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A Peek Behind the Scenes at the Making of Three Decades of Supreme Court Copyright Decisions

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A PEEK BEHIND THE SCENES AT THE MAKING OF THREE DECADES OF SUPREME COURT COPYRIGHT DECISIONS

*Jonathan Band*¹

ABSTRACT

This article discusses the revelations in the case files of Justices concerning eighteen copyright-related decisions issued by the Court between 1973 and 2005. The papers show the Court as a profoundly human institution, with the Justices often struggling to fashion opinions that could gain the support of a majority. The Justices clearly cared about the copyright merits, but they were also willing to compromise to achieve a certain result. In several cases, the final opinion was anything but inevitable. This was particularly so with *Sony Corporation of America v. Universal City Studios*, 464 U.S. 417 (1984), where the effort to fashion a holding that could garner the support of a majority of the Court stretched over two terms.

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INTRODUCTION

The case files of Supreme Court Justices, when opened to the public after their deaths, provide rare insight into how the Court reaches its decisions and crafts its opinions. This article discusses the revelations in the case files of six Justices concerning eighteen copyright-related decisions issued by the Court between 1973 and 2005.² The papers show the Court as a profoundly human institution, with the Justices often struggling to fashion opinions that could gain the support of a majority. The Justices clearly cared about the copyright merits, but they were also willing to compromise to achieve a certain result. In several cases, the final opinion was anything but inevitable. This was particularly so with *Sony Corporation of America v. Universal City Studios*, 464 U.S. 417 (1984), where the effort to fashion a holding that could garner the support of a majority of the Court stretched over two terms.

The Supreme Court conducts much of its operations in secret. To be sure, many materials—such as the parties’ filings at both the cert. petition and merit stages; transcripts and recordings of oral arguments; and the Court’s orders and opinions—are available to the public. But when the Court decides to hear a case by granting the petition for a writ of certiorari, there is no disclosure of which Justices voted in favor of granting cert., nor why. Similarly, no disclosures are made

² The papers of Justices Harry Blackmun, William Brennan, Thurgood Marshall, Sandra Day O’Connor, John Paul Stevens, and Byron White, are available in the Manuscript Division of the Library of Congress (“Blackmun Papers,” “Brennan Papers,” “Marshall Papers,” “O’Connor Papers,” “Stevens Papers,” and “White Papers”). This article is based on Jonathan Band and Andrew McLaughlin, *The Marshall Papers: A Peek Behind the Scenes at the Making of Sony v. Universal*, 17 COLUM.-VLA J.L. & ARTS 427 (1992-1993); Jonathan Band and Tara Weinstein, *The Blackmun Papers: A Peek Behind the Scenes of a Quarter of a Century of Supreme Court Copyright Jurisprudence*, 28 COLUM.-VLA J.L. & ARTS 315 (2005); Jonathan Band, *The Stevens Papers: A Peek Behind the Scenes at the Making of Lotus, Eldred, and Grokster*, DISRUPTIVE COMPETITION PROJECT, June 15, 2023, <https://www.project-disco.org/intellectual-property/the-stevens-papers-a-peek-behind-the-scenes-at-the-supreme-court/>; Jonathan Band, *The Stevens Papers, Part II: A Peek Behind the Scenes at the Making of Quality King, Tasini, and Dastar*, DISRUPTIVE COMPETITION PROJECT, July 18, 2023, <https://www.project-disco.org/intellectual-property/the-stevens-papers-part-ii-a-peak-behind-the-scenes/>; and Jonathan Band, *The O’Connor Papers: A Peek Behind the Scenes at the Making of Three Supreme Court Decisions*, DISRUPTIVE COMPETITION PROJECT, April 30, 2024, <https://www.project-disco.org/intellectual-property/the-oconnor-papers-a-peek-behind-the-scenes-at-the-making-of-three-supreme-court-copyright-decisions/>. Each Justice placed his or her own restrictions on access to their case files. Justice O’Connor, for example, decided to restrict access to any files relating to a case heard by a Justice who was still serving on the Court. Thus, none of her files currently are available for any cases after October 1991, when Justice Clarence Thomas joined the Court. The papers of other Justices who passed away recently are stored at other institutions. Justice Lewis Powell’s papers, for example, are stored at Washington and Lee University, while Chief Justice Rehnquist’s papers are stored at the Hoover Institution at Stanford University, and Chief Justice Warren Burger’s papers are repositied at William & Mary Libraries.

concerning the Conference the Justices hold after oral argument, where the Justices discuss the case and take a preliminary vote on their decision. In the months between oral argument and the issuance of the decision, there is no hint from the Court concerning its deliberations. The public controversy concerning the leak of a draft of the decision in *Dobbs v. Jackson Women's Health Organization* underscores the extraordinary nature of that breach of confidentiality. The confidentiality of the Court's internal deliberations concerning a case survive the issuance of the decision. Under the Code of Conduct for Judicial Employees, former Court employees, including the Justices' clerks, must "observe the same restriction on disclosure of confidential information that applies to a current judicial employee...."³ To be sure, some journalists have succeeded in convincing former clerks (and perhaps Justices) to reveal some of the Court's internal deliberations on highly controversial cases, but as a general matter there is no transparency concerning how the Court reach a particular decision.

Each Justice's papers are organized by case, and some case files are much more comprehensive than others.⁴ A case file might include some combination of the following kinds of materials:

- A case file cover sheet, indicating how the various Justices votes on the cert. petition and at Conference;⁵
- clerks' memoranda concerning whether to grant cert. in a specific case, either from the "cert. pool," where the cert. petitions are divided for review among the clerks for several Justices, or from one of the Justices' own clerk;
- bench memoranda, where a clerk prepares his or her Justice for an upcoming oral argument;
- the Justices' notes setting forth the position they will articulate at the Conference after the oral argument;
- the Justices' handwritten notes concerning the positions of the other Justices' expressed at Conference;⁶
- draft opinions circulated to the Conference;⁷
- memoranda from clerks to their Justices expressing their views on circulated drafts; and
- correspondence between Justices concerning the circulated drafts, such as one Justice providing comments to the author of a draft majority opinion, and the author of the draft responding to those comments.

³ U.S. Courts, Code of Conduct for Judicial Employees, Canon 3(D)(3).

⁴ Associate Justice Harry Blackmun lived from 1908 to 1999 and served on the Supreme Court from 1970 to 1994; Associate Justice William Brennan lived from 1906 to 1997, and served on the Court from 1956 to 1990; Associate Justice Thurgood Marshall lived from 1908 to 1993, and served on the Court from 1967 to 1991; Associate Justice Sandra Day O'Connor lived from 1930 to 2023, and served on the Court from 1981 to 2006; Associate Justice John Paul Stevens lived from 1920 to 2019, and served on the Court from 1975 to 2010; and Associate Justice Byron White lived from 1917 to 2002, and served on the Court from 1962 to 1993.

⁵ Justices Stevens and O'Connor used the case file cover sheets most extensively.

⁶ Justice O'Connor's notes are the most legible and detailed.

⁷ Numerous drafts are circulated to the Conference, although once four other Justices join an opinion, the changes to subsequent drafts tend to be stylistic or technical.

These documents provide great insight into the process by which the Court fashioned its opinions—how five or more Justice arrived at a consensus position on the resolution of a thorny legal issue. But these documents provide only a peek behind the scenes at the making of these judicial opinions; they do not display the complete picture. First, they do not reflect exactly what occurred within any Justice’s chambers. The Justices’ papers typically do not contain the rough drafts of the opinions written to develop the first draft circulated to the Conference, nor the drafts of the highly substantive letters among the Justices. The reason for the absence of these materials likely is that they were written by the Justices’ clerks, rather than the Justices themselves. Presumably the Justices instructed the clerks on what to write, but the Justices’ level of engagement may have varied in different chambers.

Second, the documents reflect only the formal communications among the Justices: the positions they took at Conference, the circulated opinions, and the written comments on those drafts. However, a few memoranda from clerks to their Justices hint at extensive oral communication between the clerks in different chambers concerning the cases. Not surprisingly, these back-channel communications appear to focus less on the substantive merits than the formal communications, and more on personal factors.

Notwithstanding these deficiencies, the Justices’ papers deepen our understanding not only of the substance of the decisions, but of the judicial law-making process generally. In particular, they underscore how easily things could have turned out very differently: how the Court could have denied the cert. petition instead of granting it; or it could have reached a different result; or it could have reached the same result for a different reason; or it could have employed different language in the opinion that could have affected how the lower courts interpreted and applied it. Any of these eventualities could have altered the trajectory of copyright law.

I. GOLDSTEIN v. CALIFORNIA, 412 U.S. 546 (1973)

A. Background

Goldstein and other defendants were convicted of violating a California statute that prohibited individuals from duplicating sound recordings with the intent to sell the duplicates. The defendants attacked the constitutionality of the California law, arguing that it conflicted with the Copyright Clause of the Constitution and federal statutes enacted pursuant to it.⁸ The California trial court and appellate court upheld the statute.⁹ The Supreme Court voted five to four to affirm, with Chief Justice Burger, and Associate Justices Stewart, White, Powell and Rehnquist in the majority and Justices Brennan, Douglas, Marshall and Blackmun in the dissent. In affirming the lower court, the Supreme Court held that the Copyright Clause did not vest exclusive power to protect copyrights in the federal government and the California statute did not violate the Supremacy Clause by conflicting with federal law.¹⁰ The dissents, written by Justices Douglas and

⁸ 412 U.S. 546, 551 (1973).

⁹ *Id.* at 549.

¹⁰ *Id.* at 571

Marshall, disagreed, arguing that federal law had preempted the field of copyright protection and that the California law created a monopoly that federal law sought to prevent.¹¹

B. Behind the Scenes

Justice Blackmun's notes from Conference reveal the fragility of the 5-4 vote in this case.¹² While the vote at Conference was the same as the final vote, Justice Blackmun put a question mark next to Justice Stewart's vote to affirm, and he himself was undecided, although he favored reversal.¹³ Additionally, Justice Blackmun remained unsure of his vote until four days before the opinion was released, saying that he "remain[s] uneasy in my vote just as I was at Conference."¹⁴

Although the Justices were pleased with Chief Justice Burger's opinion,¹⁵ Chief Justice Burger nonetheless made several changes to his original draft. For example, he added a paragraph noting that Congress amended the Copyright Act to apply to sound recordings while the case was pending in state court. However, Congress specified that the amendments would not apply retroactively, and the Court concluded that they "have no application in petitioners' case."¹⁶

II. TELEPROMPTER CORP. v. COLUMBIA BROADCASTING SYSTEM, INC., 415 U.S. 394 (1974)

A. Background

Several creators of copyrighted television shows sued Teleprompter for copyright infringement under the 1909 Act for intercepting broadcast transmissions of copyrighted material and resending them to various communities through community antenna television (CATV). The district court dismissed the complaint,¹⁷ holding that it was barred by the Supreme Court decision in *Fortnightly Corp. v. United Artists Television, Inc.*, which held that CATV is merely a reception device and not a performance.¹⁸ The Second Circuit divided CATV into two categories for the purposes of copyright analysis: those where the broadcast was already in the community and could be received by antenna, and those that were imported distant signals. It held that the transmission of the distant signal was a performance, so it reversed the district court and found

¹¹ *Id.* at 574 (Douglas, J., dissenting). The Copyright Act of 1909 was amended while this case was pending to extend copyright protection to sound recordings made after 1972. Sound Recording Act of 1971, Pub. L. No. 92-140, 85 Stat. 391.

