pages as “hate speech.”\(^{229}\) After the companies had agreed to block the webpages specially created by Peacefire, they were informed that all the quotes on those pages had been taken from the four conservative Web sites listed above.\(^{230}\) Peacefire recommended that they block those Web sites as well.\(^{231}\) However, according to Peacefire, the blocking companies did not block those Web sites, and did not respond to Peacefire’s inquiries about this inconsistency.\(^{232}\)

Entities that do not want to bother with actual blocking software can use a psychological rather than technological approach. They may publicize a policy under which accessing particular types of content (e.g. copyrighted, or pornographic) will be punished, and further announce that all web traffic to websites containing objectionable material will be logged. Significant technological expenditures would be unnecessary, and users would not have to put up with the over and under inclusive limitations of blocking and filtering software, because people would proactively filter themselves. Those intuitively most likely to self-filter are people lacking the political power and financial resources with which to access and secure unfiltered cyberspace.

2. Copyright Controls

The Hollywood depiction of pirates is often romantic on film. Handsome, heroic swashbuckling pirates\(^{233}\) lay claim to beautiful, objectified women, shiny,
precious jewels (that are sometimes used to decorate the beautiful, objectified women), and treasure chests brimming with gold doubloons. In reality, the Motion Picture Association of America has no such romantic illusions about “copyright piracy,” and casts it as an evil from which beautiful, shiny, objectified content must be protected. Copyright piracy is framed as the taking of intellectual property from rightful owners by violent means such as “ripping” and “burning.” Like the attractive women of the movies, copyrighted materials are characterized as possessions that must be aggressively protected from pirates.

Under the guise of this “copyright protection,” information can be censored or restricted. As a practical matter, it may be impossible to squelch technologies such as peer-to-peer file sharing. Ed Felten wrote “TinyP2P,” a functional peer-to-peer file sharing application, in fifteen lines of code, “to illustrate the difficulty of regulating peer-to-peer applications,” and noted that, “Peer-to-peer apps can be very simple, and any moderately skilled programmer can write one, so attempts to ban their creation would be fruitless.” However,
if use of a peer-to-peer file sharing program is illegal or perceived as such, risk-adverse people will forgo its use.  

If digital rights management (DRM) worked, in the sense that it prevented unauthorized copying and distribution, content owners wouldn’t need to restrict new technologies. As Cory Doctorow has pointed out, “DRM isn’t protection from piracy. DRM is protection from competition.” The Internet itself functions as a giant P2P platform. P2P programs like Napster are simply tailored mechanisms for using file sharing capabilities hardwired into the architecture of the Internet itself. In California, legislation has been introduced that would fine, or imprison for up to one year, any person who “sells, offers for sale, advertises, distributes, disseminates, provides, or otherwise makes available” software that allows users to connect to networks that can share files, unless that person takes “reasonable care” to ensure that the software is not used illegally. It defined P2P as follows:

“[P]eer-to-peer file sharing software” means software that once installed and launched, enables the user to connect his or her computer to a network of other computers on which the users of these computers have made available recording or audiovisual works for electronic dissemination to other users who are connected to the network. When a transaction is complete, the user has an identical copy of the file on his or her computer and may also then disseminate the file to other users connected to the network.

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241 Id.

242 See Bradley Mitchell, Introduction to Peer to Peer (P2P) Networks and Software, at http://compnetworking.about.com/od/p2pnetwork/a/p2introduction.htm (last visited Mar. 23, 2005). In peer-to-peer networks, computers will typically be situated physically near to each other and will run similar networking protocols and software. Id. Home computers, for example, are normally configured in P2P workgroups to allow sharing of files, printers and other resources. Id. Although one computer may act as the file server or FAX server at any given time, any home computer can normally handle those responsibilities on short notice, and that is the essence of peer-to-peer networking. Id.


244 Id.
Ed Felten observed that this definition “clearly includes the web, and the Internet itself, so that any software that enabled a user to connect to the Internet would be covered.”\textsuperscript{246} And note that it’s not just the author or seller of the software who is at risk, but also any advertiser or distributor.\textsuperscript{247} Web links and web hosting are therefore potentially criminalized.\textsuperscript{248} Felten further opined:

The bill provides a safe harbor if the person takes ‘reasonable care’ to ensure that the software isn’t used illegally. What does this mean? Standard law dictionaries define ‘reasonable care’ as the level of care that a ‘reasonable person’ would take under the circumstances, which isn’t very helpful . . . . I would argue that trying to build content blocking software into a general-purpose network app is a fruitless exercise which a reasonable person would not attempt. Presumably Mr. Murray’s backers would argue otherwise. This kind of uncertain situation is ripe for intimidation and selective prosecution.\textsuperscript{249}

Yochai Benkler has suggested that strengthening intellectual property rights does not broadly advance the interests of all creators, but rather advantages large vertically integrated content providers while disadvantaging small scale firms and individual creators.\textsuperscript{250} Consider again the women’s personal web log entries reproduced and discussed above. Like almost all web loggers, the authors engaged in liberal amounts of linking, and made unauthorized fair uses of copyrighted works. Though no actual litigation that generated a judicial opinion has been ascertained, scrutiny of web log entries suggests clashes occur between those who would monetize the online fellowship of lonely women with small children, and mothers who resist such practices. For example, one curse-versant blogger noted:

I’ve been meaning to give you all an update on the MOMS Club\textsuperscript{®} situation. The situation is: it appears to remain true that anyone can link anyone they feel like linking. Even if a large organization threatens you with legal action and says, they ‘will consult’ their attorneys if you do not comply with their demands. Then, they’ll change their story when you refuse to comply and will say something annoying like, ‘It’s unfortunate you won’t comply with my request. I’ll be turning this matter over to the

\textsuperscript{247} Id.
\textsuperscript{248} Id.
\textsuperscript{249} Id.
\textsuperscript{250} See, e.g., Yochai Benkler, Free As the Air to Common Use: First Amendment Constraints on the Enclosure of the Public Domain, 74 N.Y.U. L. REV. 354, 400-08 (1999).
president of the MOMS Club® and it will be up to her if legal action will be taken.’ Because, really, the truth is . . . the person who contacted you was just really pissed off you had the nerve to say unpleasant things about people she likes and she had nothing better to do but email you with empty threats. Also, she never turned anything over to the ‘President’ because the entire thing was a big fat ball of annoying bull shit! Weeee!  

This level of courage in the face of potentially chilling threats is encouraging, but not every blogger can be as heartily fearless. Another wrote, with apparent angst and trepidation:

I’m trying to find something light hearted to post about, but even Jake announcing that his little brother’s favorite food is dog food [which is totally true, by the way] to the entire library at story hour has ceased to re-awaken the funny ha ha banter I normally try to write. All I’ve got is funny not so ha ha & that’s really not very fun to read.

Instead of enjoying the 4 day mini-holiday with my family in Utah this week, where I would actually be playing with my children instead of half parenting them from behind my laptop, I get to meet with my lawyer to discuss exciting things like patent laws, copyright infringement, and intellectual property theft! I get to fill out paper work and sign checks! All because people can’t seem to abide by that good old rule of thumb, “Do unto others . . . .”

As a cultural matter, many women may conceptualize copyright laws somewhat differently than men. There are activities in real space which, while open to participants of any gender, tend to be predominantly female pursuits both perceptually and in reality. These include quilting and other needlework, scrapbooking, fiction reading, and cooking.

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253 See Mary Anne C. Case, Disaggregating Gender from Sex and Sexual Orientation: The Effeminate Man in the Law and Feminist Jurisprudence, 105 YALE L.J. 1, 33 (1995). “Numerous scholars have noted the following phenomenon in a variety of contexts: virtually all societies draw strong distinctions between things, behaviors, activities, and jobs gendered masculine and those gendered feminine.” Id.
254 E.B. BROWN, AFRICAN-AMERICAN WOMEN’S QUILTING: A FRAMEWORK FOR CONCEPTUALIZING AND TEACHING AFRICAN-AMERICAN WOMEN’S HISTORY (1989); http://soundprint.org/radio/display_show/
Quilting, to take up the first example, is not a good fit with intellectual property law. Quilting isn’t typically recognized as an art form because it is often the product of an indefinite group, such as a “Stitch and Bitch,” or

I am an accomplished needleworker. As embarrassed as I have been to say it, there it is. Back in my days as a graduate student, I made the mistake of talking about attending needlework classes and was teased as a result. I was reminded of this when I reviewed The Subversive Stitch: Embroidery and the Making of the Feminine, a feminist analysis of the needle arts from the Middle Ages to the present. In Roszika Parker’s book, a feminist scholar interested in handwork reflects that she too soon learned never to tell people I embroider. (Annmarie Turnbull, interview with the author, 1981; qtd in Parker, 214.) This sociology professor and I both experienced a hangover from Victorian times: things relegated to the ‘feminine sphere’ cannot easily be reconciled with professionalism. That is, even though femininity is no longer as associated with rigidly defined gender roles, embroidery is, and thus it is difficult to reconcile with ‘real work.’

“Batting and Chatting,” 261 quilting club in which at each monthly meeting, the entire membership works on one member’s quilting project. Many quilts feature the repetitive use of traditional designs, 262 or the designs are derived from natural objects. 263 Although there are exceptions, quilts are ordinarily used quite mundanely on beds in private homes. They are not something to drop quotes from into conversation, or to display publicly as if they were paintings or works of sculptures. One is in fact well advised not to display a quilt publicly if, for example, a depiction of Mickey Mouse has somehow been incorporated into the design without the permission of the aggressively litigious Disney Company. 264

Communal web logs offer a text based cyberspace homology to quilting. 265 Though most are contrived to allow authorship indicia for each individual posting, it is together that the postings form the useful whole. Individual web logs may in turn form intersecting web circles, an image that is evocative of a common quilting pattern. Blog rolls, “hot link” lists of other web logs that host sites recommend, often overlap and repeat as well, constructing informal web rings that interconnect to form an online community.

One recent study of the demographics of web loggers found that women are slightly more likely than males to create blogs. 266 Another academic study of the demographics of blogging ascertained:

An initial consideration of the demographics of blog authors reveals an apparent paradox. Quantitative studies report as many (or more, depending on what one counts as a blog) female as male blog authors, and as many (or more) young people as adults, suggesting a diverse population of bloggers as regards gender and age representation. At the same time, as will be shown, contemporary discourses about weblogs, such as those propagated through the mainstream media, in scholarly communication, and in weblogs themselves, tend to disproportionately feature adult, male bloggers. 267

262 Id.
263 Id.
266 Perseus Blog Survey, at http://www.perseus.com/blogsurvey/thebloggingiceberg.html#demographics (last visited Mar. 23, 2005). “Females are slightly more likely than males to create blogs, accounting for 56.0% of hosted blogs.” Id.
267 Lisa Williams, Women, Men and Blogs (July 3, 2004), at http://www.cadence90.com/wp/index.php?p=2836 (reporting on study by Susan C. Herring, Inna Kouper, Lois Ann Scheidt, and
As Jessica Litman has observed, clothing and recipes do not generally receive copyright protection, and yet we do not go naked and hungry, nor do we typically observe or experience vacuums of creativity with respect to fashion, or food. Though both sewing and cooking can be social activities, generally they tend to be relatively individualized domestic pursuits. While the distribution of sewing patterns is somewhat commercial and monetized online, as it is in real space, the free sharing of recipes over the Internet is quite common. Some recipe sites feature corporate sponsorship and large amounts of advertising, while others contain exhaustive lists of foods in noncommercial formats, and appear to be public interest oriented in nature. Still others seem devised largely for the amusement of the authors and their friends, such as Knife-wielding Feminists, a “recipe spot for feminist foodies.”

3. Commodification and Culture

Scholars such as Martha Woodmansee, Peter Jaszi, and Rosemary Coombe have argued that the creativity incorporated into arts and crafts, or into inventive useful items, relies on the underlying works and teachings of

Elijah L. Wright, from Indiana University at Bloomington, 2004 about gender differences in blogging).

268 JESSICA LITMAN, DIGITAL COPYRIGHT 105-06 (2001).
others, often reflecting contributions distilled across cultures and nations. The “author principle” that predominates in the copyright and patent law of industrialized countries, however, pretends that some particular individual may take full credit for the whole. On a global basis this orientation privileges the claims of the intellectual property regimes of Western nations over those of non-Western cultures by withholding intellectual property status for folkloric works, or for cultivated (but not genetically modified) agriculture products. Propertization of cultural attributes via Western copyright and patent principles therefore effectively allows some individuals to usurp the rewards from the labor and intellectual creativity of others.

When an intellectual property framework is imposed, cultural information takes on the appearance of a natural resource. Consider an information-as-water metaphor. Essential to life, water derives strength from repetition and relentlessness in small amounts (picture the endless drops that form stalactites, or trickling streams that slowly carve canyons) and can be quickly destructive and wholly uncontrollable in large quantities. Water both creates and crosses borders, and can be dammed, diverted and polluted. While the sources of water can be indeterminate and the individual molecules identical and interchangeable, individual tributaries can be identified and credited. Moreover, water can be solid, liquid or gas depending upon the temperature of its environment.

Information, like water, can build or destroy seemingly solid institutions, and move without regard to geopolitical border constraints. It may be sourced,

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278 Id. at 152.

Physical resources are also subject to different rules depending on their nature. We have different sets of rights for air, minerals, land, and water. Water is a particularly interesting analogy to the electrical charges that are at issue in the Internet trespass cases, as both flow according to the laws of physics. As Blackstone put it, water “is a movable, wandering thing, and must of necessity continue common by the law of nature so that I can only have a temporary, transient, usufructuary property therein: wherefore, if a body of water runs out of my pond into another man’s, I have no right to reclaim it.” On one view, the Internet trespass cases are all about chasing down electronic “water” in order to reclaim it.

281 Id.
282 Id.
283 Id.
controlled, reconfigured, repackaged, contaminated, and also filtered. Inaccurate or pointless information can be disparagingly analogized to steam (“hot air”), and asserting stringent copyright controls over an informational work can effectively put its distribution “on ice.” Scarcities of both potable water\footnote{http://www.solcomhouse.com/drought.htm (last visited Mar. 18, 2005) (noting that there will be a global water crises by 2025).} and of useful information privilege those in control of distribution, and disadvantage those with limited or nonexistent financial or political power.

In several contexts information is commodified to an extent that one can fairly easily conceptualize it in an exploitive way, much as a nation’s physical natural resources such as water (or oil, or minerals) can be appropriated. Consider the use of public domain folkloric stories as the basis for copyrighted movies. When someone creates a fresh adaptation of a folktale, the only things protectable by copyright strictures are the altered and added parts.\footnote{Paul Kuruk, \textit{Protecting Folklore Under Modern Intellectual Property Regimes: A Reappraisal of the Tensions Between Individual and Communal Rights in Africa and the United States}, 48 \textit{Am. U. L. Rev.} 769, 821-22 (1999) (noting that folklore is protected by general copyright concepts of rights to derivative public domain works).} Everything that existed before the new version was made remains in the public domain, for all to use, assuming one can confidently discriminate between the two sets of components.\footnote{See also Paul J. Herald, \textit{Reviving the Rhetoric of the Public Interest: Choir Directors, Copy Machines, and New Arrangements of Public Domain Music}, 46 \textit{Duke L.J.} 241, 248 (1996) (discussing how the derivative work protection “extends only to the material contributed by the author of such work, as distinguished from the preexisting material”).} Thus, folktales cannot doctrinally be copyrighted out of general circulation.\footnote{Id.} However, copyrights do compromise the iterative folklore process: stories morph and expand as they are told and retold, and as they filter through different cultures. The narrative evolutionary process comes to an abrupt halt if every time someone changes a folk story, the alterations are copyrighted, and thereby inaccessible to everyone else for the entire term of a copyright without a complicated authorization or licensing procedure and monetary exchange. Enforcing such an intellectual property right will not likely increase the quantity of existing “public domain” folklore, but will surely decrease the quantity of

\textit{Id.}
products that are derived from the extant folklore because of fears of infringing upon other derivative works. 289

“Useful” (as opposed to “creative”) indigenous knowledge is also vulnerable to commodification. Pharmaceutical companies are known to use folk remedies and traditional healing practices as bases for researching medical treatments that they often patent. 290 Iron ore might be mined from one country, turned into steel in a second nation, the steel into a toaster in a third, and then the toaster exported back to the very geopolitical entity in which the iron ore was extracted from the earth in the first place. Patentable information makes same sort of “round trip” as physical goods, potentially returning in “value added” form when, as would also be the case with the toaster, consumers in the “source” nation possess the interest and capital to make the requisite purchases.

The collection and use of personal financial and demographic data from domestic citizens, by extraterritorial marketers who will use it to compete with local businesses in the provision of goods and services, can also look like appropriation of natural resources, and lead to depletion of local economies. While certainly observable in real space, this sort of information-based commodification is particularly well facilitated by the Internet. 291

Another sort of commodification also bears discussion. Human trafficking involves moving people from one place to another and placing them in conditions

289 See, e.g., Ann Bartow, Copyrights and Creative Copying, 1 U. of Ottawa Law and Tech. J. 75, 77 (2004). “It seems highly probable that authors can be negatively affected by the spectre of copyright infringement suits in a manner that burdens and chills the creative process.” Id.


291 Ann Bartow, Our Data, Ourselves: Privacy, Propertization and Gender, 34 U.S.F.H. Rev. 633, 633 (2000). “Cyberspace has become fertile ground for the harvesting of consumer data, and consumers have very little ability to keep their personal information private, especially online.” Id.
of forced labor such as prostitution, domestic servitude, unsafe agricultural labor, sweatshop labor, construction or restaurant work, and other forms of modern-day slavery.\footnote{See Melanie Orphant, \textit{Trafficking in Persons: Myths, Methods, and Human Rights}, \textit{Population Reference Bureau} (Dec. 2001), at http://www.prb.org/Template.cfm?Section=PRB&template=/ContentManagement/ContentDisplay.cfm&ContentID=5261 (reporting on the trafficking of humans).} It is a global phenomenon that occurs within countries and across borders, regions, and continents.\footnote{\textit{Id.}}

Human trafficking, whether of factory workers, domestic servants, brides-by-mail, or sex slaves, disproportionately involves women who have been rendered objects of commerce.\footnote{\textit{Id.}} Human trafficking and cross-border information flows are inextricably linked. Operation of a market in humans requires information exchanges between buyers and sellers,\footnote{Bridget Anderson & Julia O’Connell Davidson, \textit{Trafficking – a Demand Led Problem}, at http://www1.rb.se/Shop/Archive/Documents/2486%20-%20Trafficking.pdf (reporting on the trafficking of children) (last visited Mar. 18, 2005).} and analysts and policy experts assert that effectively addressing human trafficking will rely in large part on a variety of structured “information campaigns.”\footnote{\textit{Id.}}

A book by Tom Standage entitled \textit{The Victorian Internet} provides a colorful history of the telegraph and the impact it had on global communications.\footnote{See \textit{generally Tom Standage, The Victorian Internet: The Remarkable Story of the Telegraph and the Nineteenth Century’s On-line Pioneer} (1998) (discussing the history of the telegraph).} The only chapter in which women figure prominently is Chapter 8, “Love Over the Wires.”\footnote{\textit{Id.}} After recounting the details of an “on line wedding” that enabled a woman to marry the man she loved rather than the man her father had chosen for her, Standage related several anecdotes of romantic relationships in which the telegraph played a role, after noting that “[w]omen were regarded as ‘admirable manipulators of instruments’ well suited to telegraphy (since it wasn’t too strenuous), and they could spend the quiet period reading or knitting.”\footnote{\textit{Id.} at 134.}
The current Internet is also utilized as a venue for romantic or erotic social interactions, ranging from “introduction” sites to pornography and cybersex.\(^1\) I once spent a very long plane trip seated next to a friendly and talkative but rather dull woman who treated me to a droning monologue about her apartment, including location, lay out, rent, expected rent increases, furnishings, average daily temperature, and her parents’ medical situations, including their various symptoms, diagnoses, surgeries, medications and future prognoses. It wasn’t until the flight was almost over and she suddenly disclosed the reason she was traveling that the conversation became interesting: She was going to meet face to face, for the first time, a man she had been “Internet dating” for five months, after meeting him through a for-profit online dating service.

It was upon learning this that, for the first time, I actually affirmatively solicited some information from her, asking if she had family or friends who knew where she was going and when she was expected back, for safety purposes. She assured me she had, and I watched with some fascination at the baggage carousel as she introduced herself to a man who awkwardly hugged her and then picked up her suitcase. Hopefully, he ultimately found her more interesting in person than I had. Presumably after five months of exchanging e-mails, he understood and accepted her conversational tendencies. While she herself did not appear to have been “commoditized,” it was a commercial vendor operating over the Internet that initiated and facilitated the relationship.


For those who doubt that psychological immersion occurs in virtual worlds, the best riposte is virtual sexual activity, or “tinysex.” Tinysex is a popular activity in text-based social worlds like LambdaMOO, which has set aside an entire suite of rooms for tinysexual encounters. In some MUDs, sexuality seems to permeate the entire environment. One study has revealed that even among players of EverQuest, which does not readily lend itself to sexual simulation, nearly half of participants who are female in real life have had virtual romantic relationships with EverQuest partners. Online relationships often have significant real-life effects on those who engage in them. There are, by now, numerous accounts of real-life marriages formed out of romantic encounters that were initiated online. Equally prevalent are tales of real-life relationships endangered or ruined by virtual betrayals. The most interesting cases have involved male avatars falling in love with (or having a tinysexual encounter with) a female avatar, only to discover that another male user controlled the female avatar. Those who build intimate relationships with gender-swapped avatars generally report feeling, at the very least, confused and disoriented at the revelation. The propriety of avatar gender-swapping, therefore, is hotly debated among virtual-world residents.

\(Id.\)
At least one MMORPG\textsuperscript{301} (to use the seemingly favored acronym) has overtly attempted to solicit female gamers, with the hope that the presence of women would, in turn, lure male players, improving the financial prospects of the game. Greg Lastowka and Dan Hunter have reported:

\begin{quote}
In the nonleveling genre, the major competitor to The Sims Online is probably There.com’s There, which is currently still in beta testing. According to its promotional materials, There will be “the first online getaway that gives you the freedom to play and talk naturally while having fun and making friends.” There has video game elements (e.g., virtual paintball, hoverboarding, and dune-buggy racing), but it is targeted primarily to those interested in hanging out and chatting with friends. Some design features of its interface are explicitly reminiscent of chat rooms. Interestingly, There.com is being marketed primarily to women, with the belief that if the world builders can attract them, men will follow.\textsuperscript{302}
\end{quote}

The commodification of information affecting women, and the commodification of women themselves intersect in many ways that bear scrutiny as the law of cyberspace continues to develop.\textsuperscript{303}

\section*{D. Unfiltered Feminism and Democratic Discourse}

Websites can function somewhat like small circulation newspapers,\textsuperscript{304} which can play important roles in distributing information, and thereby fulfilling the goals of the press clause of the First Amendment.\textsuperscript{305} Given the reach of the web,

\begin{footnotesize}
\begin{enumerate}
\item Massive Multiplayer Online Role Playing Games, at \url{http://www.MMORPG.com}.
\end{enumerate}
\end{footnotesize}
the size of the readership would be correlated to interest levels rather than geographic accessibility. Some websites will attract an audience primarily comprised of friends, family, and other acquaintances.\textsuperscript{306} This may have unexpected consequences in terms of framing or cabining conversation, and provoking insightful self awareness. As one blogger wrote:

Lunch was lovely but I realized while we chatted, if someone I am talking to reads my website . . . we have very little to talk about because I only have about 5 stories to tell at any given time and I usually tell them on this website first. So conversation is seriously limited. But then on the way home from our lunch date I thought to myself, ‘Why don’t you do more listening asshole?’ Ha!\textsuperscript{307}

Web logs can also assist in the fomentation of political action.\textsuperscript{308} A Virginia lawmaker withdrew a bill he drafted from consideration by the Virginia


\textsuperscript{307} \textit{Smallish Whoopie Cushions}, \textit{Suburban Bliss} (Jan. 01, 2005), at http://www.suburbanbliss.net/suburbanbliss/2005/01/i_had_lunch_tod.html.

Legislature that would have required women to report fetal deaths after he received more than 500 blistering e-mails from people concerned that the measure would punish women who have miscarriages. E-mail opposition to the bill was apparently generated largely by bloggers. According to one account:

Del. John A. Cosgrove, R-Chesapeake, was shaken by the speed and volume of the response as word of his bill traveled across the country via the Internet. “I’ve never been blogged before,” he said. “The tone of the e-mails has been disgusting…[i]t’s, ‘[y]ou’re a horrible person’…[y]ou ought to be crucified’…those were the nice ones.”

He may never have been “blogged” before but he has probably made inflammatory proposals previously, he just didn’t get the immediate feedback that web logs facilitated in conjunction with e-mail.

After the appearance of commentary on Fox News inquiring whether feminism has “gone too far” because, purportedly, men aren’t sure if they should open the door for women or not, several blogs gave people a forum for their reactions, which included multiple assertions that feminists needed to get laid and/or shave their moustaches. After Harvard President Lawrence Summers gave a lecture at which he made remarks about why women did not succeed in math

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310 John Cosgrove H.R.B. 1677, Fetal Death, Report by Mother, Penalty, at http://leg1.state.va.us/cgi-bin/legp504.exe?ses=051&typ=bel&val=hb1677 (proposing to make mothers responsible to report when a fetal death occurs without medical attendance to the proper law-enforcement agency within 12 hours of the delivery and violation of the section was to be punishable as a Class 1 misdemeanor).


312 Id.


314 Neil Cavuto, After You, FOX NEWS (Jan. 7, 2005), at http://www.foxnews.com/story/0,2933,143717,00.html (beginning the article by asking women readers if a man opens a door for you, do you feel patronized?).

and science careers in numbers comparable to men, the blogosphere discussed the matter extensively. Some bloggers pondered whether rigorous scientific research could support Summers’ claims, while others debated whether Summers was more accurately described as an “asshole” or a “prick.” Michael Berube provided my favorite satiric blog entry on the topic, writing:

‘Traditionally, presidents of Harvard have been men,’ said Harvard geneticist Charles Kinbote, the study’s designer and principal investigator. ‘Now, after almost 400 years, we know why. To coin a phrase, it’s in the genes.’


Summers is a prick. A complete, total and utter, unbelievable prick. The kind of guy who can make ‘Happy Birthday’ sound like ‘your mother’s a whore.’ Everyone who’s ever met him, even his friends, basically agrees with this. Summers; met him twice - he was a prick both times, and I have numerous secondhand descriptions of him as ‘a prick.’ Even Brad DeLong, who is one of his mates and has coauthored papers with him, agrees that he has a bad first impression.” This seems evidence against him being in essence a ‘prick.’ It’s funny that dsquared hears Summers described as a ‘prick’. At Harvard, it’s almost universally ‘asshole’. Often one doesn’t need to specify: ‘Did you hear what the asshole said?’ or ‘I had a meeting with the asshole. You wouldn’t believe what he said to…’. Which leads to the Crooked Timber-worthy question: is there an important difference between a prick and an asshole? Could we do an ordinary language analysis? To me, prick is more superficial; asshole is deeper (yeah, yeah, it’s intentional). A prick is above all annoying, but it’s often localized and a social defect; you can say, ‘yeah he’s a prick, but he’s really a good guy.’ Can you say that about an asshole? An asshole strikes me as a fundamental personality assessment. I’ve even heard Summers’ assholosity referred to, I’m not kidding, as a genetic inheritance. But we should not neglect environmental factors. It does seem that at this particular historical juncture economics is particularly productive of assholes. But then, his parents were both economists. The nature-nurture debate goes on . . . .

Id.
According to Kinbote, the presidency of Harvard University requires a unique array of talents and dispositions which, statistically, only a small handful of women possess.\(^{319}\) For one thing, it has long been one of the president’s tasks to deny tenure to promising female scholars—personally, without stated cause, and after a department, a college, and a battery of external referees has approved her. My study shows that the X chromosome contains material that, in combination with another X chromosome, inhibits a person’s ability to do this.\(^{320}\)

These are just a few examples of varied feminist-oriented discourses enabled by the Internet, predominantly occurring within the United States. Recall that the plots of many movies and television shows in the 1960s, 1970s and even through much of the 1980s involved the smuggling of “important information” out of the Soviet Union, from behind the “Iron Curtain.” Sometimes the information was a microdot embedded with the plans for some new and nefarious weapon of mass destruction, but other times it was simply a collection of poems or essays critical of the totalitarian government in power, which sought to repress this “illegal” and “harmful” information.

Today there are efforts to prevent trafficking in “bad information” around the world. Saudi Arabia, a nation in which women do not have citizenship rights equal to those of men, engages in heavy Internet filtering.\(^{321}\) China aggressively filters the Internet within its borders as well.\(^{322}\) Whether particular types of information can be spirited through these filters will, like so many issues in cyberspace, be largely determined by men but will tremendously impact women.

The English-speaking Internet presence (which regrettably is all the author is familiar with) of women from other nations can be educational and inspiring. For example, the organization RAWA,\(^{323}\) the Revolutionary Association of the Women of Afghanistan, was established in Kabul, Afghanistan, in 1977 by a group of female Afghan intellectuals as an independent political and social organization of Afghan women fighting for human rights and for social justice in Afghanistan. Among other activities, RAWA publishes several ink and paper

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\(^{319}\) Id.


magazines. When it was formed, it opposed the Soviet occupation of Afghanistan, and when the Taliban took over, it opposed the anti-women policies and practices of the Taliban. The organization continues to push for a more democratic and women-friendly society in Afghanistan.

Alternatively, the web log Baghdad Burning is the work of one individual, “Riverbend,” who blogs about her life as an Iraqi living in Baghdad, as the war affects her and her friend and family members. She discusses the deprivations, the fear, and the rumors she hears about the war and the actions of the U.S. military. One also learns unexpected things, such as the widespread availability and consumption of the drug Valium in Iraq since the United States invaded.

Websites and web logs devoted to feminism specifically, or women’s issues generally, or simply carrying women’s voices around the globe, are encouragingly numerous. Whether such Internet resources thrive or merely survive will depend on many variables, outside of the control of those who are most affected by them.

IV. CONCLUSION

When differences between women and men are ignored in real space, the consequences are generally unfavorable to women. When, for example, the results of medical studies that used only male subjects are generalized to women, women’s health and welfare suffers. In similar ways, women in cyberspace will be disadvantaged if they are not considered independently within the realm of cyberspace. Differences in the ways women and men use and communicate over the Internet need to be recognized, studied and accommodated by those who

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328 Id.
329 Id.
would theorize cyberspace law and advocate directions for its evolution. Affirmatively encouraging more women to actively participate in Internet-related fields could help facilitate this involvement. Doing nothing will further entrench a status quo in which women are assumed to be men, or need to attempt to pass as men, or must aspire to be treated like men online, and are functionally powerless and invisible.
FIRST AMENDMENT SCRUTINY OF EXPANDED SECONDARY LIABILITY IN COPYRIGHT

by Ernest Miller*

I. INTRODUCTION

The relationship between copyright and the free expression interests of the First Amendment has fascinated commentators for decades. Although many of these commentators have been worried about the obvious tensions between copyright law and the First Amendment, the traditional judicial view is that there is little need for concern. Copyright is an “engine of free expression.” Although copyright law is not “categorically immune” to First Amendment scrutiny, courts have generally been unwilling to find elements of copyright law

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unconstitutional under the First Amendment. The usual explanation is that copyright and the First Amendment are not in conflict because they share the same goals of promoting the creation and dissemination of knowledge and that copyright incorporates certain limitations, such as the idea/expression dichotomy and fair use, that virtually eliminate any free expression concerns.

