NO SILVER LINING FOR THE EMPEROR’S NEW CLOTHES: GOLAN AND THE TRADITIONAL CONTOURS OF COPYRIGHT

by Henry Horbaczewski*

In 2006, I delivered the Christopher A. Meyer Memorial lecture in Washington, D.C. To those of you who did not know Chris at Proskauer, the Copyright Office, the Patent Trademark Office or Meyer Klipper & Mohr, he was one of the great copyright minds of his time, and a passionate believer both in the substance of the 1976 Act and the creative ends that it serves. The subject of that speech was what one of my friends from the photography industry dubbed the “copywrong” movement, which I will refer to collectively, for convenience, as the “Copywrong,” and its undue influence over academic and, increasingly, judicial and public policy discourse.

Beginning in the mid-to late 1990s and flourishing in the “oughts,” we began to see a group of scholars that viewed the copyright law as a constitutional abomination that thwarted the use of digital technology for both disseminating and preserving digital information. As the general counsel of an information company that had invested billions of dollars in content development, cybersecurity, and information technology in order to realize that very potential, these charges came as a bit of a surprise. No one in my industry profited from keeping information secret. Reality notwithstanding, it seemed clear that what were once policy disputes over the proper scope of an author’s protection had become constitutional causes celebre.

Disagreements about the proper scope of copyright are nothing new. In the publishing business, to poach another author’s title, we’ve looked at copyright from both sides now. Nonetheless, I was — and remain — concerned. Formidable commercial interests had begun to find common cause with a then radical cadre of law professors, and had started to form a coalition that was better financed, organized, and more politically astute than what copyright owners had seen in the past. These commercial and

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The goals of the Copywrong seemed fairly clear: to erode the strength of the copyright laws by influencing legislation, court decisions, and public opinion. Law reviews are filled with articles advocating sea changes in the law, and we had seen the courts start to cite these articles in their rulings.

This evening, I propose to do the following. First, I will try to outline the main points of the Copywrong’s attack on the constitutional premises of the copyright act. I’ll then summarize the execution of this attack through the court system, culminating in the Supreme Court’s Golan decision handed down this term. And finally, I will conclude with some thoughts on what we might expect to see in the future, and what copyright owners can do to repel the next sortie. We are, in many respects, back where we started.

Up until around the mid-1990s, if you told people in the content business that the copyright law was an unconstitutional infringement of free speech, or an abuse of Congressional power, they would have smiled at you politely — and then called security. Article I, section 8, clause 8 of the Constitution gives Congress the power “To Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.” Like the power to regulate interstate commerce, or create postal roads, this power is discretionary. At the time of its adoption, it was hardly controversial. As the Federalist papers put it:

The public good fully coincides in both cases with the claims of individuals. The States cannot separately make effectual provisions for either of the cases, and most of them have anticipated the decision of this point, by laws passed at the instance of Congress.1

The copyright power exists because states could not give uniform protection to authors and inventors. Whether or how to exercise that power, however, lies entirely within the discretion of Congress.

According to the Copywrong, Congress had unforgivably abused that discretion. The thrust of their attacks came in three basic flavors. The first stemmed from the Copyright Clause itself. When it extended the copyright term from life plus fifty to life plus seventy years, for example, Congress allegedly violated the requirement that copyright statutes “promote progress” and that copyright be granted for a “limited time.”

The second attack on the copyright laws came under the First Amendment. In 1970, Melville Nimmer wrote a law review article that posed the

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question succinctly and directly: Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?\textsuperscript{2} His answer to that question was a fairly strong negative, and the Supreme Court adopted much of his analysis in Harper & Row.\textsuperscript{3}

The final prong of this trident was the idea of a “Public Domain” conceived in quasi-religious terms that flowed both from the First Amendment and from the Copyright Clause, and when those were insufficient, an early eighteenth-century English statute. To me, the public domain represents an amalgam of diverse concepts, evolved over an extended period after the Constitution was drafted and ratified. For example, it would contain those things that Congress could protect, but chose not to — such as everything other than the “maps, books and charts” that were covered in the first 1790 law. Copyright law would expand to protect other categories of works such as photographs and musical compositions in response to market realities. The second portion contains things that perhaps once were protected for a time, but now are no longer, such as the works of Nathaniel Hawthorne. The public domain also contains certain things that Congress could never protect, such as ideas.