¹² Associate Justice Harry A. Blackmun, Notes from Conference (Dec. 14, 1972) in *Goldstein* file, Blackmun Papers.

¹³ *Id.* at 1, 3.

¹⁴ Letter from Associate Justice Harry A. Blackmun to Chief Justice Warren Burger (June 14, 1973) in *Goldstein* file, Blackmun Papers.

¹⁵ *See, e.g.*, Letter from Associate Justice John Potter Stewart to Chief Justice Warren Burger at 1 (June 6, 1973) in *Goldstein* file, Blackmun Papers ("I think this is an excellent job").

¹⁶ 412 U.S. at 551.

¹⁷ *Columbia Broadcasting System, Inc., v. Teleprompter Corp.*, 355 F. Supp. 618 (S.D.N.Y. 1972).

¹⁸ *Fortnightly Corp. v. United Artist Television, Inc.*, 392 U.S. 390, 400 (1968).

infringement.¹⁹ The Supreme Court reversed.²⁰ It held that the technology, although improved since the decision in *Fortnightly*, did not alter the antenna such that *Fortnightly* should be distinguished.²¹ Furthermore, the Court held that the importation of distant signals does not constitute a performance under the Copyright Act.²² Justice Stewart wrote the majority opinion reversing the Second Circuit and was joined by Justices Brennan, White, Marshall, Powell and Rehnquist. Justice Blackmun dissented in part and Justice Douglas, with the Chief Justice joining, dissented in whole.

B. Behind the Scenes

In a memorandum prior to oral argument, Justice Blackmun expressed his disagreement with the Court's earlier decision in *Fortnightly*. He believed that *Fortnightly* “is completely opposite and cannot be reconciled with”²³ the Court's decision in *Buck v. Jewell-LaSalle Realty Co.*, 283 U.S. 191 (1931), where the Court found a hotel's piping of radio broadcasts into guest rooms to be an infringing performance. He stated that had he sat in *Fortnightly*, he would have joined Justice Fortas' lone dissent. However, he felt bound by *Fortnightly*. He concluded that by limiting *Fortnightly* to its facts, and finding that the importation of distant signals is a performance, the Court could be consistent with both *Buck* and *Fortnightly*.²⁴

In addition to disagreeing with the result in *Fortnightly*, Justice Blackmun expressed great frustration with Congress. He observed that “we are dealing with an antiquated and obsolete copyright statute,” but “Congress just will not move into this area and do something about it. It has been completely intransigent. The ultimate solution lies in Congress, and the matter will not be solved until they act.”²⁵ Two years after he wrote this, Congress passed the 1976 Copyright Act, which in section 111 established a comprehensive framework of compulsory licenses for cable television.²⁶

Justice Blackmun discussed the economic impact his approach would have on the cable industry: “I am not concerned that a decision adverse to Teleprompter will mean the end of the CATV industry. It is much more on its feet now than it was in the days *Fortnightly* was decided.”²⁷ He also stated that he was not concerned “about the effect of the decision in this case on production. Aspiring young artists will continue to aspire however we decide this case.”²⁸ Justice Blackmun also rejected the suggestion the “FCC regulation is enough” to prevent

¹⁹ *Columbia Broadcasting System, Inc., v. Teleprompter Corp.*, 476 F.2d 338 (2d Cir. 1973).

²⁰ *Teleprompter*, 415 U.S. 394.

²¹ *Id.* at 409.

²² *Id.* at 411.

²³ Associate Justice Harry A. Blackmun, Memorandum at 5 (Jan. 2, 1974), in *Teleprompter* file, Blackmun Papers.

²⁴ *Id.*

²⁵ *Id.* at 4-5.

²⁶ 17 U.S.C. § 111.

²⁷ Associate Justice Harry A. Blackmun, Memorandum at 6 (Jan. 2, 1974), in *Teleprompter* file, Blackmun Papers.

²⁸ *Id.*

“any cross effect of the copyright law.”²⁹ He observed that this argument “is nonsense, for the FCC itself has expressly stated that it has kept open the copyright question.”³⁰ He stated that in his decision, he “would give some lip service perhaps to the business and economic factors,” but he would not be persuaded by them.³¹

At Conference, the Chief Justice and Justices Blackmun and Douglas voted to affirm; the other six Justices voted to reverse.³² These positions were reflected in the final decision. In his short dissenting opinion, Justice Blackmun echoed the statements in his memorandum that *Fortnightly* is at odds with *Buck*, that he would have joined Justice Fortas’ dissent in *Fortnightly* had he sat in that case and that *Fortnightly* should be confined to its facts.

III. WILLIAMS & WILKINS CO. v. UNITED STATES, 420 U.S. 376 (1975)

A. Background

Upon the request of researchers, the United States National Institute of Health and the National Library of Medicine photocopied articles in medical journals published by Williams & Wilkins Co. without obtaining prior authorization. Williams & Wilkins sued, claiming copyright infringement under the 1909 Act. The trial judge found in favor of the plaintiff.³³ The U.S. Court of Claims reversed and dismissed the case, finding that the photocopying constituted fair use because it was not done for profit but rather for the researchers’ professional use, upon which limits were imposed.³⁴ Additionally, the court found that allowing the photocopying did not substantially harm the plaintiff, while prohibiting the photocopying would be highly injurious to medical research.³⁵ The U.S. Supreme Court affirmed *per curiam* by an equally divided Court without issuing an opinion.³⁶ Justice Blackmun did not take part in the decision.³⁷

B. Behind the Scenes

Justice Blackmun’s papers indicate why he recused himself from this case. During the 1950’s, Justice Blackmun had served as in-house counsel for the Mayo Clinic for nine years. In a memorandum drafted prior to oral argument, Justice Blackmun noted that the Mayo Foundation joined an amicus brief in the court below. He stated: “I must also look at the posture of the Mayo

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.* at 7.

³² Oral argument occurred on January 7, 1974, and the Conference occurred on January 9, 1974. Associate Justice Harry A. Blackmun, Notes from Conference (Jan. 9, 1974), in *Teleprompter* file, Blackmun Papers.

³³ *United States v. Williams & Wilkens Co.*, 487 F.2d 1345, 1347 (Ct. Cl. 1973).

³⁴ *Id.* at 1363.

³⁵ *Id.* at 1359.

³⁶ *Williams & Wilkins*, 420 U.S. at 376.

³⁷ *Id.*

Foundation in one of the amicus briefs filed with the court of claims. If this is embarrassing to me, I should step out of the case.”³⁸

Justice Blackmun’s memorandum contains interesting ruminations on fair use that draw heavily on his personal experience. He observed the following:

[W]e have a xerox machine in the office. I notice that the clerks use it to make copies of entire articles in a Law Review. Is this fair use? I suppose it is if the purpose is to give me a copy easy to work with on the bench or when I am writing an opinion. That kind of copy does not enable me or our library to get away with one less subscription to the Journal. If I did not use this copy I would use the Journal that we have on hand. This, it seems to me, is a simple example of fair use. Suppose, however, that we have two copies of a journal in the library and we make 30 copies of an article in it and distribute it to all of the law clerks. We are certainly easily expanding the use of that article without going out and buying a few more copies of the particular issue. This, I suppose, is a little harder to justify as a matter of fair use. I would probably conclude that it is fair use in view of the nature to which it is put here in the building. One can imagine easily, however, more and more extreme examples. Surely if we made copies and distributed one to each man serving in the United States Army, that would seem to me to be pretty extreme. The same would be true if we made copies and sent it to each voter resident in the City of Arlington, Virginia.”³⁹

Justice Blackmun applied the four fair use factors to the facts before him, and then returned to his personal experience:

When I was at the Mayo Clinic I was really shocked at what I regard as the medical profession's abuse in requesting reprints at the expense of the author and by what further seemed to me to be a wholesale end run around the copyright laws. I can give full and sympathetic attention to the needs of medical research. I do feel, however, that researchers have abused the privilege and, finding it easy, have overextended the habit. Somewhere financial responsibility ought to come into play.⁴⁰

Accordingly, his inclination was to reverse the Court of Claims and find infringement. He stated that if this view were to prevail in the Court, Congress could easily amend the statute. Justice Blackmun stressed that “the whole problem is a matter suitable for congressional action. Congressional action is long overdue and the boys on the hill ought to get to work and solve this problem as they should solve many others that have bugged the Court.”⁴¹ Justice Blackmun mentioned that the Senate had passed a copyright bill, but the House had not acted upon it.

³⁸ Associate Justice Harry A. Blackmun, Memorandum to File at 6 (Dec. 16, 1974), in *Williams & Wilkins* file, Blackmun Papers.

³⁹ *Id.* at 3-4.

⁴⁰ *Id.* at 5-6.

⁴¹ *Id.*

A bench memorandum to Justice White stated that it would “limit discussion of the contentions of the many *amici curiae* to the two to which the United States [the defendant] makes special reference, both of which support the Government: The American Library Association and the Association of Research Libraries *et al.*”⁴² The memorandum also discussed the unique nature of the case: “No other one deals with the use of photocopying by libraries as an element of their services provided their patrons and there are no cases dealing with the doctrine of ‘fair use’ in the making of single copies for research.”⁴³ The memorandum noted that “this problem is one eminently a candidate for Congressional resolution,” and that Congress was in fact considering this issue in the context of its deliberations of what would become the 1976 Copyright Act.⁴⁴ The author of the memorandum, clerk James T. Malysiak, concluded “that the Court of Claims was in error in finding that this type of photocopying comes within fair use.”⁴⁵ The clerk disagreed with the two propositions on which the Court of Claims’ decision rested: that the photocopying did not harm the plaintiff-publishers; and that science would be damaged by restricting the photocopying.

Additionally, the clerk rejected an argument made by the library amici based on the premise that the making of a single copy by a scholar in handwritten form would be allowed as fair use. The libraries claimed that all they were doing “is providing the making of the copy. They are merely operating as extensions of each researcher and doing what he otherwise would be doing.”⁴⁶ The clerk asserted that the error in this argument is that

the libraries are doing more than merely making copies for individual researchers. They have established an organized system of copy-making on a mass scale and which includes many other libraries and persons than those who would use the libraries’ collections otherwise. The costless copies undoubtedly are taken advantage of by persons who would not have made their own copies without the photocopying available.⁴⁷

The clerk added that the fact that the libraries were non-profit organizations did not make a significant difference.