However, the cases that have been dismissive of First Amendment limitations on copyright have generally been concerned with cases of direct infringement within the “traditional contours” of copyright law. Whether and how to scrutinize copyright law outside its traditional boundaries for free speech concerns has received very little attention by the courts. Nevertheless, following the Supreme Court’s most recent decision analyzing the relationship between copyright and the First Amendment in *Eldred v. Ashcroft*, several scholars have begun to consider what the First Amendment has to say about non-traditional copyright.

The basic premise of this new scholarship is that even if one accepts the common narrative that traditional copyright’s purpose and embedded speech protections preserve it from heightened First Amendment scrutiny, non-traditional expansions to copyright law still require heightened scrutiny. This essay will argue in favor of heightened First Amendment scrutiny of non-traditional copyright law with regard to expanded definitions of secondary liability in copyright. In particular, this essay will consider such expanded notions of secondary liability as argued by some in the *MGM v. Grokster* peer-to-peer file sharing case, and defined in the *Inducing Infringement of Copyrights*

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4 See, e.g., *Eldred*, 537 U.S. at 221 (holding that “traditional contours” of copyright are not subject to First Amendment scrutiny); *Harper & Row*, 471 U.S. at 560 (allowing that First Amendment protections are embedded in limitations to copyright such as fair use and the idea/expression dichotomy); Sid & Marty Krofft Television Prods., Inc. v. McDonald’s Corp., 562 F.2d 1157, 1170 (9th Cir. 1977) (maintaining that the idea/expression dichotomy accommodates First Amendment concerns).

5 *Marty Krofft Television Prods., Inc.*, 562 F.2d at 1170.

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


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


Act of 2004, which was introduced but not passed.\textsuperscript{12} Finally, this article will conclude that heightened First Amendment scrutiny will likely constrain significant expansion of secondary liability for copyright violations.

\section*{II. The First Amendment and Non-Traditional Copyright}

The question of tension in the relationship between copyright law and the First Amendment was first explicitly raised by commentators in the early 1970s.\textsuperscript{13} Despite the concerns raised by commentators, the courts initially denied any such conflict between the two Constitutional elements.\textsuperscript{14} Eventually, however, a more serious analysis of the relationship of the two areas of law was put forth in \textit{Harper \& Row Publishers, Inc. v. Nation Enterprises}.\textsuperscript{15}

In \textit{Harper \& Row}, the Court endorsed the argument that the purpose of copyright was speech enhancing; it provided an “economic incentive to create and disseminate ideas.”\textsuperscript{16} Furthermore, the Court found this to be the intent of the Framers and therefore, implicitly, in harmony with the First Amendment.\textsuperscript{17}

The Court also recognized three other elements of copyright law that ensured protection for free speech concerns.\textsuperscript{18} The first was the idea/expression dichotomy; the doctrine that copyright only protects particular expression and not the underlying idea.\textsuperscript{19} A common example is that \textit{West Side Story} does not infringe the copyright (if there were one) of Shakespeare’s \textit{Romeo and Juliet}, because the two works are different expressions of the underlying idea of star-crossed lovers trapped by feuding families.\textsuperscript{20} The second element, little noted, was that copyright protects the free speech right not to speak, or to be silent.\textsuperscript{21} Finally, the Court also recognized the statutory “fair use” limitations of copyright.\textsuperscript{22} In light of these three protections of speech copyright law provides, the Court noted:

\begin{footnotesize}
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\item \textsuperscript{12} S. 2560, 108th Cong. (2004).
\item \textsuperscript{16} \textit{Id.} at 558.
\item \textsuperscript{17} \textit{Id.} “[I]t should not be forgotten that the Framers intended copyright itself to be the engine of free expression.” \textit{Id.}
\item \textsuperscript{18} \textit{Id.}
\item \textsuperscript{19} \textit{Id.} at 556.
\item \textsuperscript{20} See \textit{id.}
\item \textsuperscript{21} \textit{Harper \& Row}, 471 U.S. at 559-60.
\item \textsuperscript{22} 17 U.S.C. § 107 (2004).
\end{itemize}
\end{footnotesize}
In view of the First Amendment protections already embodied in the Copyright Act’s distinction between copyrightable expression and uncopyrightable facts and ideas, and the latitude for scholarship and comment traditionally afforded by fair use, we see no warrant for expanding the doctrine of fair use to create what amounts to a public figure exception to copyright.  

This vigorous defense of copyright law in the face of First Amendment challenge has led subsequent judicial decisions to give very short shrift to such arguments, leading one appellate court to declare, wrongly, that “copyrights are categorically immune from challenges under the First Amendment.” In that case, Eldred v. Ashcroft, Eric Eldred, a publisher of public domain works, brought a facial First Amendment challenge against the Sonny Bono Copyright Term Extension Act of 1998 (“CTEA”), which, among other things, extended existing copyrights for twenty years. Eldred claimed that the First Amendment required that the CTEA be subject to heightened First Amendment scrutiny, and that it could not withstand such scrutiny.

In Eldred, the Supreme Court rejected the claim that copyright is “categorically immune” to First Amendment challenge, but in doing so endorsed their prior analysis in Harper & Row with some very interesting caveats. The originalist interpretation of harmony between the First Amendment and copyright due to similar purposes that was implicit in Harper & Row, becomes explicit in Eldred:

The Copyright Clause and First Amendment were adopted close in time. This proximity indicates that, in the Framers’ view, copyright’s limited monopolies are compatible with free speech principles. Indeed, copyright’s purpose is to promote the creation and publication of free expression.

Yet there appears to be a condition for this harmony; namely, that the “copyright scheme . . . incorporates its own speech-protective . . . safeguards.” Presumably, a copyright scheme that did not incorporate such safeguards would not escape heightened scrutiny.

27 Eldred, 537 U.S. at 193-94.
28 Id. at 221.
29 Id. at 218-19.
30 Id. at 219.
31 Id.
32 Alfred C. Yen, Eldred, the First Amendment, and Aggressive Copyright Claims, 40 Houston L. Rev. 673, 685-86 (2004).
The Court then went on to specify these embedded protections. First, citing *Harper & Row*, the idea/expression dichotomy was emphasized, with the Court noting that copyright "distinguishes between ideas and expression and makes only the latter eligible for copyright protection." The Court found that "the idea/expression dichotomy strike[s] a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author’s expression." Second, the Court acknowledged the important protections of fair use, stating that "the ‘fair use’ defense allows the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances . . . [and] affords considerable latitude for scholarship and comment." The Court could have simply stopped there with the traditional arguments justifying the lack of First Amendment scrutiny of copyright. However, they took some additional important steps. With regard to the embedded protections of copyright law, the Court also took notice that the CTEA incorporated further protections, such as limited exemptions for libraries, archives, and similar institutions. While the Court failed to note the importance of these particular speech protections, the mere notice alone emphasizes the need for embedded speech-protection within particular copyright schemes. Although there is no clear guidance as to whether these protection schemes would be sufficiently protective of free speech concerns on their own so as to exempt a copyright scheme from First Amendment scrutiny, the Court implied that it will look for such additional protections when evaluating copyright schemes for their free speech effects.

The more important argument that the Court made in extending its First Amendment discussion was focusing on Eric Eldred’s reliance on the free speech doctrine espoused in *Turner Broadcasting System, Inc. v. FCC*. The Court distinguished *Eldred* from *Turner* by pointing out that *Turner* dealt with issues at the core of the First Amendment; namely about self-expression as opposed to exploitation.

Protection of that order does not raise the free speech concerns present when the government compels or burdens the communication of particular facts or ideas. The First Amendment securely protects the freedom to make—or decline

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33 *Eldred*, 537 U.S. at 219.
34 *Id*.
35 *Id*.
37 *Id* at 219-20.
38 *Id*.
39 *Eldred*, 537 U.S. at 220.
40 *Id*.
41 *Id*.
42 *Id*.
44 *Id*.
to make—one’s own speech; it bears less heavily when speakers assert the right to make other people’s speeches. To the extent such assertions raise First Amendment concerns, copyright’s built-in free speech safeguards are generally adequate to address them.\textsuperscript{45}

\textit{Turner} dealt with questions of media regulation, in particular whether cable operators could be required to carry and transmit the content of broadcast stations, known as the “must-carry” rule.\textsuperscript{46} The emphasis in this distinction is on direct infringement: “the right to make other people’s speeches.”\textsuperscript{47} It implies that the farther one is from direct infringement, the stronger the First Amendment concerns are.\textsuperscript{48}

Note also the caveat that “copyright’s built-in free speech safeguards are \textit{generally adequate} to address” First Amendment concerns.\textsuperscript{49} As Michael Birnhack noted, this “implies that in some situations, the built-in safeguards might be inadequate.”\textsuperscript{50} The question remains, therefore, as to when these speech protective measures are inadequate.\textsuperscript{51} One further implication, once again, is that the farther one is from direct infringement, the more likely it is that the built-in safeguards are not adequate.\textsuperscript{52}

Finally, the Court added a bit of dicta that has attracted much comment.\textsuperscript{53} In concluding their analysis of the First Amendment issues raised in \textit{Eldred}, the Court stated that:

\begin{quote}
We recognize that the D.C. Circuit spoke too broadly when it declared copyrights ‘categorically immune from challenges under the First Amendment.’ But when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.”\textsuperscript{54}
\end{quote}

In \textit{Eldred}, the CTEA extended the duration of existing and future copyrights twenty years.\textsuperscript{55} Although a change in quantity, it was not (as far as the Court was concerned) a qualitative change in the nature of copyright—indeed, the Court noted that Congress had extended the duration of copyright many times

\begin{itemize}
\item \textsuperscript{45} \textit{Eldred}, 537 U.S. at 221.
\item \textsuperscript{46} \textit{Turner Broad. Sys.}, 512 U.S. at 662.
\item \textsuperscript{47} \textit{Eldred}, 537 U.S. at 221.
\item \textsuperscript{48} \textit{But see In re Aimerst Copyright Litigation}, 334 F.3d 643, 656 (7th Cir. 2003) (asserting that the First Amendment bears less heavily when enabling the copying of other people’s speech).
\item \textsuperscript{49} \textit{See Eldred}, 537 U.S. at 221.
\item \textsuperscript{51} \textit{See id.}
\item \textsuperscript{52} \textit{See Eldred}, 537 U.S. at 221.
\item \textsuperscript{54} \textit{Eldred}, 537 U.S. at 221.
\item \textsuperscript{55} \textit{Id.} at 222.
\end{itemize}
before.\textsuperscript{56} The emphasis here is that copyright’s qualified immunity to First Amendment challenge is confined to customary doctrines of copyright.\textsuperscript{57} The Court clearly implies that Congress is not free to change the scope or nature of copyright without being subject to further First Amendment scrutiny.\textsuperscript{58}

Ultimately, in \textit{Eldred}, the Court upheld the traditional view that run-of-the-mill copyright cases (and even relatively minor modifications by Congress) are not subject to heightened scrutiny under the First Amendment.\textsuperscript{59} More importantly, however, the Court also placed limits on copyright’s immunity to First Amendment inquiry.\textsuperscript{60} The limits are three-fold.\textsuperscript{61} First, copyright schemes must include protections for free speech interests.\textsuperscript{62} Traditional copyright does so through the idea/expression dichotomy and fair use.\textsuperscript{63} Non-traditional copyright should have similarly strong protections. Second, First Amendment concerns weigh less heavily when one is making another’s speech.\textsuperscript{64} The farther copyright strays from copying another’s speech, the greater the First Amendment concerns.\textsuperscript{65} Third, copyright’s exemption is limited to conventional notions of copyright.\textsuperscript{66} When Congress or a plaintiff propose new rights that expands the “traditional contours” of copyright,\textsuperscript{67} First Amendment scrutiny should be applied.\textsuperscript{68}

### III. Expanding the Scope of Secondary Liability

Although the Copyright Act, unlike patent law,\textsuperscript{69} does not make any statutory provision for secondary liability in copyright, courts have nevertheless provided for such liability under general legal principles for many decades.\textsuperscript{70}

\textsuperscript{56} Id. at 193.

\textsuperscript{57} Id. at 221.

\textsuperscript{58} Id.

\textsuperscript{59} Id.

\textsuperscript{60} Eldred, 537 U.S. at 221.

\textsuperscript{61} See id.

\textsuperscript{62} See id. at 219.

\textsuperscript{63} Id.

\textsuperscript{64} Id. at 221.

\textsuperscript{65} Id.

\textsuperscript{66} Eldred, 537 U.S. at 221.

\textsuperscript{67} Id.

\textsuperscript{68} See id. The Court stated, “But when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.” Id. This statement implies that First Amendment scrutiny would be necessary if and when Congress expands or increases the traditional limits of copyright law. Id.


\textsuperscript{70} Kalem Co. v. Harper Bros., 222 U.S. 55, 63 (1911) (holding that sale of a film for advertised and intended use in infringement is a violation of copyright).
Currently, the legal touchstone for these theories of contributory and vicarious infringement of copyright is the Sony “Betamax” case.\(^71\)

In *Sony*, the Court held that Sony was not liable for contributory and vicarious infringement for sales of the Betamax videotape recorders (“VTR”), even though Sony knew that some significant portion of its customers would use the devices to infringe copyright.\(^72\) Borrowing from patent law’s “staple article of commerce” doctrine, the Court found that the Betamax VTR was “capable of substantial” or “commercially significant noninfringing uses.”\(^73\) Consequently, Sony’s constructive knowledge of its customers’ infringements could not rise to culpability.\(^74\)

Of course, when *Sony* was decided, it is unlikely that the Court could have imagined the amazing technological developments that would take place over the next two decades. In particular, the Court could not have foreseen the creation of peer-to-peer (“P2P”) file sharing networks. P2P file sharing is a method for connecting computers in a network that does not rely on centralized servers, but rather on direct connections between “peer” computers.\(^75\) While some P2P networks are entirely decentralized, others rely on centralized index servers and “supernodes” which act as locally centralized index servers.\(^76\)

In any case, various P2P networks have been very popular forums for copyright infringement.\(^77\) The creators and distributors of the software, however, are not engaged in direct infringement.\(^78\) Because any infringement takes place between two “peer” computers and not with the P2P creator itself, the companies that create P2P programs are at worst guilty of secondary liability.\(^79\) Consequently, there have been a number of secondary liability lawsuits brought against the distributors and operators of P2P software for contributory and vicarious infringement.\(^80\)

The outcomes of these cases have varied. In *A&M Records, Inc. v. Napster, Inc.*, the Ninth Circuit upheld a preliminary injunction that required the original

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\(^{72}\) *Id.* at 456.

\(^{73}\) *Id.* at 440-42.

\(^{74}\) *Id.*


\(^{76}\) *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster Ltd.*, 380 F.3d 1154, 1159-60 (9th Cir. 2004).

\(^{77}\) *See* Jesse M. Feder, *Is Betamax Obsolete?:* Sony Corp. of Am. v. Universal City Studios, *Inc. in the Age of Napster*, 37 *Creighton L. Rev.* 859, 862 (2004) (stating that “the broad availability and widespread use of P2P networks has raised policy concerns not yet considered by the Supreme Court” with respect to copyright infringement).

\(^{78}\) *See* Grokster, 380 F.3d at 1158.

\(^{79}\) *See* id.

\(^{80}\) *A&M Records, Inc. v. Napster, Inc.*, 284 F.3d 1091, 1095 (9th Cir. 2002); *In re Aimster Copyright Litigation*, 334 F.3d 643, 656 (7th Cir. 2003); *Grokster*, 380 F.3d at 1157.
Napster P2P service to filter infringing files. This filtering proved ineffective and resulted in the closing of the service. In *In re Aimster Copyright Litigation*, the Seventh Circuit also upheld a preliminary injunction against a P2P service.

However, in *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster Ltd.*, the Ninth Circuit, following *Napster*, found that the more decentralized P2P services provided by the defendants did not give rise to liability. *Grokster* is perhaps the most interesting case, addressing the issue of secondary liability for P2P programs that are entirely decentralized. In *Napster*, the eponymous file sharing software program had a centralized indexing feature, which the company could control, filter and edit. The architecture of the P2P program in *Aimster* is not discussed in detail, but it appears to have a similar centralizing feature, particularly with regard to “Club Aimster,” which maintained a list of the most popular top forty music files on the network and allowed users to download them with a single click.

Whether one agrees with those decisions or not and without providing a detailed analysis of *Napster* and *Aimster*, it is clear that secondary liability will be easier to find when the P2P program provides for an ongoing service relationship between the client and a centralized server. That is why *Grokster* is a much more important case for determining the limits of secondary liability for P2P programs.

In *Grokster*, at least one of the programs at issue had no centralized indexing function whatsoever. In many ways the P2P programs at issue in *Grokster* are similar to Sony’s Betamax. Like the Betamax, the P2P programs in *Grokster* are tools that are provided to consumers over whom the provider has no subsequent control. As in *Sony*, if liability is to be found against the *Grokster* defendants, “it must rest on the fact that it has sold equipment with constructive

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81 *Napster*, 284 F.3d at 1095.
83 *Aimster*, 334 F.3d at 656.
84 380 F.3d 1154 (9th Cir. 2004).
85 Id. at 1166. For a more in-depth discussion of the holdings in these cases with the exception of the *Grokster* appellate decision, see Jesse M. Feder, *Is Betamax Obsolete?: Sony Corp. of Am. v. Universal City Studios, Inc. in the Age of Napster*, 37 CREIGHTON L. REV. 859, 879-88 (2004).
86 Grokster, 380 F.3d at 1163.
88 *Aimster*, 334 F.3d at 646.
89 Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 437 (1984) (“In such cases, as in other situations in which the imposition of vicarious liability is manifestly just, the ‘contributory’ infringer was in a position to control the use of copyrighted works by others and had authorized the use without permission from the copyright owner.”)
90 See Grokster, 380 F.3d at 1160.
91 Id. at 1159.
92 See id.
93 Id. at 1163.
knowledge of the fact that its customers may use that equipment to make unauthorized copies of copyrighted material.”

Thus, the *Grokster* court’s analysis of the limits of secondary liability is more pertinent. Copyright doctrine recognizes two forms of secondary liability: contributory and vicarious infringement. Though the distinctions between these two forms of secondary liability has not always been clear, the elements necessary for a finding of contributory infringement are generally considered to be: (1) direct infringement by a primary infringer, (2) knowledge of the infringement, and (3) material contribution to the infringement. The elements of vicarious infringement are: (1) direct infringement by a primary party, (2) a direct financial benefit to the defendant, and (3) the right and ability to supervise the infringers.

In both cases, the element of direct infringement by a primary party is essentially a given. With regard to vicarious infringement, direct financial benefit is also undisputed. It has already been noted that the P2P companies in *Grokster* have no real control after providing consumers their product, so the third element of vicarious infringement, the right and ability to supervise, does not exist.

As for the other elements necessary for contributory infringement, the Ninth Circuit held that actual knowledge of infringement was only relevant if: (1) it occurred at a time that the P2P program producer could do something about the infringement, and (2) if at the time they had knowledge, they made a material contribution to the infringement. Since these P2P programs had no such control after distributing their programs, there is no contributory infringement.

This standard for contributory infringement, however, derives from the Ninth Circuit’s reading of *Sony.* Ultimately, as in *Sony*, the real question in the case is whether the P2P programs in question fall under the “staple item of commerce” doctrine; that is, whether they are “capable of substantial” or “commercially significant noninfringing uses.” The *Grokster* court found this to be the case, citing numerous copyright holders, such as the popular band Wilco, Project

94 *Sony*, 464 U.S. at 439.
95 *See Grokster*, 380 F.3d at 1159.
96 *Id.* at 1160.
97 *Sony*, 464 U.S. at 435 n.17.
98 *Grokster*, 380 F.3d at 1160.
99 *Id.* at 1164.
100 *Id.* at 1160, 1164.
101 *Id.* at 1164.
102 *Id.* at 1164-66.
103 *Id.* at 1162-63.
104 *Grokster*, 380 F.3d at 1163.
105 *Id.* at 1160-61.
106 *Id.* at 1160.
Gutenberg\textsuperscript{107} and the Prelinger Archives,\textsuperscript{108} who use these P2P programs for inexpensive distribution of their authorized and public domain works.\textsuperscript{109} Indeed, even if only ten percent of the works distributed were authorized (as plaintiffs contended), that would mean that there were hundreds of thousands of legitimate distributions.\textsuperscript{110}

This result was unsatisfactory, not only to plaintiff copyright industries but numerous commentators as well.\textsuperscript{111} A variety of arguments have been made to extend secondary liability to capture the conduct and products of the Grokster defendants.\textsuperscript{112} Rather than address all of them, this essay will review only one for purposes of illustration.

Some arguments against the Grokster defendants focus on particular aspects of their conduct, such as their marketing and what steps they have taken to discourage infringement.\textsuperscript{113} However, most likely recognizing that even if liability were found on such a basis, other companies would provide nearly identical products but with different (or no) marketing campaigns and warnings, a more general rule for liability has been proposed.\textsuperscript{114} This rule is based on a theory of intentional inducement.\textsuperscript{115}

The most succinct version of this theory can be found in proposed statutory language, in the Inducing Infringement of Copyrights Act of 2004 ("INDUCE

\textsuperscript{107} Project Gutenberg is a distributor that puts books in the public domain online for free. http://www.gutenberg.org/ (last visited Mar. 22, 2005). There are over 15,000 works available for free downloading, as long as the works are not redistributed for commercial use. \textit{Id.} Such titles available for downloading include classics such as \textit{Pride and Prejudice} and \textit{The Adventures of Huckleberry Finn}. \textit{Id.}

\textsuperscript{108} The Prelinger Archives is a collection of over 48,000 educational, industry, and amateur films of cultural significance available to the general public through the Library of Congress. \textit{See} http://www.archive.org/movies/prelinger.php (last visited Mar. 22, 2005).

\textsuperscript{109} Grokster, 380 F.3d at 1161.

\textsuperscript{110} \textit{Id.} at 1162 n.10.


\textsuperscript{112} \textit{Id.}


\textsuperscript{115} \textit{Id.}
Act”), which would provide for secondary liability for copyright infringement based on a broad definition of inducement:  

In this subsection, the term ‘intentionally induces’ means intentionally aids, abets, induces, or procures, and intent may be shown by acts from which a reasonable person would find intent to induce infringement based upon all relevant information about such acts then reasonably available to the actor, including whether the activity relies on infringement for its commercial viability.  

Inducement has long been part of secondary liability in copyright law. In *Kalem Co. v. Harper Bros.*, a movie producer advertised and promoted the use of his picture for purposes of infringement. Of course, this sort of inducement is “active,” in that it required an affirmative act by the secondary infringer. In *Sony*, the Court distinguished *Kalem* by pointing out there was no evidence that Sony encouraged or intended its customers to infringe. Thus, even though Sony had advertised its Betamax VTR for purposes of recording broadcast television shows (which might, in certain circumstances, constitute infringement), and did not affix a copyright infringement warning label to the device as it had in earlier models, inducement would not be imputed.

This position is consistent with the *Sony* Court’s reliance on analogy to secondary liability in patent law, which is also based on a theory of active inducement. Rather than requiring an overt act, direct evidence of intent, or actual knowledge, under the INDUCE Act the standard elements for active inducement may be inferred based on a “reasonable person” standard. Inaction becomes action.

Furthermore, the INDUCE Act purports to hold existing doctrines of contributory and vicarious liability unchanged. Thus, the proposed standard of imputed infringement in the INDUCE Act is clearly an expansion of secondary liability for copyright infringement.

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117 Id.
118 See *Kalem Co. v. Harper Bros.*, 222 U.S. 55, 60 (1911).
119 Id.
120 Id.
123 *Sony*, 464 U.S. at 439-40.
126 See id.
127 Id. (“Nothing in this subsection shall enlarge or diminish the doctrines of vicarious and contributory liability for copyright infringement . . . .”).
128 See id.
IV. THE NEED FOR HEIGHTENED FIRST AMENDMENT SCRUTINY OF THE INDUCE ACT

The INDUCE Act (and similar judicial proposals) would expand secondary liability.\textsuperscript{129} Although the Court did not define the “traditional contours” of copyright in \textit{Eldred}.,\textsuperscript{130} it would be difficult to fit the INDUCE Act into a traditional narrative or to find reasonably similar precedents (such as the history of expanding copyright’s duration in \textit{Eldred}).\textsuperscript{131} Indeed, the INDUCE Act would seem to be a paradigmatic example of changes to the traditional scope of copyright law.\textsuperscript{132}

Furthermore, there do not appear to be any internal safeguards for speech in the INDUCE Act that are similar to the idea/expression dichotomy and fair use for direct copyright infringement.\textsuperscript{133} The INDUCE Act offers, at best, only two embedded protections.\textsuperscript{134} One is meaningless verbiage, stating that “[n]othing in this subsection shall . . . require any court to unjustly withhold or impose any secondary liability for copyright infringement.”\textsuperscript{135} The second is reliance upon the “reasonable person” standard, which for purposes of free speech protection is no safeguard whatsoever.\textsuperscript{136}

One might argue that the INDUCE Act incorporates the protections of the idea/expression dichotomy and fair use because there must first be direct infringement for there to be secondary liability for that infringement.\textsuperscript{137} Unfortunately, this is no protection at all.\textsuperscript{138} Showing that there are cases of direct infringement involving nearly any distribution or reproduction technology is no bar whatsoever.\textsuperscript{139} The element of direct infringement will hardly ever be disputed in such cases.\textsuperscript{140}

Finally, this appears to be a case where the First Amendment carries its standard weight. If Grokster or similar P2P companies asserted the right to engage in direct infringement themselves, or actively induced infringement, then we would have a case where the First Amendment might bear less heavily; Grokster would effectively be “assert[ing] the right to make other people’s

\textsuperscript{129} Id.
\textsuperscript{130} \textit{Eldred} v. Ashcroft, 537 U.S. 186, 221 (2003).
\textsuperscript{131} \textit{See} id.
\textsuperscript{132} \textit{See} id.
\textsuperscript{133} \textit{See} S. 2560, 108th Cong. (2004).
\textsuperscript{134} Id.
\textsuperscript{135} Id.
\textsuperscript{136} Id.
\textsuperscript{137} \textit{Metro-Goldwyn-Mayer Studios, Inc. v. Grokster Ltd.}, 380 F.3d 1154, 1164 (9th Cir. 2004).
\textsuperscript{138} \textit{See} id.
\textsuperscript{139} \textit{See} id.
\textsuperscript{140} \textit{See} id.
speeches.” However, in this case, Grokster and the other P2P companies are asserting the right to engage in their own speech (distribution of the P2P programs). There are other speech interests here as well. For example, the P2P companies have a speech interest in enabling others to speak. Even though they are engaging in speech themselves, they are also encouraging and providing the means for others to speak. Similar to providing money for a political candidate, providing P2P programs enables more and unfettered speech. Again, this is not about asserting the right to engage in other’s speech, but to encourage lawful speech generally—precisely the purpose of the First Amendment itself.

Perhaps the most important speech interest is that of those who use the P2P networks for non-infringing speech, such as distribution of their own original works of music. By regulating P2P distribution networks, one is also regulating the legitimate speech that takes place on those networks. Certainly, this speech should receive the full protections of the First Amendment.

For all the above reasons the INDUCE Act (and similar judicial decisions) should be subject to heightened scrutiny under the First Amendment, pursuant to the analysis provided by the Court in Eldred. The INDUCE Act changes the “traditional contours” of copyright substantially, it has no embedded protections for free speech, and the speech it targets is deserving of full First Amendment protection.

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142 But see supra note 42 and accompanying text.
144 See Nixon, 528 U.S. at 400.
145 See Grokster, 380 F.3d at 1158 (“[E]ach computer makes information available to every other computer in a peer-to-peer network.”).
146 Buckley, 424 U.S. at 14-19 (regarding general principles of mixed conduct and speech that enhance speech).
147 U.S. CONST. amend. I (“Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.”).
148 See Prelinger Archives, supra note 108; Project Gutenberg, supra note 107.
149 See id.
150 See id.
152 See Eldred, 537 U.S. at 221.
V. APPLYING HEIGHTENED SCRUTINY TO THE INDUCE ACT

If legislative or judicial enactment of legal rules similar to the INDUCE Act were to occur, because such legislation would expand the traditional contours of copyright law, they should be subject to heightened scrutiny under the First Amendment.\textsuperscript{153} Generally, the first element of applying such scrutiny is to determine whether the proposed legislation is “content-based” or “content-neutral.”\textsuperscript{154} Content-based regulations, which involve regulating speech based on subject matter or viewpoint are subjected to a demanding form of strict scrutiny and are presumed unconstitutional.\textsuperscript{155} Content-neutral regulations, such as time, place and manner laws, are subject to various forms of intermediate scrutiny.\textsuperscript{156} Although some have argued that copyright laws may be considered content-based regulations,\textsuperscript{157} this article will assume the INDUCE Act to be a content-neutral regulation.

Normally, content-neutral regulations are subject to rather deferential intermediate scrutiny, following the elements laid out in \textit{United States v. O’Brien}.\textsuperscript{158} A content-neutral regulation is constitutional “if it furthers an important or substantial governmental interest; if the governmental interest is unrelated to the suppression of free expression; and if the incidental restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest.”\textsuperscript{159} As Neil Netanel noted, however, such deferential scrutiny may “prohibit only gratuitous inhibitions of speech.”\textsuperscript{160}

Netanel made the case that copyright should be held to the less deferential standard of content-neutral intermediate scrutiny described in \textit{Turner}.\textsuperscript{161} In broad outline, \textit{Turner} dealt with media regulation, in particular, the “must-carry” rule, where cable operators could be required to carry and transmit the content of broadcast stations.\textsuperscript{162} The \textit{Turner} standard is particularly applicable with respect to P2P networks and the INDUCE Act, because, like \textit{Turner}, the government would be regulating media distribution channels, favoring some over others.\textsuperscript{163}

\begin{itemize}
\item \textsuperscript{153} \textit{See id.}
\item \textsuperscript{154} Turner Broad. Sys., Inc. v. FCC, 512 U.S. 622, 642 (1994).
\item \textsuperscript{155} \textit{Id.}
\item \textsuperscript{156} \textit{Id.}
\item \textsuperscript{157} \textit{See, e.g.}, Mark A. Lemley & Eugene Volokh, \textit{Freedom of Speech and Injunctions in Intellectual Property Cases}, 48 Duke L.J. 147, 186 (1998).
\item \textsuperscript{158} 391 U.S. 367, 377 (1968).
\item \textsuperscript{159} \textit{Id.}
\item \textsuperscript{160} Neil Weinstock Netanel, \textit{Locating Copyright Within the First Amendment Skein}, 54 Stan. L. Rev. 1, 55 (2001).
\item \textsuperscript{161} \textit{Id.} at 54-59.
\item \textsuperscript{162} Turner Broad. Sys., Inc. v. FCC, 512 U.S. 622, 662 (1994).
\item \textsuperscript{163} \textit{Id.} at 659 (“Regulations that discriminate among media, or among different speakers within a single medium, often present serious First Amendment concerns.”).
\end{itemize}
Though the regulation is directed to promote the interests of copyright holders, it does so by favoring particular media distribution channels over others, such as client/server networks versus P2P.\textsuperscript{164} This might not rise to the level of strict scrutiny, but it certainly justifies the rigorous standard in \textit{Turner}.\textsuperscript{165} Netanel has also identified a number of cases involving media regulation that receive a heightened version of intermediate scrutiny.\textsuperscript{166}

Even under the heightened scrutiny of the \textit{Turner} standard, however, it is likely that the government or industry will meet the burden of the first two elements of the content-neutral regulation test—showing that reducing copyright infringement is an important or substantial governmental interest, and that the governmental interest is unrelated to the suppression of free expression.\textsuperscript{167}

Of critical importance, however, is the last element, which requires that the regulation be narrowly tailored, in that its “restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest,”\textsuperscript{168} and that it permit “open ample alternative channels for communication.”\textsuperscript{169} It is doubtful whether the INDUCE Act meets such a burden.\textsuperscript{170}

First, it is not clear that the INDUCE Act is narrowly tailored under \textit{Turner} at all:

The answers to these and perhaps other questions are critical to the narrow tailoring step of the \textit{O'Brien} analysis, for unless we know the extent to which the must-carry provisions in fact interfere with protected speech, we cannot say whether they suppress “substantially more speech than . . . necessary” to ensure the viability of broadcast television.\textsuperscript{171}

When one makes the test imputed intent based on a reasonable person standard, the boundary of the regulation is entirely unclear, particularly when it affects all existing and future innovations. There is no way \textit{ante} to determine how much speech such an amorphous regulation would suppress. Additionally, we must remain aware that the uses of technology change over time, and the relative percentages of protected and unprotected speech on these networks will likely change as well. The Supreme Court recognized this possibility in \textit{Sony} by

\begin{flushleft}
\textsuperscript{164} See id.
\textsuperscript{165} Id.
\textsuperscript{166} Netanel, \textit{supra} note 160, at 57-58.
\textsuperscript{168} Id.
\textsuperscript{170} See id.
\end{flushleft}
holding that technology need merely be “capable of commercially significant noninfringing uses.”\footnote{Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 442 (1984).}

Moreover, the government must show that the “regulation will in fact alleviate these harms in a direct and material way.”\footnote{\textit{Turner Broad. Sys.}, 512 U.S. at 664.} This is very problematic in the case of P2P networks such as Grokster.\footnote{\textit{See id.}} The district court noted that, unlike Napster, “[i]f either Defendant closed their doors and deactivated all computers within their control, users of their products could continue sharing files with little or no interruption.”\footnote{Metro-Goldwyn Mayer v. Grokster Ltd., 259 F. Supp. 2d 1029, 1041 (C.D. Cal. 2003).} A court might mandate particular changes to a program, but there is no way to ensure that consumers would download and install the newer version. Even if the proposed remedy were some sort of court-mandated filtering regime, it would raise a number of independent issues regarding its effectiveness as well as its burden on free expression.