Much of the intellectual driving force of these constitutional challenges to the Copyright Act stemmed from the mistaken belief that the public domain, rather than being an amalgam of distinct components, was the product of some sort of unified field theory. Under this construct, not only does the public domain have a special, if unexpressed, constitutional status, but users have an affirmative individual constitutional right to exploit public domain works. As in the Hotel California, works may check in any time they like, but they can never leave. It is that belief that (in many respects) animated the litigation that resulted in the two major Supreme Court copyright decisions of the last ten years, and which is now, I think, judicially discredited.

The first example of this phenomenon appeared in Eldred v. Ashcroft, which as you all know challenged the Sonny Bono Term Extension Act’s lengthening of the copyright term from fifty to seventy years for existing and newly created works.\textsuperscript{4} Professor Larry Lessig brought the suit while he was teaching at Stanford Law School’s Center for Internet and Society. (In the interests of fair disclosure, I should say that on behalf of my former employer, I was actively involved in both Eldred and its stepchild, Golan.\textsuperscript{5})

In Eldred, the petitioners’ primary attack on the term extension statute dealt with the extension of subsisting copyrights. According to them,

\begin{itemize}
\item \textsuperscript{2} 17 UCLA L. REV. 1180 (1970).
\item \textsuperscript{4} 537 U.S. 186 (2003).
\item \textsuperscript{5} Golan v. Holder, 132 S. Ct. 873 (2012).
\end{itemize}
the principal purpose of copyright law was not to reward creators but to enrich the public domain — the favored “state of nature” for all works. Copyright statutes by definition exclude content from that state of nature, and the constitution therefore requires a “quid pro quo.” That quid pro quo exists at least theoretically when Congress offers a copyright in exchange for creating a new work. The petitioners claimed that “Progress,” to use the language of the Copyright clause, does not advance when the terms of copyright in pre-existing works are extended, nor when the reward offered to the author was not worth the price of removing a work from its state of grace. “Progress” requires the creation of new works. Any law that violates this constitutional bargain would be beyond the power of Congress. In the alternative, the petitioners argued that term extension violated the First Amendment by withholding works from free reproduction and dissemination.

The Court categorically rejected this argument. It pointed to an unbroken congressional practice of extending terms, and stated that rather than requiring a “quid pro quo,” (which would jeopardize the extension of rights in any pre-existing work), Congress only required a rational basis for passing a copyright statute — the lowest standard of review in constitutional law. With respect to the First Amendment, the Court stated that fair use and the idea/expression dichotomy would in most cases address any First Amendment concerns. If, however, Congress altered the “traditional contours” of copyright protection, the Court suggested that a higher degree of First Amendment scrutiny would be appropriate.

Eldred, as you might surmise, delivered a fairly crushing defeat to the Copywrong’s view of the Constitution and copyright. Rational basis review is what one might call the “laugh test” of judicial scrutiny — in most cases, if the government can offer a legitimate reason for the statute’s passage with a straight face, then a court is not going to substitute its judgment for that of the legislature. It is precisely those policy judgments, of course, that the professoriate disagreed with, and hoped to revisit regularly in the courts. The howls of outrage began in the petition for rehearing, where Professor Lessig asserted that if the Court was going to give Congress carte blanche to pass copyright laws via rational basis review,

[T]hen this Court should at least explain why it would be inappropriate to support the Framers’ views about the public domain. There is no meaningful difference in principle between the limits. Indeed, any difference between them would support stronger judicial review of the Copyright and

6 Id. at 908.
7 See Eldred, 537 U.S. at 213.
8 See id. at 221.
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*Patent Clause,* as the longstanding history of this Court confirms, but as the opinion in this case ignores.\(^9\)

This argument is ahistorical. The concept of “public domain” as related to U.S. copyright law did not arise until the first decade of the Twentieth Century and is generally thought to have derived from the Berne Convention.\(^{10}\) Earlier uses of the term in U.S. jurisprudence related to public lands\(^{11}\), and, in that context, the authority of Congress to sever items from the public domain was clear and unquestioned.