The libraries have their own institutional goals which take the same or similar place as profit motivation in a profit-seeking organization. They want to be helpful to their patrons. If they are helpful, they may obtain more funds for expansion of their facilities and services. And it is totally unclear to me why the private publishers should pay the price rather than the American taxpayers.⁴⁸

At Conference Justice White disregarded his clerk’s recommendation and supported affirmance of the Court of Claims. Because the Court was split four to four at Conference, with

⁴² James T. Malysiak, Bench Memorandum to Associate Justice Byron White at 19 (Dec. 1974), in *Williams & Wilkins* file, White Papers.

⁴³ *Id.* at 21.

⁴⁴ *Id.*

⁴⁵ *Id.*

⁴⁶ *Id.* at 25.

⁴⁷ *Id.*

⁴⁸ *Id.*

Justices White, Douglas, Brennan and Chief Justice Burger voting to affirm the Court of Claims and Justices Marshall, Powell, Rehnquist and Stewart voting to reverse, Justice Powell wrote a memorandum to the Conference in the hopes of persuading his colleagues to adopt his “damages approach” to copyright infringement cases.⁴⁹ Under Justice Powell’s “damages approach,” the minimum entitlement granted to the copyright holder would be a reasonable licensing fee, costs and attorney’s fees. Only in cases where the copyright holder could prove more damage would the copyright holder get a higher amount.

This memorandum prompted Justice White to consider switching his vote to a vote for reversal, which would have resulted in a majority holding that the photocopying done amounted to copyright infringement. In a letter to Justice Powell, he wrote that “there is hope that I shall see the light,” and he asked Justice Powell to clarify points Justice Powell had made in his memorandum.⁵⁰ Justice White stated that he thought that at Conference Justice Powell had suggested that in “non commercial, no-profit copying cases” the copyright holder would be confined to provable damages only.⁵¹ Justice White further noted that the reasonable royalty approach would require “creative handling” of the statutory damages provided in the Copyright Act.⁵² Justice White observed that the Nimmer treatise interpreted *F.W. Woolworth Co. v. Contemporary Arts*, 344 U.S. 228 (1952) as holding that the reasonable royalty rule is not applicable in copyright actions because of the availability of statutory damages “in lieu” of actual damages.⁵³

In response, Justice Powell admitted that his “damages approach” was creative--“in the sense that I have no case to support it.”⁵⁴ But, he wrote, “neither is there any case which precludes it.”⁵⁵ Rather, Justice Powell thought his approach was in line with the statute, even though copyright law did not contemplate the problem before the Court.⁵⁶ Justice Powell disparaged the Court of Claims, “which managed to read the ‘fair use’ doctrine as encompassing wholesale, verbatim reproduction of entire copyrighted articles. If this is the law, there is not much left to copyright protection.”⁵⁷

To clarify his argument from Conference which had perplexed Justice White, Justice Powell wrote that in “*Woolworth Co.*, the Court held that the use of the in lieu provisions is

⁴⁹ Memorandum to Conference, Associate Justice Lewis F. Powell (Dec. 30, 1974), in *Williams & Wilkins* file, Blackmun Papers.

⁵⁰ Letter from Associate Justice Byron White to Associate Justice Lewis F. Powell (Jan. 8, 1975), in *Williams & Wilkins* file, Blackmun Papers.

⁵¹ *Id.*

⁵² *Id.*

⁵³ *Id.*

⁵⁴ Letter from Associate Justice Lewis F. Powell to Associate Justice Byron White at 1 (Jan. 9, 1975), in *Williams & Wilkins* file, Blackmun Papers.

⁵⁵ *Id.*

⁵⁶ The Court decided *Williams & Wilkins* before the adoption of the 1976 Copyright Act, which amended the statutory damages provision.

⁵⁷ Letter from Associate Justice Lewis F. Powell to Associate Justice Byron White at 1 (Jan. 9, 1975), in *William & Wilkins* file, Blackmun Papers.

appropriate where proved damages and profits are not in excess of the statutory limit, but it emphasized that the damage decision is a matter of sound judicial discretion.”⁵⁸ Justice Powell wrote that his approach is compatible with *Woolworth Co.* in that “[o]ne of the facts, and I would think the determinative fact, governing the exercise of judicial discretion in a case such as this is that the photocopying was noncommercial and not for profit.”⁵⁹ He thought that when photocopies were put to non-profit uses resorting to statutory damages would be unfair, and instead the trial court should award only actual damages, and only when they can be proved. Justice Powell went on to say that although in for-profit cases, a “reasonable royalty rule” would diminish deterrence, in the case of non-commercial copying, “the public interest, in my view, does not favor a like measure of deterrence.”⁶⁰ In any event, Justice Powell wrote that he was not proposing a “reasonable royalty rule.” Rather, he suggested that in non-commercial cases, the copyright owner must be limited to actual damages, proved by the best evidence available. If the proprietor customarily allows photocopying for a reasonable license fee, that fee equals the damage the proprietor has suffered.⁶¹

Justice Powell’s arguments evidently did not persuade Justice White as the final decision issued on February 25, 1975 was split four to four. Had Justice Powell succeeded, the Supreme Court probably would have reversed the Court of Claims and found NIH and NLM liable for infringement. That result, as well as Justice Powell’s position that non-profit organizations could be liable only for actual damages, and not statutory damages, could have had a significant impact on the ongoing negotiations concerning what became the 1976 Copyright Act.

Five months later, Justice Douglas sent a memorandum to the Conference expressing his view that it had been a mistake to affirm the case by an equally divided court.⁶² Justice Douglas informed the members of the Conference of a bill in the House Judiciary Committee that would define “fair use” broadly. Justice Douglas wrote that he believed it would pass, and would “provide an adequate ground for affirming the judgment on the law.”⁶³ In the meantime, he thought “it would be prudent to put this case down for reargument.”⁶⁴ Reargument did not occur, but soon thereafter Congress did pass the Copyright Act of 1976, which included both a codification of the fair use doctrine as well as exceptions for copying by libraries.⁶⁵

IV. TWENTIETH CENTURY MUSIC, CORP. v. AIKEN, 422 U.S. 151 (1975)

A. Background

⁵⁸ *Id.*

⁵⁹ *Id.* at 2.

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² Associate Justice William O. Douglas, Memorandum to Conference at 1 (July 28, 1975), in *Williams & Wilkins* file, Blackmun Papers.

⁶³ *Id.*

⁶⁴ *Id.*

⁶⁵ *See* 17 U.S.C. §§ 107 and 108.

A restaurant received radio broadcasts of music and other programming, which it played over speakers so that they could be heard by employees and customers. The station that broadcast the songs was licensed to do so by the American Society of Composers, Authors, and Publishers (ASCAP), but the restaurant did not hold such a license. The copyright holders of two of the songs sued the restaurant owner. The district court granted summary judgment to the copyright holders and found that the restaurant infringed the copyright owners' performance right.⁶⁶ The Third Circuit reversed.⁶⁷ The Supreme Court affirmed, holding that the restaurant owner's playing of the music, where the radio station was licensed to perform the music publicly, was not a "performance" within the meaning of section 1(e) of the 1909 Copyright Act and therefore was not infringement.⁶⁸ Justice Stewart wrote the opinion for the Court, which Justices Brennan, White, Marshall, Powell and Rehnquist. Justice Blackmun concurred in the result.⁶⁹ He acknowledged that *Fortnightly*⁷⁰ and *Teleprompter*⁷¹ are binding precedent, so the Court should take this opportunity to limit them to their facts. Chief Justice Burger filed a dissenting opinion, which Justice Douglas joined.

B. Behind the Scenes

In a memorandum drafted prior to oral argument, Justice Blackmun indicated that he planned to vote to reverse the Third Circuit and find that the restaurant's playing of the music was an infringing performance.⁷² Justice Blackmun continued to believe that *Fortnightly* and *Teleprompter* were wrongly decided and that *Buck* should control. Even if *Buck* were limited to its facts, "one could say that it was limited to the facts of radio rebroadcasting within a public business establishment."⁷³

[F]or more than 40 years radio broadcasters and rebroadcasters and owners of copyrighted works have arranged their affairs in the principles enunciated in the *Buck* case. A rejection of those principles, therefore, will disrupt at least part of the domestic broadcast economic structure and possibly could undermine the network of reciprocal international agreements between artists and performers...⁷⁴

Nonetheless, Justice Blackmun ultimately did not vote for reversal but instead concurred with the majority decision to affirm. As indicated in his concurrence, and similar to his dissent in *Teleprompter*, Justice Blackmun preferred to limit *Fortnightly* to its facts and instead follow the

⁶⁶ *Twentieth Century Music Corp., v. Aiken*, 356 F. Supp. 271 (W.D. Pa. 1973).

⁶⁷ *Twentieth Century Music Corp., v. Aiken*, 500 F.2d 127 (3d Cir. 1974).

⁶⁸ *Twentieth Century Music*, 422 U.S. at 162.

⁶⁹ 422 U.S. 151, 167 (1975) (Blackmun, J., concurring).

⁷⁰ 392 U.S. 390 (1968).

⁷¹ 415 U.S. 394 (1974).

⁷² Associate Justice Harry A. Blackmun, Memorandum to File at 1 (Apr. 15, 1975), in *Aiken* file, Blackmun Papers. Oral argument occurred on April 21, 1975, and the Conference occurred on April 23, 1975.

⁷³ *Id.* at 3.

⁷⁴ *Id.* at 4.

precedent set in *Buck*.⁷⁵ His papers do not indicate what caused him to abandon his earlier decision to vote for reversal and reluctantly follow the precedent of *Fortnightly* and *Teleprompter*.

On June 2, 1975, Chief Justice Burger informed the other Justices that “in due course, I will circulate a brief, mild dissent, which may help generate some long overdue Congressional action.”⁷⁶ The following year, Congress finally replaced the 1909 Copyright Act with the 1976 Copyright Act.

V. SONY CORP. OF AMERICA v. UNIVERSAL CITY STUDIOS, 464 U.S. 417 (1984)

The Justices’ papers provide startling insights into the development of *Sony Corporation of America v. Universal City Studios*, 464 U.S. 417 (1984) (“*Betamax*”). Because of the wealth of information concerning this critical decision, this section of this article is significantly longer than the other sections.⁷⁷

First, the Justices’ papers show that Justice Blackmun supplied the fourth vote in favor of granting certiorari because he sought to *affirm* the Ninth Circuit, which had found that home recording was not fair use. Justice Blackmun was initially assigned the task of writing the majority opinion, but when he failed to get a majority of the Court to join him, his draft opinion became the dissent. Second, Justice Stevens’ first draft of what eventually became the majority opinion relied not on fair use, but on the theory that private copying did not infringe any of the exclusive rights under Section 106 of the 1976 Copyright Act. Third, the Justices’ correspondence reveals that Justice O’Connor proved to be the “swing vote.” Although she initially favored affirming the Ninth Circuit, she had considerable difficulty with some of Justice Blackmun’s positions. He accepted two sets of Justice O’Connor’s revisions, but refused to yield to a third set. By then, Justice O’Connor seems to have revised her thinking on fair use, and she began to work with Justice Stevens’ opinion.