It is also not clear that the INDUCE Act provides “ample alternative channels for communication.”\footnote{\textit{Ward}, 491 U.S. at 799.} Many of those who make use of these P2P networks to distribute their works legitimately do so because the bandwidth costs for distributing files via server/client architecture are prohibitive. P2P networks allow for such distribution at little or no cost to the content provider. Without P2P networks for distribution, many of these providers would have to sharply curtail the availability of their works or charge fees for access.\footnote{\textit{See id.}}

Finally, there is clearly a less restrictive alternative in that Congress could explicitly adopt the standard of active inducement in patent law.\footnote{35 U.S.C. § 271 (2003).} One advantage such a regulation has is that it provides clear boundaries.\footnote{\textit{See id.}}

## VI. Other First Amendment Concerns

Although the INDUCE Act (and any similar judicial decision) would be vulnerable under \textit{Turner} intermediate scrutiny,\footnote{\textit{Turner Broad. Sys. v. FCC}, 512 U.S. 622, 668 (1994).} there are other First Amendment doctrines to consider as well. As noted above, the active inducement standard in patent law has the advantage of clarity.\footnote{35 U.S.C. § 271(c) (2003).} The INDUCE Act, however, leaves entirely unclear what sort of products or services will lead to
liability. The act presumes that the developer of an entirely new reproduction or distribution technology will be able to reasonably anticipate both the legitimate and illegitimate uses of the technology ante. If all uses could be clearly predicted, there would be little need for innovation at all, and many technology consultants and product executives would be out of work. Consequently, the standard for liability in INDUCE is grossly unpredictable. It would seem that the decision as to whether a new reproduction or distribution technology is legitimate could only be determined after the fact—in other words, after litigating the issue.

This problem raises the critical issue of First Amendment vagueness. Regulations will be void for vagueness if people “of common intelligence must necessarily guess at its meaning and differ as to its application.” This is particularly important in the context of free speech. When a statute or regulation is vague, it causes those who may legitimately speak to “steer far wider of the unlawful zone” than is necessary, creating a chilling effect.

This may especially be a problem in the context of secondary liability since the service or network provider may have much less interest in the speech of the primary speakers who distribute the files. Similar to secondary liability for an Internet Service Provider, a provider of P2P technology may have strong incentives to squelch overwhelming amounts of legitimate speech in order to reduce infringing speech, and therefore potential liability, to the minimum. The vague nature of the INDUCE Act would limit P2P providers to unquestionably safe programs, or perhaps none at all.

It may also be that the INDUCE Act and its judicial progeny are overbroad. The substantial overbreadth doctrine refers to the facial invalidity of laws regulating speech that encompass too much protected speech. In the case of the INDUCE Act, there are two potential overbreadth challenges. The first is that the INDUCE Act risks suppressing legitimate innovation and research into reproduction and distribution technologies.

For example, Computer Science Professor Ed Felten and his student, Alex Halderman, have developed a fifteen line P2P program (called “TinyP2P”).

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183 See id.
184 Id.
186 Id.
187 See id.
190 See id.
192 Id.
193 See id.
194 Id.
The program was written “to illustrate the difficulty of regulating peer-to-peer applications. Peer-to-peer apps can be very simple, and any moderately skilled programmer can write one, so attempts to ban their creation would be fruitless.”

Research projects such as “TinyP2P” are clearly protected speech—but it is speech that the INDUCE Act could potentially reach. After all, a reasonable person may find that even though the intention was not to induce infringement directly, it was clearly an anticipated consequence, and therefore evidence of intentional inducement.

The second potential avenue for a substantial overbreadth challenge is that suppressing the P2P program or network suppresses far too much protected speech in order to contain copyright infringement. As the appellate court in Grokster noted, even if the conservative estimates of legitimate file sharing by the recording industry plaintiffs are accepted at face value, that still means that hundreds of thousands of protected speech acts are taking place.

V. CONCLUSION

Although the Supreme Court has essentially immunized traditional copyright law, particularly direct infringement, from First Amendment scrutiny, that exemption does not carry over to legislation or judicial decisions that seek to expand the scope of copyright law beyond its “traditional contours.” This is especially the case when such expansions do not include embedded protections for free speech, target media regulation, and are removed from direct infringement.

For a variety of reasons, most stemming from the advent of P2P software, the copyright industries and some commentators have been seeking to expand doctrines of secondary liability for copyright. Following the Court’s analysis of copyright and the First Amendment in Eldred, such expansions should be subject to heightened First Amendment scrutiny.

Analysis of the imputed inducement standard of the INDUCE Act, one such proposed expansion of secondary liability, shows the free speech perils and constitutional doubt heightened First Amendment scrutiny would create for these copyright schemes.

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functional peer-to-peer file sharing application, written in fifteen lines of code, in the Python programming language.”

196 Id.


198 See id.

199 See Broadrick, 413 U.S. at 615.

200 Metro-Goldwyn-Mayer Studios, Inc. v. Grokster Ltd., 380 F.3d 1154, 1162 n.10 (9th Cir. 2004).

Copyright remains an important “engine of free expression,” but it is only through vigorous scrutiny by the First Amendment that it will remain so.

THE FALSE ORIGINS OF THE INDUCE ACT

by Jason Schultz*

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I. INTRODUCTION

For the entertainment industry, the battle over peer-to-peer technology ("P2P") took a turn for the worse during the summer of 2004. After federal courts outlawed Napster,1 Scour,2 MP3.com3 and Aimster4 in a series of successive secondary liability litigations, companies belonging to the Recording Industry Association of America (RIAA) and the Motion Picture Association of America (MPAA) next challenged P2P software manufacturers in MGM v. Grokster but to no avail.5 Unlike the entertainment industry’s previous prey, however, the defendants in Grokster did not have the same control over their P2P systems – and thus the same liability – as their predecessors.6 Thus, the plaintiff companies were compelled to argue an unprecedented set of theories – ones that, if adopted, would expand secondary copyright liability far beyond the reaches of the United States Supreme Court’s decision in Sony Corporation of America v. Universal City Studio, Inc. (“Sony-Betamax“)7 and even the United States Court of Appeals for the Ninth Circuit’s holding in A&M Records, Inc. v. Napster, Inc. ("Napster").8 Rejecting the plaintiffs’ unprecedented arguments, both the United States District Court for the Central District of California and the Ninth Circuit held that Sony-Betamax and Napster continued to define the boundaries of current secondary liability law.9 Both courts instructed plaintiffs that the proper forum for such a drastic alteration in the default rules for secondary copyright liability was Congress rather than the judiciary.10

Following the courts’ instruction, the RIAA and other entertainment contemporaries lobbied Senator Orrin Hatch, former Chairman of the Committee on the Judiciary, to introduce the Inducing Infringement of Copyrights Act of 2004 (“The Induce Act”).11 Senator Hatch’s intentions behind introducing the Induce Act were crystal clear – to overturn the Ninth Circuit’s Grokster decision and expand the reach of secondary copyright liability.12 Nonetheless, Senator Hatch introduced the Induce Act as if it were a mere codification of existing and

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1 A&M Records, Inc. v. Napster, Inc., 284 F.3d 1091, 1099 (9th Cir. 2002).
2 Motion Picture Ass’n of Am. v. Scour.com, Inc., No. 00-CIV-5885 (S.D.N.Y. 2000). This case was filed but never litigated.
4 In re Aimster Copyright Litigation, 334 F.3d 643, 656 (7th Cir. 2003).
5 Metro-Goldwyn-Mayer Studios, Inc., v. Grokster Ltd., 380 F.3d 1154, 1157 (9th Cir. 2004). Note: The author is counsel for one of the defendants in the Grokster case, Streamcast Networks.
6 Id. at 1158-60. See supra notes 1-5.
8 284 F.3d 1091, 1096-98 (9th Cir. 2002).
10 Grokster, 380 F.3d at 1166; Grokster, 259 F. Supp. 2d at 1046.
analogous legal regimes. In making such a portrayal, he cited the following three origins of the standard of liability as provided under the Induce Act: (1) the current secondary liability standard in copyright law; (2) the Patent Act’s “active inducement” test; and (3) aiding and abetting liability in criminal law.

This article argues that, contrary to Senator Hatch’s introduction, the Induce Act was not a mere codification of existing and analogous legal regimes. Rather, the Induce Act reflected a radical and unprecedented departure from copyright law. Part II explains the legal background of the Induce Act. Part III challenges the validity of Senator Hatch’s portrayal of the Induce Act and includes the following subsections: (1) the false factual origins of the Induce Act; (2) the false legal origins of the Induce Act; and (3) the true origins of the Induce Act. Part IV explores the impact that the Induce Act would have, if passed. Part V discusses a preferred solution to the problem of P2P. Part VI concludes this article.

The goal of this article is to recognize a simple reality: the Induce Act is a controversial piece of legislation. Proponents justify the Act as deterring the damage that P2P is doing to the entertainment industry. Opponents contest the Act as a price too high to pay, especially in terms of limits on technological innovation. Regardless of the various policy benefits and drawbacks, the Induce Act must be debated for what it is – a radical shift, not merely a codification or adoption of current legal principles.

II. BACKGROUND LAW: STOP, REWIND, AND FAST-FORWARD AGAIN

A. Precedent Concerning Secondary Liability in the Copyright Litigation Context

As with all legal discussions concerning P2P, the seminal case providing the legal background of secondary liability is *Sony Corporation of America v. Universal City Studio, Inc.* (“*Sony-Betamax*”). In *Sony-Betamax*, two movie studio plaintiffs, Universal Pictures and Walt Disney Productions, sought to
enjoin the sale of Sony Corp.’s Betamax video tape recorder (“VTR”). This device, plaintiffs argued, was built for one primary purpose – to permit end-users to copy television and movie programs on videotapes off the airwaves without authorization. Plaintiffs presented the following evidence at trial: (1) that Sony’s executives knew that end-users would make such copies, both legally and illegally; (2) that Sony explicitly advertised the copying and storage features of the VTR to its customers; and (3) that Sony could have reduced the number of infringements substantially if they had installed a “jammer” into the Betamax that would have prohibited reproductions on content flagged by the copyright owner as copy-restricted.

The United States District Court for the Central District of California rejected plaintiffs’ arguments that such evidence made Sony secondarily liable for copyright infringement committed by its customers. Relying on copyright’s constitutional companion, the court imported patent law’s protections for “staple articles of commerce” and refused to hold Sony liable as a contributor. The district court held that even though Sony’s VTR could potentially lead to substantial copyright infringements, Sony’s VTR was still a staple article because it had substantial non-infringing uses. On appeal to the United States Court of Appeals for the Ninth Circuit, plaintiffs again argued the thrust of their case that the primary use of the VTR, knowledge of its infringing uses, advertising infringing features, and the ability to reduce infringement rendered Sony secondarily liable for copyright infringement. The Ninth Circuit reversed the district court’s judgment on the copyright claim, holding that when a technology’s primary use is infringement, and when the manufacturer knew or should have known that their device would be put to such use, it can be held contributorily liable. The United States Supreme Court granted Sony’s petition for writ of certorari. In a five-to-four decision, the Supreme Court supported the district court’s adoption of the patent law test for contributory infringement, finding that staple articles with substantial noninfringing uses were not prohibited by copyright law. Specifically, the majority held:

21 Id. at 419-20.
23 Id. at 433-42.
24 Id. at 454-68.
25 Id. at 454 (relying on the “First Amendment[’s] policy of providing the fullest possible access to information through the public airwaves”) (citing Columbia Broad. Sys., Inc. v. Democratic Nat’l Comm., 412 U.S. 94, 102 (1973)).
26 Id.
27 Sony Corp. of Am. v. Universal City Studios, Inc., 659 F.2d 963, 964 (9th Cir 1981).
28 Id. at 963-77.
29 Id. at 977.
31 Id. at 442.
The contributory infringement doctrine is grounded on the recognition that adequate protection of a monopoly may require the courts to look beyond actual duplication of a device or publication to the products or activities that make such duplication possible. The staple article of commerce doctrine must strike a balance between a copyright holder’s legitimate demand for effective -- not merely symbolic -- protection of the statutory monopoly, and the rights of others freely to engage in substantially unrelated areas of commerce. Accordingly, the sale of copying equipment, like the sale of other articles of commerce, does not constitute contributory infringement if the product is widely used for legitimate, unobjectionable purposes. Indeed, it need merely be capable of substantial noninfringing uses.\textsuperscript{32}

The Court further held that time-shifting, the act of recording a program off the air for later viewing,\textsuperscript{33} was capable of a substantial non-infringing use, thus making the VTR a staple article of commerce.\textsuperscript{34} Consequently, the Court found that Sony was not liable for contributory infringement.\textsuperscript{35} The four dissenting justices, led by Justice Blackmun, argued that instead of a bright-line rule, the Court should adopt a balancing test that weighs the non-infringing uses against the infringing uses.\textsuperscript{36}

Following \textit{Sony-Betamax}, few cases advanced to the decision stage on this issue, in large part, due to the clarity in applying the bright-line rule established in \textit{Sony-Betamax}.\textsuperscript{37} As long as a technology was merely capable of substantial non-infringing uses, a plaintiff could not successfully pursue a claim against such technology for contributory infringement under copyright law.\textsuperscript{38}

As a result, the world of technology exploded. From 1985 to 1999, the United States of America realized one of the largest expansions in innovation and technology in its history. With the \textit{Sony-Betamax} rule governing secondary liability, venture capitalists and engineers could be assured that their digital devices would make it to market without copyright troubles, and lawyers could

\begin{footnotesize}
\begin{enumerate}
\item Id. at 442.
\item Id. at 423.
\item Id. at 456.
\item Id.
\item Id. at 457-500 (Blackmun, J., dissenting).
\item \textit{Sony-Betamax}, 464 U.S. at 428-56. The only reported appellate decision within the first 15 years of the \textit{Sony-Betamax} decision was \textit{Vault Corp. v. Quaid Software Ltd.}, a Fifth Circuit case involving software for making copies of computer programs. 847 F.2d 255, 255-70 (5th Cir. 1988). In that case, the court had no problem applying the \textit{Sony-Betamax} rule because even though Defendant’s software had many infringing uses (mass duplication), it also had substantial non-infringing uses (making backups). \textit{Vault}, 847 F.2d at 255-70.
\end{enumerate}
\end{footnotesize}
advise their clients with clarity and confidence as to the rules of secondary liability.\textsuperscript{39}

In 1999, much of that changed when Napster, Inc. released a software program permitting millions of Internet users to copy files to their computers at an unprecedented rate.\textsuperscript{40} The primary use of the Napster system was to exchange and copy music files back and forth among Napster users.\textsuperscript{41}

Once again, plaintiffs from the entertainment industry brought suit in \textit{A \& M Records, Inc. v. Napster, Inc.} \textsuperscript{42} arguing that even if Napster had the capability for substantial non-infringing uses, the company contributed to copyright infringement by indexing every traded music file on the Napster server.\textsuperscript{43} Both the United States District Court for the Northern District of California and the Ninth Circuit found such reasoning persuasive.\textsuperscript{44} The Ninth Circuit held that because Napster provided the “site and facilities” for infringement by providing a centralized index server that was under its control, it could be held liable for the infringements of its users.\textsuperscript{45}

During the following three years, the entertainment industry relied heavily on the holding of \textit{Napster} in digital copyright litigation.\textsuperscript{46} The RIAA and MPAA employed and manipulated the Ninth Circuit’s ruling to successfully sue several other P2P companies (such as Audio Galaxy, Scour, and Aimster), primarily because they too utilized central servers to assist all uploading and downloading.\textsuperscript{47}

The “site and facilities” theory of liability reached a pinnacle in July of 2003 when the RIAA and MPAA companies succeeded in convincing the United States Court of Appeals for the Seventh Circuit to affirm an injunction against \textit{Aimster}.\textsuperscript{48} \textit{Aimster} was a service much like \textit{Napster}, except that it had limited itself technologically from interfering with end-user uploading and downloading by encrypting all traffic through its central server so that it could not tell what

\textsuperscript{39} \textit{Id.} at 442.
\textsuperscript{41} \textit{Napster}, 284 F.3d at 1095; \textit{Napster}, 114 F. Supp. 2d at 901-11.
\textsuperscript{42} \textit{Napster}, 114 F. Supp. 2d at 911-27.
\textsuperscript{43} \textit{Id.}
\textsuperscript{44} \textit{Id.} See also \textit{Napster}, 284 F.3d at 1096-99.
\textsuperscript{45} \textit{Aimster}, 284 F.3d at 1096-99.
\textsuperscript{46} \textit{Id.}
\textsuperscript{47} \textit{Id.} See generally Motion Picture Ass’n of Am. v. Scour.com, Inc., No. 00-CIV-5885 (S.D.N.Y. 2000); \textit{In re Aimster Copyright Litigation}, 334 F.3d 643, 656 (7th Cir. 2003)

For purposes of copyright law, even when there are noninfringing uses of an Internet file-sharing service, if the infringing uses are substantial, then to avoid liability as a contributory infringer, the provider of the service must show that it would have been disproportionately costly for him to eliminate or at least reduce substantially the infringing uses.

\textit{Aimster}, 334 F.3d at 656.
\textsuperscript{48} \textit{Aimster}, 334 F.3d at 656.
files were being traded.⁴⁹ Judge Posner, writing for the Seventh Circuit, rejected this defense.⁵⁰ The court held that Aimster had failed to prove that its service had any substantial non-infringing uses.⁵¹ The court further held that by instructing users on how to infringe (with infringing examples) and purposely encrypting its traffic, Aimster was guilty of “willful blindness” and was thus secondarily liable for infringements of its end users.⁵² In this decision’s dicta, Judge Posner addressed the ruling and policy set forth in Sony-Betamax.⁵³ In a lengthy discussion, Judge Posner concluded that a weighing of infringing uses versus non-infringing uses – the test explicitly advocated by the dissent in Sony-Betamax and rejected by its majority – was in fact, the better test.⁵⁴ Notably, Judge Posner did not address the conflict between his opinion and the Sony-Betamax decision.⁵⁵

During the Aimster litigation, the entertainment companies also sued a new generation of P2P companies, including Grokster, KaZaA and Streamcast (the makers of Morpheus).⁵⁶ In these litigations, the entertainment companies sued under the same theories, asserting the following claims against the defendant companies: (1) that the defendant companies’ P2P products had few, if any, non-infringing uses; (2) that the defendant companies had both constructive and actual knowledge of numerous infringements using their software; and (3) that the defendant companies had the ability to implement control mechanisms in their software to prevent infringement.⁵⁷

In the Grokster litigation, the United States District Court of Central California and the Ninth Circuit panel, however, rejected the plaintiffs’ theories.⁵⁸ Unlike Napster and Aimster, the above-stated courts found that the Grokster defendants used no centralized server to coordinate the transfer of files.⁵⁹ Instead, each individual P2P application that a user downloaded onto their personal computer looked to other individual user applications on the Internet to create a collective group index without any guidance from any central or parent entity.⁶⁰ Thus, the courts found that there was no connection whatsoever between the manufacturers of the P2P software and the activities of

⁴⁹ Id. at 645-55.
⁵⁰ Id. at 655.
⁵¹ Id. at 652-53.
⁵² Id. at 650-51.
⁵³ Id.
⁵⁴ Aimster, 334 F.3d at 649-54.
⁵⁵ Id. at 645-56.
⁵⁷ Id. at 1158-66.
⁵⁹ Grokster, 380 F.3d at 1163-64; Grokster, 259 F. Supp. 2d at 1035.
⁶⁰ Grokster, 380 F.3d at 1163-64.
their users concerning usage of their software. Moreover, the Grokster defendants had introduced significant evidence of substantial non-infringing uses on the networks their software generated. Examples of such substantial non-infringing uses include the authorized sharing of music (such as Wilco, Dave Matthews Band, Phish, and Bella Fleck), movies, music licensed under the liberal Creative Commons non-commercial distribution scheme, public domain works (such as the Koran, the Bible, the complete works of Shakespeare), and numerous government documents. Much like the Supreme Court in Sony-Betamax, both the district court and the Ninth Circuit in Grokster were confronted with a technology that had numerous legal and illegal uses and defendants who, although knowing of the illegal uses, had no ability to police or control them as they occurred. In summarizing its findings, the Ninth Circuit said:

While Grokster and StreamCast in particular may seek to be the “next Napster,” Grokster I, 259 F. Supp. 2d at 1036, the peer-to-peer file-sharing technology at issue is not simply a tool engineered to get around the holdings of Napster I and Napster II. The technology has numerous other uses, significantly reducing the distribution costs of public domain and permissively shared art and speech, as well as reducing the centralized control of that distribution.

It then went on to note that the district court’s grant of partial summary judgment to the Software Distributors is dictated by current precedent. Although the Copyright Owners advocated a significant expansion of the doctrines of contributory and vicarious copyright infringement, the court stated not only would such a renovation conflict with binding precedent, it would be unwise. The court recognized taking that step would satisfy the Copyright Owners’ immediate economic aims. However, the court stated that this would also alter general copyright law in profound ways with unknown ultimate consequences outside the present context. The Court went on to say:

Further, as we have observed, we live in a quicksilver technological environment with courts ill-suited to fix the flow

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61 Id. at 1161-62; Grokster, 259 F. Supp. 2d at 1035. There was some connection between Defendants' servers and the P2P applications for the purpose of displaying advertisements while the program was running, but the Defendants had no way of knowing what the user was doing while the advertisements were on screen. Grokster, 380 F.3d at 1161-62. In fact, the user could be sitting idle at the keyboard or reading a book and the ads would be displayed in the same manner as if the user was searching or downloading music. Id.
62 Grokster, 380 F.3d at 1161-62; Grokster, 259 F. Supp. 2d at 1035.
63 Id.
64 Id.
65 Grokster, 380 F.3d at 1164.
of internet innovation. *AT&T Corp. v. City of Portland*, 216 F.3d 871, 876 (9th Cir. 1999). The introduction of new technology is always disruptive to old markets, and particularly to those copyright owners whose works are sold through well-established distribution mechanisms. Yet, history has shown that time and market forces often provide equilibrium in balancing interests, whether the new technology be a player piano, a copier, a tape recorder, a video recorder, a personal computer, a karaoke machine, or an MP3 player. Thus, it is prudent for courts to exercise caution before restructuring liability theories for the purpose of addressing specific market abuses, despite their apparent present magnitude.

Indeed, the Supreme Court has admonished us to leave such matters to Congress. In *Sony-Betamax*, the Court spoke quite clearly about the role of Congress in applying copyright law to new technologies. As the Supreme Court stated in that case, “The direction of Art. I is that Congress shall have the power to promote the progress of science and the useful arts. When, as here, the Constitution is permissive, the sign of how far Congress has chosen to go can come only from Congress.” 464 U.S. at 456 (quoting *Deepsouth Packing Co. v. Laitram Corp.*, 406 U.S. 518, 530 (1972)).66

**B. Inducing Infringement of Copyrights Act of 2004**

As a result of the *Grokster* ruling, the entertainment companies lobbied Senator Orrin Hatch, Chairman of the Committee on the Judiciary, to introduce the Inducing Infringement of Copyrights Act of 2004.67 The language of the act was brief.68 The Induce Act states: “Whoever intentionally induces any violation [of the Copyright Act] shall be liable as an infringer.”69 The bill then states:

> In this subsection, the term intentionally induces means intentionally aids, abets, induces, or procures, and intent may be shown by acts from which a reasonable person would find intent to induce infringement based upon all relevant information about such acts then reasonably available to the actor, including

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66 Id. at 1166-67.
68 Id.
69 Id. § 2(g)(2).
whether the activity relies on infringement for its commercial viability.\textsuperscript{70}

This test, while seemingly simplistic in its formulation, subsequently generated a controversy concerning the standard for liability under copyright law.\textsuperscript{71} The reason being, the Induce Act described a general standard but, in contrast to \textit{Sony-Betamax}, did not provide any guidance as to the boundaries of liability.\textsuperscript{72} To exemplify the controversy that followed, soon after the Induce Act’s introduction, intense debate transpired among technology policy analysts as to whether the act preserved or overturned the \textit{Sony-Betamax} protections themselves.\textsuperscript{73} Much of the debate focused on whether the Induce Act would be seen as a “mandate” on technology companies, forcing them to radically redesign their technology in order to avoid any appearance that they might be aiding and abetting infringement.\textsuperscript{74}

In response, Senator Hatch made numerous assurances, both in introducing the bill and later at a hearing on the bill, asserting that the Induce Act was not a radical departure from current copyright law and, in fact, was heavily based upon current doctrines in patent and criminal law.\textsuperscript{75} However, when the Induce Act and its congressional record are examined more closely, numerous statements by Senator Hatch turn out to be inaccurate, both in terms of their facts and their explanation of the law.\textsuperscript{76}

III. ANALYSIS

A. The False Factual Origins of the Induce Act

In his floor statement introducing The Induce Act, Senator Hatch explained his philosophical (and apparently literary) basis for liability under the Induce Act:

\begin{quote}
Mr. President . . . it is illegal and immoral to induce or encourage children to commit crimes. Artists realize that adults who
\end{quote}

\textsuperscript{70} Id. § 2(g)(1).
\textsuperscript{73} http://www.washingtonpost.com/wp-dyn/articles/A6843-2004Jul22.html (last visited Apr. 11,2005).
\textsuperscript{76} Id.
corrupt or exploit the innocence of children are the worst type of villains. In *Oliver Twist*, Fagin and Bill Sikes profited by inducing children to steal. In the film *Chitty-Chitty Bang-Bang*, the leering “Child-Catcher” lured children into danger with false promises of “free lollipops.” Tragically, some corporations now seem to think that they can legally profit by inducing children to steal – that they can legally lure children and others with false promises of “free music.”

He then went on to scold these “Child-Catchers” not only for their illegal conduct but also for their attempt to evade law enforcement by “intentionally structur[ing] their businesses to avoid secondary liability for copyright infringement, while benefiting financially from the illicit draw of their wares.”

Both of these premises are misleading. First, none of the defendants in *Grokster* were “lur[ing] children and others with false promises of ‘free music’” on P2P networks. The reality is that free, legal music does exist on P2P networks in substantial quantities. There is nothing false about this promise. As the Ninth Circuit noted in its *Grokster* opinion, bands such as Dave Matthews Band, Wilco, Bella Fleck and Phish have authorized their fans to trade various songs on P2P networks. Moreover, thousands of new artists are using liberal copyright licenses such as Creative Commons to allow free sharing of their works, both auditory and visual. This is above and beyond the massive amount of public domain works available on P2P, via Project Gutenberg, Prelinger Archives, and the Internet Archive. Such free material was the basis for the Ninth Circuit’s finding in *Grokster* that “it is undisputed that the software distributed by each defendant was capable of substantial non-infringing uses.”

Second, intentionally structuring one’s business to avoid liability is not an illicit act that should be punished; it is in fact the very basis of many legal

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77 Id.
78 Id.
79 Id.
80 Id. at S7189-90.
82 Metro-Goldwyn-Mayer Studios, Inc., v. Grokster Ltd., 380 F.3d 1154, 1161 (9th Cir. 2004).
83 Id. at 1161-62.
practices in this country. One need only look to product liability law, labor law, environmental law, tax law – even criminal law – to see numerous examples where lawyers are constantly counseling their clients on the limits of the law and advising them as to how to maximize business profitability without crossing the legal line. Patent law is also a prime example of this kind of business model, where companies are constantly turning to lawyers to construe the boundaries of patent claims so they can design around any conduct that would make them potentially liable for infringement. As such, it cannot be, as Senator Hatch asserts, that “intentionally structuring . . . businesses to avoid secondary liability . . . while benefiting financially” is alone a legitimate reason to change the law to impose additional sanctions.

On July 22, 2004, Senator Hatch also made a misleading statement at the Senate Committee on the Judiciary’s hearing on the Induce Act. In his testimony at the hearing, Senator Hatch said:

[The Induce Act] is technology neutral: It does not single out peer-to-peer networking technology for punitive regulation just because a few bad actors have misused it. This technology has intriguing, legitimate uses: Pioneering companies like Wurld Media, Snowcap, and UniConnect Software in Utah are developing innovative and legitimate new peer-to-peer services for consumers. [The Induce Act] thus targets only bad behavior – and only intentional behavior that is bad enough to trigger criminal liability under existing law. This type of behavior-based, technology-neutral approach has been long advocated by technology interests.

Senator Hatch had alluded to this before in his floor statement where he said “[f]or example, the designers of most filesharing software choose to lack the ability to remove or block access to files known to contain viruses, child pornography or pornography mislabeled to be appealing to children” and “[w]orse yet, artists must sue their fans for the sin of misusing devices designed to be easy and tempting to misuse.” He also said, “[a] secondary-liability rule that punishes control and immunizes inducement is a public-policy disaster. It seems to permit the distribution of ‘piracy machines’ designed to make

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89 See WMS Gaming, Inc. v. Int'l Game Technology, 184 F.3d 1339, 1355 (Fed. Cir. 1999) (noting patent law encourages competitors to design around existing patents).
90 Id.
92 Id.
94 Id. (emphasis added).
infringement easy, tempting, and automatic.” He went on to say: “[u]nfortunately, ‘piracy machines’ designed to mislead their users are just one of the perverse effects of a secondary-liability rule that punishes control and immunizes inducement.”

Senator Hatch’s attempt to distinguish “good” versus “bad” technology based on its design is also misleading. Any bill that defines a “good” technological design versus a “bad” technological design cannot be technology neutral. It would be like saying a law banning “good” speech while allowing “bad” speech is content neutral under the First Amendment. Here, Senator Hatch is clearly giving preferential treatment to technologies that attempt to filter out copyrighted works (which he even mentions by name) and denounces technologies that “choose to lack” these features and are designed for their ease of use. There is nothing neutral about such an approach.