The petition for rehearing is revealing on several levels. It reveals, first of all, that the goal of this litigation was not as much about the Eldritch Press’s coming windfall from the expiration of copyright term as it was the re-vamping of the copyright laws in the image of Larry Lessig and like-minded academic colleagues. It also revealed that proponents of this view are passionate to the point of tone-deafness. Tin ears notwithstanding, it is no mean feat to design and successfully implement a plan to take a case to the Supreme Court. That kind of ardor does not go quietly into that good night, and one could be sure that the next time they would learn from their mistakes.

In the wake of the opinion, the Copywrong folks at Stanford (and Harvard, Duke, Berkeley et al. — the list is endless) seized on the “traditional contours” language as the silver lining in the *Eldred* opinion, and launched their next constitutional challenge based on those two words.\(^{12}\) What the Copyright Clause denied under *Eldred*, the thought was, they might be able to regain via the First Amendment. And so *Eldred* begat *Golan*.

*Golan* challenged section 514 of the Uruguay Round Agreements Act, currently section 104A of the Copyright Act. Unlike most countries in the world, prior to the 1976 revision, copyright protection depended on compliance with statutory formalities, most notably publication with notice and the timely filing of a renewal. When the U.S. joined the Berne Convention in 1989, it undertook an obligation to dispense with those formalities, and to restore copyright to those works that had lost them for reasons other than the expiration of term. Despite Berne’s explicit requirements, Congress deferred consideration of restoration for a later date.

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\(^{11}\) See id. at 239 & nn.154-155; see also, e.g., Railroad Co. v. Smith 76 U.S. 95, 101 (1869) (“such lands were part of the public domain”).

Once Berne’s members let the United States into their club, they had no way of forcing the United States to honor the restoration obligation short of kicking the United States out of the Convention by unanimous vote. As a net intellectual property exporter, however, enforceable intellectual property standards were very important to the United States’ broader trade interests. In 1994, most of Berne’s substantive minimum standards for copyright protection, including the restoration obligation, acquired teeth through the Trade Related Aspects of Intellectual Property Rights agreement— TRIPs. When TRIPs entered into force, failure to honor Berne’s restoration obligation rendered the U.S. subject to a dispute resolution proceeding before the WTO, and opened the door to trade sanctions for noncompliance.

In light of this circumstance, Congress found the need to act was a bit more pressing than in 1989, and so was born section 514 of the Uruguay Round Agreements Act. It is fairly convoluted legislation, but in general terms it restored copyright to works of foreign authors in which copyright had been forfeited for failure to publish with proper notice or file renewal. Once the copyright was restored, those that had never used the work had to respect the copyright as if it had never expired. For those that had used the work while it was in the public domain — “reliance parties” — the statute allowed them to continue that use until such time as the owner filed a notice of intent to enforce its copyright. Once notice had been given, the user received a year to sell off inventory, or engage in any planned public performances. In the case of derivative works, however, the user could continue using the work provided a reasonable royalty was paid to the copyright owner. The restored copyright only lasted for the remainder of the same term that would have existed had forfeiture not occurred.

The petitioners in Golan challenged section 514 on the basis that it altered the “traditional contours of copyright protection,” and was thus subject to First Amendment scrutiny. Although it seems fairly clear what Justice Ginsburg meant in Eldred, the phrase had not appeared in any prior decision; the use of the word “traditional” suggested that if a plaintiff could show an “untraditional” copyright statute, a court could apply enhanced First Amendment scrutiny. Moreover, although Congress certainly had restored copyright to works in the past, such enactments were comparatively few and narrow compared to general extensions of term. Finally, most people simply have an instinctive visceral negative reaction to the idea of taking works out of the public domain, and judges are generalists. This was the Copywrong’s best case.