A. Background

In 1976, the Sony Corporation of America began marketing the Betamax, a first-generation videotape recorder, with an advertising campaign that promised: “Now You Don’t Have To Miss Kojak Because You’re Watching Columbo.”⁷⁸ The Betamax was the first compact, affordable consumer videotape recorder on the market.⁷⁹ Two holders of copyrighted audiovisual works, Universal City Studios and Walt Disney Productions, filed suit in federal district court against the Sony Corp., the Sony Corp. of America, Sony’s advertising agency, four retailers of Betamax

⁷⁵ 422 U.S. 151, 167 (1975) (Blackmun, J., concurring).

⁷⁶ Memorandum from Chief Justice Warren E. Burger to the Conference (June 2, 1975), in *Aiken* file, White Papers.

⁷⁷ For another analysis of the revelations of the Justices’ papers concerning the *Betamax* decision, see Jessica Litman, *The Story of Sony v. Universal Studios: Mary Poppins Meets the Boston Strangler* in Jane Ginsburg and Rochelle Dreyfuss, *INTELLECTUAL PROPERTY STORIES* (2006).

⁷⁸ Malcolm Jones, *The Invasion of the VCRs*, ST. PETERSBURG TIMES, April 26, 1987, at 7D.

⁷⁹ See Steve Lohr, *Hard-Hit Sony Girds for a Fight in the American Market*, N.Y. TIMES, Aug. 14, 1983, Sec. 3 at 8.

machines, and one individual Betamax owner.⁸⁰ The studios sought relief for direct and contributory infringement of their copyrights in numerous broadcast television entertainment programs and motion pictures. Notably, the studios did not seek to recover damages from the owners and users of Betamax machines; the individual Betamax owner was included in the suit solely to prove direct infringement. Rather, the studios sought from the corporate defendants money damages, an accounting of profits, and an injunction against further manufacture of Betamax machines. Sony responded that recording for home use by individual Betamax owners did not amount to copyright infringement, and, even if it did, the defendants could not be held responsible under theories of contributory infringement or vicarious liability.

Three years later, following a five-week trial, the district court ruled against the studios. Specifically, the district court found an implied exemption for home video recording in the legislative history of the 1976 Copyright Act.⁸¹ The court further held that even if such recording were not exempted, Betamax users were shielded from liability by the fair use doctrine.⁸² In any case, the district court found that Sony was not a contributory infringer because it did not know that home video recording was an infringement when it manufactured and sold its machines.⁸³ The district court's opinion focused on the fact that the taping took place in private homes for private, noncommercial home use, and on the fact that the copied programs were voluntarily sold by the copyright holders for free broadcast over public airwaves. According to one commentator:

The district court decision was like a shot heard around the world of Disney, and beyond. For the first time, a court ruled that copying for mere entertainment, convenience or increased access (rather than criticism, news reporting, or scholarship) was fair use; that copying of a whole work could qualify; and that it would be “highly intrusive” and “practically impossible” to enforce copyright prohibitions involving noncommercial copying in the home. Perhaps most significantly, the decision suggested that the copyright holder must prove economic harm to prove copyright infringement.⁸⁴

Universal and Disney appealed the ruling to the Ninth Circuit, which reversed the trial court.⁸⁵ The appeals court held that noncommercial private home videotaping infringed the studios' copyrights,⁸⁶ and that Sony was contributorily liable for infringement because of its awareness that Betamax machines would be used to reproduce copyrighted programs.⁸⁷ The Ninth Circuit explicitly rejected the district court's reading of the text and legislative history of the Copyright Act of 1976, finding no evidence that Congress created or intended to create an exemption for

⁸⁰ *Universal City Studios, Inc. v. Sony Corp. of America*, 480 F. Supp. 429, 432 (C.D. Cal. 1979).

⁸¹ *Id.* at 447.

⁸² *Id.* at 456.

⁸³ *Id.* at 459.

⁸⁴ Joni Lupovitz, *Beyond Betamax and Broadcast: Home Recording from Pay Television and the Fair Use Doctrine*, 2 FORDHAM ENT. MEDIA & INTELL. PROP L. F., 69, 78-79 (Spring 1992).

⁸⁵ *Universal City Studios, Inc. v. Sony Corp. of America*, 659 F.2d 963 (9th Cir. 1981).

⁸⁶ *Id.* at 969.

⁸⁷ *Id.* at 975-76.

home videotaping.⁸⁸ The court adopted a narrow interpretation of the fair use doctrine, suggesting that only “productive” uses are protected by the fair use exception.⁸⁹

The Ninth Circuit did affirm two aspects of the district court's opinion: that the display of small portions of copyrighted works by retailers of Betamax machines did not constitute infringement; and that Sony did not directly infringe the studios' copyrights.⁹⁰ The case was remanded to the district court for a determination of Sony's remaining affirmative defenses and for the fashioning of appropriate relief. Noting that the issue of relief was “exceeding complex,” the Ninth Circuit suggested that the district court consider equitable remedies, including “temporary and final injunctions,” statutory damages and “a continuing royalty.”⁹¹

The Supreme Court granted Sony’s petition for a writ of certiorari.⁹² The Court heard oral argument on January 18, 1983, then held the case over for reargument on the first day of the 1983-84 term. Finally, on January 17, 1984, the Court announced its decision, reversing the court of appeals by a 5-4 vote.⁹³ Justice John Paul Stevens delivered the lengthy opinion of the Court, joined by Chief Justice Warren Burger and Justices William Brennan, Byron White and Sandra Day O’Connor. Joining Justice Harry Blackmun’s equally lengthy dissent were Justices Thurgood Marshall, Lewis Powell and William Rehnquist.

The Court’s opinion focused on the issues of fair use and contributory infringement. The Court first established the rule that if a product which can make infringing copies is also “capable of commercially significant noninfringing uses,”⁹⁴ the sale of that product, like the sale of other staple articles of commerce,⁹⁵ does not constitute contributory copyright infringement.⁹⁶ The Court rejected Universal's “novel theory” that “supplying the ‘means’ to accomplish an infringing activity and encouraging that activity through advertisement are sufficient to establish liability for copyright infringement.”⁹⁷ The Court then turned to the question of whether the Betamax was capable of commercially significant non-infringing uses. The Court found that some copyright holders would not object to the time-shifting of their programs by individuals.

The Court further found that unauthorized time-shifting of copyrighted programs for later viewing in one's home was a fair use under Section 107.⁹⁸ With respect to the first fair use factor,

⁸⁸ *Id.* at 967 (“[I]t is clear that Congress did not intend to create a blanket exemption for home video recording, even when the recording is not for a commercial purpose.”).

⁸⁹ *Id.* at 970 (“It is noteworthy that the statute does not list ‘convenience’ or ‘entertainment’ or ‘increased access’ as purposes within the general scope of fair use”).

⁹⁰ *Id.* at 976.

⁹¹ *Id.*

⁹² *Sony Corp. of America v. Universal City Studios, Inc.*, 457 U.S. 1116 (1982).

⁹³ *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984).

⁹⁴ *Id.* at 442.

⁹⁵ The court imported its analysis from the staple article of commerce doctrine in patent law, while recognizing the “substantial differences between the patent and copyright laws.” *Id.*

⁹⁶ *Id.*

⁹⁷ *Id.* at 436.

⁹⁸ *Id.* at 449.

the nature or purpose of the use, the Court announced *in dicta* that “every commercial use of copyrighted material is presumptively an unfair exploitation of the monopoly privilege that belong to the owner of the copyright....”⁹⁹ Conversely, every noncommercial use was presumptively fair. With respect to the fourth fair use factor, the market impact of the use, Justice Stevens stated: “What is necessary is a showing by a preponderance of the evidence that some meaningful likelihood of future harm exists,”¹⁰⁰ rather than a mere tendency to diminish sales. With commercial uses, that likelihood of future harm may be presumed; but with noncommercial uses such as home time-shifting, it must be demonstrated. Pointing to the trial court's finding that no likelihood of future harm had been shown at trial and to Universal's admission that no actual harm had occurred to date, the Court held that “respondents failed to demonstrate that time-shifting would cause any likelihood of nonminimal harm to the potential market for, or the value of, their copyrighted works.”¹⁰¹ Because the “product is widely used for legitimate, unobjectionable purposes,”¹⁰² the Court held the sale of Betamax machines “to the general public does not constitute contributory infringement of respondents' copyrights.”¹⁰³

The Court noted a need for Congressional action and stated that in a case such as this, in which Congress and precedent provide insufficient guideposts for judicial action, the Court must be cautious in construing the rights created by statute: “Sound policy, as well as history, supports our consistent deference to Congress when major technological innovations alter the market for copyrighted works”¹⁰⁴ The Court concluded: “[I]t is not our job to apply laws that have not yet been written.”¹⁰⁵

The Court's *Betamax* decision was hailed as “a major victory for the electronics industry” and for consumers.¹⁰⁶ Others were not so pleased. Jack Valenti, president of the Motion Picture Association of America, wondered whether the “copyright is real or whether it is mush,” and insisted that “the future of creative entertainment of the American family is what's at stake here.”¹⁰⁷ Irwin Winkler complained that “[c]reative people have to eat. With this decision they will make less income. They eat a little less. Maybe they create a little less.”¹⁰⁸ Some scholarly reaction to *Betamax* also has been decidedly uncharitable. Professor Lloyd Weinreb argues that the *Betamax* result “make[s] sense, even good sense, which is unhappily absent from much of the opinion[.].... Most of the commentary about the *Sony* opinion has been critical, even dismissive.”¹⁰⁹

⁹⁹ *Id.* at 451.

¹⁰⁰ *Id.*

¹⁰¹ *Id.* at 456.

¹⁰² *Id.* at 442.

¹⁰³ *Id.* at 456.

¹⁰⁴ *Id.* at 431.

¹⁰⁵ *Id.* at 456.

¹⁰⁶ Linda Greenhouse, *Television Taping at Home is Upheld by Supreme Court*, N.Y. TIMES, Jan. 18, 1984, at A1.

¹⁰⁷ Richard Stengel, *Tape It to the Max: The Supreme Court Says a VCR Switch in Time is Not a Crime*, TIME, Jan. 30, 1984, at 67 (quoting Professor Weinreb).