B. The False Legal Origins of the Induce Act

In his floor statement and hearing testimony, Senator Hatch identified the following three legal origins to support enactment of the Induce Act: (1) current copyright law; (2) patent law’s “active inducement” standard; and (3) criminal law’s “aiding and abetting” doctrine. However, each of these is false and will be discussed in turn.

1. The First False Origin: The Induce Act Is Not a Codification of Current Copyright Law

In his floor statement, Senator Hatch said, “[t]his bill will also preserve the Sony-Betamax ruling without reversing, abrogating or limiting it. The Induce[] Act will simply import and adapt the Patent Act’s concept of ‘active inducement’ in order to cover cases of intentional inducement that were explicitly not at issue in Sony.” Senator Hatch makes two assertions in this statement. First, that the Induce Act is consistent with Sony-Betamax’s protection of staple articles of

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95 Id.
96 Id.
97 Id.
99 U.S. Const. amend. I.
101 Id.
102 Id.
103 Id.
104 Id. at S7192.
105 Id.
commerce. First, nothing in the language of the Induce Act protects a manufacturer, seller, or distributor of a device with substantial non-infringing uses from an “inducement” suit for the mere act of making, selling, or distributing the device. This protection was the explicit safe harbor recognized in Sony-Betamax. While the Induce Act states, “[n]othing in this subsection shall enlarge or diminish the doctrines of vicarious and contributory liability for copyright infringement or require any court to unjustly withhold or impose any secondary liability for copyright infringement[,]” this statement is deceptive. Not enlarging “vicarious or contributory liability” does not provide that Sony-Betamax’s “staple article of commerce” defense will apply to allegations of an independent claim of inducing infringement. Thus, notwithstanding its attempt to acknowledge the limitations of contributory and vicarious liability, the Induce Act attempts to undermine Sony-Betamax by creating a new theory of secondary liability, inducement, that Sony-Betamax’s “staple article” rule does not protect against.

Second, the Induce Act codifies a radical departure from traditional secondary liability in copyright law; nothing in the act’s language derives from the Sony-Betamax case, explicitly or implicitly. In fact, what it proposed was in direct contradiction to the limits on secondary liability explained in Sony-Betamax. Secondary liability cases in copyright law can historically be divided into two types. First, those in which the defendant had some form of control over third-party infringement and, second, those in which the defendant produced a product that had no use other than infringement. The following discussion of the two types of secondary liability demonstrates the Induce Act’s distinct departure from traditional copyright law.

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106 Id.
108 Id.
110 Id.
111 Id.
113 Id.
114 See Sony-Betamax, 464 U.S at 442.
115 Id.
116 Compare Shapiro, Bernstein & Co. v. H. L. Green Co., 316 F.2d 304, 305-10 (2d Cir. 1963); Gershwin Publ’g Corp. v. Columbia Artists Mgmt., Inc., 443 F.2d 1159, 1160-63 (2d Cir. 1971); and Fonovisa, Inc. v. Cheery Auction, Inc., 76 F.3d 259, 261-65 (9th Cir. 1996); with Sony-Betamax, 464 U.S. at 428-56.
117 See supra note 98. The courts in these cases would often classify these theories as either vicarious liability or contributory liability, but as the Supreme Court noted in Sony-Betamax, the difference between the two historically has been rather blurry. Sony-Betamax, 464 U.S. at 428-56.
118 See supra note 103.
The first type of secondary liability case is those cases in which the defendant had some form of control over third-party infringement. One of the earliest cases to find contributory copyright infringement under this theory is Shapiro, Bernstein & Co. v. H.L. Green Co. In Shapiro, an owner of a chain of retail stores hired the direct infringer to run its record departments. The United States Court of Appeals for the Second Circuit held the defendant contributorily liable for copyright infringement because under this contractual relationship, the defendant could control the third-party’s conduct.

Another example is Gershwin Publishing Corp. v. Columbia Artists Management, Inc. In this case, defendants were a management company established to support artists and local performance groups. Meanwhile, the artists were performing copyrighted works without authorization. The United States Court of Appeals for the Second Circuit held that the “contributory infringer . . . was in a position to police the infringing conduct of the artists, and derived substantial benefit from the actions of the primary infringers” and therefore liable. This case is most famous for its single-line quote that many have used to define the modern day test for contributory infringement: “[O]ne who, with knowledge of the infringing activity, induces, causes or materially contributes to the infringing conduct of another, may be held liable as a ‘contributory’ infringer.”

However, when one looks at the facts of Gershwin, one can see that the court referred to inducement as a way of describing overt acts of control, supervision, and promotion. The defendant in Gershwin had “organize[d], nurture[d] and maintaine[d]” hundreds of infringing third-party associations and had sent “field representatives” to visit each infringing organization every concert season, meeting with their management, reviewing their budgets, assisting in their tentative selection of artists, and helping plan their concert schedule. The defendant also supplied the artists to perform at many of these events and printed

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119 See Shapiro, 316 F.2d at 305-10; Gershwin Publ’g Co., 443 F.2d at 1160-63; Fonovisa, 76 F.3d at 261-65.
120 E.g., Fonovisa, 76 F.3d at 261-63.
121 Shapiro, 316 F.2d at 305-10.
122 Id. at 305-06.
123 Id.
124 Gershwin Publ’g Corp. v. Columbia Artists Mgmt., Inc., 443 F.2d 1159, 1160-63 (2d Cir. 1971).
126 Gershwin, 443 F.2d at 1163.
127 Id.
128 Id. at 1162.
129 Id. at 1160-63.
130 Id. at 1161.
up programs for each concert to promote it. These programs always included the specific names of the musical works to be played, none of which were cleared with plaintiff. In other words, there was active conduct – not the sale of a staple article – that directly increased specific infringement of specific copyrighted works with the actual knowledge that those works were being infringed at the promoted events. This conduct created a direct relationship with each infringer and allowed the defendant to supervise and control all infringing conduct. In fact, in *Gershwin*, the ability to control was even more glaring than in *Shapiro*, and went beyond even the modern vicarious cases such as *Napster*. Thus, the United States District Court for the Southern District of New York found that the defendant was liable for “organizing, supervising, and controlling” the local performances and by “knowingly participat[ing]” in the infringement were contributors. The United States Court of Appeals for the Second Circuit affirmed, finding that defendant’s “pervasive participation in the formation and direction of this association and its programming of compositions presented ample support [for] the district court’s finding that it had caused this copyright infringement.”

Another exemplary case of the “ability to control” theory is *Fonovisa, Inc. v. Cherry Auction, Inc.*, one of the predecessors to the *Napster* case. In *Fonovisa*, the record company plaintiffs filed a contributory infringement claim against a flea market provider, claiming that because the provider knew that

131 Id.
132 *Gershwin*, 443 F.2d at 1161.
133 Id. at 1161-63.
134 Id.
135 Compare *Gershwin*, 443 F.2d at 1160-63, with Shapiro, Bernstein & Co. v. H. L. Green Co., 316 F.2d 304, 305-10 (2d Cir. 1963), and A&M Records, Inc. v. Napster, Inc., 284 F.3d 1091, 1091-99 (9th Cir. 2002).
136 Id.
137 *Gershwin*, 443 F.2d at 1163 (citing *Gershwin*, 312 F. Supp. at 583). See also Kalem Co. v. Harper Bros., 222 U.S. 55 (1911). In *Kalem*, the Court held the defendant liable not merely for supplying the means to “accomplish an infringing activity,” but for supplying the infringing work itself. Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417, 438 (1984) (citing *Kalem*, 222 U.S. at 55). In *Kalem*, the Court further noted that subsequent lower court precedents were limited: they involved “an ongoing relationship between the direct infringer and the contributory infringer at the time the infringing conduct occurred,” where the latter “was in a position to control the use of copyrighted works by others and [in fact] had authorized the user without permission.” Sony-Betamax, 464 U.S. at 437 (referring to *Kalem*, 222 U.S. at 61-63). The Court noted the absence of liability for ordinary landlords who do “not participate directly in any infringing activity,” compared to liability for a chain store owner for infringement committed by the concessionaire hired to run the store’s own record department (as part of the store) and liability for a manager who actively promoted its artists’ performances with “actual knowledge” of the works they would perform (many illegally). Sony-Betamax, 464 U.S. at 437 n.18 (citing *Kalem*, 222 U.S. at 61-63; *Gershwin*, 443 F.2d at 1160-63; *Shapiro*, 316 F.2d at 305-10).
infringing music CDs were being sold in the marketplace and did nothing to stop it, it should be held liable even though it had no active role in the direct infringement.139 The defendant flea market provider allowed vendors to sell counterfeit recordings of music in violation of the plaintiff’s copyrights.140 The Ninth Circuit agreed, holding that because the flea market had hired security guards for each event and rented booths to the infringers that the guards could police, it had the ability to intervene and control the sale of infringing goods.141 The Napster and Aimster cases also followed this trajectory, finding that the architecture of both systems allowed the companies to supervise and control infringing conduct because any infringer had to use their servers to accomplish any illegal conduct.142

The second theory for holding defendants secondarily liable derives from Sony’s “staple article of commerce” rule.143 Under this rule, infringement occurs when the defendant has no ability to supervise and control infringing activity but instead provides some sort of contribution to make infringement easier or more successful.144 As described above, the Sony case defines the legal limitations in such circumstances, holding that as long as the contribution provided has some substantial non-infringing use, the provider cannot be held liable for the infringing acts of its users without actual knowledge at the time of the contribution.145 In contrast, when a component has no significant non-infringing uses, the distributor can be held liable as a contributor.146 Other courts have also found that the contribution must be specifically aimed at copyrighted content and not some generally applicable product or service.147

Notably, the legislative history of the 1976 Copyright Act supports the aforementioned classifications of types of secondary liability.148 The House Report for the 1976 Copyright Act references but one example of “contributory infringers” – a classic case of direct participation in infringement of public performance rights: “for example, a person who lawfully acquires an authorized copy of a motion picture would be an infringer if he or she engaged in the

139 Fonovisa, 76 F.3d at 260-61.
140 Id.
141 Id. at 261-65.
142 Compare Fonovisa, 76 F.3d at 261-65, with A&M Records, 284 F.3d at 1091-99, and In re Aimster Copyright Litigation, 334 F.3d 643, 649-55 (7th Cir. 2003).
144 Id. at 442.
145 Id. at 428-56; Metro-Goldwyn-Mayer Studios, Inc., v. Grokster Ltd., 380 F.3d 1154, 1158-66 (9th Cir. 2004); Vault Corp. v. Quaid Software Ltd., 847 F.2d 255, 255-70 (5th Cir. 1988).
business of renting it to others for the purpose of unauthorized public performance."  

By contrast, the same report, in discussing "vicarious liability for infringing performances, noted that the committee had rejected an amendment to exempt the proprietors of an establishment, such as a ballroom or night club, from liability for copyright infringement committed by an independent contractor. The committee explained,

to be held a related or vicarious infringer in the case of performing rights, a defendant must either actively operate or supervise the operation of the place wherein the performances occur, or control the content of the infringing program, and expect commercial gain from the operation and either direct or indirect benefit [sic] from the infringing performance.  

Thus, the current limits on secondary liability in copyright are focused on the ability to control the infringer’s conduct and the actual and potential substantial non-infringing uses of products or services, not solely on the intent or design choices of the manufacturer, seller, or distributor. The Induce Act, on the other hand, focuses entirely on the intent and/or design, using proxies like “reasonably available information” and “commercial viability” which have never been part of secondary copyright liability. It contains no limitations based on one’s lack of ability to control infringement or the actual or potential non-infringing uses of one’s product or service.

These distinctions are not accidental or incidental. From a technology policy point-of-view, using “ability to control” and “staple article of commerce” tests to limit indirect liability makes sense, especially in light of Congress’ enactment of statutory damages for copyright infringement. By limiting secondary liability to situations in which there is an ability to control third-party conduct or where a product has been designed with no other practical uses than infringing copyrights, one can be held liable for third-party infringements on a one-to-one

149 Id.
150 Id.
151 Id.
155 See supra note 137.
However, when one cannot control third-party use of one’s product or service or provides technology with substantial non-infringing uses, one has no ability to regulate or control potential damages; therefore liability is neither fair nor prudently imposed.\footnote{157}


As noted above, Senator Hatch stated in his hearing testimony that the Induce Act “will simply import and adapt the Patent Act’s concept of ‘active inducement.’”\footnote{158} However, like Senator Hatch’s other statements, this assertion is also incorrect.\footnote{159}

In patent law, active inducement is defined by statute.\footnote{160} Specifically, Title 35 § 271(b) of the United States Code states, “[w]hoever actively induces infringement of a patent shall be liable as an infringer.”\footnote{161} While this language is textually similar to the language in the Induce Act,\footnote{162} the remaining sections of the patent statute along with the long history of patent case law, make it clear that the meaning of this language in patent law is drastically different from its use in the Induce Act.\footnote{163} First of all, in the patent context, the active inducement standard is tempered by the “staple article of commerce” test that the Supreme Court applied in \textit{Sony}.\footnote{164} Section 271(b) is directly followed by § 271(c),\footnote{165} which lists the “staple article of commerce” standard from which the Supreme Court derived its \textit{Sony} test.\footnote{166} In the legislative history of § 271, Congress and the section’s authors make it clear that both §§ 271(b) (active inducement) and 275(c) (sale of a component) collectively define all of the basic principles of contributory infringement in patent law.\footnote{167}

Furthermore, the elements of active patent inducement, as defined by the courts, also show the clear differences between the Induce Act and § 271(b).\footnote{168}
To establish active patent inducement, the plaintiff is required to show four distinct elements: (1) knowledge of the asserted patent, (2) direct infringement by third party, (3) the inducer’s actual intent to induce infringement, and (4) commission of an affirmative act that constitutes inducement, not merely the power to act or the failure to act. Thus, to show active patent inducement there is no inquiry into what was “reasonable” for the inducer to know at the time he acted, as well as there is no inquiry into the “commercial viability” of the product or service the defendant was providing, which are the only two tests the Induce Act requires to assess liability.

Moreover, the “staple article of commerce” defense applies to any accusation of active inducement. Specifically, both the leading patent treatise writer and the Federal Circuit Court of Appeals have explicitly reaffirmed the viability of the “staple article” defense in the inducement context. For example, in *Warner-Lambert Co. v. Apotex Corp.*, the Federal Circuit stated, “[e]specially where a product has substantial noninfringing uses, intent to induce infringement cannot be inferred even when the defendant has actual knowledge that some users of its product may be infringing the patent.” Also, in *Dynacore Holdings Corp. v. U.S. Phillips Corp.*, the court held that “[a] seller of goods is only liable for active inducement if, in addition to the sale of that product, active steps are taken to encourage direct infringement.”

The seller should not be liable under paragraph (b) for merely selling because merely selling a staple is not what is meant by “active inducement.” Everyone is free to sell staples and their first cousins the “commodities of commerce suitable for substantial non-infringing use,” if that is all that is done. *Id.* at 1276. *See also* Giles S. Rich, *Infringement Under Section 271 of The Patent Act of 1952*, 21 GEO. WASH. L. REV. 521, 535-42 (1953). “The supplying of both the means and the instructions is an important aspect of these cases.” *Id.* at 538.

The mere sale of any staple article or commodity of commerce not especially made or especially adapted for use in a patented invention, and suitable for actual, commercial, non-infringing use, shall not of itself constitute contributory infringement even though sold with the knowledge or expectation that it will be used in infringement of a patent.
reiterate the premise from *Sony*, that no matter how “reasonable” it was for the seller to know how such sales impacted the “commercial viability” of his product or service, the mere sale of a staple article of commerce cannot be the sole basis for secondary liability.179

In terms of what conduct may lead to an inference of intent to induce, patent courts have held that a wide array of behavior unrelated to the design of a staple article can support a finding of intent.180 Specifically, courts have found conduct such as advertising, instructing, licensing, repairing, and maintaining for known infringers indicative of intent to induce.181 However, courts have never established that a design choice of a product with substantial non-infringing uses is indicative of intent to induce.182

Another key difference between active inducement under the Induce Act and § 271(b) is that intent to actively induce patent infringement cannot be inferred from any failure to act without showing the ability to control the direct infringer or that the direct infringer is some kind of alter ego of the inducer.183 Specifically, the Federal Circuit Court in *Tegal Corp. v. Tokyo Electron Co.* held that:

facilitating . . . entails some affirmative act; it is not enough to show that [a party] failed to take steps to prevent . . . [i]ts affiliates from servicing [infringing machines]. In the absence of

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179 Id. at 542. This was combined for efficiency with section 3 and not meant to change the congressional intent at all. Id. “To do so otherwise would run counter to fundamental principles of the patent system.” Id.

180 Moreover, to allow control over staple articles violates anti-trust and misuse principles. *Rohm & Haas Co. v. Dawson Chem. Co.*, 599 F.2d 685, 704 n.24 (5th Cir. 1979). Many pre-1952 cases after the Supreme Court’s cases *Mercoid Corp. v. Mid-Continent Inv. Co.*, 320 U.S. 661 (1944) and *Motion Picture Patents Co. v. Universal Film Mfg. Co.*, 243 U.S. 502 (1917) refused to enforce claims of contributory infringement under the misuse theory. *Mercoid*, 320 U.S. at 668-69; *Motion Picture*, 243 U.S. at 516. Section 271(d) of the Patent Act shows the Congressional balance that was set between contributory liability and misuse:

Since case law does not presently consider a patentee’s mere sale of staples used in his invention to be “misuse” (as long as he does not tie use of the invention to the purchase of the staple) ... we view the linkage [of 271(d) to 271(b)] as allowing such an innocent patentee to sue ... a competing seller of staples who is ‘actively inducing infringement. The patentee’s relief, however, would not be an injunction forbidding the defendants’ sale of staples, since mere sale is not wrongful under either (b) or (c). Appropriate relief might extend to injunction against continuing to “actively induce” infringement, conduct forbidden by (b).


183 See 5 *CHISUM, supra* note 169, at § 17.04 (determining that the mere sale of a staple with knowledge of the buyer’s intended use does not constitute active inducement).

184 See *Tegal Corp. v. Tokyo Electron Co.*, 248 F.3d 1376, 1378 (Fed. Cir. 2001).
a showing of control over another party, merely permitting that party to commit infringing acts does not constitute infringement, and it likewise cannot constitute “facilitating infringing acts.”

However, the Induce Act does not specifically limit liability to affirmative acts. 185 This is apparent when one compares the standard of § 271(b) (“active inducement”) with that of the Induce Act (“inducement”). 186 Moreover, Senator Hatch made it abundantly clear in his floor statement that the choice not to include filtering technology would be sufficient to give rise to liability under the Induce Act. 187 Thus, under § 271(b) an omission would not be actionable; however, under the Induce Act an omission would be sufficient to establish liability. 188

As the above analysis makes clear, the Induce Act differs from § 271(b) in four substantial ways: (1) the Induce Act can be violated by the mere sale of a staple article of commerce; (2) the Induce Act infers intent from design as well as conduct; (3) the Induce Act is not limited to “active” inducement, thereby potentially covering omissions and failures to act; (4) the Induce Act creates “commercial viability” and “reasonableness” requirements that are not elements of analysis under § 271(b). 189 Thus, the Patent Act’s “active inducement” standard is not an origin of the Induce Act’s proposed legal regime.

3. The Third False Origin: The Induce Act Is Not Derived from Criminal Law

Finally, in his testimony, Senator Hatch alleged that the Induce Act is merely an importation of criminal law’s theory of aiding and abetting to establish liability for copyright infringers. 190 This type of rhetoric derives from the notion that file-sharing is “theft” and that the law should not treat file-sharers any differently from shoplifters. 191 However, when one compares criminal law’s

184 Id. (emphasis added). See also A. Stucki Co. v. Worthington Indus., Inc., 849 F.2d 593, 596-97 (Fed. Cir. 1988) (determining that evidence of mere inaction by parent company in the face of infringement by subsidiary, i.e., failure to stop infringement, did not constitute inducement unless parent company shown to be alter ego of a subsidiary or the parent company controlled conduct of subsidiary).


186 Id. See also 35 U.S.C. § 271(b) (2000).


188 See supra note 185.


doctrine of aiding and abetting with the rules set forth in the Induce Act, one can see serious differences between the two theories for establishing liability. 192

First and foremost, the Induce Act fails to recognize that the idea of establishing civil liability through the mechanism of aiding and abetting is not a well-established theory of law. 193 Rather, “[a]iding and abetting liability traditionally applies to criminal offenses” and not civil ones. 194

Another key distinction between criminal aiding and abetting and the Induce Act’s version of aiding and abetting is that criminal aiding and abetting requires specific intent while the Induce Act’s version only appears to require general or circumstantial intent. 195 For example, in Central Bank of Denver v. First Interstate Bank of Denver, 196 the Supreme Court held that in order to be liable for criminal aiding and abetting, prosecutors have to prove not only that the defendant had knowledge that his product would be used in the commission of an offense but also that he had “the purposive attitude of facilitating the offense.” 197 Thus, the defendant must “participate in [the venture] as in something that he wishes to bring about, that he seeks by his action to make it succeed.” 198

In other words, establishing liability through aiding and abetting requires specific intent which is demonstrated by the defendant’s actions or statements directed towards a specific tangible objective, not simply from intent that “reasonable” people could infer from circumstantial evidence such as “commercial viability.” 199 Moreover, criminal law’s aiding and abetting intent standard is not the same as the “natural consequences of one’s act” test which is

192 See Joshua Dressler, Understanding Criminal Law § 30.02 (3d ed. 2001); see also S. 2560, 108th Cong. (2004).
193 Dressler, supra note 192, at § 30.02.
194 See Elec. Lab. Supply Co. v. Cullen, 977 F.2d 798, 805 (3d Cir. 1992); see also Petro-Tech, Inc. v. Western Co. of N. Am., 824 F.2d 1349, 1356 (3d Cir. 1987).
195 See supra note 192.
197 See id. at 190.
198 Id. at 190. See also Nye & Nissen v. United States, 336 U.S. 613, 619 (1949) (quoting United States v. Peoni, 100 F.2d 401, 402 (2d Cir. 1938)).
199 Nye, 336 U.S. at 619. See also Dressler, supra note 192, at § 23.04, stating:

A person is an accomplice if he assists “with the purpose of promoting or facilitating the commission of the offense.” Model Penal Code § 2.06(3)(a). This provision conforms with common law precedent. For example, if S drives P to a liquor store where P commits a robbery, S is guilty of robbery if his act of assistance (driving the automobile) was committed with the purpose of facilitating the commission of the offense; however, he is not guilty if he did not know what P intended to do in the store . . . . After considerable debate, the American Law Institute rejected the argument that complicity liability should apply to one who knowingly, but not purposely, facilitates the commission of an offense. See A.L.I., comment to M.P.C. § 206, at 314-19. For example, if S, a merchant, sells dynamite to P, with knowledge that P intends to use the explosives to blow open a safe, S is not an accomplice in the subsequent crime, unless it was his conscious object to facilitate the commission of the offense.
the touchstone for “intent” in the civil tort context; thus, criminal intent required to aid a crime has “nothing whatever to do with the probability that the forbidden result [will] follow upon the accessory’s conduct.”

Third, establishing liability through aiding and abetting in criminal law requires that there be some direct connection between the aider and the principal who committed the offense. In United States v. Superior Growers Supply, Co., the Sixth Circuit dismissed an indictment that alleged the defendants, by occasionally providing various customers with information on how to grow marijuana, were guilty of aiding and abetting. Specifically, the Court held that an indictment merely alleging that the defendants provided information did not prove an intent to aid and abet “because it does not state that the publications or information were given with defendants’ knowledge that a particular customer was planning to grow marijuana, and with defendants’ intent to assist that customer in the endeavor.” Thus, for secondary criminal liability to attach, an abettor must have specific knowledge that a principal intended to commit a particular criminal act prior to offering assistance to that actor. In contrast, the Induce Act allows intent to be inferred in a number of situations without such strict limitations.

Finally, the function of public prosecutors to serve as strong gate-keepers in the criminal law context is not present in civil laws such as the Induce Act. In criminal law, there may be many actors or entities that in some form or manner “assist” in the commission of a crime. However, because prosecutors have limited resources and public mandates, they often will use their discretion to focus only on the most culpable individuals for assisting principal actors. But, under the Induce Act, there is no such discretionary gatekeeper. Rather, the Induce Act gives a private civil right of action to any copyright holder against anyone that allegedly contributes to the infringement of the holder’s copyright.

Such unbridled power could tempt copyright plaintiffs to go after parties that are less culpable but have deeper pockets. For example, in Perfect 10 v. Visa, an adult media company sued Visa and Mastercard for providing financial services to adult websites that allegedly reproduced and distributed the

200 See Peoni, 100 F.2d at 402.
203 Id. at 181.
204 Id. at 178 (emphasis added).
205 Id. at 180.
207 Id.
208 See supra note 199.
210 Id.
plaintiff’s copyrighted works without its permission.\footnote{Id. at *1.} Although Visa and Mastercard had no direct role in the infringements other than blindly processing payments for the online sites, because Perfect 10 had difficulty locating the oftentimes judgment-proof direct infringers, it turned its attention to the more easily located and well-funded credit card companies.\footnote{Id. at *3.} Subsequently, the district court dismissed Perfect 10’s suit for the reason that the court could not hold the defendants contributorily liable because it found that the defendants’ services did not “directly assist” in any infringement.\footnote{Id. at *5.}

Despite the outcome of this case, there is no doubt that to some degree, credit card companies “aid” infringing websites when they help them process sales of infringing content.\footnote{Id.} However, under the Induce Act, there is no “direct assistance” requirement as there is for contributory infringement.\footnote{Id. at *5.} Hence, theories such as those advanced in Perfect 10 may well be actionable under the Induce Act depending on what a “reasonable person” would conclude about Visa and Mastercard’s intent.\footnote{Id.}

Prosecutorial discretion serves the purpose of preventing aiding and abetting liability from becoming a profit-driven device. With statutory damages as high as $150,000 per work at risk, there are great incentives for copyright owners to bring suits under the Induce Act like Perfect 10 and sizable incentives for defendants to settle.\footnote{See 17 U.S.C. § 504(c)(2) (2000).} Public prosecutors have no such perverse incentives. Thus, discretion is another key difference between criminal aiding and abetting liability and civil secondary liability. In summary, the Induce Act’s secondary liability scheme differs from criminal aiding and abetting liability in three major ways: (1) it lacks a specific intent requirement; (2) it lacks a direct connection requirement; and (3) it lacks the procedural safeguards of prosecutorial discretion.\footnote{See supra note 191.}
C. The True Origin of Induce: Sony-Betamax’s Losing Arguments

From the above analysis it is explicit that the Induce Act is not merely, as Senator Hatch suggests, a codification of current copyright law, an importation of the Patent Act’s concept of active inducement nor of criminal law’s aiding and abetting. What then are the true origins of the Induce Act’s proposed legal regime? Although some of the Act’s language and theories appear to have been pulled from various articles and Senate memorandum, the true origins of Induce’s secondary liability scheme can be found, ironically, in Sony-Betamax – not in the majority holding, but rather in the dissent, the Ninth Circuit’s holding that was reversed, and in the respondents’ arguments that were rejected by the Supreme Court.

1. The Sony-Betamax Dissent

Much of the philosophy behind the Induce Act, if not its actual language, can be found, surprisingly, in Justice Blackmun’s dissent in Sony. For example, Blackmun wrote in his opinion that Sony should be held liable because “[i]t is undisputed in the case that Sony had reason to know the Betamax would be used by some owners to tape copyrighted works off the air.” He also found particularly damning, the fact that Sony had advertised the Betamax as suitable for off-the-air recordings of “favorite shows,” “novels for television,” and “classic movies,” with no visible warning that such recording could constitute copyright infringement. Blackmun further stated that “[i]n a case of this kind, however, causation can be shown indirectly; it does not depend on evidence that particular Betamax owners relied on particular [Sony] advertisements.” Liability, Blackmun wrote, should be imposed on a defendant who “suggest[s], even by implication” that a third party use the defendant’s goods to infringe the intellectual property of another.

222 Id. See also supra text accompanying notes 152-38, 191, 224.
225 Id. at 457-98 (Blackmun, J., dissenting).
226 See Sony Corp. v. Universal City Studios, 659 F.2d 963, 963-77 (9th Cir.1981).
228 Id. at 457-98 (Blackmun, J., dissenting).
229 Id. at 489.
230 Id. at 489-90.
231 Id.
232 Id. at 489.
Does Justice Blackmun’s rhetoric from 1984 sound familiar? To find almost identical sentiments of it, one need only to look at Senator Hatch’s Floor Statement introducing the Induce Act.\(^{233}\) “The interfaces of most P2P software provide no warnings about the severe consequences of succumbing to the constant temptation of infringement.”\(^{234}\)

Moreover, Blackmun discussed and focused on Sony’s “intent” for the Betamax to be used as a means to infringe upon copyrighted materials.\(^{235}\) Specifically, he stated, that “[o]ff-the-air recording is not only a foreseeable use for the Betamax, but indeed is its intended use. Under the circumstances, I agree with the Court of Appeals that . . . Sony has induced and materially contributed to the infringing conduct of Betamax owners.”\(^{236}\)

Even the “reasonable” standard for inferring intent has an established basis in the Sony dissent.\(^{237}\) In *Sony-Betamax*, Respondents put forth undisputed evidence that Sony knew that its Betamax machines “would be used to record copyrighted programs.”\(^{238}\) Respondents also utilized survey evidence that indicated with almost certainty that *most* users were, at one time or another, using the machines to make copies other than to simply “time shift” – though such time shifting was “the primary use . . . for most owners.”\(^{239}\) In fact, 44% of users had more than 10 tapes in their video libraries, and 42.1% indicated that they planned multiple viewings even of programs taped the previous month.\(^{240}\) In response to this survey data, the dissent noted that the “surveys showed that the average Betamax user owns between 25 and 32 tapes.”\(^{241}\) Thus, the thrust of most of the dissenters’ argument was that a reasonable person could have inferred from all the available circumstances that Sony knew and intended people to use its product for copyright infringement.\(^{242}\)

Blackmun also specifically called out “commercial viability” as the appropriate test for determining whether Sony should be secondarily liable for end-user infringement.\(^{243}\) This is indicated in his statement, “if no one would buy the product for noninfringing purposes alone, it is clear that the manufacturer is purposely profiting from the infringement, and that liability is appropriately


\(^{234}\) Id.

\(^{235}\) See *Sony-Betamax*, 464 U.S. at 465.

\(^{236}\) Id. at 490.

\(^{237}\) Id. at 457-98.

\(^{238}\) Id. at 426.

\(^{239}\) Id. at 423.

\(^{240}\) Id. at 424 n.4.

\(^{241}\) See *Sony-Betamax*, 464 U.S. at 483 n.35 (Blackmun, J., dissenting); see also *Sony Corp. v. Universal City Studios*, 480 F. Supp. 429, 438-49 (C.D. Cal. 1979) (stating that Sony’s survey showed average of 25 cassettes with off-the-air recordings).

\(^{242}\) *Sony-Betamax*, 464 U.S. at 460-62.

\(^{243}\) Id. at 491.
imposed.” Note that the Induce Act’s commercial viability standard is identical to the one Justice Blackmun set forth.

Finally, Blackmun’s tone matched Senator Hatch’s when talking about the affirmative steps “bad” technology companies should take to become “good” technology companies and avoid liability: “Sony may be able, for example, to build a VTR that enables broadcasters to scramble the signal of individual programs and ‘jam’ the unauthorized recording of them.” By implying that companies who do not build such systems into their devices should be liable, Blackmun foreshadowed the Induce Act’s affirmative duty approach to liability.