The petitioners in Golan were orchestra conductors, musicians, publishers, and others who formerly enjoyed unpaid use of foreign-created works that section 514 removed from the public domain. Although the
initial complaint contained a number of theories, the two salient arguments stemmed from the Copyright Clause and the First Amendment. Although sounding in different provisions, these arguments shared a common chord: As a matter of constitutional law, the public domain is the platonic ideal state for works of all stripes. Once a copyrighted work enters that domain, anyone may exploit that work forever.

According to the petitioners, section 514 violated the Copyright Clause on two fronts. Restoring copyright cannot advance progress by definition (the works already existed and had received their allotted term). Restoration also would violate the “limited times” provision, as the prescribed copyright term had come and gone, even if that term was zero. Alternatively, petitioners argued, section 514 violates the First Amendment because copyright forfeiture vests an individual free speech right to use works that become unprotected, and Congress cannot revoke that right without passing some form of heightened judicial scrutiny.

The procedural history of the case is somewhat complex, but here are the highlights. The district court found the statute constitutional under the Copyright Clause, and found further review under the First Amendment unnecessary.13 The Tenth Circuit agreed that section 514 was a proper exercise of the Copyright Clause power, but nonetheless found that the legislature had altered copyright’s traditional contours. According to a panel of the Tenth Circuit, it was a bedrock principle of copyright law that works once in the public domain remain there. When it restored copyright to certain works, section 514 departed from that principle as well as the procedural sequence that was followed since the first Copyright Act in 1790. It remanded the case back to the district court to determine what First Amendment standard to apply, and to apply that standard.14

On remand, the district court found section 514 unconstitutional.15 The parties and the court agreed that the law should receive intermediate scrutiny, which requires, as summarized in Turner Broadcasting, that a statute “further an important or substantial governmental interest unrelated to the suppression of free speech, provided that the incidental restrictions [do] not burden substantially more speech than necessary to further those interests.”16 The district court rejected the government’s contentions that Congress had tailored section 514 to any of three claimed interests: (1) compliance with U.S. treaty obligations; (2) protecting the interests of US copyright holders abroad, and (3) remedying the unfair-

13 Id. at 1070-71 (citing Turner Broad. Sys., Inc. v. FCC, 520 U.S. 180, 186 (1997) (internal quotation omitted)).
15 Golan v. Gonzalez, 501 F.3d 1179 (10th Cir. 2007).
ness of copyright forfeitures for foreign authors who could not reasonably be expected to know of them. In the district court’s view, the First Amendment required Congress to allow reliance parties to use restored works forever. It therefore struck down the statute, marking the first time that a federal court had ever thrown out a copyright statute on free speech grounds.17

On appeal, the Tenth Circuit reversed.18 Deferring to Congress’ predictive judgments, the court determined that the law was narrowly tailored to fit the important government aim of protecting U.S. copyright holders’ interests abroad, and reversed the district court.19 The losing parties filed a petition for certiorari on two questions:

1. Does the “Progress Clause” of the United States Constitution prohibit Congress from taking works out of the Public Domain?

2. Does section 514 violate the First Amendment of the United States Constitution?20

From the point of view of a content producer, the Supreme Court’s grant of the petition raised a number of angina-inducing questions, the biggest one being why certiorari had been granted in the first instance. The Tenth Circuit had, after all, affirmed the validity of the statute, and the Supreme Court reverses the decision below in the majority of the cases it takes. The petitioners had made their unified field theory of the public domain the centerpiece of their briefing. For them, section 514 violated the precept of a limited term, even if the term of copyright that a work received was zero (as would happen if it was published without notice). Once Congress decided not to protect a kind of work or on certain conditions, it was constitutionally locked in to that choice. The petitioners also recycled the Copyright Clause arguments from Eldred that “Progress” could not be advanced by the restoration of copyright to works in the public domain, as progress is advanced when new works are created, and section 514 did not promote the creation of new works.

On the First Amendment side, petitioners argued that the phrase “traditional contours” should be broadly construed to encompass almost any deviation from past copyright practice. They also had argued (contrary language in Eldred notwithstanding) that protecting the private

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17 Twenty-five years ago, a private copyright law was voided on religious first amendment grounds. See United Christian Scientists v. First Church of Christ, Scientist, 829 F.2d 1152 (D.C. Cir. 1987).