¹⁰⁸ *Id.*

¹⁰⁹ Lloyd L. Weinreb, *Fair's Fair: A Comment on the Fair Use Doctrine*, 103 HARV. L. REV., 1137, 1153 (190), citing Jay Dratler, Jr., *Distilling the Witches' Brew of Fair Use in Copyright Law*, 43

Notwithstanding this criticism, *Betamax* is the cornerstone of all subsequent fair use jurisprudence because it was the Court's first fair use decision following Congress' codification of the judge-made doctrine in Section 107 of the Copyright Act of 1976.

B. Behind the Scenes

1. The Grant of Certiorari and Preparing for Oral Argument

Justice O'Connor's case file contains a May 19, 1982 memo from a clerk on whether to grant Sony's cert. petition.¹¹⁰ The memo states that "there can be no doubt that this is a very important case. The size of the VTR industry, the use of VTR's by millions of Americans, and the threat of the [Court of Appeal's] decision to the industry makes this a case the Court might want to grant."¹¹¹ The memo continues that on the other hand, "there is no square conflict that demands resolution."¹¹² Further, "the CA's decision in some ways does not seem unreasonable."¹¹³ Moreover, "the strongest argument against granting in this case is that Congress is considering legislation to solve the problem. If the Court denied the case it would retain the option of reviewing the CA's decision after remand. By thus postponing the review, the Court would give Congress a chance to pass legislation aimed directly at VTR's."¹¹⁴ The clerk concludes, "on balance, the Court might well deny at this point, in the hope that Congress will amend the copyright law before the conclusion of the remand of the case to the [District Court]. At that time, the Court would be justified in granting the case because of its importance."¹¹⁵

Notwithstanding the clerk's advice, Justice O'Connor joined Justices Burger, Stevens, and Blackmun in supporting the grant of cert.¹¹⁶ Since a grant of cert. requires four votes in favor, had any of the Justices opposed cert. as the clerk suggested, the Court would not have heard the case, and the Ninth Circuit's decision would have remained in place.

Likewise, of the four Justices supporting the petition, only Justice Blackmun ultimately sought to affirm the Ninth Circuit's ruling. Thus, had Justice Blackmun *opposed* the petition, it would not have been granted, and the Ninth Circuit's holding would have remained intact. Although Justice Blackmun probably supported the petition because he thought that the Supreme Court would affirm the Ninth Circuit, it proved to be a dangerous strategy.

U. MIAMI L. REV. 233, 260-88 (1988); William W. Fisher III, *Reconstructing the Fair Use Doctrine*, 101 HARV. L. REV. 1659, 1664-92 (1988).

¹¹⁰ The name "Holleman" appears on the last line of the memorandum. Frank Holleman was one of Justice Blackmun's clerks that term. This memorandum likely was the "cert pool" memorandum.

¹¹¹ Preliminary Memorandum at 11 (May 19, 1982), *Betamax* file, O'Connor Papers.

¹¹² *Id.* at 12.

¹¹³ *Id.*

¹¹⁴ *Id.*

¹¹⁵ *Id.* at 12-13.

¹¹⁶ Bench Memorandum for Associate Justice Thurgood Marshall at 1 (Oct. 3, 1983), *Betamax* file, Marshall Papers.

Justice O'Connor's case file also includes a bench memo prepared by a clerk before the oral argument in January 1983. On the first page of the memo, Justice O'Connor handwrote a note that appears to summarize her view of the case after reading the bench memo: "Home use is simply not a productive use for purp[ose]s of copyright law. The fair use factors don't come into play unless have a productive use."¹¹⁷ This note encapsulates the fair use discussion in the bench memo, and reflects the Ninth Circuit's discussion of fair use, as well as that of the Blackmun dissent. Justice Stevens rejected this productive use theory of fair use in footnote 40 of his opinion for the Court.

The bench memo contains other interesting remarks. The clerk notes that "this case has an unfortunate aspect and an annoying aspect."¹¹⁸

What is unfortunate about this case is that fair-use jurisprudence has existed quite nicely for decades with absolutely no guidance from this Court. The Court must now decide the first fair use case in its history and its decision must necessarily have some far-reaching implications for fair-use theory generally (i.e., audio recording) even though Congress will likely address the specific situation involved here by statute within the next two years....

What is annoying about this case is that contrary to popular perception, Congress was not unaware of this problem in 1976. Although Sony began to market the Betamax in 1975, Sony had been marketing a videorecorder for commercial purposes since 1965. Congress was not ignorant of the videorecorder problem. It appears as though they very deliberately avoided discussion and resolution of the problem and its fair use implications so that the courts would decide the issue.¹¹⁹

Putting aside the clerk's naivete about the way Congress operates, the clerk recognized an issue that persists to this day: Congressional inability to address to new technologies in a timely manner.

The clerk also advised that

Although I will ultimately conclude that [Universal] should prevail, I most strongly urge that the Court not use this case as a vehicle for the examination of copyright law generally. Rather, I recommend that an affirmance of CA9 be written in a very narrow way so that the Court does not succeed in "freezing" the meaning of the fair use doctrine. Specifically, I think that the Court should state that its holding is restricted only to the blanket fair-use exemption for videorecording, and the holding does not mean that videorecording can never be a fair use or that the holding in any way applies to audio recording which, for historical and other reasons, may be treated differently.¹²⁰

¹¹⁷ Bench Memorandum for Associate Justice Sandra Day O'Connor at 1 (Jan. 1983), in *Betamax* file, O'Connor Papers.

¹¹⁸ *Id.* at 8.

¹¹⁹ *Id.*

¹²⁰ *Id.* at 9.

Turning from fair use to the issue of contributory infringement, the clerk wrote that Sony and the District Court's reliance on patent law's staple article of commerce doctrine is "bizarre" because the videorecorder is not capable of a substantial noninfringing use.¹²¹ Unlike cameras and photocopy machines that are used for substantial noninfringing activity, "a VCR is manufactured, advertised, and sold to record television programming, most of which is copyrighted."¹²²

A bench memorandum prepared for Justice White recommended affirmance of the Ninth Circuit below: "the convenience of those who wish to enjoy television's fare does not seem to me to be a compelling reason for taking away one of the exclusive rights of copyright owners that Congress thought necessary to secure a sufficient return."¹²³ Concerning fair use, the memorandum explains that

Section 107 of the new Copyright Act codifies the "fair use" defense, which was a judicial creation. It seems relatively clear, and parties and amici seem to agree, that Congress did not mean to diminish, enlarge, or freeze the doctrine as it had been developed by the judiciary. Thus the fair use issue turns on the view of this Court as to the proper scope of the fair use doctrine, This Court has never discussed the "fair use" doctrine and thus is not bound by precedent.¹²⁴

The memorandum asserts that "the 'fair use' doctrine has generally been used in cases where the person claiming fair use has engaged in original speech and where he is communicating with a willing listener."¹²⁵ The memorandum concluded that "though I would not categorically rule out reliance on the 'fair use' doctrine by one who is not attempting to engage in original speech, I do not think that the equities weigh strongly enough in favor of homeowners to all an exception to the explicit prohibition Congress adopted against reproducing materials in copies."¹²⁶

With respect to contributory infringement, the memorandum distinguished between the mere sale of the VTRs, for which there would be no liability if the VTRs had substantial noninfringing uses; and advertising which promoted infringing uses. While the record was undeveloped with respect to the extent of noninfringing uses, such as copying some copyright owners did not oppose, "it is clear...that the advertisement and promotional techniques of [Sony] have encouraged some people to record copyrighted programs when they might ordinarily not have recorded them."¹²⁷ Because Sony encouraged infringing conduct, it should be liable for contributory infringement even if the device had substantial noninfringing uses.

The memorandum noted that Sony's *amici* such as Sears, Roebuck & Co. relied on trademark law contributory infringement doctrines that the Court discussed in *Inwood*

¹²¹ *Id.* at 21.

¹²² *Id.* at 22.

¹²³ Bench Memorandum for Associate Justice Byron White at 4 (Jan. 1983) in *Betamax* file, White Papers.

¹²⁴ *Id.* at 6.

¹²⁵ *Id.* at 6-7.

¹²⁶ *Id.* at 10.

¹²⁷ *Id.* at 14.

Laboratories v. Ives Laboratories. There, Justice White himself had written a concurring opinion stating that the fact that a company could anticipate that some illegal substitution would occur to some unspecified extent should not by itself be a predicate for contributory liability. But in that opinion Justice White also observed that the Supreme Court in *Warner v. Eli Lilly*, 265 U.S. 526 (1984), found that proof of an intent to induce illegal substitution would trigger liability.

With respect to the mere sale of VTRs reliance of amici in support of reversal on your concurrence in *Inwood Laboratories* may perhaps be well placed. If there are substantial noninfringing uses such that a purchaser will not inevitably use the VTRs to infringe, the standard of *Inwood Laboratories* would be particularly apropos. However, amici ignore the advertising done by [Sony]. *Warner v. Eli Lilly* supports the proposition that if a manufacturer's agents directly or by insinuation suggest that their product be used to infringe upon the intellectual property rights of others that the manufacturer can be held as a contributory infringer.¹²⁸

On this basis, the memorandum concluded that Sony was clearly liable as a contributory infringer for its advertisements.

2. Initial Positions

The oral argument occurred on January 18, 1983. Justice Brennan's files include a memorandum that appears to set forth his views for the Conference that occurred on January 21, 1983. The memorandum notes that "Section 107 is written broadly—perhaps more broadly than the judge-made doctrine that preceded it."¹²⁹ It states that "we should interpret it broadly, in the sense of taking into account a broad range of policy considerations relevant to copyright protection in the four factor framework..."¹³⁰ The memorandum then explains why Justice Brennan, presumably, believes "that 'timeshifting' is a fair use, but 'library building' is not."¹³¹ In particular,

Timeshifting and library building have very different effects on the value of the copyright. Timeshifting merely expands the number of people who can watch an authorized broadcast, and the copyright owner can recover the full value of authorizing that number of single viewings through its contract with the broadcaster. Claims that additional one-time viewers reduce the value of the work because of their ability to fast-forward through the advertisements are speculative, and they should be addressed to Congress. Library building on the other hand, impairs completely separate markets—the market for permanent copies and syndication rights.¹³²

¹²⁸ *Id.* at 15. Justice Stevens distinguished *Inwood Laboratories* and trademark generally at 464 U.S. at 441 n. 19.

¹²⁹ Memorandum from Associate Justice William J. Brennan to File at 1 (January 1983), in *Betamax* file, Brennan Papers. The memorandum incorrectly dated the oral argument and the Conference (January 1982 rather than January 1983).

¹³⁰ *Id.*

¹³¹ *Id.*

¹³² *Id.* at 2.

Much of the fair use analysis in the Court’s final *Betamax* opinion reflects this position Justice Brennan expressed at Conference.