2. The Ninth Circuit Holding

The standard for secondary liability expressed in the Induce Act is also very similar to the one that the Ninth Circuit espoused in its lower court ruling in Sony-Betamax. Specifically, the Ninth Circuit held that Sony could be liable for the infringements of its users on the theory that it knew:

the Betamax will be used to reproduce copyrighted materials. In fact that is the most conspicuous use of the product. That use is intended, expected, encouraged, and the source of the product’s consumer appeal. The record establishes that appellees knew and expected that Betamax’s major use would be to record copyrighted programs off-the-air.

In other words, the Ninth Circuit would have found Sony liable because it intended to cause copyright infringement. To elaborate on the evidence of Sony’s intent, the court pointed to Sony’s knowledge of how the product was to be used, the fact that infringement was the product’s “major use,” and the fact that infringement was the “source of the product’s consumer appeal.” From the Ninth Circuit’s rationale, one can clearly see the connection to the Induce Act’s “reasonable expectation” and “commercial viability” requirements. However, these standards were explicitly rejected by the Supreme Court in the Sony majority.

3. The Respondents’ Arguments

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244 Id.
245 Id.
246 Id. at 494.
247 See Sony Corp. v. Universal City Studios, 659 F.2d 963, 976 (9th Cir. 1981).
248 Id. at 975 (emphasis added).
249 Id.
250 Id.
The themes of intent, reasonably available information, and commercial viability expressed in the *Sony-Betamax* case’s Ninth Circuit ruling were also repeated and expanded upon in the Respondents’ arguments before the Supreme Court. For example, in their statement of issues, Respondents asked the Court to decide: “Whether those who manufacture, market, and sell [videotape recorders] with the *intention* and expectation that they be used primarily for copying entire copyrighted motion pictures are liable for such copying as contributory copyright infringers.”

Respondents went on to note that “[b]ehind this assertion – at the heart of the case – is petitioners’ desire to reap tremendous profits from the sale of a device whose *primary consumer appeal* lies in its ability to reproduce copyrighted works without compensation to copyright owners.” Primary consumer appeal, of course, is simply another way of stating commercial viability.

As noted above, the *Sony-Betamax* dissent pointed out that “Sony may be able . . . to build a [video recorder] that enables broadcasters to scramble the signal of individual programs and ‘jam’ the unauthorized recording of them.” This point specifically came from the studios who repeatedly informed the Court about the possibility of “technological modification” for that very purpose. The Respondents also presented evidence that Sony, upon learning that broadcasters could deploy a jamming mechanism, engineered a system to circumvent the broadcaster’s ability to use such techniques. Furthermore, the

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253 *Id.*

254 See Respondent’s Brief in Opposition of Writ of Certiorari at 5, *Sony Corp. v. Universal*, 464 U.S. 215 (1984) (No. 81-1687) (emphasis added); see also *id.* at 6, 16 stating:

> Petitioners manufacture, advertise and sell to consumers VTRs under the brand name “Betamax” for the primary purpose of making copies of copyrighted television programming, including copyrighted motion pictures owned by respondents . . . That use is intended, expected, encouraged, and the source of the product’s consumer appeal.

*See also* Respondent’s Brief on the Merits at 20, *Sony Corp. v. Universal*, 464 U.S. 215 (1984) (No. 81-1687), stating:

> Given the district court’s findings and petitioners’ admissions that petitioners manufacture, advertise and sell Betamax for the primary purpose of reproducing programming from television, especially copyrighted motion pictures, that Betamax sales contribute to such copying, that petitioners know and intend that Betamax will be used to copy copyrighted works owned by respondents and others, and that petitioners actively encourage such infringing activity through their advertisements, brochures, and instruction manuals . . . petitioners [are] liable as contributory copyright infringers.

255 Respondent’s Brief on the Merits at 12 n.3, *Sony* (No. 81-1687) (emphasis added).

256 *Id.*

257 *Sony-Betamax*, 464 U.S. at 494 (Blackmun, J., dissenting).

258 See Respondent’s Brief on the Merits at 12 n.4, *Sony* (No. 81-1687).

259 *Id.* at 43 n.97.
Respondents contended that Sony’s refusal to countenance a filtering mechanism showed that “there would be little, if any, market for [video recorders] if they could not be used for infringing purposes.” 260 Again, both Senator Hatch’s floor statements on the Induce Act 261 and the “commercial viability” requirement in the Induce Act itself, echo the Respondents’ argument in Sony-Betamax. 262

Finally, the modern Copyright Owner’s Lament – whether or not to sue end-users directly – also contains echoes of ideas expressed in the Respondents’ Sony brief. 263

Thus, the true origins of the Induce Act are not well-established principles of law but rather arguments that have already been presented to the Supreme Court and rejected. 264 Nonetheless, The RIAA and MPAA lobbyists and Senator Hatch took the Grokster court’s suggestion to pursue legislation not as an opportunity to explore new theories of liability but rather as an opportunity to resurrect old rejected theories of liability. 265

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260 Id.
261 “For example, the designers of most filesharing software choose to lack the ability to remove or block access to files.” See Protecting Innovation and Art While Preventing Piracy: Hearing on S. 2560 Before the Senate Judiciary Committee, 108th Cong. (2004) (statement of Orrin Hatch), available at http://judiciary.senate.gov/hearing.cfm?id=1276.
262 See Respondents Brief on the Merits at 50 n.117, Sony (No 81-1687), stating:

    Petitioners’ unwillingness to devise a technological means of preventing copying of copyrighted works makes plain that without the ability to make unconsented copies of the copyrighted motion pictures, there would be little if any market for VTRs. The Court of Appeals correctly held that petitioners should not be allowed to build an industry based on this unconsented copying.

263 Id. For example, compare the statement in Universal’s Brief on page 39, “If petitioners are absolved of liability as contributory infringers, to obtain adequate relief respondents will be faced with the prospect of bringing suits against each of the millions of VTR owners who had copied respondents’ works, virtually an impossible task,” (Respondent’s Brief on the Merits at 39, Sony (No 81-1687)), with Hatch’s statement, “This sue-Oliver ‘remedy’ is a debacle.” Protecting Innovation and Art while Preventing Piracy: Hearing on S. 2560 Before the Senate Judiciary Committee, 108th Cong. (2004) (statement of Orrin Hatch), available at http://judiciary.senate.gov/hearing.cfm?id=1276. For example, immunizing inducement ensures that artists will have to sue their fans: “Inducers will have both the incentive and the means to thwart less extreme measures, like educational campaigns.” See Protecting Innovation and Art While Preventing Piracy: Hearing on S. 2560 Before the Senate Judiciary Committee, 108th Cong. (2004) (statement of Orrin Hatch), available at http://judiciary.senate.gov/hearing.cfm?id=1276.

IV. IMPLICATIONS FOR THE INDUCE ACT

As the above analysis establishes, the Induce Act sought an unprecedented expansion of secondary liability for copyright infringement. Thus, it is critical that Congress study its implications closely before considering whether or not to adopt it into law. Among these important implications is not only the effect on current products but those on future products as well. Furthermore, the standard from *Sony-Betamax* has been the law of the land in technology policy for the last twenty years and to unearth it now will have vast implications for U.S. technology and the information economies.

It is often difficult, however, to assess the potential impact that proposed legislation will have on both the marketplace and innovation if it is ultimately enacted. To help simulate the potential impact that the Induce Act would have on the technology sector if enacted, the Electronic Frontier Foundation decided to draft a mock complaint under the Induce Act. The hypothetical complaint demonstrates how the recording industry could use the Induce Act to file suits against companies like Apple Computer, Toshiba, and C-Net Networks for inducing the infringement of musical copyrights via the iPod music player. The complaint presents a case against Apple for designing and marketing the iPod, a product that allows consumers to store massive amounts of songs; against Toshiba for supplying the Apple with a special hard drive that enhances the iPod’s storage capacity, and against C-Net for explaining to its readers how to upload songs from iPods to unprotected computer hard drives. The case against Apple is grounded in the facts that (1) Apple has run an entire ad campaign on the theme of “Rip, Mix, Burn”; (2) iPods can store upwards of 10,000 songs, which is a far greater number of songs than the vast majority of consumers have legally purchased, and (3) that Apple has chosen not to restrict the iPod’s ability to play music solely to copy-protected formats, thereby allowing hundreds and thousands of file-sharers to “reap the benefits” of downloading unauthorized and unprotected songs via playback options on Apple’s portable music device.

The purpose of the complaint was not to indict Apple or even to argue that it would inevitably be held liable under the Induce Act. Rather, the purpose of the mock complaint was to show how radically the Induce Act could potentially

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266 *See supra* notes 152-38 and accompanying text.
267 *See Sony-Betamax*, 464 U.S. at 417-56.
269 *Id.*
270 *Id.*
271 *Id.*
alter the landscape of secondary copyright liability and to illustrate how easy it would be for copyright plaintiffs to file suits against digital technology producers that would survive both a motion to dismiss and even a motion for summary judgment. Because fact-intensive inquiries such as “commercial viability” and “reasonableness” would be at the heart of every cause of action under the Induce Act and because no bright-line Sony defense would be available, very few judges would ever allow a case to go anywhere but to a jury.

In addition, the complaint also demonstrates the vast amount of leverage that copyright plaintiffs would have over a company like Apple after filing such a suit. Because the Induce Act classifies every inducer as an actual infringer, Apple would potentially face liability for every single copyrighted work users illegally copied to use with its technology. Thus, even when calculating damages using the minimum statutory amount of $750, a single iPod user could potentially expose Apple to more than $75,000,000 in penalties. Given the fact that Apple has sold well over 7.3 million iPods, one can easily see that the risk of going to trial, even for a company like Apple, would be far too great to endure. Moreover, the mere cost of litigating these claims at trial would be almost unbearable. For example, SonicBlue, who was sued by several entertainment companies for allowing the users of its Replay TV Digital Video Recorder (similar to TiVo) to skip over commercials during playback, incurred legal fees close to $1,000,000 per month before finally deciding to close its doors and to file for bankruptcy. Thus, the mere risk of an Induce Act suit would be enough of a threat to cause companies to remove any potentially offending feature from its product or to submit to any copyright holder’s licensing demand.

Not only would technology manufacturers experience the consequences of this type of legislation, but the chilling effects would also be felt by those outside of the manufacturing industry. For example, venture capitalists who merely attempt to assess the risks of new digital technologies before investing would be flummoxed by the Induce Act: How could they calculate the likelihood that a product will be used for infringement before it is built? Furthermore, how could they calculate what a reasonable jury would infer based upon “all available circumstances?” These questions and calculations are especially troubling for

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274 Id.
275 Id.
277 Id.
279 Id.
280 http://www.eff.org/IP/Video/Newmark_v_Turner/ (last visited Apr. 12, 2005).
281 Id.
startup companies who often struggle to secure long-term funding before they
even have a prototype product to promote. Therefore, these questions and issues
demonstrate the Induce Act’s ability to threaten and inhibit the funding of
technology and other sectors that were the primary engines for US economic
expansion in the late 1990s.

V. Solution

During the Induce Act debate, many who opposed the Act were asked, well, if this is not the solution, then what is? How should we address the difficulties presented by P2P? The answer to these questions is that no simple solution to the problem exists. However, if one looks back to Congress’ efforts over the years to address the problems when there is a conflict between technology and copyright exploitation, one can see a pattern – compulsory and voluntary licenses.\(^{283}\) These licenses have allowed new technologies to disseminate copyrighted works widely while still compensating the copyright owners.\(^{284}\) For example, these licenses have been implemented and worked for piano players, radio, cable, satellite, web-casting, and even MP3s in both Europe and Canada.\(^{285}\) Therefore, they can also solve the problems associated with file-sharing and the P2P without invoking drastic measures like the Induce Act.\(^{286}\)

Also, such an approach is consistent with Congress’ past legislative acts and Copyright policy in general.\(^{287}\) For example, in the House Judiciary Report for the 1909 Copyright Act, Congress wrote:

The enactment of copyright legislation by Congress under the
terms of the Constitution is not based upon any natural right that
the author has in his writings, . . . but upon the ground that the
welfare of the public will be served and progress of science and
useful arts will be promoted by securing to authors for limited
periods the exclusive rights to their writings.\(^{288}\)

\(^{283}\) See William W. Fisher III, Promises to Keep: Technology, Law, and the Future of
Entertainment ch. 6, p.3 (2004), available at http://cyber.law.harvard.edu/people/tfischer/
PTKChapter6.pdf.

\(^{284}\) Id.

\(^{285}\) Id.

\(^{286}\) See Electronic Frontier Foundation, A Better Way Forward: Voluntary Collective Licensing of
6, 2005).

\(^{287}\) Id.

\(^{288}\) H.R. REP. NO. 60-2222, at 7 (1909).
Thus, the House Report stated that:

In enacting a copyright law Congress must consider . . . two questions: First, how much will the legislation stimulate the producer and so benefit the public, and, second, how much will the monopoly granted be detrimental to the public? The granting of such exclusive rights, under the proper terms and conditions, confers a benefit upon the public that outweighs the evils of the temporary monopoly.289

Accordingly, every legislative approach to solving the copyright problems must be balanced. Even with the onslaught of file-sharing and the claims that such activities are reducing compact disc sales, there has been no evidence that less music has actually been produced or that the public has received less benefit from a lack of copyright incentives. Although it may be true that music producers are receiving less profit, this fact alone does not demonstrate that they will produce less music. Moreover, the second question is key: How much will the monopoly granted be detrimental to the public? How detrimental would the Induce Act be to the public’s desire for new innovative technologies like the iPod? This question as well must be assessed fully and carefully by Congress before any legislation like the Induce Act is passed.

VI. CONCLUSION

Although some aspects of the Induce Act contain merit, it is a radical and unprecedented departure from the traditional standard for establishing secondary liability. Because it is such an extreme departure from the traditional standard, its pros and cons must be debated carefully and not swept under the rug of congressional procedure. Before a major change is enacted in copyright law and the settled expectations of the industry are overturned, the provisions of the act as well as its consequences must be studied and debated.290 Following legislative procedural precedent, this aforementioned process should be undertaken with respect to the Induce Act. In closing, Congress should proceed carefully and cautiously with regard to the Induce Act and not allow the rhetoric around file-

289 *Id.*

sharing and P2P to blind it in pursuing appropriate solutions to the problems we currently face in modern-day copyright law.
THE SECRET’S OUT: MENTAL ASSOCIATIONS MATTER IN A FEDERAL DILUTION CLAIM

by John Dressman

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I. INTRODUCTION

Imagine a person establishing a successful local business. The owner begins to expand regionally and then nationally. The company establishes its trademark in the marketplace through advertising and marketing. Over time and with millions of dollars invested, the mark becomes a household name. It is famous. The company has protected its mark by acquiring a trademark. Through the

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company’s trademark monitoring program, it discovers a different company using a very similar mark to sell its products. Consumers are not confused as to the source of the product, but they do associate the second mark with the famous mark. Soon after the second company begins trading on the second mark, several other companies do the same. Since there is no confusion as to the source of the products, a trademark infringement cause of action is not available. However, the Federal Trademark Dilution Act of 1995 provides a cause of action when trademarks are diluted. The company’s attorneys file a complaint with the district court alleging trademark dilution.

The district court, following precedent set in the United States Supreme Court, would rule that if the only evidence used to prove dilution is that consumers merely mentally associate the junior mark with the senior mark, no cause of action exists.\(^1\) The senior mark holder could use survey evidence to prove actual dilution, but courts are unsure as to what type of survey evidence would actually prove dilution.\(^2\)

Now, imagine the owner of the famous mark litigates its claim. The company’s lawyers are eventually able to establish more than mere mental associations by consumers to prove dilution. The court eventually accepts evidence from a survey which attempts to prove actual dilution. The litigation lasts three and a half years. The company is awarded injunctive relief and any company using the unauthorized name must change its name. Finally, justice for the famous mark holder . . . except that over the three and a half years, the famous mark has lost its distinctiveness and uniqueness because of the other similar marks in the marketplace. The company that spent millions to establish and protect its mark wins its case, but the relief granted is too late.

This casenote examines the problem presented in this hypothetical. Part II explains the development of dilution law from its beginnings to its modern day interpretations. Part III analyzes the facts, procedural history, and the majority and concurring opinions of *Moseley v. V Secret Catalogue, Inc.* Part IV discusses four points: (1) the importance of the psychological aspect of dilution; (2) the importance of considering the aggregate effect of multiple junior users; (3) the lack of guidance by the Supreme Court in proving dilution; and (4) the importance of injunctive relief when analyzing a trademark dilution claim. Part V concludes this article.

\(^2\) *Id.* at 434.
II. BACKGROUND LAW 

A. Evolution of Dilution Law 

Justice Stevens, in the majority opinion of Moseley v. V Secret Catalogue, Inc., discussed the development of dilution law in the United States.\(^3\) This section will trace and explain that development.

1. General Purpose 

Trademark dilution is a separate and distinct cause of action from the more popular trademark infringement cause of action.\(^4\) Trademark infringement occurs when a consumer becomes “confused, mistaken, or deceived” as to the origin of the product to be purchased.\(^5\) Confusion results because the junior mark is “the same as or so similar to” the senior mark.\(^6\) The Lanham Act\(^7\) and all states provide a cause of action based on this “likelihood of confusion.”\(^8\) These trademark infringement laws are in place to protect “consumers and market competition.”\(^9\)

Trademark dilution laws serve to protect against the gradual lessening of the capacity of a distinctive mark to “identify the source of goods bearing that mark.”\(^10\) Trademark laws protect the mark itself and the mark owner regardless of whether confusion exists.\(^11\) The purpose of the mark is to be a source identifier for the consumer.\(^12\) The consumer will associate the source and certain qualities with the product that bears a certain mark.\(^13\)

Dilution can generally occur in two ways: by blurring or by tarnishing.\(^14\) Dilution by blurring occurs when a non-competing good uses the mark in a way

\(^3\) Id. at 428-30. 
\(^5\) Id. 
\(^6\) Id. 
\(^9\) Id. at 124. 
\(^10\) Id. at 123. 
\(^11\) Id. 
\(^12\) Id. Some commentators do not believe there is even a need for dilution protection, arguing that any loss of economic value is not attributable to dilution but to market conditions. See Kenneth L. Port, The “Unnatural” Expansion of Trademark Rights: Is a Federal Dilution Statute Necessary?, 18 SETON HALL LEGIS. J. 433, 452 (1994). 
\(^14\) Prager, supra note 4, at 123.
that lessens the uniqueness and identifying power of a distinctive mark.\textsuperscript{15} Dilution by tarnishment occurs when consumers associate the senior mark with the junior mark’s use on shoddy, obscene, or unwholesome products.\textsuperscript{16}

2. The Schechter Theory

The first person to suggest trademark dilution protection was Frank Schechter in 1927.\textsuperscript{17} Schechter believed that the confusion theory was not adequate to protect all trademarks.\textsuperscript{18} Schechter argued that a mark’s true value is its “selling power.”\textsuperscript{19} Furthermore, a mark has selling power because of its “uniqueness and singularity.”\textsuperscript{20} Confusion protection was inadequate in Schechter’s opinion because, at the time, consumers did not really know the source of the product on the market.\textsuperscript{21} If a non-competing vendor used a mark, the consumer would probably not be confused by similar marks, but the mark itself would be devalued because consumer satisfaction would be diminished.\textsuperscript{22} Schechter described this as the “whittling away or dispersion of the identity and hold upon the public mind of the mark or name.”\textsuperscript{23}

Following the publication of his article, Schechter lobbied Congress to pass new trademark dilution legislation.\textsuperscript{24} His efforts failed when Congress passed the Lanham Act, also known as the 1946 Trademark Act, which did not include a dilution cause of action.\textsuperscript{25}

\textsuperscript{15} Id. Blurring has also been described as occurring when a junior party uses the same or similar mark on a different product, which then creates a new association with the senior mark. See Patrick M. Bible, Defining and Qualifying Dilution Under the Federal Trademark Dilution Act of 1995: Using Survey Evidence to Show Actual Dilution, 70 U. COLO. L. REV. 295, 305 (1999). This blurring has then decreased the selling power of the senior mark. Id.

\textsuperscript{16} Prager, supra note 4, at 124. Tarnishing can be more injurious to the senior mark because of the directness of its affect. Bible, supra note 15, at 305. The consumer immediately forms a negative impression of the junior mark’s product and associates the product with the senior mark, thus devaluing the senior mark. Id.


\textsuperscript{18} Bible, supra note 15, at 297.

\textsuperscript{19} Id. Schechter believed that a trademark represented the quality of the product and symbolized a guaranty of satisfaction. See Schechter, supra note 17, at 824.

\textsuperscript{20} Bible, supra note 15, at 297.

\textsuperscript{21} Id.

\textsuperscript{22} Id.

\textsuperscript{23} Id. at 298. Schechter argued that “[t]he more distinctive or unique the mark” the more protection it deserved from dilution because of the deep impression it had on the public. See Schechter, supra note 17, at 825. He also believed that trademarks deserved as much protection as plants and machinery. Id. at 830. He concluded by stating that “the preservation of the uniqueness of a trademark should constitute the only rational basis for its protection.” Id. at 831.

\textsuperscript{24} Bible, supra note 15, at 298.

\textsuperscript{25} Id.
3. State Dilution Statutes

The first state dilution statute was enacted in Massachusetts in 1947. By 1995, twenty-six states had passed anti-dilution statutes and three more recognized common law dilution claims. Current state statutes allow a cause of action for a likelihood of injury to business reputation or likelihood of dilution to the distinctive quality of a mark. Injunctive relief can be granted absent competition between the parties and absent a likelihood of confusion as to the source of the goods or services.

State courts were reluctant to award injunctive relief to senior mark holders because the relief would need to be enforced in states that did not allow dilution causes of action. Furthermore, some state courts required a showing of a likelihood of confusion even though the statute did not require such proof. Additionally, some state courts protected only non-competitive uses of the marks, while others extended protection to marks on competitive products. As a result of the reluctance towards and inconsistent application of state statutes, proponents of dilution protection urged Congress to create a federal statute to protect against dilution.

B. Modern Federal Dilution Law

1. The Federal Trademark Dilution Act of 1995

Congress responded to the apparent need for trademark dilution protection in December of 1995 with the passage of the Federal Trademark Dilution Act (FTDA), an amendment to the Lanham Act. The purpose of the FTDA is to protect registered or unregistered famous marks “against subsequent uses that tarnish, disparage, or blur the distinctiveness of the mark.” The FTDA differs from state statutes in two important ways.

27 See Beverly W. Pattishall et al., Trademarks and Unfair Competition 252 (2d ed. 2003); see also Krafte-Jacobs, supra note 26, at 661.
28 For a comparison of the federal statute and a state dilution statute, see Ala. Code § 8-12-17 (2004).
29 Krafte-Jacobs, supra note 26, at 662.
30 Id.
31 Id.
32 Id.
33 Id. For more discussion on the problems that the courts found in enforcing the state dilution statutes, see Klieger, supra note 13, at 810-31.
34 Krafte-Jacobs, supra note 26, at 660, 662. The FTDA added subsection (c) to Section 43 of the Lanham Act. Prager, supra note 4, at 125.
35 Krafte-Jacobs, supra note 26, at 662-63.
First, the FTDA affords protection only to “famous” marks. Second, the FTDA requires a senior mark holder to prove actual dilution by the junior mark as opposed to a “likelihood of dilution” as in the state statutes.

The FTDA does allow for certain unauthorized uses, such as (1) fair use of another’s famous mark in advertising, to identify competing goods and services; (2) noncommercial use of a famous mark; and (3) all forms of news reporting and commentary. A codified definition of “dilution” was also provided. The FTDA not only allows for injunctive relief to an injured plaintiff, like the state statutes, but also provides for monetary damages in the case of willful intent.

To support a claim for dilution under the FTDA, a plaintiff must establish that (1) the mark is famous, (2) the defendant has made commercial use of the mark in interstate commerce, and (3) the use causes actual dilution of the famous mark.

2. The Circuit Split Interpreting the FTDA

There has been considerable conflict among circuit courts when interpreting whether the FTDA requires a showing of actual dilution, as the text of the statute reads, or whether a “likelihood of dilution” standard applies, as in the state statutes. In Ringling Bros. & Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev., the United States Court of Appeals for the Fourth Circuit concluded that “dilution” under the FTDA required a plaintiff to show that the similarity between the senior mark and the junior mark caused actual harm to the

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36 Prager, supra note 4, at 125.
37 Id. The FTDA amended § 43 of the Lanham Act of 1946 (15 U.S.C. § 1125), as Congress included eight factors to determine if a mark is distinctive and famous: (1) the degree of inherent or acquired distinctiveness of the mark; (2) the duration and extent of use of the mark in connection with the goods or services with which the mark is used; (3) the duration and extent of advertising and publicity of the mark; (4) the geographical extent of the trading area; (5) the channels of trade for the goods or services with which the mark is used; (6) the degree of recognition of the mark in the trading areas and channels of trade used by the marks’ owner and the person against whom injunction is sought; (7) the nature and extent of use of the same or similar marks by third parties; and (8) whether the mark was registered under the Act of March 3, 1881, or the Act of February 20, 1905, or the principal register. Krafte-Jacobs, supra note 26, at 663-64. See also 15 U.S.C. § 1125(c)(1) (1994 & Supp. 1995).
38 Prager, supra note 4, at 125.
40 15 U.S.C. § 1127 (1994 & Supp. 1995). The term “dilution” means the lessening of the capacity of a famous mark to identify and distinguish 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. Id.
41 Krafte-Jacobs, supra note 26, at 663.
42 Id. at 664.
43 For an overview of early case law examining the FTDA, see id. at 664-88.
44 170 F.3d 449 (4th Cir. 1999).
senior mark’s economic value as a source identifier and advertising agent.\textsuperscript{45} That same year, in \textit{Nabisco, Inc. v. PF Brands, Inc.},\textsuperscript{46} the United States Court of Appeals for the Second Circuit rejected the requirement of economic harm suggested by the Fourth Circuit.\textsuperscript{47} Due to the extreme difficulty in attributing economic loss to the dilution of a trademark, the court argued that the narrow interpretation of the statute was unwarranted.\textsuperscript{48} Additionally, the court reasoned that the type of relief provided for in the statute warranted a more liberal likelihood of dilution standard.\textsuperscript{49} The United States Supreme Court resolved the circuit split\textsuperscript{50} in its decision in \textit{Moseley v. V Secret Catalogue, Inc.}.\textsuperscript{51}

III. STATEMENT OF FACTS, PROCEDURAL HISTORY AND HOLDING OF \textit{Moseley v. V Secret Catalogue, Inc.}

This section provides the facts, procedural history, and holding of the \textit{Moseley v. V Secret Catalogue, Inc.} decision.

A. The Facts

On February 12, 1998 an army colonel stationed at Fort Knox, Kentucky received a weekly publication containing an advertisement for the grand opening of Victor’s Secret in nearby Elizabethtown, Kentucky.\textsuperscript{52} Victor’s Secret is owned and operated solely by Victor and Cathy Moseley.\textsuperscript{53} The army colonel was offended by the advertisement which featured intimate lingerie, lycra dresses, and adult novelties and toys, because he believed the Moseleys were trying to use Victoria’s Secret’s trademark to promote “unwholesome, tawdry merchandise.”\textsuperscript{54} Victoria’s Secret stores sell “high quality, attractively designed

\begin{footnotes}
\item[45] Id. at 461.
\item[46] 191 F.3d 208 (2d Cir. 1999).
\item[47] Id. at 223.
\item[48] Id.
\item[49] Id. at 224. Since the primary remedy is injunctive relief, the court reasoned that to force a company to prove actual dilution while the junior mark was trading on the senior mark during that time would render any relief moot because the damage would have already been done. \textit{Id.}
\item[50] See also \textit{Westchester Media v. PRL USA Holdings, Inc.}, 214 F.3d 658, 670 (5th Cir. 2000) (concluding that the plain meaning of the federal statute requires a showing of actual dilution). \textit{Cf.} \textit{Eli Lilly & Co. v. Natural Answers, Inc.}, 233 F.3d 456, 468 (7th Cir. 2000) (looking beyond the plain meaning of the federal statute and requiring only a showing of a likelihood of dilution).
\item[52] Id. at 423.
\item[53] Id. at 422.
\item[54] Id. at 423.
\end{footnotes}
lingerie” at moderate prices.\(^5\) The colonel immediately sent a copy of the advertisement to Victoria’s Secret.\(^6\)

Following receipt of the advertisement, counsel for Victoria’s Secret sent the Moseleys a letter explaining that the name “Victor’s Secret” was “likely to cause confusion” and “likely to dilute the distinctiveness” of the Victoria’s Secret mark.\(^7\) The Moseleys changed the name of their store to “Victor’s Little Secret.”\(^8\) This change did not satisfy Victoria’s Secret’s counsel, who subsequently filed an action in federal district court.\(^9\)

Victoria’s Secret Catalogue, Inc. and affiliated companies own the “Victoria’s Secret” trademark.\(^10\) They also own over 750 Victoria’s Secret stores that exceeded $1.5 billion in sales in 1998.\(^11\) Two stores are located in Louisville, Kentucky just a short drive from Elizabethtown.\(^12\) In 1998, they spent $55 million advertising the Victoria’s Secret brand and distributed over 400 million copies of the Victoria’s Secret catalogue.\(^13\) Over 39,000 catalogues were distributed in Elizabethtown, Kentucky.\(^14\)

B. The Procedural History

Victoria’s Secret filed its complaint in the United States District Court for the Western District of Kentucky.\(^15\) The complaint included four different claims: (1) trademark infringement in violation of 15 U.S.C. § 1114(1); (2) unfair competition alleging misrepresentation in violation of § 1125(a); (3) federal dilution in violation of the FTDA; and (4) trademark infringement and unfair competition in violation of Kentucky common law.\(^16\) Following discovery, during which both parties described their respective businesses and types of merchandise sold, both Moseley and Victoria’s Secret filed motions for summary judgment.\(^17\) Moseley stressed that only about five per cent of his sales were lingerie, which comprises the bulk of Victoria’s Secret’s sales.\(^18\) The Moseleys also pointed out that all of Victoria’s Secret’s merchandise carried the company’s

\(^5\) Id. at 422.
\(^6\) Id. at 423.
\(^7\) Moseley, 537 U.S. at 423.
\(^8\) Id.
\(^9\) Id.
\(^10\) Id. at 422.
\(^11\) Id. at 422-23.
\(^12\) Id. at 422.
\(^13\) Moseley, 537 U.S. at 422-23.
\(^14\) Id. at 423.
\(^15\) Id. at 425.
\(^16\) Id. at 423-24.
\(^17\) Id. at 424.
\(^18\) Id.
mark and, therefore, no confusion among consumers would result.\textsuperscript{69} Victoria’s Secret described the enormous value of its mark, but did not provide any data on the impact the Moseleys’ store would have on that mark.\textsuperscript{70}

The district court concluded that there was no evidence of confusion between the parties’ marks and, as a matter of law, no likelihood of confusion.\textsuperscript{71} Summary judgment was entered for the Moseleys on the infringement and unfair competition claims.\textsuperscript{72} However, the district court ruled in favor of Victoria’s Secret on the FTDA claim.\textsuperscript{73}

Since the Moseleys did not challenge whether the mark was famous, the only question to be decided was whether the use of “Victor’s Secret” diluted the Victoria’s Secret mark.\textsuperscript{74} The court stated that dilution can corrode a trademark by blurring or tarnishing positive associations of a trademark.\textsuperscript{75} The court determined that the two marks were similar enough to cause dilution, and that the Moseleys’ mark diluted the Victoria’s Secret mark by tarnishment.\textsuperscript{76} The court awarded Victoria’s Secret injunctive relief and ordered the Moseleys to stop using “Victor’s Little Secret” because it caused dilution of the distinctiveness of the Victoria’s Secret mark.\textsuperscript{77}