18 Golan v. Holder, 609 F.3d 1076 (10th Cir. 2010).

19 Id. at 1090.

profit motive on which copyright depends was not a legitimate govern-
ment interest.  

There was a chance that we could have won the case and lost the war.  At the time the petition was granted, it was entirely plausible that the Court might affirm the Tenth Circuit’s conclusion that section 514 satisfied intermediate scrutiny and thus passed muster under the First Amendment, while at the same time leaving the appeals court’s problematic traditional contours analysis untouched.  Such a result would have opened the door to a myriad of challenges to past and future changes in existing rights to intermediate scrutiny — in short, obtaining through the First Amendment what *Eldred* denied through the Copyright Clause.  For its part, Reed Elsevier filed its fourth amicus brief in this case along with ASCAP, BMI, AAP, and a host of other copyright owners that, along with the briefs filed by the motion picture industry, foreign publishers, and others, filled the gaps left by the government’s briefing.  

Those briefs had their intended result.  Rarely in my years of practic-
ing law have I seen the Supreme Court speak so forcefully about an issue, leaving so little doubt about the resolution of future cases.  In a 6–2 deci-
sion (Justice Kagan recused), the Court addressed both the congressional power issues and the First Amendment issues in no uncertain terms.  

First, it relied on *Eldred* to dispose of the limited times argument.21  As the copyright term of a restored work would have expired on the same day as if the copyright forfeiture never occurred, its term was, the Court reasoned, “limited.”  In addition, the court quickly dismissed the idea of “zero terms,” saying that “we find scant sense in this argument, for surely a “limited time” of exclusivity must begin before it may end.”22  It was particularly gratifying to see Justice Ginsburg grill petitioners’ counsel on this point, as we had dealt with it extensively in our brief.  

Second, the Court held that Congress may promote progress in a number of different ways, including by encouraging the dissemination of existing works (not just the simplistic quid pro quo theory of the Copywrong).  In this case, the Court acknowledged that a well-functioning international copyright system would likely encourage the dissemination of existing and future works, and Congress had reason to believe that section 514 would advance that goal.  In short, the legislature had a rational basis for enacting section 514, and the court was not about to second-guess the political choice that Congress made between leaving the public domain untouched and embracing the U.S.’s international obligations.  Indeed, our filing stressed that section 514 was part of an ongoing commitment to

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22 *Id.* at 885.
conformity with international standards of copyright protection that had formed part of U.S. foreign policy since the Reagan administration.

The Court’s treatment of the First Amendment was just as definitive. If a copyright statute maintains the fair use and idea expression dichotomy, then there is no need for additional First Amendment scrutiny. In a footnote, the Court dismissed the Tenth Circuit’s “unconfined reading” of traditional contours.

Finally, the Court delivered the coup de grace to the petitioners’ unified field theory of a constitutional public domain. The Court made it unequivocally clear that neither the Copyright Clause nor the First Amendment creates an inviolable public domain, and that users of public domain works do not have a vested, First Amendment interest in those works:

[N]othing in the historical record, congressional practice, or our own jurisprudence warrants exceptional First Amendment solicitude for copyrighted works that were once in the public domain. . . .

Once the term of protection ends, the works do not vest in any rightholder. Instead, the works simply lapse into the public domain. Anyone has free access to the public domain, but no one, after the copyright term has expired, acquires ownership rights in the once-protected works.23

Justice Breyer wrote the dissent in this case, the content of which was not terribly surprising, given his more than forty years of consistent hostility to copyright,24 and he reiterates much of the petitioners’ positions that the majority had rejected in Eldred. To me, the surprise was that Justice Alito signed onto the dissenting opinion, given his general solicitude for executive power, but antitrust lawyers generally have a hard time understanding copyright. Although it doesn’t matter much in terms of this particular statute, the Court will at some point have to consider the nature of the responsibility of technology providers to keep their networks from becoming thieves’ markets (e.g., the fight in the Grokster25 case over what the Sony standard actually means). Justice Alito was not on the Court when Grokster was decided, but he agrees with Justice Breyer’s attack on copyright as a restriction on “dissemination” and states that the First Amendment is part of the calculation of the constitutionality of any copyright statute, which suggests that he views the first premises of the law in a way that might be hostile to copyright owners’ interests, and friendly to those that make recording devices and search engines.