Turning to the issue of contributory infringement, Justice Brennan states that

because of my view that timeshifting is not infringement, I obviously think that videorecorders are ‘suitable for substantial noninfringing use.’ However, it is clear that the Betamax was designed and promoted at least in part for library building, and infringing uses, and part of the machine’s profitability is due to its suitability for substantial infringing use as well. As a matter of legal policy, it is important to let a copyright owner seek damages from a manufacturer who is knowingly profiting from infringements, because the sheer impracticality of suing every private infringer would otherwise leave important harms unremedied. Therefore, I think that Sony and its subsidiaries, at least, may be liable as contributory infringers.¹³³

The Court’s opinion ultimately did not follow Justice Brennan’s view at Conference that Sony was liable for contributory infringement because it designed and promoted the Betamax for library building, an infringing use.

With respect to remedy, Justice Brennan believed that “Sony may be liable for minimum statutory damages or an accounting of the portions of its profits due to infringement for every infringement of their copyrighted material respondents have proved—but there are not very many of them.”¹³⁴ Justice Brennan observed that

§502 gives the District Court authority to impose a compulsory license scheme through injunctions. In order to do that, it would have to engage in factfinding on the percentage of infringing versus noninfringing use to which machines and tapes are put.[...] This is difficult, but no more so than complex fact questions in antitrust cases, and it can be done with the kind of surveys that the parties would submit to the Copyright Royalty Tribunal if the question could be handled there. We should make it clear that a flat ban on the sale of Betamaxes would be an abuse of discretion.¹³⁵

Justice Brennan summed up his position as follows:

I would affirm to the extent that CA9 held (1) that library building was infringement, (2) that Sony could be held liable as a contributory infringer, and (3) that the District Court has discretion to impose a licensing scheme through its injunctive power. I would reverse insofar as CA9 held that timeshifting was infringement.¹³⁶

The tentative vote in the January 21, 1983, Conference had Justices Marshall, Blackmun, Powell, and Rehnquist voting to affirm the Ninth Circuit outright. The other Justices, including

¹³³ *Id.* at 2-3.

¹³⁴ *Id.* at 3.

¹³⁵ *Id.*

¹³⁶ *Id.*

Justice Brennan, either voted to affirm the Ninth Circuit at least in part, or expressed only tentative positions, apparently giving Justice Marshall's group the best chance to form a majority. The senior justice in the apparent majority, Justice Marshall, informed Chief Justice Burger that he had assigned the opinion affirming the Ninth Circuit to Justice Blackmun.

On January 24, 1983, Justice Stevens sent a letter to Justice Blackmun, to which he attached a memorandum that he had dictated for his own use four days earlier. Justice Stevens, who supported reversal of the Ninth Circuit opinion, wrote to outline "the point that most strongly supports a reversal" which he believed had been inadequately developed at oral argument.¹³⁷ Since he expected that point to be emphasized in his dissent, Justice Stevens wrote both as a courtesy to Justice Blackmun and because it "conceivably might persuade one of your adherents to reconsider the matter before positions have become absolutely firm."¹³⁸

The central question for Justice Stevens was whether the making of a single copy of any copyrighted work for a private, noncommercial use is a copyright infringement. Stevens noted that legislative debate in 1971 favored allowing home taping of sound recordings.¹³⁹ Further, although Congress was aware of the practice of private copying of sound recordings, § 106 of the 1976 Copyright Act contains "no prohibition against the reproduction of a single copy for the private use of the person making the reproduction."¹⁴⁰ Stevens argued that in light of Congress' deliberate refusal to confront the issue of private copying when it revised the statute, courts must consider three "values" pointing in the direction of finding the practice lawful: (1) privacy interests, (2) the principle of fair warning to millions of home copiers, and (3) the economic interest in not imposing substantial retroactive fines on an entrepreneur who has successfully developed a new and useful product, "particularly when the evidence as found by the district court indicates that the copyright holders have not yet suffered any actual harm."¹⁴¹

An affirmance by the Court, Justice Stevens added, would make millions of Americans into lawbreakers, liable to copyright holders for statutory damages of \$100 per copy. Justice Stevens wrote that "[w]e would hardly encourage respect for the law if we were to announce in effect: 'Anyone who time shifts a single copy of a sportscast owes the copyright holder either \$250 or \$100, but fear not because this law will never be enforced.'"¹⁴² Justice Stevens argued that an affirmance would create unfortunate consequences for the lower courts, while a reversal still allowed for "a congressional solution that would fairly protect the various competing interests at stake."¹⁴³

¹³⁷ Letter from Associate Justice John Paul Stevens to Associate Justice Harry A. Blackmun at 1 (Jan. 24, 1983), in *Betamax* file, Marshall Papers.

¹³⁸ *Id.*

¹³⁹ *Id.* at 2.

¹⁴⁰ Memorandum from Associate Justice John Paul Stevens to the File at 1 (Jan. 20, 1983), in *Betamax* file, Marshall Papers.

¹⁴¹ Letter from Associate Justice John Paul Stevens to Associate Justice Harry A. Blackmun at 4-5 (Jan. 24, 1983), in *Betamax* file, Marshall Papers.

¹⁴² *Id.* at 5.

¹⁴³ *Id.* at 6.

For Justice Stevens, the question of vicarious liability for the vendor of copying equipment was a separate one, which depended on “the extent to which it is fair to presume that the vendor either knew or should have known that the purchaser's private use of the equipment would be unlawful (because the Copyright Act, unlike the patent statute, does not expressly prohibit contributory infringement).”¹⁴⁴

Justice Stevens’ arguments were persuasive to Justice Powell, who wrote to Justice Blackmun that Stevens’ memorandum “makes the question more difficult for me.”¹⁴⁵ Justice Powell noted that though he had voted with Justice Blackmun at Conference, believing an affirmance to be consistent with Powell's position in *Williams & Wilkins*, 420 U.S. 376 (1975), “[t]he ‘single copy’ argument that John [Stevens] advanced at Conference was new to me.”¹⁴⁶ Justice Powell stated that he wrote “to say that I am not at rest, and need to go back to the ‘books.’”¹⁴⁷

Justice Blackmun responded to Justice Powell later that day, writing that “the difficulties we all encounter will wash out one way or another in the writing.”¹⁴⁸ Acknowledging that “the case [may] have to be reassigned,” Justice Blackmun asked that the other Justices “let that possibility rest until further work has been done.”¹⁴⁹

3. *Opposing Drafts of Blackmun and Stevens*

The first draft of Justice Blackmun’s opinion for the majority was circulated to the Court on June 13, 1983. The draft opinion bore strong resemblance to Justice Blackmun's eventual dissent. After reciting the facts of the case and providing a brief overview of the exclusive rights granted by the Copyright Act, Justice Blackmun painstakingly refuted Justice Stevens’ (and the district court's) private copying argument.¹⁵⁰ Justice Blackmun then turned to Section 107, stressing that for a use to be fair, it usually must be productive.¹⁵¹ Justice Blackmun acknowledged that unproductive uses could be fair, but only if they caused *de minimis* harm. In such cases, he shifted the burden of proof to the defendants: “when the proposed use is an unproductive one, a copyright owner need produce only evidence of a potential for harm. Infringement then will be found, unless the user can demonstrate affirmatively that permitting the use would have no tendency to harm the market for or the value of the copyrighted work.”¹⁵² Justice Blackmun proceeded to overturn the district court's finding that the studios had

¹⁴⁴ *Id.* at 1.

¹⁴⁵ Letter from Associate Justice Lewis F. Powell, Jr. to Associate Justice Harry A. Blackmun at 1 (Feb. 3, 1983), in *Betamax* file, Marshall Papers.

¹⁴⁶ *Id.*

¹⁴⁷ *Id.*

¹⁴⁸ Letter from Associate Justice Harry A. Blackmun to Associate Justice Lewis F. Powell, Jr. at 1 (Feb. 3, 1983), in *Betamax* file, Marshall Papers.

¹⁴⁹ *Id.*

¹⁵⁰ Draft Opinion of Associate Justice Harry A. Blackmun at 7-19 (June 13, 1983), in *Betamax* file, Marshall Papers, appearing in 464 U.S. 463-75.

¹⁵¹ *Id.* at 20-26, appearing in 464 U.S. 475-81.

¹⁵² *Id.* at 26.

suffered no harm. He next analyzed contributory infringement. Justice Blackmun argued that a manufacturer of a product whose “most conspicuous purpose” was infringement should be liable for contributory infringement.¹⁵³ Because the district court had made no finding on the proportion of VTR (videotape recorder) recording that was infringing, Justice Blackmun ordered a remand for further consideration of this issue. He also ordered a remand on remedies, suggesting that the district court consider imposing royalties on the sale of VTRs.

Meanwhile, perhaps sensing that at least one member of the tentative majority could be persuaded to join him, Justice Stevens circulated a draft opinion. Interestingly, this was not a traditional dissent, but a printed memorandum, meticulously written so that merely by replacing the words “should be” with the word “is” in the last sentence,¹⁵⁴ the memorandum could be converted into a majority opinion. Justice Stevens’ draft addressed only the issue of private copying, reiterating the argument, made first in his letter of January 24, that Congress had not prohibited it under the 1976 Act. Justice Stevens noted in his cover memorandum to the Conference that the printed memorandum had been prepared before receiving Justice Blackmun’s draft majority opinion, and promised to circulate supplemental comments shortly.

Justice Stevens’ follow-up memorandum, circulated later that day (June 13, 1983), cited broad underlying areas of agreement between Justice Blackmun’s opinion and his own,¹⁵⁵ and limited disagreement to the question of how the Court should resolve an issue which Congress knowingly failed to address: in this case, private copying. Justice Stevens understood the 1971 House Report to suggest that noncommercial home taping was exempt, and he interpreted the explicit “fair use” exemptions of the 1976 Act not to alter the rules on private home recording, whereas Justice Blackmun’s draft majority opinion drew negative inferences from the 1976 Act’s explicit exemptions. Justice Stevens wrote:

I base my conclusion that there is no infringement in this case on the facts that Congress has never explicitly sought to regulate private noncommercial copying, that Congress has recognized that such activity is exempt in the audio recording context, and that the courts fashioned the “fair use” exception long before it was a statutory term in order to avoid extending the copyright monopoly to activities literally covered by the statute but unforeseen by Congress.¹⁵⁶

¹⁵³ *Id.* at 35.

¹⁵⁴ “The judgment of the Court of Appeals should be reversed.” Memorandum from Associate Justice John Paul Stevens to the Conference at 23 (June 13, 1983), in *Betamax* file, Marshall Papers.

¹⁵⁵ Stevens noted the following: that *Betamax* was a case of first impression on the question of noncommercial, non- public use; that Congress had always taken the lead in responding to major technological changes that affected the copyright system; that there was no legal distinction between audio and video tape recording; that asserted prospective harms were speculative; that only Congress could provide a satisfactory solution to the issue; and that affirming the Court of Appeals might lead to further litigation.

¹⁵⁶ Supplemental Memorandum from Associate Justice John Paul Stevens to the Conference at 2-3 (June 13, 1983), in *Betamax* file, Marshall Papers.