The United States Court of Appeals for the Sixth Circuit affirmed the decision, but was required to address two issues not specifically addressed by the district court.\textsuperscript{78} Following the district court opinion in \textit{Moseley}, the Sixth Circuit adopted the Second Circuit’s standards for determining dilution under the FTDA.\textsuperscript{79} The Second Circuit, unlike the district court, required a determination of whether the mark was “‘distinctive,’ and whether relief could be granted before dilution has actually occurred.”\textsuperscript{80} The Sixth Circuit addressed these two additional issues.\textsuperscript{81}

First, the court reasoned that the mark was “arbitrary and fanciful,” making it distinctive and deserving of the highest level of protection.\textsuperscript{82} Second, after reviewing the legislative history that described dilution as an infection that would spread if left alone, coupled with the near impossibility of proving actual harm, the Sixth Circuit concluded that actual dilution was not a necessary element.\textsuperscript{83} In

\begin{itemize}
  \item \textsuperscript{69} \textit{Moseley}, 537 U.S. at 424.
  \item \textsuperscript{70} \textit{Id.} at 424-25.
  \item \textsuperscript{71} \textit{Id.} at 425.
  \item \textsuperscript{72} \textit{Id.}
  \item \textsuperscript{73} \textit{Id.}
  \item \textsuperscript{74} \textit{Id.}
  \item \textsuperscript{75} \textit{Moseley}, 537 U.S. at 425.
  \item \textsuperscript{76} \textit{Id.}
  \item \textsuperscript{77} \textit{Id.}
  \item \textsuperscript{78} \textit{Id.} at 425-26.
  \item \textsuperscript{79} \textit{Id.} at 426.
  \item \textsuperscript{80} \textit{Id.} \textit{See} Nabisco, Inc. v. PF Brands, Inc., 191 F.3d 208, 216 (2d Cir. 1999).
  \item \textsuperscript{81} \textit{Moseley}, 537 U.S. at 426.
  \item \textsuperscript{82} \textit{Id.}
  \item \textsuperscript{83} \textit{Id.} at 427.
\end{itemize}
doing so, the court rejected the Fourth Circuit’s interpretation of the FTDA that required proof of actual dilution through evidence of lost revenues or consumer surveys.\textsuperscript{84} Other circuits also had differing interpretations of whether actual dilution was required under the FTDA.\textsuperscript{85} The United States Supreme Court granted certiorari to resolve the differing interpretations.\textsuperscript{86}

C. The Majority Opinion

Justice Stevens delivered the opinion for a unanimous Court with respect to Parts I, II, and IV.\textsuperscript{87} Justice Kennedy filed a lone concurring opinion as to Part III of the majority opinion.\textsuperscript{88}

Justice Stevens began the opinion by dismissing the need to evaluate counts 1, 2, and 4 of the original complaint because the issues of lack of confusion and unfair competition were never appealed.\textsuperscript{89} The only issue to be decided, then, was whether a likelihood of dilution or an actual dilution standard was required under the FTDA.\textsuperscript{90} Following a historical discussion of trademark dilution law,\textsuperscript{91} Justice Stevens held that actual dilution must be shown to receive injunctive relief under the FTDA and the evidence provided to the district court did not qualify as actual dilution.\textsuperscript{92} He reversed the summary judgment for Victoria’s Secret on the dilution count and remanded to the lower court to allow Victoria’s Secret to present evidence to prove that actual dilution had occurred.\textsuperscript{93}

Stevens based his opinion on the plain meaning of the text of the FTDA that unambiguously requires a showing of actual dilution rather than a likelihood of dilution.\textsuperscript{94} He found support for this argument in the definition the statute provides for dilution: “[t]he term ‘dilution’ means the lessening of the capacity of a famous mark to identify and distinguish 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.”\textsuperscript{95} Stevens concluded that the contrast between “an actual lessening of the capacity”

\textsuperscript{84} Id. See Ringling Bros.-Barnum & Bailey Combined Shows, Inc. v. Utah Div. of Travel Dev., 170 F.3d 449, 462 (4th Cir. 1999).
\textsuperscript{85} Moseley, 537 U.S. at 428.
\textsuperscript{86} Id.
\textsuperscript{87} Id. at 419-20.
\textsuperscript{88} Id. at 420.
\textsuperscript{89} Id. at 428-29.
\textsuperscript{90} Id. at 429.
\textsuperscript{91} The Background Law section of this note, Part II, parallels Stevens’s dilution law discussion. See supra Part II.
\textsuperscript{92} Moseley, 537 U.S. at 433.
\textsuperscript{93} Id. at 434.
\textsuperscript{94} Id. at 433.
\textsuperscript{95} Id.
in the beginning of the definition and the reference to “likelihood of confusion” in the second caveat means actual dilution must be proven.\textsuperscript{96}

Justice Stevens also referred to two differences in the language between the state statutes and the FTDA.\textsuperscript{97} First, the state statutes include a cause of action for a likelihood of dilution, whereas the federal statute does not.\textsuperscript{98} Congress could have followed the states’ lead on this issue, but chose not to do so.\textsuperscript{99} The FTDA allows for a cause of action only when actual dilution occurs.\textsuperscript{100} Second, the federal statute only refers to dilution of the distinctive quality of a trademark and does not include “injury to business reputation” as the state statutes do.\textsuperscript{101} This omission, according to the majority, also supports a narrow reading of the FTDA, requiring proof of actual dilution.

Stevens disagreed with the Fourth Circuit’s opinion that actual loss of sales or profits must be shown to prove actual dilution.\textsuperscript{103} However, Stevens stressed that if a consumer merely mentally associates the junior user’s mark with the senior mark, this is not enough to trigger an action under the FTDA.\textsuperscript{104} Such a mental association is not necessarily sufficient to cause blurring or tarnishment.\textsuperscript{105}

Stevens did concede that proving actual dilution can be difficult and expensive.\textsuperscript{106} He suggested that one way to show actual dilution is through consumer surveys or other circumstantial evidence.\textsuperscript{107} The easiest case would occur when the junior mark and the senior mark were identical.\textsuperscript{108} Stevens accepted the difficulty in proving actual dilution, but concluded that this was not enough to overcome the plain language of the statute.\textsuperscript{109}

D. The Concurring Opinion

Justice Kennedy agreed that the evidentiary showing required by the FTDA could be determined on remand and that the “Victoria’s Secret” mark was in fact famous.\textsuperscript{110} Kennedy believed that more emphasis should be focused on the term

\textsuperscript{96} Id.
\textsuperscript{97} Id. at 432.
\textsuperscript{98} Moseley, 537 U.S. at 432.
\textsuperscript{99} Id.
\textsuperscript{100} Id. at 433.
\textsuperscript{101} Id. at 432.
\textsuperscript{102} Id.
\textsuperscript{103} Id.
\textsuperscript{104} Moseley, 537 U.S. at 433.
\textsuperscript{105} Id. at 434.
\textsuperscript{106} Id.
\textsuperscript{107} Id.
\textsuperscript{108} Id.
\textsuperscript{109} Id.
\textsuperscript{110} Moseley, 537 U.S. at 435.
“capacity” used in the statute to define dilution.\textsuperscript{111} He provided several definitions for capacity, including: “the power or ability to hold, receive, or accommodate”\textsuperscript{112} and “[t]he [p]ower of receiving, containing, or absorbing.”\textsuperscript{113} The lessening of a mark’s capacity, in Kennedy’s view, can be shown immediately or in the future.\textsuperscript{114} The lessening of a senior mark’s capacity to identify and distinguish may be shown by the natural and “probable consequences flowing from use or adoption of the competing mark.”\textsuperscript{115} The type of relief provided by the statute itself supports protection from the possibility of future dilution.\textsuperscript{116} The FTDA provides injunctive relief, which is relief to prevent future wrong.\textsuperscript{117} Kennedy asserts that a senior mark holder should not have to wait until the distinctiveness of the mark is eroded to obtain injunctive relief.\textsuperscript{118} If the senior mark holder can show that the junior mark will erode or lessen the power of the senior mark, then injunctive relief should be awarded.\textsuperscript{119} Kennedy ultimately agreed that the case should be remanded to allow Victoria’s Secret to present evidence to show that the Moseley mark will blur or tarnish the Victoria’s Secret mark.\textsuperscript{120}

IV. ANALYSIS

A. Moseley Ignores Psychological Aspect of Dilution

District and appellate courts have been split on whether an actual dilution standard or likelihood of dilution standard is required under the FTDA.\textsuperscript{121} The Supreme Court decided in \textit{Moseley} that an actual dilution standard is required.\textsuperscript{122} As other courts have done, the Supreme Court traced the development of dilution law in the United States.\textsuperscript{123} The problem is that the Court did not appreciate the importance of a trademark to its holder and, more importantly, did not consider

\begin{itemize}
\item \textsuperscript{111} Id.
\item \textsuperscript{112} Id. (citing \textit{WEBSTER’S THIRD NEW INT’L DICTIONARY} 330 (1961)).
\item \textsuperscript{113} Id. (citing \textit{WEBSTER’S NEW INT’L DICTIONARY} 396 (2d ed. 1949)).
\item \textsuperscript{114} Id.
\item \textsuperscript{115} Id. at 435-36.
\item \textsuperscript{116} \textit{Moseley}, 537 U.S. at 436.
\item \textsuperscript{117} Id.
\item \textsuperscript{118} Id.
\item \textsuperscript{119} See discussion infra Part IV.D.
\item \textsuperscript{120} \textit{Moseley}, 537 U.S. at 436.
\item \textsuperscript{121} See discussion supra Part II.B.2.
\item \textsuperscript{122} \textit{Moseley}, 537 U.S. at 433.
\item \textsuperscript{123} Id. at 428-30.
\end{itemize}
the psychological aspect of trademarks with regard to dilution. If it did, its decision would have been different.

Companies spend millions, and in some cases billions, of dollars to develop, sustain, or purchase a trademark. Companies are willing to invest huge sums of money to purchase and maintain these marks because consumers make purchases based on famous brand names. Consider your own purchasing habits. Why do you buy the goods you buy? If a famous brand name is diluted, substantial harm will result to the value of the brand name. As will be discussed later, once dilution has occurred, there is no remedy adequate to make the famous mark holder whole again. Therefore, it is critically important to understand how the consumer’s mind works as it relates to trademarks and trademark dilution.

The amount of information a person has stored in his brain is immeasurable. However, most of the information is stored in our memories and is not immediately present. This means we are only consciously aware of a small portion of our total knowledge. To recall what is in our memory, our brain must be stimulated. Once stimulated, a thought will enter the mind and will then link us to other thoughts and information in the memory. This process is known as “spreading activation.”

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124 The Supreme Court concluded that when consumers merely mentally associate a junior mark’s use with the senior mark no blurring or tarnishment occurs. Id. at 433.
125 Phillip Morris paid $12.9 billion to acquire Kraft partly because of its powerful brand name. See Jacob Jacoby, The Psychological Foundations of Trademark Law: Secondary Meaning, Genericism, Fame, Confusion and Dilution, 91 TRADEMARK REP. 1013, 1049 (2001). The purchase price was four times Kraft’s net asset value. Id.
126 The more positive the associations with a brand, the more likely a consumer will purchase that brand over other competing products. See Curtis P. Haugtvedt et al., Cognitive Strength of Established Brands: Memory, Attitudinal, and Structural Approaches, in BRAND EQUITY AND ADVERTISING 247 (David A. Aaker & Alexander L. Biel eds., 1993).
127 See Jacoby, supra note 125, at 1049.
128 In his concurrence, Justice Kennedy concluded that the holder of a famous mark should not have to wait until the famous mark is diluted to receive relief. Moseley, 537 U.S. at 436. By this time the famous mark has lost its distinctiveness and the damage has been done. Id.
130 Jacoby, supra note 125, at 1015.
131 Id. at 1016. The information that is in the immediate consciousness is also known as the “cognitive workspace.” Id. at 1017. The cognitive workspace is likened to a desk. Id. Memory is likened to shelves, file cabinets, and drawers that increase in number as one acquires more information. Id. While working on a project, a person cannot keep all of the information necessary to complete that project on her desk. Id. The desktop contains the information in a person’s consciousness of the moment. Id. The shelves, file cabinets, and drawers contain the information in a person’s memory that can be retrieved when called upon. Id.
132 Id. at 1018.
133 Id. at 1020. This stimulation is sometimes referred to as a light bulb going on. Id.
134 Id. at 1018-20. Jacoby describes this as a “cognitive network” of nodes (pieces of information) and links to nodes (mental associations). See id. at 1019-23.
135 Id. at 1020-21.
trademark dilution is that this spreading activation occurs automatically and subconsciously.\textsuperscript{136} The links a person makes when stimulated are influenced by many internal and external factors.\textsuperscript{137} Some stimuli are more powerful and important than others, which enable a person to link specific attributes to those powerful and important stimuli.\textsuperscript{138}

These principles apply to how consumers remember and think about companies, products, brands, and brand qualities.\textsuperscript{139} If a consumer needed a new pair of gym shoes he may think of Nike.\textsuperscript{140} The thought of “Nike” links the consumer to think “athletic shoes,” then “professional athletes,” then “Just Do It,” then “Air Jordan’s,” then “Tiger,” and so on.\textsuperscript{141} As he recalls these thoughts, the consumer may also associate certain attributes with those images, such as “Tiger is a great golfer” or “I want to be like Mike.” Brand names, like Nike, serve as information “chunks,” allowing a consumer to recall information about the product from memory.\textsuperscript{142} Consumers then make purchasing decisions based on the brand observed, the information recalled about that brand, and more importantly, the brand’s source.\textsuperscript{143} This “chunking” applies to symbols, sounds, shapes, and combinations of colors, as well as to the brand name itself.\textsuperscript{144} The Nike “swoosh” becomes as distinctive as the brand name, eliciting the same recalled thoughts as the brand name.\textsuperscript{145} Not all consumers will associate the same thoughts with all famous, distinctive marks or brands, but many of the thoughts of the consumers will be organized in similar ways.\textsuperscript{146}

The famous mark holder spends millions of dollars to ensure that consumers will immediately associate specific products, attributes, and qualities with its brand name.\textsuperscript{147} The famous mark holder wants to protect the power of the famous mark by not allowing others to use a similar mark that will confuse or

\textsuperscript{136} This means that perceptions and interpretations of information are not part of conscious choice or reflection. Jacoby, supra note 125, at 1021.
\textsuperscript{137} Id. The links a person makes can be influenced by career, family experience, education, and other life experiences. Id.
\textsuperscript{138} Id. at 1023. For example, hearing the name of your best friend from high school will elicit links to many more images than hearing the name of an acquaintance from the same time period. Id.
\textsuperscript{139} Id.
\textsuperscript{140} Jacoby uses Budweiser as his example. Id. Swann, however, uses a similar Nike example. See Swann, supra note 129, at 607.
\textsuperscript{141} See Swann, supra note 129, at 607.
\textsuperscript{142} Jacoby illustrates this point using the Budweiser brand. Jacoby, supra note 125, at 1024-25.
\textsuperscript{143} Id. at 1025.
\textsuperscript{144} Id. at 1025-26.
\textsuperscript{145} Id. at 1026.
\textsuperscript{146} Id. It is important to understand that when considering dilution, one must consider what will be recalled not only in one consumer’s mind, but what will be recalled in the minds of all consumers. Id.
\textsuperscript{147} For example, the average price for a thirty-second Super Bowl XXXIX advertisement was $2.4 million dollars. Paul J. Gough, Fox Nears Goal Line for Super Bowl Ad Sales (Jan. 6, 2005) at http://news.yahoo.com/news?tmpl=story&u=/nm/20050106/tv_nm/television_superbowl_d_e_1.
dilute the existing mark. If another company uses a mark similar to the famous mark, people may recall two sets of associations for the same mark, even though the consumers are not confused as to the source. The second association clouds the distinctiveness and uniqueness of the famous mark, thus causing dilution by blurring.

Contrary to the majority opinion, differing and multiple mental associations do cause harm to the famous mark. The immediacy and accuracy of the consumers’ memories are reduced when two (or more) sets of associations are involved. If a consumer is required to exert more effort to recall the brand, the consumer may select something else, obviously diluting the famous mark.

Most importantly, the brand equity of the famous mark may be diminished when the subsequent mark is associated with the famous mark. The brand name and the equity in that brand often are the most valuable assets to a company. Consumers will make purchasing decisions based on the brand name. The value of the brand can be in the millions, and even billions, of dollars. When the associations to a senior mark are blurred, serious harm results to the value of that mark.

The FTDA was established to protect senior marks from the very blurring that occurred in Moseley. The Supreme Court mistakenly asserted that mentally

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148 The selling power of the famous mark comes from its uniqueness and singularity. See Swann, supra note 129, at 599. The psychological hold on the public enables the mark to be unique and singular. Once the mark is “cluttered” with similar marks, the mark’s uniqueness and singularity are weakened. See Jacoby, supra note 125, at 1047.

149 Id.

150 The famous mark is considered a hub with a single spoke that leads to a circle containing series of nodes or pieces of information. Id. at 1049. If a consumer later attaches another spoke to the hub leading to another circle containing different information, the ease and speed with which a consumer will connect the famous mark to the original source will decrease. Id. The multiple spokes created are precisely the type of “whittling away” the famous mark holder is trying to prevent. Id.


152 This is especially true when many options are available to the consumer. Id.

153 Id.

154 In Swann’s opinion, “brand clarity” is affected, which is even more important than “brand equity.” See Swann, supra note 129, at 599-600. Brand clarity includes awareness, loyalty, perceived quality, and positive associations linked to the mark. Id. at 600.

155 Swann describes strong brands and marks as “trustmarks,” which become as important to the consumer as to the mark owner. Id. at 91-93.

156 Id. at 593-94.

157 See Jacoby, supra note 125, at 1049.

158 Id. at 1048.

159 The purpose of the FTDA of 1995 is “to protect famous trademarks from subsequent uses that blur the distinctiveness of the mark or tarnish or disparage it, even in the absence of a likelihood of confusion.” H.R. REP. NO. 104-374, at 2 (1995).
associating the junior mark with the senior mark does not cause dilution.\(^\text{161}\) However, mental association is the core purpose of a brand name.\(^\text{162}\) When a consumer associates the junior mark with the famous mark, a cause of action under the FTDA should be allowed.

**B. Aggregation Principle: A Return to Wickard v. Filburn**

Dilution by blurring is especially harmful when there are more subsequent users in the market.\(^\text{163}\) One adult novelty and clothing store in Elizabethtown, Kentucky blurring the Victoria’s Secret trademark may not severely devalue Victoria’s Secret’s mark. However, if the Moseleys are allowed to use “Victor’s Little Secret,” other businesses would be allowed to use similar marks.\(^\text{164}\) If consumers only mentally associate the second comer’s marks with Victoria’s Secret, the second comer’s use would be acceptable under Moseley.\(^\text{165}\) As discussed earlier, competing mental associations by consumers do diminish the mark’s capacity to distinguish its products.\(^\text{166}\) Taken in the aggregate, the mental associations created by multiple subsequent users would have a substantial negative effect on the distinctiveness and uniqueness of a famous mark.\(^\text{167}\) The FTDA should protect famous marks from this type of harm.

This reasoning mirrors the reasoning in the famous Commerce Clause case of Wickard v. Filburn.\(^\text{168}\) In Wickard, the Supreme Court ruled that a farmer could not keep homegrown wheat for personal use because, taken in the aggregate, it would have a substantial effect on interstate commerce.\(^\text{169}\) If all wheat farmers kept homegrown wheat, then the market supply and demand for wheat would be negatively affected.\(^\text{170}\) Similarly, in cases like Moseley, one small business may not dilute the Victoria’s Secret mark, but taken in the aggregate, substantial harm will be imposed if other companies could trade on Victoria’s Secret’s brand.\(^\text{171}\)

\(^{162}\) “Dilution is tampering, not with a brand, but with its mental identity.” Swann, supra note 129, at 598.
\(^{163}\) See supra note 151 and accompanying text.
\(^{164}\) Swann likens the scenario to polluting a lake. See Swann, supra note 129, at 611. An individual who disposes of her garbage into a lake could argue that her garbage will not result in substantial harm to the lake. Id. While this may be true, if each individual is allowed to dump her garbage into the lake, serious damage would result. Id. Preventing each individual from polluting the lake is the only plausible way to protect the lake from pollution. Id.
\(^{165}\) The majority opinion in Moseley concluded that mere mental associations are inadequate to trigger a cause of action under the FTDA. Moseley, 537 U.S. at 433.
\(^{166}\) See Jacoby, supra note 125, at 1049.
\(^{167}\) See supra note 151 and accompanying text.
\(^{168}\) 317 U.S. 111 (1942).
\(^{169}\) Id. at 128.
\(^{170}\) Id. at 129.
\(^{171}\) This argument parallels the polluted lake argument. See supra note 164 and accompanying text.
This aggregation theory is a likelihood of dilution concept. The burden is on the famous mark holder to prove that a likelihood of dilution would occur due to prolonged and possible multiple uses similar to the famous mark. Therefore, the FTDA should protect famous marks when evidence is presented showing that consumers mentally associate the junior mark with the senior mark because it is likely that dilution will occur.

C. The Court’s Opinion Lacks Concrete Ways to Prove Dilution

Justice Stevens disagreed with the Fourth Circuit’s determination that actual loss of sales or profits due to dilution by the junior mark is required to prove actual dilution. However, Stevens did agree that mere mental associations of the junior mark with the senior mark by consumers would not be sufficient to establish a cause of action by the senior mark holder. Stevens conceded that it may be difficult to obtain the required proof, but discounted that obstacle as insufficient to dispense with the plain meaning of the statute, which requires actual dilution. Stevens suggested that consumer surveys and other circumstantial evidence could be used to prove actual dilution, but admitted that they are often expensive and unreliable. The only concrete piece of circumstantial evidence that would prove actual dilution, according to Stevens, is when the junior mark is identical to the senior mark. The lack of direction provided by the Supreme Court has left litigators and judges uncertain as to how to prove actual dilution. Additionally, when consumer surveys have been presented, courts have generally been unwilling to accept them as proof of actual dilution.

The uncertainty and confusion stems from the conclusion in the majority opinion that mental associations by consumers do not cause blurring or tarnishment. As a result, courts have dismissed survey evidence that illustrates

173 Id.
174 Id. at 434.
175 Id.
176 Id.
177 See Ty Inc. v. Softbelly’s, Inc., 353 F.3d 528, 535 (7th Cir. 2003) (finding that the Supreme Court in Moseley did not provide guidance as to what type of circumstantial evidence would be sufficient to prove actual dilution); see also Caterpillar, Inc. v. Walt Disney Co., 287 F. Supp. 2d 913, 921 (C.D. Ill. 2003) (finding that it was unclear as to what type of evidence is required under the FTDA).
178 See Kellogg Co. v. Toucan Golf, Inc., 337 F.3d 616, 628 (6th Cir. 2003) (ruling that marketing studies did not support a finding of dilution); see also Gateway, Inc. v. Companion Prod., Inc., No. 01-4096-KES, 2003 U.S. Dist. LEXIS 21461, at *40 (D.S.D. Aug. 19, 2003) (concluding that survey evidence showing consumer association of the junior mark with the senior mark did not weaken the distinctiveness of the plaintiff’s mark).
mental associations with subsequent mark users by consumers as insufficient to support an FTDA claim.\footnote{Gateway, Inc., 2003 U.S. Dist LEXIS 21461, at *40.} Plaintiffs and their attorneys are left with no model to follow to prove dilution. There are many types of surveys that may be employed, but it is pure speculation whether any will be sufficient to prove a “lessening of the capacity of a famous mark to identify and distinguish goods or services.”\footnote{Moseley, 537 U.S. at 434. Types of surveys that could be used include: comparative surveys, benchmark surveys, and speed and accuracy of recall surveys. See G. Kip Edwards et al., Proof of Dilution in the United States of the Dilution and Well-Known Marks Committee, at http://www.inta.org/dilution/2004doc.html (last visited Apr. 6, 2005).} The Supreme Court, in Moseley, attempted to resolve questions concerning the FTDA, but instead created further confusion with its ruling.

D. Injunctive Relief Provides Necessary Protection for Famous Mark Holder

The FTDA entitles the famous mark holder to injunctive relief if the subsequent user dilutes the famous mark.\footnote{15 U.S.C § 1125(2) (1999).} Additional remedies are available only if the subsequent user willfully intended to cause dilution.\footnote{Id.} In his concurring opinion in Moseley, Justice Kennedy points out that the essential role of injunctive relief is to “prevent future wrong, although no right has yet been violated.”\footnote{Moseley, 537 U.S. at 436 (Kennedy, J., concurring).} Kennedy asserts that the owner of a famous mark should not have to wait until the distinctiveness of the mark is damaged to be awarded relief.\footnote{Id.} Additionally, delaying injunctive relief until a showing of actual dilution also allows the junior mark to trade upon the famous mark’s name without incurring the cost it takes to establish a famous mark in the market.\footnote{See Amicus Curiae Brief of the American Intellectual Property Law Association in Support of Respondents at 17, Moseley v. V Secret Catalogue, Inc., 537 U.S. 418 (2003) (No. 01-1015). One of the stated needs for the FTDA is to protect senior mark holders from subsequent users trading on the established goodwill and commercial value of the senior mark holder. H.R. Rep. No. 104-374, at 3 (1995).} The legislative history of the FTDA also supports the premise that a famous mark holder should not have to wait until the damage is done before being awarded relief.\footnote{See Brief for Intel Corporation as Amicus Curiae Supporting Respondents at 9-12, Moseley v. V Secret Catalogue, Inc., 537 U.S. 418 (2003) (No. 01-1015).} The legislative history of the FTDA also supports the premise that a famous mark holder should not have to wait until the damage is done before being awarded relief.\footnote{Moseley, 537 U.S. at 436 (Kennedy, J., concurring).}

Like the majority, Kennedy does not provide any guidance as to what type of evidence would be sufficient to prove dilution by blurring or dilution by tarnishment.\footnote{Moseley, 537 U.S. at 436 (Kennedy, J., concurring).} However, Kennedy’s opinion does conclude that the threat of “diminishment of the mark’s capacity to serve its purpose” should be sufficient to
obtain injunctive relief. Based on this theory, the FTDA should provide injunctive relief in two stages. First, when a famous mark holder initially becomes aware of the junior user, the famous mark holder should be entitled to a preliminary injunction upon a showing that a reasonable person would likely associate the junior mark with the famous mark. This would allow time for the famous mark holder to obtain consumer association survey evidence that would support a permanent injunction. Second, if the plaintiff can show that consumers are associating the junior mark with the senior mark, a permanent injunction should be issued. Continued use of the junior mark as well as multiple junior users will diminish the capacity of the famous mark to distinguish its products. The earlier an injunction is awarded, the less damage will be done to the distinctiveness of the mark.

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189 Id.
190 Id. Dilution “applies when the unauthorized use of a famous mark reduces the public’s perception that the mark signifies something unique, singular, or particular.” H.R. REP. No. 104-374, at 3 (1995).
191 The reasonable person standard would be based on the non-exclusive blurring factors proposed by the International Trademark Association (INTA) in its recommended revision of the federal dilution statute. See www.inta.org/policy/test_dilution.html (last visited Mar. 30, 2005).
192 Congress described dilution as “an infection, which if allowed to spread, will inevitably destroy the advertising value of the mark.” H.R. Rep. No. 104-374, at 3 (1995).
193 See supra Part IV.B.
V. CONCLUSION

When consumers mentally associate a junior mark with a senior mark, the senior mark is diluted. Consumers are slower to recall the famous mark and the strength of the brand name is weakened. Subsequent users of a mark diminish the uniqueness and distinctiveness of the famous mark. A famous mark holder should not have to wait until the damage is done to have a cause of action or to receive injunctive relief under the FTDA. Injunctive relief should be utilized to prevent damage to the famous mark. Requiring proof of actual dilution, and ruling that mental associations fall short of that proof, prevents famous mark holders from receiving the exact protection they need. Hopefully, acceptance of the psychological aspect of consumers' mental association as proof of dilution will lead to predictable and fair results while serving the purpose legislators intended in enacting the FTDA.
KNORR-BREMSE’S ELIMINATION OF ADVERSE INFERENCES: A FIRST STEP IN WILLFUL INFRINGEMENT LITIGATION REFORM

by M. Curt Lambert *

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I. INTRODUCTION

“[W]hoever without authority makes, uses, offers to sell, or sells any patented invention . . . infringes the patent.”1 “[T]he court may increase the damages up to three times the amount found or assessed.”2 “The court in exceptional cases may award reasonable attorney fees to the prevailing party.”3

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2 Id. § 284.
3 Id. § 285.

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These statutory provisions form the foundation for patent law’s “willful infringement” jurisprudence.4

A determination of willful infringement must be shown by clear and convincing evidence,5 and is based on a totality of circumstances6 in light of a number of factors considered by the trier of fact.7 One factor is “whether the infringer, when he knew of the other’s patent protection, investigated the scope of the patent and formed a good-faith belief that it was invalid or that it was not infringed.”8 Thus, one with actual notice of another’s patent rights is charged with “an affirmative duty to exercise due care to determine whether or not he is infringing . . . [which] includes, inter alia, the duty to seek and obtain competent legal advice from counsel before the initiation of any possible infringing activity.”9 Consequently, in many instances the duty of due care can be demonstrated by obtaining an exculpatory opinion of counsel, waiving the privilege attached to that opinion, and producing it at trial as evidence of the infringer’s good faith belief that its activities would not infringe.10

Almost twenty years ago the United States Court of Appeals for the Federal Circuit set forth the “adverse inference” rule.11 If a defendant chose not to produce its opinion letter, asserting privilege, the fact-finder was allowed to infer that the opinion letter was unfavorable.12 If a defendant did not obtain an opinion, the fact-finder was allowed to infer that an opinion letter would have been unfavorable.13 The third option, obtaining an opinion, waiving privilege, and producing it at trial, spawned “extensive satellite litigation” over the scope of the waiver.14

In Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., an infringement case pertaining to air disk brakes for heavy commercial vehicles, one infringer chose not to waive privilege and the other failed to obtain an

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4 A finding of willful infringement allows imposition of treble damages (Datascope Corp. v. SMEC, Inc., 879 F.2d 820, 829 (Fed. Cir. 1989)) and meets the criteria of an “exceptional case” (Del Mar Avionics, Inc. v. Quinton Instrument Co., 836 F.2d 1320, 1329 (Fed. Cir. 1987)).
7 Read Corp., 970 F.2d at 826-27; Rolls-Royce Ltd. v. GTE Valeron Corp., 800 F.2d 1101, 1110 (Fed. Cir. 1986); Bott v. Four Star Corp., 807 F.2d 1567, 1572 (Fed. Cir. 1986).
8 Read Corp., 970 F.2d at 827.
10 Read Corp., 970 F.2d at 828-29; Rolls-Royce Ltd., 800 F.2d at 1110; Bott, 807 F.2d at 1572.
12 Id.
14 Infra notes 211-36.
15 Id.
opinion altogether. At trial, application of the “adverse inference” rule led to a finding of willful infringement for both defendants. In 2003, the Federal Circuit took the extraordinary step sua sponte to review en banc the district court’s decision in Knorr-Bremse. On September 13, 2004, the en banc Federal Circuit overruled the “adverse inference” rule and remanded Knorr-Bremse for the trier of fact to reweigh the totality of circumstances test without inferring that legal opinions were or would have been unfavorable.

The Knorr-Bremse decision was limited only to the elimination of adverse inferences. It reaffirmed the affirmative duty rule and preserved the option for the infringer to waive privilege and produce its exculpatory opinion to defend against a charge of willful infringement. Most importantly, it did not overrule precedent that the affirmative duty of due care includes the duty to seek and obtain competent legal advice, and it did not set forth guidance as to the scope of the waiver. Thus, Knorr-Bremse is a good first step in reforming willful infringement jurisprudence, but it is likely to have little practical significance.