23 Id. at 858.
Tealeaf reading notwithstanding, Golan ends nearly a decade of constitutional challenges to the copyright law — not with a bang, but with a whimper. On the same day that they successfully staged their Internet “blackout,” the opponents of SOPA bemoaned that they could not enjoy their victory because of the Court’s decision in Golan. With the exception of due process claims against statutory damages and similar kinds of issues, even the most ardent supporters of this constitutional attack agree that Golan has effectively foreclosed similar challenges to the copyright statutes in the future. Policy changes, if they are to be made, must be made through the Congress.

Courts, however, are generally lagging indicators of public opinion. Thanks to principles like stare decisis, it is unlikely that we’ll see wholesale judicial rewriting of the copyright statutes. Congress, however, suffers from no such institutional restraint. In my 2006 Meyer lecture, I voiced concerns about what I saw was an unbalanced trend in law school teaching and writing about copyright issues — one that would eventually result in a public and judicial view hostile to the interests of content creators and owners. That particular chicken is coming home to roost with a force that I confess I did not see coming. There is no silver lining in Golan for the content industry.

I am talking, of course, of the successful effort to defeat SOPA. What Howard Dean did for small campaign donations, SOPA’s opponents did for legislative opposition. In this respect, Professor Lessig is 100% correct:

I can assure you that a decade ago, the idea that millions would have rallied to stop Hollywood from pushing an “anti-piracy” bill through Congress was also little more than a dream. A dream that hundreds of activists have now made real.

Given the prowess that Google and other technology interests showed during SOPA, it does not take a great deal of vision to foresee a move from defending against legislation to amassing support to enact some. Congress has a different calculus of principle versus expediency than the courts, and Eldred and Golan have confirmed its very broad discretion to deal with copyright issues. For the past several years, Google has been message testing in focus groups on copyright. Many similar companies are increasing their presence in Washington. Even now, Congressman Cantor has begun to use a “citizen cosponsor” application that enables individual constituents to use social media like Facebook to add

their names in support of particular legislation. The populist appeal of something for nothing is undeniable — there is a political party in Sweden whose raison d’être is the expropriation of copyright; a political party of supporters of copyright is unimaginable. If you think that these interests will stop now, I have a copyright in the Bible I’d like to license you.

The assault has already begun. Public Knowledge (an unabashed critic of the U.S. copyright regime) has published a wish list of the reforms it would like to see in copyright, and more are sure to follow. I would also not be surprised to see some of the various “recommendations” put forth by the Copyright Principles31 spearheaded by Professor Pamela Samuelson to make their way into the congressional debate, not all of them helpful or desirable. Expansion of fair use in Google’s image, evisceration of the DMCA’s anti-circumvention provisions, ISP safe harbors that look more like continents and even narrowing of the work-made-for-hire doctrine are likely to make their way at some point onto the congressional agenda, and they will arise in an environment where their proponents have much more wherewithal and skill than in earlier legislative campaigns. Undoing the recent Second Circuit decision in Viacom v. Youtube32 looks like a likely candidate for such an assault. Old alliances will surely be tested.

Certainly, as times change, some reasonable amendment of the law will become desirable and there is room for improvement. That improvement will only come, however, if the interests of owners and users are presented in a balanced fashion. When I spoke at the Meyer lecture, I expressed concern and urged the members of the copyright community to take seriously the activities of the copywrong community, and their success in co-opting others to their point of view. I emphasized that I was denigrating their ideas, not their strategies, tactics or commitment. I renew that warning today as the debate shifts from the courts to Congress.

To poach my last title from another author this evening, Golan was not The End of History. The game is very much afoot.