Justice Blackmun and Stevens also differed over the social value of the practice of time shifting. While Justice Blackmun found that “VTR recording creates no public benefits sufficient to justify [allowing it],”¹⁵⁷ Justice Stevens argued that “time shifting makes television programming available to viewers who would otherwise miss it,” thus serving a public interest.¹⁵⁸

Justice Blackmun responded to Justice Stevens’ criticisms on June 14, 1983, with a memorandum to the Conference. In response to Justice Stevens’ position that Congress ought to take the lead in responding to new technologies, Justice Blackmun asserted that Congress had done so only because the Court’s response in the past to new technologies had been to construe copyright law narrowly, provoking Congressional reaction. Justice Blackmun believed that unlike previous copyright laws, the 1976 Act was intended to cover all technologies and uses, “whether or not they were specifically contemplated or even known at the time the Act was passed.”¹⁵⁹

Justice Blackmun challenged Justice Stevens’ assertion that the 1976 Act permitted home audio taping, pointing out that the Act “change[d] the nature of the sound recording copyright,” and suggested that “home reproduction of sound recordings [may] now [be] an infringement of copyright.”¹⁶⁰ Moreover, Justice Blackmun dismissed the significance of the fact that the studios were not seeking recovery from individual Betamax owners: “It is frequently impossible to recover from individual infringers, and it is precisely this fact that gave rise to the doctrine of contributory infringement.”¹⁶¹ The specific remedy in this case would be determined by the district court on remand, after full briefing. Justice Blackmun envisioned the case carrying forward as complex class litigation, with possible relief in the form of “royalty and licensing schemes” such as those administered by the Copyright Royalty Tribunal or authors’ collecting societies. Justice Blackmun added that the unavailability of complete relief ought not act as a bar to the finding of liability as a matter of law.

In a memorandum circulated on June 14, Justice Rehnquist applauded Justice Blackmun’s efforts, writing that he fully agreed with his approach to remedy. Justice Rehnquist announced that he would join Justice Blackmun’s opinion if it were modified to reflect Justice Blackmun’s latest memorandum responding to Justice Stevens.¹⁶² Chief Justice Burger, on the other hand, joined the Stevens opinion.¹⁶³

4. Justice Brennan’s “Third Alternative”

¹⁵⁷ Draft Majority Opinion of Associate Justice Harry A. Blackmun at 24 (June 13, 1983), in *Betamax* File, Marshall Papers.

¹⁵⁸ Supplemental Memorandum from Associate Justice John Paul Stevens to the Conference at 3 (June 13, 1983), in *Betamax* file, Marshall Papers.

¹⁵⁹ Memorandum from Associate Justice Harry A. Blackmun to the Conference at 2 (June 14, 1983), in *Betamax* file, Marshall Papers.

¹⁶⁰ *Id.* at 3.

¹⁶¹ *Id.* at 4.

¹⁶² Letter from Associate Justice William H. Rehnquist to Associate Justice Harry M. Blackmun (June 14, 1983), in *Betamax* file, Brennan Papers.

¹⁶³ Letter from Chief Justice Warren Burger to Associate Justice John Paul Stevens at 1 (June 15, 1983), in *Betamax* file, Marshall Papers.

Also on June 14, 1983, Justice Brennan joined the debate “with some trepidation,” and placed on the table a “third alternative.”¹⁶⁴ At Conference, Justice Brennan had supported a partial affirmance of the Ninth Circuit, drawing a distinction (as noted above) between “time-shifting” (fair use) and “library building” (infringement). Justice Brennan now wrote that he agreed with Justice Stevens that the Ninth Circuit should be overruled outright. He added, however, that he

cannot agree with John [Stevens] that Congress has implicitly enacted a broad exemption from the Copyright Act for all cases of private, noncommercial, single-copy reproduction.... The home-use audio exemption, if it exists, was the product of a specific political compromise, and it cannot provide a theoretical basis for a broader exemption.¹⁶⁵

Justice Brennan endorsed Justice Blackmun’s reasoning that “Sony can be liable for contributory infringement only if the Betamax’s ‘most conspicuous purpose’ or ‘primary use’ is an infringing use.”¹⁶⁶ Justice Brennan, however, believed “that a good deal of timeshifting is fair use.”¹⁶⁷ He further believed that the studio’s allegations of potential harm “are simply empty when applied to most timeshifting.”¹⁶⁸ Accordingly, Justice Brennan could not “agree that the Betamax’s ‘primary use’ is infringement” nor “that the Copyright Act authorizes the sort of complex, multiparty proceeding that Harry [Blackmun]’s opinion contemplates to frame an appropriate remedy.”¹⁶⁹

In closing, Justice Brennan noted that Sony was not a contributory infringer “[a]s long as the Betamax has substantial noninfringing use”¹⁷⁰ Stating his intention to write an opinion, Justice Brennan indicated it would be a “bare bones” effort unless it attracted substantial support.

In his “third alternative,” Justice Brennan not only shifted his position on the staple article of commerce doctrine to hold that a sufficient proportion of the Betamax’s use was for noninfringing purposes (i.e., time-shifting) so as to avoid contributory liability. He also abandoned his position that Sony was liable for contributory infringement because it *promoted* infringing uses such as library-building. At Conference, Justice Brennan appeared to believe that even if Sony was not for the mere sale of the Betamax because it had substantial noninfringing uses such as time-shifting, it could still be liable for advertising the device for infringing uses such as library-building. (Justice White’s clerk articulated a similar view in his bench memorandum, drawing on the Patent Act’s imposition of contributory liability for active inducement in 35 U.S.C. § 271(b).) But in Justice Brennan’s third alternative, Sony’s liability for inducing infringement by promoting library building vanished without explanation.

¹⁶⁴ Memorandum from Associate Justice William J. Brennan, Jr. to the Conference at 1 (June 14, 1983), in *Betamax* file, Marshall Papers.

¹⁶⁵ *Id.* at 1-2.

¹⁶⁶ *Id.* at 2, quoting Draft Majority Opinion of Associate Justice Harry A. Blackmun at 35 (June 13, 1983), in *Betamax* file, Marshall Papers.

¹⁶⁷ *Id.* at 2.

¹⁶⁸ *Id.*

¹⁶⁹ *Id.* at 2-3

¹⁷⁰ *Id.* at 4.

5. Justice O'Connor Responds to Justice Blackmun

On June 15, 1983, Justice Blackmun circulated a revised draft of his opinion containing the discussion of the unavailability of complete relief first mentioned in his June 14 memorandum. Justices Marshall and Rehnquist joined this draft. On June 16, Justice O'Connor endorsed Justice Blackmun's "opinion that Sony violated the respondent's exclusive right to make copies and that the 'fair use' exemption is not applicable in this case."¹⁷¹ Justice O'Connor disagreed, however, with Justice Blackmun's reversal of the district court's findings that the studios suffered no harm, actual or potential, as a result of Sony's use. Noting that the district court held that the proof of potential harm was too speculative, Justice O'Connor felt that the district court's findings were not clearly erroneous and should therefore be upheld. Justice O'Connor also rejected Justice Blackmun's burden-shifting scheme, whereby once the copyright owner shows that there has been a violation of an exclusive right and that the use is not productive, the burden shifts to the nonproductive user to disprove the existence of harm.¹⁷² Justice O'Connor asked Justice Blackmun to accommodate her concerns; otherwise, she could not join the judgment.

Later on June 16, Justice Blackmun responded. He differed with Justice O'Connor's reading of the district court's findings on harm:

I read the district court's opinion as finding that at this stage of technological development, it is impossible to say whether harm will occur . . . I believe this finding requires a conclusion that home VTR use is infringement; otherwise, we run the risk of holding that new uses of copyrighted works are permissible only to find later that the harm to the copyright owner has been substantial. I recognize, however, that the district court's findings are subject to more than one interpretation; you read the district court as making an affirmative finding of no potential for harm.¹⁷³

Accordingly, Justice Blackmun offered the compromise of "remanding to the district court for further consideration of the issue of harm."¹⁷⁴ Justice Blackmun attempted to meet Justice O'Connor's concerns about burden of proof by retaining the burden-shifting scheme, but raising plaintiff's initial burden to be a substantial showing of a potential or possibility of harm. Justice Blackmun asked Justice O'Connor to suggest specific changes in language.

6. Justice White's Compromise

On June 17, 1983, Justice White attempted to broker a compromise between the Stevens and Brennan approaches. Justice White was not convinced that Congress, either before or after the 1976 Act, "intended each home recorder of copyrighted works to be an infringer, whether he

¹⁷¹ Memorandum from Associate Justice Sandra Day O'Connor to Associate Justice Harry A. Blackmun at 1 (June 16, 1983), in *Betamax* file, Marshall Papers.

¹⁷² *Id.*

¹⁷³ Memorandum from Associate Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 2 (June 16, 1983), in *Betamax* file, Marshall Papers.

¹⁷⁴ *Id.*

records sound or video.”¹⁷⁵ Justice White felt that, before 1976, the home recorder clearly did not infringe, and that Congress did not intend to change the law in that respect in 1976: “Thus I cannot agree with Harry [Blackmun]’s draft and am closer to John [Stevens] than to you [Brennan].”¹⁷⁶ Nevertheless, given that no relief was sought against the homeowner and that both Justices Brennan and Stevens agreed that Sony was not a contributory infringer, albeit for different reasons, Justice White asked, “Need the status of the homeowner be decided at all?”¹⁷⁷ Driving his point home, Justice White said, “If there were five votes to reverse as to Sony, the issue of the homeowner is hardly a pressing question.” Justice White appeared to be suggesting that so long as some uses of the VTR are legitimate (*e.g.*, time shifting), Sony is not a contributory infringer, and thus the Court simply need not reach the issue of whether the homeowner’s other possible uses of the VTR (*e.g.*, library building) infringe.

Justice Stevens wrote back to Justice White, agreeing to his compromise solution and offering to recast his opinion if five votes could be won by avoiding the issue of the homeowner's status:

I would agree that failure of proof of contributory infringement, which rests in part on the total failure of any proof of any impairment of the copyright monopoly, either actual or prospective, is an adequate ground for [reversal]. There is nothing in either the statute itself or any of our prior cases that even remotely suggests that the manufacturer of copying equipment, which has a variety of legitimate uses, can be held liable as a contributory infringer for advertising and selling the equipment to the general public.¹⁷⁸

In a note to Justice White on June 17, 1983, Justice Brennan reported that he and Justice Stevens would be able to get together on an opinion “reversing on contributory infringement grounds without deciding the question of the homeowners.”¹⁷⁹

7. The Debate Continues

Meanwhile, Justice O’Connor had drafted a response to Justice Blackmun in which she stated that a remand would not be fruitful because of the district court’s “strongly expressed view that the harm in this case was entirely too speculative to establish even ‘probable’ harm.”¹⁸⁰ However, O’Connor stated that she might be willing vote for a remand, if three conditions were met:

¹⁷⁵ Letter from Associate Justice Byron R. White to Associate Justice William J. Brennan, Jr. at 1 (June 17, 1983), in *Betamax* file, Marshall Papers.