Section II describes the two seminal cases that form the background law for willful infringement. Section III provides a chronologically written and detailed description of the facts of Knorr-Bremse, along with a synopsis of both the majority and concurring-in-part, dissenting-in-part opinions. Section IV is an analysis of Knorr-Bremse and provides some of the author’s thoughts on how Knorr-Bremse may affect willful infringement litigation in the future. Section V concludes this article.

II. BACKGROUND LAW

16 Knorr-Bremse, 383 F.3d at 1346.
19 Knorr-Bremse, 383 F.3d at 1345 (“[T]he assertion of attorney-client and/or work-product privilege and the withholding of the advice of counsel shall no longer entail an adverse inference as to the nature of the advice.”). The court also stated, “[T]he failure to obtain an exculpatory opinion of counsel shall no longer provide an adverse inference or evidentiary presumption that such an opinion would have been unfavorable.” Id. at 1346.
20 Id. at 1347-48.
21 Id. at 1345.
22 Id.
23 Id. at 1352 (Dyk, J., concurring-in-part and dissenting-in-part); Underwater Devices Inc. v. Morrison-Knudsen Co., Inc., 717 F.2d 1380, 1390 (Fed. Cir. 1983) (citations omitted).
A. Underwater Devices Precedent: Failure to Seek Advice of Counsel

Underwater Devices v. Morrison-Knudsen established the rule that an infringer’s failure to seek advice of counsel prior to conducting potentially infringing activities can be considered a factor in determining whether infringement was willful.24 The patent at issue in Underwater Devices was a method and an apparatus for laying underwater pipes (e.g., sewer lines).25 The defendant was a contractor bidding on an underwater sewer project in Hawaii.26 It was common practice for the plaintiff to advise prospective bidders that it was the owner of the patent, that the patent was probably the optimum method for completing the project, and that it would grant a license for the use of plaintiff’s patented method and apparatus.27 Defendant was the successful bidder and plaintiff reiterated its licensing offer.28 Defendant did not seek a license but instead began investigating ways of getting around the preexisting patents.29 This led defendant to the United States Patent and Trademark Office where defendant hoped to find previously registered art that would, in turn, substantiate defendant’s argument that the plaintiff’s patent was invalid.30 Defendant’s in-house counsel then wrote a memo to a coworker and recommended a course of action that would later be found to infringe plaintiff’s patent.31

24 Underwater Devices, 717 F.2d at 1390 (citations omitted) (“[The] affirmative duty [to exercise due care to determine whether or not he is infringing] includes, inter alia, the duty to seek and obtain competent legal advice from counsel before the initiation of any possible infringing activity.”).
25 Id. at 1382.
26 Id. at 1384.
27 Id. In this instance, the licensing fee was to be $200,000. Id.
28 Id.
29 Id. at 1384-85.
30 Underwater Devices, 717 F.2d at 1385.
31 Id.
32 Id. The memo read as follows:

This is in response to your recent note asking for advice on how to respond to Underwater Devices’ May 15, letter. As we have discussed in the past, it would be in M-K’s best interest to take a firm stand that we will not pay a royalty to Underwater Devices for the following reasons: (1) The May 17, 1951, Engineering News-Record article closely enough described the apparatus and method referred to in Underwaters’ patents to make invalid such patents; the Engineering News-Record article having been published more than one year prior to Underwaters’ patent applications. (2) Even if the Engineering News-Record article does not fully describe Underwaters’ apparatus and method, such apparatus and method are simply a further development of the apparatus and method described in the Engineering News-Record article. Therefore, the Underwaters’ patent would be found to be invalid, and (3) Courts, in recent years, have--in patent infringement cases--found the patents claimed to be infringed upon invalid in approximately 80% of the cases. I would recommend we continue to refuse to even discuss the payment of a royalty with Underwater Devices. Underwater Devices must recognize that if
The United States District Court for the District of Hawaii found that defendant had willfully infringed plaintiff's patent and assessed damages at $600,000, trebling the offered licensing fee. On appeal, the Federal Circuit held that the defendant/appellant failed to show that the district court's finding was clearly erroneous. For a number of reasons, the court found that defendant breached its affirmative duty to exercise due care to determine whether it was infringement, after having received actual notice of plaintiff's patent rights. First, defendant's in-house counsel did not evaluate the validity or infringement of plaintiff's patents (which would include an analysis of the prosecution history) before defendant began its infringing activities. Second, defendant did not receive the opinion of its patent counsel until after infringement began and plaintiff's complaint was filed. While defendant proceeded after receiving advice of counsel, the advice was from in-house counsel who was not a patent lawyer, both of which are factors to be weighed on the question of whether defendant acted in good faith. The district court concluded that the memo "clearly demonstrated" defendant's willful disregard for plaintiff's patent rights, and that defendant "clearly failed to exercise its affirmative duty."

B. Kloster Speedsteel Precedent: Failure to Waive Privilege

they sue us, they might kill the goose that lays the golden eggs. If they do elect to sue us, then we can consider negotiating a royalty based on what it might cost us to try the suit. If we are going to use the device for other projects, however, we might want to go all the way and let the court decide who is right.

P.S. The Martineau & Knudson indicated as a "copy addressee" on Underwater Devices' letter, is a law firm in Los Angeles whose specialties, as indicated in a law directory, are general, civil and trial practice and corporate and tax law. Apparently, Underwater Devices has not consulted with a patent attorney as yet.

Id. at 1386.
Id. at 1389.
The affirmative duty "includes, inter alia, the duty to seek and obtain competent legal advice from counsel before the initiation of any possible infringing activity." Id. at 1390 (citing Gen. Elec. Co. v. Sciaky Bros., Inc., 415 F.2d 1068, 1073-74 (6th Cir. 1969); Marvel Specialty Co. v. Bell Hosiery Mills, Inc., 386 F.2d 287, 289 (4th Cir. 1967), cert. denied, 390 U.S. 1030 (1968)).
Id. at 1390. The court conceded that the memo might be considered legal advice, but since the memo simply made "bald, conclusory and unsupported remarks regarding validity and infringement” and was not based on a legal analysis of those issues, the court concluded that the memo was not legal advice upon which defendant could be justified in relying. See id.
Id.
Id. The circumstances of this case raised an inference that defendant was not justified in believing their in-house counsel, who was not a patent attorney, was capable of rendering an independent and competent opinion. Id.
Id.
Kloster Speedsteel v. Crucible established the rule that the trier of fact can infer that an opinion letter was unfavorable when an infringer chooses to invoke the attorney-client privilege and refuses to disclose the contents of the letter.\textsuperscript{41} In the early 1970s, the United States Patent and Trademark Office issued two patents improving the metal alloy compositions of high-speed tool steels used to make cutting tools (the '518 patent and the '934 patent).\textsuperscript{42} Crucible, the assignee of the patents, accuses Stora Kopparbergs Bergslags AB and Stora Kopparberg Corporation (Stora) of infringing the patents and sued in the United States District Court for the Western District of Pennsylvania.\textsuperscript{43}

The district court tried the case as a bench trial, filed an opinion on September 19, 1984, and entered judgment for Crucible on October 11, 1984.\textsuperscript{44} While the court held that the '518 patent was not invalid and was infringed, it also held that Crucible was not entitled to increased damages or attorney’s fees.\textsuperscript{45} Crucible cross-appealed the court’s refusal to award increased damages and attorney’s fees, arguing that the facts were sufficient to mandate a finding of willful infringement, thereby requiring such an award.\textsuperscript{46} Crucible’s argument was based primarily on a Stora internal memorandum written after a meeting where Crucible warned Stora that its products would infringe the '518 patent.\textsuperscript{47} As part of its findings of fact, the district court found that the memorandum was written based on several assumptions made by Stora.\textsuperscript{48} First, the memorandum assumed that it would be infringing Crucible’s patents.\textsuperscript{49} Second, the memorandum assumed that the patents were valid and infringed.\textsuperscript{50} Third, the memorandum assumed that each side would pay its own litigation costs, to be estimated on the further assumption that Stora’s evaluation of prior art “gives the right result.”\textsuperscript{51} The district court also found that Stora litigated issues which “presented substantial questions upon which there has been genuine debate and honest disagreement . . . .”\textsuperscript{52}

On appeal to the Federal Circuit, the court determined that the district court believed a finding of willful infringement mandated an award for treble

\textsuperscript{41} Kloster Speedsteel AB v. Crucible, Inc., 793 F.2d 1565, 1580 (Fed. Cir. 1986) (“[Defendant’s] silence on the subject, in alleged reliance on the attorney-client privilege, would warrant the conclusion that it either obtained no advice of counsel or did so and was advised that its importation and sale of the accused products would be an infringement of valid U.S. patents.”).
\textsuperscript{42} Id. at 1568.
\textsuperscript{43} Id. at 1568-69.
\textsuperscript{44} Id. at 1569.
\textsuperscript{45} Id.
\textsuperscript{46} Id. at 1577.
\textsuperscript{47} Kloster Speedsteel, 793 F.2d at 1577.
\textsuperscript{48} Id. at 1578.
\textsuperscript{49} Id.
\textsuperscript{50} Id.
\textsuperscript{51} Id. (citing Crucible, Inc. v. Stora Kopparbergs Bergslags AB, 594 F. Supp. 1249, 1264 (W.D. Pa. 1984)).
\textsuperscript{52} Id. at 1579 (citing Crucible, 594 F. Supp. at 1264).
Since the district court did not award treble damages, the Federal Circuit inferred that the district court implicitly found Stora’s infringement not willful.\(^{54}\) The Federal Circuit thus concluded that the district court clearly erred in implicitly finding Stora’s infringement not willful.\(^{55}\) Since the district court clearly erred in its finding that infringement was not willful, and since there were “only two possibilities: the infringement here was either willful or it was not,”\(^{56}\) the Federal Circuit found that the infringement was indeed willful.\(^{57}\) Obtaining or failing to obtain an opinion of counsel was recognized as a factor in the “totality of circumstances” test.\(^{58}\) The Federal Circuit concluded that, in this case, “the totality of the circumstances, including the failure to seek advice of counsel, makes any finding of non-willfulness clearly erroneous and compels the only alternative finding, i.e., that Stora’s infringement was willful.”\(^{59}\)

Stora had told Crucible of the existence of two prior art references, which led Stora to believe that Crucible’s patents were invalid.\(^{60}\) However, this “[could not] substitute for the advice of competent counsel before the onset of infringement.”\(^{61}\) This declaration was based on the Federal Circuit’s belief that

Stora’s silence on the subject [of whether it sought advice of counsel], in alleged reliance on the attorney-client privilege, would warrant the conclusion that it either obtained no advice of counsel or did so and was advised that its importation and sale of the accused products would be an infringement of valid U.S. patents.\(^{62}\)

In its discussion regarding attorney’s fees, which the district court declined to award, the Federal Circuit stated that “a party [who acquired a basis for a bona fide belief that a patent is invalid] should not have increased damages or attorney fees imposed solely because a court subsequently holds that belief unfounded,

\(^{53}\) Kloster Speedsteel, 793 F.2d at 1579.  
\(^{54}\) Id.  
\(^{55}\) Id.  
\(^{56}\) Id. at 1577.  
\(^{57}\) Id. at 1579-80. “On the undisputed facts of record, an ultimate finding that Stora’s infringement was not willful would be ‘incompatible with the applicable findings [the court] clearly articulated’ and would thus, as above indicated, be clearly erroneous.” Id. (citing CPG Prods. Corp. v. Pegasus Luggage, Inc., 776 F.2d 1007, 1015 (Fed. Cir. 1985)).  
\(^{59}\) Kloster Speedsteel, 793 F.2d at 1579.  
\(^{60}\) Id. at 1580.  
\(^{61}\) Id.  
\(^{62}\) Id.
particularly when the issues may be fairly described as ‘close.’” 63  The Federal  
Circuit left to the district court the question of whether Stora’s infringement was  
“so willful as to render the case exceptional” for purposes of awarding attorney’s  
fees. 64

III. STATEMENT OF FACTS AND HOLDING OF KNORR-BREMSE

A. The Facts

Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH (Knorr-Bremse), a  
German brake manufacturer, was the owner of United States Patent Number  
5,927,445 (the ’445 patent). 65  The patent claimed an invention in the field of air  
disk brakes used in large commercial road vehicles. 66  In the late 1990s, three of  
Knorr-Bremse’s competitors entered into a joint venture to manufacture and sell  
a competing air disk brake product. 67  In 1999, the joint venture imported the  
product, entitled the “Mark II” air disk brake. 68  Haldex developed the Mark II  
air disk brake and gave at no charge 100-200 units to Dana for testing  
purposes. 69  Dana tested the units in its labs, on test tracks, and even installed  
them on about eighteen vehicles in its own fleet and on customer vehicles. 70  
While the joint venture made, used, and offered for sale the Haldex Mark II  
brakes, no units were actually sold. 71  On May 15, 2000, Knorr-Bremse filed a  
complaint against Haldex in the United States District Court for the Eastern  
District of Virginia alleging infringement of its ’445 patent by Haldex’s Mark II  
brake. 72  Through June 2000, Dana continued to generate test results for the  
Mark II brake on test vehicles in the United States and displayed the brake at  
various automotive conferences. 73

63 Id. at 1581.
64 Id.
65 Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., 133 F. Supp. 2d 833, 835  
66 Id.
67 The three competitors are Dana Corporation (“Dana”), Haldex-Sweden, and Haldex-America.  
(E.D. Va. 2001).  Haldex-Sweden and Haldex-America are hereinafter collectively referred to as  
“Haldex.”
68 Knorr-Bremse, 133 F. Supp. 2d at 849.
69 Id.
70 Id.
71 Id.
72 Id. at 857.
73 Id. at 858.
On November 28, 2000, summary judgment was granted in Knorr-Bremse’s favor on the issue of whether the Mark II brake literally infringed the ’445 patent. Despite this judgment, neither Haldex nor Dana refrained from using the Mark II brake on test vehicles. Instead, Dana decided to replace the Mark II brakes with a different Haldex brake as soon as the brake became available. Dana did so because this option was “the best thing for [its] customers,” and choosing another option would be “very harmful to [its] customers.” As of January 10, 2001, Dana had removed the infringing Mark II brakes from about one-fourth of the test vehicles, meaning that several vehicles equipped with infringing brakes were being used for commercial purposes, including transporting goods between Dana’s facilities and its customers.

After the rulings and order of November 28, 2000, four issues remained for trial. First, the court needed to determine whether the other Haldex brake, the “Mark III,” infringed the ’445 patent. Following that, the court needed to ascertain whether the ’445 patent was invalid. Then, the court was required to determine whether infringement of the ’445 patent was “willful” so as to entitle Knorr-Bremse to treble damages. Finally, the court had to rule as to whether the case was “exceptional” so as to entitle Knorr-Bremse to attorney’s fees.

In the course of developing its competing brakes, Haldex had obtained verbal and written opinions from European and American counsel regarding Knorr-Bremse’s ’445 patent. The content of these communications was unknown because Haldex elected not to waive its attorney-client privilege. Dana did not obtain any legal advice, instead relying upon an indemnity agreement with Haldex, under which Haldex had agreed to indemnify Dana for legal fees, expenses and damages incurred in the instant litigation.

The district court found willful infringement against all three defendants based on the following factors. First, based on the facts the court concluded...
that the defendant failed to produce an exculpatory opinion of counsel.\textsuperscript{90} Second, the court ruled that the determination of literal infringement did not involve a close legal or factual question.\textsuperscript{91} Third, the court pointed to the defendant’s failure to take remedial action.\textsuperscript{92} Fourth, the court noted that the defendant continued to use the infringing Mark II brake.\textsuperscript{93} Finally, the court concluded that the defendant could not have had a good faith belief that the ‘445 patent would ultimately be found invalid.\textsuperscript{94}

Since Haldex refused to disclose the contents of its privileged opinion of counsel, the district court found that it was “reasonable to conclude that [the legal opinions given to Haldex regarding noninfringement and invalidity] were unfavorable.”\textsuperscript{95} The district court further found that “[a] totality of the circumstances compels the conclusion that defendants’ use of the Mark II air disk brake, and indeed Dana’s continued use of the Mark II air disk brake on [ ] its vehicles amounts to willful infringement of the ‘445 patent.”\textsuperscript{96} Additionally, in finding that the case was “exceptional” by clear and convincing evidence,\textsuperscript{97} the district court used its discretion\textsuperscript{98} to award “reasonable attorney’s fees to the prevailing party” pursuant to 35 U.S.C. § 285.\textsuperscript{99} The court’s “reasonable conclusion” that the undisclosed legal opinions were unfavorable was a direct application of Federal Circuit precedent.\textsuperscript{100}

On September 26, 2003, the Federal Circuit issued an order announcing that it had \textit{sua sponte} taken the \textit{Knorr-Bremse} case \textit{en banc} to reconsider the \textit{Kloster

\textsuperscript{90} Id. at 862-63.
\textsuperscript{91} Id. at 862.
\textsuperscript{92} Id.
\textsuperscript{93} \textit{Knorr-Bremse}, 133 F. Supp. 2d at 862.
\textsuperscript{94} Id.
\textsuperscript{95} Id. at 863.
\textsuperscript{96} Id.
\textsuperscript{97} \textit{See} Cambridge Prods., Ltd. v. Penn Nutrients, Inc., 962 F.2d 1048, 1050 (Fed. Cir. 1992) (holding that the prevailing party must establish the exceptional nature of the case by clear and convincing evidence).
\textsuperscript{98} \textit{See} S.C. Johnson & Son, Inc. v. Carter-Wallace, Inc., 781 F.2d 198, 201 (Fed. Cir. 1986) (holding that an award of attorneys fees under § 285 remains discretionary because the trial court is in the best position to weigh the various factors that contribute to a fair allocation of the burdens of litigation).
\textsuperscript{99} \textit{Knorr-Bremse}, 133 F. Supp. 2d at 863-64.
\textsuperscript{100} \textit{Kloster Speedsteel AB} v. \textit{Crucible, Inc.}, 793 F.2d 1565, 1580 (Fed. Cir. 1986).
The court invited additional briefs from the parties to address four questions, two of which pertained to the appropriateness of an adverse inference with respect to willful infringement when privilege is invoked or when legal advice has not been obtained.

On September 13, 2004, the Federal Circuit overruled both precedents. Defendant/appellants were arguing that the district court’s finding of willfulness of infringement was not supported without the adverse inferences. The Federal Circuit held that elimination of the adverse inference drawn by the district court was a “material change in the totality of the circumstances,” and, therefore, vacated the finding of willful infringement and remanded so that the district court could reweigh the evidence in light of the remaining willful infringement factors.

B. The Majority Opinion

1. Adverse Inference Upon Invoking Attorney-Client Privilege

The first issue resolved by the Federal Circuit was whether the trier of fact may draw an adverse inference when a defendant in an infringement suit invokes attorney-client or work-product privilege. The court quoted the United States Supreme Court and Professor Wigmore in explaining the reasons,
The Federal Circuit first reminded the legal community that it had never suggested that opinions of counsel concerning patents were not privileged. The Federal Circuit then explained that drawing adverse inferences upon a defendant’s reliance on the “oldest of the privileges . . . known to common law” could “distort the attorney-client relationship, in derogation of the foundations of that relationship.” Relying upon United States Supreme Court precedent, the Federal Circuit concluded that a special rule of attorney-client privilege for patent cases was not warranted because it might intrude upon full communication and the public interest of encouraging open and confident attorney-client relationships. Quoting Professor McCormick, the court pointed out that the privilege is sufficiently important to justify rendering unavailable evidence relevant to the administration of justice. Accepting the rationale of the Second and Fourth Circuits, the Federal Circuit held that the rules of these other circuits regarding adverse inferences also applied in patent cases. Lastly, the Federal Circuit reminded the legal community that a defendant “may of course choose to waive the privilege and produce the advice of counsel,” but no adverse inference will attach if the defendant does not do so.

2. Adverse Inference Upon Failing to Obtain Legal Opinion

The second issue resolved by the Federal Circuit was whether the trier of fact may draw an adverse inference when a defendant in an infringement suit fails to obtain legal advice. The court clarified that the issue did not pertain to

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111 8 J. WIGMORE, EVIDENCE IN TRIALS AT COMMON LAW § 2291, at 548 (McNaughton rev. 1961) (stating that a lawyer must know all aspects of a client’s case in order to render useful advice, and a client will rarely if ever reveal all aspects of the case if the revelation is not confidential).
112 Knorr-Bremse, 383 F.3d at 1344.
113 Id.
114 Id. (quoting Upjohn Co., 449 U.S. at 389).
115 Id. at 1344.
117 Knorr-Bremse, 383 F.3d at 1344.
118 1 MCCORMICK ON EVIDENCE § 72, at 299 (5th ed. 1999).
119 Knorr-Bremse, 383 F.3d at 1344.
121 Knorr-Bremse, 383 F.3d at 1345.
122 Id.
123 Id.
124 Id.
privilege, but instead pertained to duty.\textsuperscript{125} Acknowledging \textit{amici curiae} arguments centering on the burdens and costs of the requirement, the court recognized that “extensive satellite litigation”\textsuperscript{126} had been spawned by the legal duty, which had resulted in “distorting the ‘conceptual underpinnings’ of [the rules set forth in] \textit{Underwater Devices} and \textit{Kloster Speedsteel}.”\textsuperscript{127} Lastly, the court definitively held that “there continues to be ‘an affirmative duty of due care to avoid infringement of the known patent rights of others,’”\textsuperscript{128} but the trier of fact can no longer infer that a legal opinion would have been unfavorable if defendant fails to obtain it.\textsuperscript{129}

3. The Effect of Overruling Prior Precedent on the Case at Bar

The district court found that all three defendants willfully infringed the ‘445 patent, based on a number of factors.\textsuperscript{130} First, the district court noted that “once defendants learned of the ‘445 patent, either they did not ask for opinions from competent American counsel on issues of infringement and validity, or, if they did, that such opinions were unfavorable.”\textsuperscript{131} Next, the district court noted that the determination of literal infringement “did not involve a close legal or factual question” and defendants did not take “prompt remedial action” once Knorr-Bremse won summary judgment on the issue of infringement.\textsuperscript{132} To substantiate this, the court pointed to several examples.\textsuperscript{133} First, the court noted that many of Dana’s test vehicles were still equipped with the infringing brake.\textsuperscript{134} Second, Dana failed to show that it would have suffered exceptional hardship in immediately replacing the infringing brakes.\textsuperscript{135} Third, Haldex continued using the infringing brakes in its redesign efforts.\textsuperscript{136} Fourth, Haldex continued to display the brakes and distribute promotional literature at automotive conferences.\textsuperscript{137} Finally, the defendants did not have a good faith belief, based on the “quantity and quality of the evidence,”\textsuperscript{138} that the ‘445 patent would be

\textsuperscript{125} “The issue here is not of privilege, but whether there is a legal duty upon a potential infringer to consult with counsel, such that failure to do so will provide an inference or evidentiary presumption that such opinion would have been negative.” \textit{Id.}

\textsuperscript{126} \textit{Id.}

\textsuperscript{127} Knorr-Bremse, 383 F.3d at 1345.

\textsuperscript{128} \textit{Id.} (quoting L.A. Gear, Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1127 (Fed. Cir. 1993)).

\textsuperscript{129} \textit{Id.} at 1345-46.


\textsuperscript{131} \textit{Id.} at 862-63 (citing Electro Med. Sys., S.A. v. Cooper Life Sci., Inc., 34 F.3d 1048, 1056 (Fed. Cir. 1994)).

\textsuperscript{132} \textit{Id.} at 863.

\textsuperscript{133} \textit{Id.}

\textsuperscript{134} \textit{Id.}

\textsuperscript{135} \textit{Id.}

\textsuperscript{136} Knorr-Bremse, 133 F. Supp. 2d at 863.

\textsuperscript{137} \textit{Id.}

\textsuperscript{138} \textit{Id.}
deemed invalid. Based on the totality of these circumstances, the district court concluded that defendants had willfully infringed the ’445 patent.

The Federal Circuit concluded that eliminating the adverse inferences was a material change in the totality of the circumstances and vacated the finding of willful infringement and remanded to allow the trier of fact to reweigh the evidence. The Federal Circuit declined to rule on whether the willfulness determination should be bifurcated from the infringement and validity proceedings, as the issue was not raised by this case, was not before the district court, and had not been briefed by the parties.

4. Rule that a Substantial Defense Defeats a Willfulness Charge

The Federal Circuit declined to adopt a per se rule which would immunize a defendant when a substantial defense to infringement exists. Instead, the existence of such a defense is but one factor to be weighed by the trier of fact in determining “whether a prudent person would have sound reason to believe that the patent was not infringed or was invalid or unenforceable, and would be so held if litigated.”

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139 *Id.*
140 *Id.*
142 *Id.* at 1347.
143 *Id.*
144 *Id.* (quoting SRI Int’l, Inc. v. Advanced Tech. Labs. Inc., 127 F.3d 1462, 1465 (Fed. Cir. 1997)).
C. The Concurring Opinion

Circuit Judge Dyk concurred in part and dissented in part. He concurred in overruling the rules that the trier of fact may draw adverse inferences when an infringer fails to disclose or obtain an opinion of counsel. He dissented from reaffirming the Underwater Devices rule that a potential infringer with actual notice of another’s patent rights has an affirmative duty of due care to determine whether its activities are infringing. He did so because he doubted that such a rule is consistent with United States Supreme Court precedent regarding when punitive damages are proper.

Judge Dyk first drew a distinction between an award of enhanced damages and an award of attorney’s fees. The first is punitive in nature and requires culpable conduct (i.e., willful infringement or bad faith), while the second is not necessarily punitive and can be awarded upon finding a failure to exercise due care. Since the issue in this case was an award of attorney’s fees based on a finding of willful infringement, the trier of fact must first find willful infringement based on culpable conduct instead of merely a failure to exercise due care.

Judge Dyk explained that a patent infringer’s failure to exercise due care in determining whether or not its activities are infringing cannot be considered reprehensible and that an overruling of the due care standard was proper. He supported his contention by citing to the patent damages statute, the

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145 Id. at 1348 (Dyk, J., concurring-in-part and dissenting-in-part).
147 Id.
148 Underwater Devices, 717 F.2d at 1389.
150 Id. n.4 (Dyk, J., concurring-in-part and dissenting-in-part).
151 Id. at 1348.
152 Id. at 1348-49.
153 Id. at 1348 n.4.
154 Knorr-Bremse, 383 F.3d at 1349.
155 Id. at 1350 (“Whatever justification there may have been for the due care approach in the past, that doctrine has been undermined by the decisions of the Supreme Court . . . limit[ing] the award of punitive damages on due process grounds.”); cf. State Farm Mut. Auto. Ins. Co. v. Campbell, 538 U.S. 408, 416-18 (2003) (instructing courts to consider the degree of reprehensibility of defendant’s misconduct, the disparity between actual or potential harm suffered by plaintiff and the punitive damages award, and the difference between punitive damages awarded by the jury and civil penalties authorized or imposed in comparable cases, since “[t]he Due Process Clause of the Fourteenth Amendment prohibits the imposition of grossly excessive or arbitrary punishments on a tortfeasor”); BMW of N. Am., Inc. v. Gore, 517 U.S. 559, 568 (1996) (“Only when an award can fairly be categorized as ‘grossly excessive’ in relation to these interests does it enter the zone of arbitrariness that violates the Due Process Clause of the Fourteenth Amendment.”).
legislative history, and Supreme Court opinions. Judge Dyk closed his dissent by posing three questions left unanswered by the majority opinion. First, he asked whether a potential infringer can satisfy the requirement of due care without securing and disclosing an opinion of counsel. Second, he asked whether an adverse inference can be drawn from the accused infringer’s failure to obtain and disclose an opinion if such an opinion is not absolutely required. Third, he asked whether the due care requirement, whatever its parameters, is consistent with the Supreme Court’s punitive damages jurisprudence.

IV. ANALYSIS

The primary purpose of this section is to delve into the Knorr-Bremse opinion and extract the underlying principles surrounding why the court eliminated the adverse inference rules of Underwater Devices and Kloster Speedsteel. Furthermore, this section seeks to explore how the law of willful infringement may be affected post-Knorr-Bremse.

A. Underlying Reasoning for Eliminating Adverse Inferences

The “conceptual underpinnings” of Underwater Devices and Kloster Speedsteel pertained to instances when infringers would blatantly copy another’s patent, dare them to bring suit, and take their chances in court. Because an infringer’s chances of prevailing were about 80%, this strategy made good business sense. Underwater Devices and Kloster Speedsteel put a stop to this, allowing the trier of fact to infer that a legal opinion was or would have been unfavorable if the infringer asserted attorney-client privilege or failed to obtain an opinion of counsel.

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158 Id. at 1352.
159 Id.
160 Id.
161 Id.
162 See, e.g., Power Lift, Inc. v. Lang Tools, Inc., 774 F.2d 478, 482 (Fed. Cir. 1985) (affirming a jury’s willfulness finding where the infringer refused the patentee’s offer of a license, stating “[B]efore he would pay . . . a nickel, he’d see [the patentee] in the courthouse.”).
164 Id. at 1390; Kloster Speedsteel AB v. Crucible, Inc., 793 F.2d 1565, 1580 (Fed. Cir. 1986). The adverse inference rules of Underwater Devices and Kloster Speedsteel were reinforced in Fromson v. Western Litho Plate & Supply Co., which established the general rule that “a court must be free to infer that either no opinion was obtained or, if an opinion were obtained, it was contrary to the
The Federal Circuit explained that implementing the adverse inference rule has “resulted in inappropriate burdens on the attorney-client relationship.”\textsuperscript{165} These burdens, combined with the fact that the “conceptual underpinnings”\textsuperscript{166} of the adverse inference rule “have significantly diminished in force,”\textsuperscript{167} warranted overruling the adverse inference rule.\textsuperscript{168}

The burdens on the attorney-client relationship were obvious, and it came as no surprise to the legal community that the Federal Circuit would overrule the \textit{Underwater Devices} and \textit{Kloster-Speedsteel} precedents.\textsuperscript{169} The rules allowing the trier of fact to infer that privileged opinions or opinions not even obtained would have been unfavorable was clearly unjust and led to a “damned if you do, damned if you don’t”\textsuperscript{170} catch-22\textsuperscript{171} situation for accused infringers. The rules spawned “extensive satellite litigation”\textsuperscript{172} regarding the scope of the defendant’s waiver of privilege.\textsuperscript{173} Some courts restricted the waiver only to information that had been disclosed to the client pertaining to willfulness,\textsuperscript{174} while others expanded the waiver to include all information generated or relied upon by opinion counsel, including trial strategies.\textsuperscript{175} The legal community’s solution to

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\textsuperscript{165} Knorr-Bremse, 383 F.3d at 1343.

\textsuperscript{166} Id. at 1344.

\textsuperscript{167} Id.

\textsuperscript{168} Id. (“The adverse inference that an opinion was or would have been unfavorable, flowing from the infringer’s failure to obtain or produce an exculpatory opinion of counsel, is no longer warranted. Precedent authorizing such inference is overruled.”).


\textsuperscript{172} Knorr-Bremse, 383 F.3d at 1346.


\textsuperscript{174} See, e.g., Thorn EMI N. Am., Inc. v. Micron Tech., 837 F. Supp. 616, 621-22 (D. Del. 1993) (declining plaintiff’s invitation to make discoverable work product without regard to whether the opinions were ever communicated to the client).

\textsuperscript{175} See, e.g., Keyes Fibre Co. v. Packaging Corp. of Am., 763 F. Supp. 374, 376 (N.D. Ill. 1991) (holding that the plaintiff’s motion to compel pre-trial disclosure was appropriate when defendant sought to later introduce counsel opinions of testimony as evidence at trial); see also Amy L. Landers, \textit{Intentional Waivers of Privilege and the Opinion of Counsel: Can the Scope of Disclosure be Managed?}, 20 \textit{Santa Clara Computer & High Tech. L.J.} 765, 771-77 (March
this problem was to retain separate counsel for forming the legal opinion and for
developing trial strategies, unfortunately with skepticism of the opinion’s
objectivity. 176

What is less obvious, however, is how the “conceptual underpinnings” 178 of
the adverse inference rule pertaining to infringers’ “disrespect for [patent]
law” 179 has “significantly diminished in force” 180 in twenty years. Absent from
the Knorr-Bremse opinion is a discussion of how today’s infringers have more
respect for patent law than infringers of twenty years ago. A diminishment in
force of infringers’ disrespect for patent law was purportedly a part of the
required “special justification” 181 for departing from stare decisis. The lack of
discussion on this issue is nonetheless a moot point, since an “ad hoc
exception” 182 that “distort[s] the attorney-client relationship, in derogation of the
[relationship’s] foundations” 183 is justification enough.

The Federal Circuit closed its remarks with two important caveats that cast
doubt upon the practical significance of Knorr-Bremse. First, “[a] defendant may
close choose to waive the privilege and produce the advice of counsel.” 184
Second, “there continues to be ‘an affirmative duty of due care to avoid
infringement of the known patent rights of others’ . . . .” 185

2004) (stating that whether communication occurred before or after commencement of the
litigation is also often disputed).

176 Hutchinson & Baechtold, supra note 173, at 290 (“As a result [of the defendant’s burden to
prove it exercised good faith], clients must retain both opinion counsel and trial counsel and isolate
them from each other to avoid disqualification issues.”). See also, e.g., BASF Aktiengesellschaft
this problem [of the extent of waiver of privilege] on itself by choosing to retain the same counsel
to litigate this matter that gave the advice-of-counsel opinion.”).

177 Mark A. Lemley & Ragesh K. Tangri, Ending Patent Law’s Willfulness Game, 18 BERKELEY

178 Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337, 1345 (Fed.
Cir. 2004).

179 Id. at 1343.

180 Id. at 1344.

181 Id. (citing Arizona v. Rumsey, 467 U.S. 203, 212 (1984) (“Although adherence to precedent is
not rigidly required in constitutional cases, any departure from the doctrine of stare decisis
demands special justification.”)).

182 Id. (citing Swidler & Berlin v. United States, 524 U.S. 399, 410 (1998) (“A ‘no harm in one
more exception’ rationale could contribute to the general erosion of the privilege, without reference
to common-law principles or ‘reason and experience.’”)).

183 Id.

184 Knorr-Bremse, 383 F.3d at 1345.

185 Id. at 1345-46 (citing L.A. Gear, Inc. v. Thom McAn Shoe Co., 988 F.2d 1117, 1127 (Fed. Cir.
1993)).
B. Practical Effects of the Knorr-Bremse Decision

Clearly, eliminating the adverse inference rules was a just outcome. It restored the integrity of the “oldest of the privileges for confidential communications known to the common law.” Some believe that Knorr-Bremse will lead to objective, candid opinions that are “written for clients . . . warts and all.” However, the decision’s two caveats cast this into doubt and present the question of whether legislative intervention is necessary to resolve the willful infringement conundrum.

1. Satisfying the Due Care Requirement

Willful infringement is a totality-of-circumstances test for the fact-finder to decide “whether, under all the circumstances, a reasonable person would prudently conduct himself with any confidence that a court might hold the patent invalid or not infringed.” Proof of willful infringement must be by clear and

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186 Supra note 182.

“Opinions were frequently not written for clients, but for courts, and now that you don’t have to disclose these opinions, they can be written for clients,” says Stamford, Conn., attorney Wesley W. Whitmyer Jr., who represents Haldex Brake Products, one of two defendants. “You can give your client advice which is unvarnished advice. They can rely on it, warts and all.”

Id.
190 Carl Shapiro, Patent System Reform: Economic Analysis and Critique, 19 BERKELEY TECH. L.J. 1017, 1046 (“The FTC proposes to enact legislation that requires either ‘actual, written notice of infringement from the patentee, or deliberate copying of the patentee’s invention, knowing it to be patented’ as a predicate for willful infringement liability.”); House Panel Explores Proposals to Improve Quality of Issued Patents, 66 PAT., TRADEMARK & COPYRIGHT J. 406, 408 (2003) (describing Congress’s consideration to give an accused infringer the right to sue for declaratory judgment upon receipt of a notice letter).
192 State Indus. Inc. v. Mor-Flo, 883 F.2d 1573, 1581 (Fed. Cir. 1989) (quoting Ryco Inc. v. Ag-Bag Corp., 857 F.2d 1418, 1428 (Fed. Cir. 1988)).
convincing evidence, determined from the state of mind of the infringer.\textsuperscript{193} The trier of fact makes this determination based on the following factors.\textsuperscript{194} First, it determines whether the infringer deliberately copied the ideas or design of another.\textsuperscript{195} Second, it considers whether the infringer, when he knew of the other’s patent protection, investigated the scope of the patent and formed a good faith belief that it was invalid or that it was not infringed.\textsuperscript{196} Third, it determines whether the infringer engaged in inappropriate behavior in the course of the litigation.\textsuperscript{197} Fourth, it considers the infringer’s size and financial condition.\textsuperscript{198} Fifth, it looks at the closeness of the infringement and validity issues.\textsuperscript{199} Sixth, it considers the duration of the infringer’s misconduct.\textsuperscript{200} Seventh, it examines the infringer’s motivation for continuing infringing conduct in the face of knowledge of the patent.\textsuperscript{201} Finally, it considers whether the infringer attempted to conceal its misconduct.\textsuperscript{202}

The second factor, forming a good faith belief regarding validity and infringement, can be met in a variety of ways.\textsuperscript{203} The best way to form this good faith belief is to obtain a competent exculpatory opinion of counsel from a disinterested patent attorney.\textsuperscript{204} The Federal Circuit declined to answer the

\textsuperscript{193} Read Corp. v. Portec, Inc., 970 F.2d 816, 828 (Fed. Cir. 1992).
\textsuperscript{194} See id. at 826-27; Bott v. Four Star Corp., 807 F.2d 1567, 1572 (Fed. Cir. 1986); Rolls-Royce Ltd. v. GTE Valeron Corp., 800 F.2d 1101, 1110 (Fed. Cir. 1986).
\textsuperscript{195} Read Corp., 970 F.2d at 826-27.
\textsuperscript{196} Id.
\textsuperscript{197} Id.
\textsuperscript{198} Id.
\textsuperscript{199} Id.
\textsuperscript{200} Id.
\textsuperscript{201} Read Corp., 970 F.2d at 826-27.
\textsuperscript{202} Id.
\textsuperscript{203} Id.
\textsuperscript{204} See, e.g., State Contr. & Eng’g Corp. v. Condotte Am., Inc., 346 F.3d 1057, 1064-65 (Fed. Cir. 2003) (recognizing that the defendant reasonably relied on a belief that it had a right to practice the invention, even without an exculpatory opinion, based on an agreement it had with a licensee of the invention); Electro Med. Sys., S.A. v. Cooper Life Sci., Inc., 34 F.3d 1048, 1057 (Fed. Cir. 1994) (finding that infringer formed good faith belief of invalidity and non-infringement because issues were close and defendant had “a basis for its arguments on the merits”); Radio Steel & Mfg. Co. v. MTD Prods., Inc., 788 F.2d 1554, 1559 (Fed. Cir. 1986) (affirming district court’s finding that infringer formed a good faith belief that patent was invalid after receiving an oral opinion from a patent attorney, based solely on attorney’s examination of the patent without a review of the prior art or prosecution history); Minn. Mining and Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc., No. CIV.4-86-359, 1991 WL 441901, at *79-80 (D. Minn. Apr. 30, 1991) (concluding that defendant had a colorable belief that its product did not infringe because term in claim was not believed to have special meaning in the art, according to independent technical experts consulted by defendant’s patent attorney).
\textsuperscript{205} Noninfringement/Invalidity Opinions: What Strategy Should be Followed After the Recent Federal Circuit Decision of Knorr Bremse?, at http://www.cblhlaw.com/CM/InTheNews/InTheNews57.asp (last visited Mar. 1, 2005) (“An objective opinion drafted by a competent and qualified US patent attorney is still one of the best ways to prove that due care was exercised.
question of whether the trier of fact can be told whether or not the infringer obtained legal advice about its activities.\textsuperscript{206} Thus, while the trier of fact can no longer infer that legal advice would have been unfavorable when the infringer failed to obtain it,\textsuperscript{207} the trier of fact can still consider this failure when deciding

Since claim interpretation is a question of law it seems unwise to depend on a layman’s, as opposed to a lawyer’s, claim construction.”); Dr. Marta E. Delsignore, Louis S. Sorell & Alison B. Kessler, Selected Aspects of the Impact of Patent Prosecution on Patent Litigation Issues, 791 PRACTISING LAW INSTITUTE: PATENTS, COPYRIGHTS, TRADEMARKS, AND LITERARY PROPERTY COURSE HANDBOOK SERIES 341, 389 n.198 (2004) (“Needless to say, a competent opinion of counsel should be obtained and relied on in every instance notwithstanding the possibility that a court may ultimately find no willfulness without it.”); Douglas D. Salyers, The Perils of Practitioners Penning Patent Opinions, Protecting Privileges, Preventing Production, and Other Ponderous Problems, 669 PRACTISING LAW INSTITUTE: PATENTS, COPYRIGHTS, TRADEMARKS, AND LITERARY PROPERTY COURSE HANDBOOK SERIES 871, 897-98 (2001) (“A patent attorney is the obvious best choice for providing an opinion letter about patent infringement. A patent attorney is best able to satisfy the competency requirement and should be able to work through the nuances of a well-reasoned opinion letter.”); Cabot Corp. v. Solution Tech., Inc., 122 F. Supp. 2d 599, 637 (W.D.N.C. 2000) (“It is well settled that an important factor in [the willfulness determination] is whether or not the infringer obtained the opinion of counsel . . . . However, the legal opinion must be ‘competent’ or it is of little value in showing the good faith belief of the infringer.”); E.I. DuPont De Nemours and Co. v. Monsanto Co., 903 F. Supp. 680, 743 (D. Del. 1995) (concluding that defendant formed a good faith belief that patent was invalid after considering evidence solely related to defendant’s obtaining an opinion of counsel and its conduct thereafter). \textit{But see} Pall Corp. v. Micron Separation, Inc., 792 F. Supp. 1298, 1331 (D. Mass. 1992) (noting that defendant’s failure to consult counsel was “not terribly troublesome” because defendant’s employees were experienced in the industry and made significant efforts to avoid the claims of the patent).\textsuperscript{206} Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., 383 F.3d 1337, 1346-47 (Fed. Cir. 2004). The court stated:

Several \textit{amici curiae} raised the question of whether the trier of fact, particularly a jury, can or should be told whether or not counsel was consulted (albeit without any inference as to the nature of the advice received) as part of the totality of the circumstances relevant to the question of willful infringement. The amici pointed to various hypothetical circumstances in which such information could be relevant, even when there was no issue of attorney-client privilege. That aspect is not raised by this case, was not before the district court, and has not been briefed on this appeal. Today we resolve only the question of whether adverse inferences of unfavorable opinions can be drawn, and hold that they can not.

\textit{Id.} \textsuperscript{207} \textit{Id.} at 1346. Interestingly, not a single case has explicitly stated that an opinion not obtained is presumed to have been unfavorable and based a finding of willful infringement on that explicit presumption. Rather, the cases use the failure to obtain legal advice as a factor in the totality of circumstances test to determine whether the infringer fulfilled its duty of due care to form a good faith belief that its activities would not infringe. \textit{See, e.g.}, Biotec Biologische Naturverpackungen GmbH & Co. KG v. BioCorp, Inc., 249 F.3d 1341, 1356 (Fed. Cir. 2001) (“Failure to obtain an opinion of counsel is relevant evidence, but does not automatically require a finding of willful infringement.”); Great N. Corp. v. Davis Core & Pad Co., 782 F.2d 159, 167 (Fed. Cir. 1986) (“[D]efendant’s failure to fulfill [its duty to obtain a validity and infringement opinion] is clearly
if a good faith belief of invalidity or non-infringement was formed. Because the existence of an exculpatory opinion is the most critical variable in the totality-of-circumstances test, the difference between the adverse inference and the weight applied in the totality-of-circumstances test is a distinction with very little practical difference.

2. Issues Pertaining to Waiver of Privilege

For the opinion to be of any use, the defendant must waive privilege and produce it at trial. The parties will invariably undergo “extensive satellite litigation” as to the scope of the waiver, thereby undermining one of the justifications for the Federal Circuit’s *sua sponte, en banc* hearing of *Knorr-Bremse*. All the pre-*Knorr-Bremse* issues pertaining to waiver of privilege are, unfortunately, alive and well.

If an accused infringer obtains an opinion of counsel and refuses to divulge its contents, asserting attorney-client privilege, the trier of fact cannot infer that the opinion was unfavorable. However, the accused infringer’s duty of due care began when it had actual knowledge of the patent, continues through the life of the patent, and includes investigating the patent’s scope and forming a good faith belief that the patent was invalid or not infringed. Merely asserting that an exculpatory opinion was obtained will not suffice. Rather, the contents

an adequate basis for the district court, in its discretion, to assess treble damages after the amount of damages is determined.”).

208 *Supra* note 206.

209 *Supra* note 205.

210 Evans, *supra* note 189, at 15 (“[W]hile *Knorr-Bremse* made important changes in the law relating to willful infringement, it remains to be seen how much it will change the patent litigation landscape as a practical matter.”).

211 *Knorr-Bremse*, 383 F.3d at 1345.

212 *Id.*

213 *Id.* See also *supra* notes 173-75.

214 Lemley & Tangri, *supra* note 177, at 1099 n.40 (“While [the] Federal Circuit’s expected decision in [*Knorr-Bremse*] may touch on the issue of the scope of privilege waiver, it is unlikely to resolve the issue directly . . . [and] may not tackle the issue of the scope of the privilege waiver at all.”).

215 *Knorr-Bremse*, 383 F.3d at 1344.


218 *Read Corp.*, 970 F.2d at 826-27; *Bott v. Four Star Corp.*, 807 F.2d 1567, 1572 (Fed. Cir. 1986); *Rolls-Royce Ltd. v. GTE Valeron Corp.*, 800 F.2d 1101, 1110 (Fed. Cir. 1986).

219 The Federal Circuit endorsed this view by holding that “[a] defendant may of course choose to waive the privilege and produce the advice of counsel.” *Knorr-Bremse*, 383 F.3d at 1345. See also *Minn. Mining and Mfg. Co. v. Research Med., Inc.*, 679 F. Supp. 1037, 1064-65 (D. Utah 1987) (finding relevant the actual contents of the letter to the question whether an infringer obtained a competent opinion from its patent attorney).
must be divulged so that the trier of fact can weigh the exculpatory opinion as a factor in its totality-of-circumstances test.\textsuperscript{220} Since the trier of fact will see the opinion while considering the totality of circumstances, it might also be prudent for the opinion to have as few warts as possible. Furthermore, there is no reason to believe that “extensive satellite litigation”\textsuperscript{221} over the scope of the inevitable waiver of privilege will subside, since the Federal Circuit definitively stated that a defendant can “of course” choose to waive privilege.\textsuperscript{222} Additionally, the “boon to the IP boutique industry”\textsuperscript{223} may not be a sure thing. \textit{Knorr-Bremse} did not eliminate an infringer’s affirmative duty of due care,\textsuperscript{224} the role that an opinion of counsel plays in proving the exercise of due care,\textsuperscript{225} or the fact that privilege must be waived for the opinion to be of any use.\textsuperscript{226} IP boutique firms may still find themselves writing opinions and testifying while general firms do the litigating.

Therefore, opinions should only include “warts and all”\textsuperscript{227} if the opinion will remain privileged. This will only occur if the infringer is exceedingly confident that it can meet its burden\textsuperscript{228} of proving to the fact-finder that the remaining eight factors of the totality-of-circumstances test weigh in its favor. When treble damages\textsuperscript{229} and attorney’s fees\textsuperscript{230} hang in the balance, it is doubtful that a defendant will take this risk,\textsuperscript{231} especially since an exculpatory opinion of counsel is often seen as the most determinative,\textsuperscript{232} if not dispositive,\textsuperscript{233} factor.

\begin{thebibliography}{99}
\bibitem{220} But see Electro Med. Sys., S.A. v. Cooper Life Sci., Inc., 34 F.3d 1048, 1056-57 (Fed. Cir. 1994) (finding the opinion letter’s content irrelevant, since the defendant only infringed the patent to establish a controversy so that it could bring a declaratory judgment action).
\bibitem{221} \textit{Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp.}, 383 F.3d 1337, 1345 (Fed. Cir. 2004).
\bibitem{222} \textit{Id}.
\bibitem{223} Seidenberg, \textit{supra} note 188, at 2 (“[\textit{Knorr-Bremse}] may be a boon for boutique firms, according to Atlanta patent lawyer James Kayden, president of the Association of Patent Law Firms. The ruling has removed the ‘conflict issue used by general-practice firms to try and pry away the potentially lucrative litigation work,’ Kayden says.”).
\bibitem{224} \textit{Knorr-Bremse}, 383 F.3d at 1345.
\bibitem{225} \textit{Supra} note 205.
\bibitem{226} \textit{Knorr-Bremse}, 383 F.3d at 1345.
\bibitem{227} Seidenberg, \textit{supra} note 188, at 2.
\bibitem{228} Hutchinson & Baechtold, \textit{supra} note 173, at 290 (“Once the patentee proves the infringer knew of the patent, it becomes the infringer’s burden to prove it exercised good faith.”); \textit{Knorr-Bremse}, 383 F.3d at 1349 (Dyk, J., concurring-in-part and dissenting-in-part) (“[Holding that an infringer’s failure to engage in due care can give rise to punitive damages] effectively shifts the burden of proof on the issue of willfulness from the patentee to the infringer, which must show that its infringement is not willful by showing that it exercised due care.”). Judge Dyk raised serious concerns regarding the constitutionality of whether enhanced (i.e., punitive) damages can be awarded upon a mere breach of duty of care (i.e., absent reprehensible conduct). \textit{Id}. at 1348.
\bibitem{230} \textit{Id}. § 285.
\bibitem{231} Amy L. Landers, \textit{Intentional Waivers of Privilege and the Opinion of Counsel: Can the Scope of Disclosure be Managed?}, 20 \textit{SANTA CLARA COMPUTER & HIGH TECH. L.J.} 765, 769 (March 2004).
\end{thebibliography}
Defendants are thus in virtually the same position now as they were in before *Knorr-Bremse*. Obtaining an opinion of counsel and relying on it at trial is still “prudent” and still functions as “[t]he defendant’s best hope of avoiding liability for willfulness.”

3. Issues Pertaining to the Competency of the Opinion

Not only will the parties dispute the scope of the waiver, the trier of fact will consider the competency of the opinion in deciding how much weight to give the opinion in applying the totality-of-circumstances test. The affirmative duty of care “usually requires the potential infringer to obtain competent legal advice before engaging in any activity that could infringe another’s patent rights.”

Although the Federal Circuit’s view on the adverse inference rule is subject to change in *Knorr-Bremse*, the incentives for defendants to obtain and rely on an opinion of counsel as evidence of good faith in order to avoid the possibility of paying both treble damages and their opponent’s attorney fees are likely to remain.

*Id.*

*Supra* note 205.

*Supra* note 204.

Lemley & Tangri, supra note 175, at 1115 (“[W]hile eliminating the adverse inference from failure to disclose an opinion of counsel may be a good idea, it is unlikely to solve the problems of privilege waiver in more than a few cases.”).

Evans, supra note 189, at 15.

Lemley & Tangri, supra note 177, at 1115 (“[E]ven without the coercive pressure of the adverse inference, many accused infringers will want to disclose a favorable opinion letter and, accordingly, will have no choice but to waive privilege.”).


Comark Communs., Inc. v. Harris Corp., 156 F.3d 1182, 1190 (Fed. Cir. 1998) (“As a general matter, a potential infringer with actual notice of another’s patent has an affirmative duty of due care that usually requires the potential infringer to obtain competent legal advice before engaging in any activity that could infringe another’s patent rights”); Minn. Mining and Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc, 976 F.2d 1559, 1580 (Fed. Cir. 1992) (“[T]he affirmative duty of due care . . . normally requires the potential infringer to obtain competent legal advice before infringing or continuing to infringe.”). *But see* Bose Corp. v. JBL, Inc, 112 F. Supp. 2d 138, 158 (D. Mass. 2000) (finding infringement not willful despite defendant’s failure to obtain a legal opinion, since defendant defended the suit in good faith, and raised a substantial, though ultimately unsuccessful, defense of obviousness). Interestingly, in *Bose*, the defendant’s obviousness analysis appears to have been based on non-analogous art. *Id.* (“The concept of an ellipse to deal with air turbulence may not have come from prior art in the loudspeaker world, but it was readily derived from jet engines and sail boats. This good faith reliance on a defense of obviousness weighs heavily against a finding of willfulness.”). It is unclear whether this is an extension or an application of the principle that a good faith belief need not be based on an opinion’s legal correctness. *Infra* note 253.
Competence refers both to the qualifications of the author as well as the content of the letter.\(^{239}\)

An opinion prepared by an attorney registered with the United States Patent and Trademark Office carries the most weight,\(^{240}\) but opinions prepared by other types of attorneys have been held to be sufficient evidence of the infringer’s fulfillment of its duty of due care.\(^{241}\) Some practitioners believe that Knorr-Bremse may result in the trier of fact being more receptive to noninfringement and invalidity analyses by non-lawyers.\(^{242}\) So long as the analysis is prepared by a skilled artisan and is sufficient to instill a good faith and reasonable belief of noninfringement or invalidity, the second factor in the willfulness test should be satisfied.\(^{243}\) Nonetheless, the author of the opinion must construe the claims\(^{244}\) based on the prosecution history,\(^{245}\) consider issues of obviousness,\(^{246}\) compare the construed claims to the prior art\(^{247}\) and the infringer’s device,\(^{248}\) and formulate an opinion on whether the infringer’s activities may infringe either

\(^{239}\) Jurgens v. CBK, Ltd., 80 F.3d 1566, 1572 (Fed. Cir. 1996) (“The competency requirement applies to both the qualifications of the person giving the opinion and to the content of the opinion itself.”).

\(^{240}\) Supra note 205.


\(^{242}\) Evans, supra note 189, at 15 (“Engineers, scientists, or other skilled artisans associated with an accused infringer arguably should be deemed capable of comparing patent claims with accused products or processes to assess infringement.”); Brief of Amicus Curiae Intell. Prop. Owners Assn. at 7, Knorr-Bremse Systeme Fuer Nutzfahrzeuge GmbH v. Dana Corp., 344 F.3d 1336 (Fed. Cir. 2003) (Nos. 01-1357, 02-1256, 01-1376, 02-1221) (“Indeed, because patents are to be interpreted from the point of view of one of ordinary skill in the relevant art, not an attorney, it may be more commercially reasonable to have technical employees review a patent to determine its relevance to the company’s actions.”).

\(^{243}\) Others have proposed a novel “tiered” approach for formulating a good faith belief that another’s patent is invalid or not infringed. See Thomas Presson, Knorr-Bremse and Questions About Production of an Exculpatory Legal Opinion and the Adverse Inference, 44 IDEA: THE JOURNAL OF LAW AND TECHNOLOGY 409, 426-27 (2004).

\(^{244}\) Critikon, Inc. v. Becton Dickinson Vascular Access, Inc., 120 F.3d 1253, 1259-60 (Fed. Cir. 1997).

\(^{245}\)Datascope Corp. v. SMEC, Inc., 879 F.2d 820, 828 (Fed. Cir. 1989).


\(^{247}\) Jurgens v. CBK, Ltd., 80 F.3d 1566, 1572 (Fed. Cir. 1996).

\(^{248}\) Westvaco v. Int’l Paper Co., 991 F.2d 735, 744 (Fed. Cir. 1993).
literally or under the doctrine of equivalents.\textsuperscript{249} Whether a layperson or an attorney not steeped in patent law can provide such an opinion is debatable.\textsuperscript{250} The competency of the opinion’s content can be compromised when the defendant fails to provide relevant information to its opinion counsel\textsuperscript{251} or “shops around” for a favorable opinion.\textsuperscript{252} The content of advice obtained from parties with vested interests in the outcome of the litigation can be viewed as less than competent and can lead to a finding of willful infringement.\textsuperscript{253} However, the content need not be legally correct.\textsuperscript{254} A reasonable belief can even be grounded in a verbal legal opinion grounded in inapplicable principles of law, such as a patent attorney’s encouragement that a patent will be invalid for obviousness because of a ruling of invalidity in a foreign court.\textsuperscript{255}

\textsuperscript{249} Datascope, 879 F.2d at 828.

\textsuperscript{250} However, it is clear that a good faith belief can be based on an attorney’s consultations with qualified laypersons. See, e.g., Minn. Mining and Mfg. Co. v. Johnson & Johnson Orthopaedics, Inc., No. CIV.4-86-359, 1991 WL 441901, at *79-80 (D. Minn. April 30, 1991) (concluding that defendant had a colorable belief that its product did not infringe because term in claim was not believed to have special meaning in the art, according to independent experts consulted by defendant’s patent attorney).

\textsuperscript{251} For example, in Pelsue v. Grand Enterprises, the district court found infringement to be willful after the defendants obtained an oral legal opinion, because defendants’ attorney was not informed of a particular characteristic of the device (later found to perform the same function as the patented device), did not perform a prior art search, and did not investigate the prior art patents cited in the infringed patent. T.A. Pelsue Co. v. Grand Enters., Inc., 782 F. Supp. 1476, 1499 (D. Colo. 1991). These aspects of the supplied legal opinion led the court to conclude that “[t]he Defendants have failed to establish reliance on an opinion of counsel sufficient to constitute a defense to willful infringement.” Id.

\textsuperscript{252} See, e.g., Read Corp. v. Portec, Inc., 970 F.2d 816, 828 (Fed. Cir. 1992) (affirming district court’s holding that defendant willfully infringed when it relied on the more favorable of several varying and conflicting opinions regarding applicability of the doctrine of equivalents to certain design-around strategies).

\textsuperscript{253} Minn. Mining and Mfg. Co., 1991 WL 441901, at *80 (distinguishing advice of independent experts in the art from advice of a party with which defendant does business).

\textsuperscript{254} Ortho Pharm. Corp. v. Smith, 959 F.2d 936, 944 (Fed. Cir. 1992) (citations omitted) (“While an opinion of counsel letter is an important factor in determining the willfulness of infringement, its importance does not depend upon its legal correctness. Indeed, the question arises only where counsel was wrong.”).

\textsuperscript{255} See, e.g., Windsurfing Int’l, Inc. v. Fred Ostermann GmbH, 668 F. Supp. 812, 817-18 (S.D.N.Y. 1987) (finding defendant’s reliance on patent attorney’s encouragement of a British decision of invalidity to be reasonable for purposes of willfulness, despite the fact that the British precedent was irrelevant for purposes of invalidity).
V. CONCLUSION

Many members of the patent bar were awaiting the Federal Circuit’s Knorr-Bremse decision before proposing specific reforms in the area of willful infringement. Numerous scholars, practitioners, and even the Federal Trade Commission have recommended that legislation be enacted to address various aspects of the pre-Knorr-Bremse willful infringement doctrine. Overruling the adverse inference rules of Underwater Devices and Kloster Speedsteel alleviated only part of the legal community’s concerns.

Knorr-Bremse has little practical significance because it reaffirmed that an accused infringer has an affirmative duty of due care and it stressed that the accused infringer can “of course” waive privilege to defend against a charge of willful infringement. The ability to satisfy the duty of due care without obtaining an exculpatory opinion, the weight that the trier of fact is allowed to give to this omission, and the scope of the waiver if an opinion is obtained and used at trial are just some of the issues that remain unresolved after Knorr-Bremse.

256 James B. Kobak, Jr., The Government’s IP/Antitrust Hearings: Where Are We and Where Do We Go From Here?, 792 PRACTISING LAW INSTITUTE: PATENTS, COPYRIGHTS, TRADEMARKS, AND LITERARY PROPERTY COURSE HANDBOOK SERIES 383, 403 (2004).
257 Id.
258 Evans, supra note 189, at 15.
259 Id.
260 Id. at 1352 (Dyk, J., concurring-in-part and dissenting-in-part).
261 Id.
262 Lemley & Tangri, supra note 177, at 1099 n.40.
263 Knorr-Bremse, 383 F.3d at 1352 (Dyk, J., concurring-in-part and dissenting-in-part) (“[T]he [majority] opinion does not address whether the due care requirement, whatever its parameters, is consistent with the Supreme Court’s punitive damages jurisprudence.”). Judge Dyk relies principally on State Farm v. Campbell and BMW v. Gore for the proposition that imposing enhanced damages for willful infringement requires reprehensible conduct and not conduct that merely breaches a duty of care. Id. at 1348-49; State Farm Mut. Auto. Ins. Co. v. Campbell, 538 U.S. 408, 419 (2003) (“It should be presumed a plaintiff has been made whole for his injuries by compensatory damages, so punitive damages should only be awarded if the defendant’s culpability, after having paid compensatory damages, is so reprehensible as to warrant the imposition of further sanctions to achieve punishment or deterrence.”); BMW of N. Am., Inc. v. Gore, 517 U.S. 559, 575 (1996) (“Perhaps the most important indicium of the reasonableness of a punitive damages award is the degree of reprehensibility of the defendant’s conduct.”). However, State Farm and Gore considered whether punitive damages that were orders of magnitude larger than compensatory damages were constitutional, and ultimately remanded so that the punitive awards could be recalculated. State Farm, 538 U.S. at 429; Gore, 517 U.S. at 586. In contrast, 35 U.S.C. § 284 authorizes only treble damages. 35 U.S.C. § 284 (2000). Regarding whether breach of a duty of due care can qualify as reprehensible behavior justifying punitive damages, the Supreme Court in Smith v. Wade considered that “[wanton] means reckless . . . . [and] [w]antonness [means] the
Unfortunately, the ultimate inquiry remains a nebulous totality-of-circumstances test for the fact-finder to decide “whether, under all the circumstances, a reasonable person would prudently conduct himself with any confidence that a court might hold the patent invalid or not infringed.”

conscious failure by one charged with a duty to exercise due care and diligence to prevent an injury after the discovery of the peril.” 461 U.S. 30, 39 n.8 (1983). Less than three months later the Supreme Court considered that “in tort law, usually only persons who have intentionally or recklessly violated another’s rights are liable for punitive damages.” Guardians Ass’n v. Civil Service Comm’n of the City of New York, 463 U.S. 582, 597 (1983). Thus, Supreme Court precedent appears to consider a conscious breach of duty of due care to be wanton (i.e., reckless) behavior, which would seemingly justify non-excessive (e.g., treble) punitive damages. See id.  

265 John Dragseth, Coerced Waiver of the Attorney-Client Privilege for Opinions of Counsel in Patent Litigation, 80 MINN. L. REV. 167, 190 (1995) (“The Federal Circuit’s standard that willfulness findings should be based on the totality of the circumstances blurs each of the factors making up the totality of the circumstances, forcing the factfinder to reconstruct the accused infringer’s intent from a mass of evidence.”).  

266 State Indus. Inc. v. Mor-Flo, 883 F.2d 1573, 1581 (Fed. Cir. 1989) (citing Ryco, Inc. v. Ag-Bag Corp., 857 F.2d 1418, 1428 (Fed. Cir. 1988)).