¹⁷⁶ *Id.*

¹⁷⁷ *Id.*

¹⁷⁸ Letter from Associate Justice John Paul Stevens to Associate Justice Byron R. White at 1 (June 17, 1983), in *Betamax* file, Marshall Papers.

¹⁷⁹ Letter from Associate Justice William J. Brennan, Jr. to Associate Justice Byron R. White at 1 (June 17, 1983), in *Betamax* file, Marshall Papers.

¹⁸⁰ Memorandum from Associate Justice Sandra Day O'Connor to Associate Justice Harry A. Blackmun at 1 (June 18, 1983), in *Betamax* file, Marshall Papers.

1. Rather than create a new nonstatutory exemption for unproductive uses that entail *de minimis* harm, the opinion should address the issue entirely from a fair use perspective, stating that “fair use contemplates both productive and unproductive uses.”¹⁸¹
2. The burden of proof should stay with the copyright owner to show actual or potential harm.¹⁸²
3. The standard for contributory copyright infringement should be the same as that for contributory patent infringement: “whether the item is capable of substantial noninfringing use.”¹⁸³

Justice O’Connor’s demands were seconded on June 18, 1983, by Justice Brennan, who termed them “very constructive,” and stated that he would be “most interested in [Justice Blackmun]’s response.”¹⁸⁴

On June 20, 1983, Justice Powell returned from “the books” to state in a memorandum to Justice Blackmun that he was “strongly tempted” to follow Justice White’s suggestion that the Court “simply conclude on the basis of the findings made by the district court that there can be no contributory infringement in this case.”¹⁸⁵ Nonetheless, he preferred to resolve the case in such a way as to address the “substantive statutory issue” (presumably the private copying issue), thereby inducing Congress to clarify the law. He also agreed with Justice O’Connor’s suggestions in her June 18 letter. Justice Powell therefore wrote that he would join Justice Blackmun’s opinion if it were revised “generally along the lines of her letter.”¹⁸⁶ Justice Powell’s memorandum includes this interesting personal aside: “As the case was assigned to you--in part I suppose--on the basis of my Conference vote, I feel some obligation to remain with you absent a genuine conviction to the contrary.”¹⁸⁷

Following the memorandum of Justice O’Connor, and the supportive letters of Justices Brennan and Powell, Justice Blackmun wrote to Justices Marshall and Rehnquist that he would attempt to “evolve a Court opinion ... that will endeavor to accommodate” them, but that he did

¹⁸¹ *Id.* at 2.

¹⁸² *Id.*

¹⁸³ *Id.* at 2-3

¹⁸⁴ Letter from Associate Justice William J. Brennan, Jr. to Associate Justice Harry A. Blackmun (June 18, 1983), in *Betamax* file, Marshall Papers. Justice Brennan also described *Betamax* as “this difficult case.” *Id.*

¹⁸⁵ Memorandum from Associate Justice Lewis F. Powell, Jr. to Associate Justice Harry A. Blackmun at 1 (June 20, 1983), in *Betamax* file, Marshall Papers.

¹⁸⁶ *Id.*

¹⁸⁷ *Id.*

“not wish to undermine your support.”¹⁸⁸ Justice Marshall responded with a brief note of encouragement: “Go to it. I will more than likely still be with you.”¹⁸⁹

Justice Blackmun circulated another draft of his opinion on June 21, 1983. Justice Blackmun explained the changes he made in an accompanying note to Justices Powell and O’Connor. Justice Blackmun termed the draft “a sincere endeavor on my part to bring at least five of us, and perhaps six, together.”

Justice Blackmun accepted Justice O’Connor’s first point, that fair use comprises both productive and unproductive uses. He suggested that he had never intended to create a new nonstatutory exemption for unproductive uses; rather, he thought his earlier drafts implicitly had indicated that “unproductive uses may be fair if they create no potential for harm.”¹⁹⁰ Accordingly, he had no opposition to making the point explicitly.

In response to Justice O’Connor’s second point, that the burden of persuasion ought to be placed on the copyright owner, Justice Blackmun reiterated his disagreement. Justice Blackmun first argued that the defendant bears the burden because fair use is an affirmative defense. Justice Blackmun next stated that his main concern centered on new technologies, for which the burden of proving “that harm has occurred or that it is more likely than not in the future . . . is a burden that cannot be met.”¹⁹¹ However, he agreed to accommodate Justice O’Connor: “As I read Sandra [O’Connor]’s letter, she agrees that only potential harm need be shown. Thus, I am willing to compromise on the burden of persuasion issue. I do not think it would be unreasonable to require the copyright owner to show a potential for harm, and Part IVB has been altered accordingly.”¹⁹²

Justice Blackmun also repeated his opposition to importing patent doctrines into copyright law. He stressed that “most Betamax owners would not have bought the device if they were restricted to noninfringing uses.”¹⁹³ However, Justice Blackmun again compromised:

I am willing, however, to adopt Sandra [O’Connor]’s proposed standard for contributory infringement, provided that an opinion for the Court can thereby be obtained. I agree that the question of contributory infringement turns on the amount of VTR use that is infringing rather than the amount of television programming that is copyrighted.¹⁹⁴

Justice Blackmun concluded by noting that Justices Marshall and Rehnquist had yet to indicate their agreement with the changes.

¹⁸⁸ Letter from Associate Justice Harry A. Blackmun to Associate Justices Thurgood Marshall and William F. Rehnquist at 1 (June 20, 1983), in *Betamax* file, Marshall Papers.

¹⁸⁹ Letter from Associate Justice Thurgood Marshall to Associate Justice Harry A. Blackmun at 1 (June 20, 1983), in *Betamax* file, Marshall Papers.

¹⁹⁰ Letter from Associate Justice Harry A. Blackmun to Associate Justices Lewis F. Powell, Jr. and Sandra Day O’Connor at 1 (June 21, 1983), in *Betamax* file, Marshall Papers.

¹⁹¹ *Id.*

¹⁹² *Id.*

¹⁹³ *Id.* at 2.

¹⁹⁴ *Id.*

Justice O'Connor responded to Justice Blackmun's new draft with a letter later that day. She wrote that "the opinion is still inconsistent with portions of my views as previously set forth."¹⁹⁵ Justice O'Connor provided a list of four remaining areas of disagreement, including suggested changes in the text that would accommodate her views:

1. Justice O'Connor objected to language that "would ostensibly preclude a finding that any VTR copying (other than that which could be characterized as 'productive use') could be fair use."¹⁹⁶ She wanted to "open up the possibility that certain VTR use, *e.g.*, time-shifting with all advertisements preserved, may be fair use because it generates *de minimis* harm. I understand this to be Bill Brennan's concern as well."¹⁹⁷

2. Justice O'Connor agreed with Justice Blackmun's changes placing the burdens of proof and persuasion on copyright owners, but still had "misgivings about the content of the burden."¹⁹⁸ Justice Blackmun had written that the burden is satisfied by showing "a reasonable possibility of harm." Justice O'Connor preferred to follow the statute, and proposed that the opinion read: "In adhering to the statutory language, we conclude that the copyright owner must show harm to the potential market for, or value of, the copyrighted work."¹⁹⁹

3. Justice O'Connor did not want to give the studios a "second chance" to demonstrate sufficient harm, and did not want the opinion to suggest that the studios had already satisfied their burden.²⁰⁰ She saw no reason to require the district court to reopen the record. She preferred to leave open the question of whether the Studios had shown, or even alleged, harmful effects on the potential market for their copyrights. Justice O'Connor proposed that on remand the district court be permitted to apply the new standard to its findings, without in any manner disapproving those findings.

4. Justice O'Connor wanted to stress that "contributory infringement may result from either inducement or material contribution."²⁰¹ She proposed to "accept the district court's finding that Sony did not induce any infringement."²⁰² Moreover, she differed with Justice Blackmun over the importance of the "dance hall" cases "because they involved instances of *control* by the party found to be the contributory infringer. Whatever else the VTR manufacturers may do, they certainly do not have any control over VTR users."²⁰³ For Justice O'Connor the proper standard was: "is the VTR *capable* of substantial

¹⁹⁵ Letter from Associate Justice Sandra Day O'Connor to Associate Justice Harry A. Blackmun at 1 (June 21, 1983) in *Betamax* file, Marshall Papers.

¹⁹⁶ *Id.*

¹⁹⁷ *Id.*

¹⁹⁸ *Id.*

¹⁹⁹ *Id.* at 2.

²⁰⁰ *Id.*

²⁰¹ *Id.* at 3.

²⁰² *Id.*

²⁰³ *Id.* (emphasis in original).

noninfringing uses.”²⁰⁴ Justice O’Connor proposed that Justice Blackmun alter his opinion to read as follows:

We therefore conclude that there can be no contributory infringement if the VTR is capable of significant noninfringing uses. If a significant portion of what is available to copy on the VTR is either not copyrightable or is copyrighted but the owners have authorized copying, then the VTR must be deemed capable of substantial noninfringing uses irrespective of the actual uses to which VTR’s are put.²⁰⁵

Justice O’Connor indicated that she would join Justice Blackmun’s opinion if he made her changes. This letter clearly reflects the evolution of Justice O’Connor’s thinking since her first memorandum to Justice Blackmun five days earlier. Then, she wrote that “the ‘fair use’ exemption is not applicable in this case.”²⁰⁶ Now, she believed that timeshifting could be fair use, and accordingly, that Sony was not a contributory infringer.

8. Justice Stevens Implements Justice White’s Compromise

Two days later, on June 23, 1983, Justice Stevens circulated a draft opinion implementing the approach suggested by Justice White. The draft resembled the final majority opinion in structure and in reasoning, but differed in language and substantive detail. After reviewing the facts and the decisions below, Justice Stevens turned to a discussion of contributory infringement. Noting that “[t]he Constitutional predicates for the copyright statute and the patent statute are one and the same,” Justice Stevens examined contributory infringement under the patent law.²⁰⁷ He concluded his discussion as follows:

Although there are substantial differences between the patent and copyright laws, there is no reason to believe that the copyright holder should be more entitled to bar noninfringing activities than the patent holder. Indeed, if anything the copyright holder should be less entitled, for by precluding noninfringing uses he could not only block the wheels of commerce, but also impose a tax on the free marketplace of ideas. There should be no finding of contributory infringement for the seller of a staple article of commerce that is used to infringe, unless the seller participates directly in or directly induces an act of infringement. And an article should be deemed a staple article of commerce if it is capable of significant noninfringing uses.²⁰⁸

The notable difference between this standard and that of the final majority opinion is that the majority opinion does not include the clause that the seller of a staple article of commerce could still be liable for infringement if the seller “participates directly in or directly induces an act

²⁰⁴ *Id.* at 3-4.

²⁰⁵ *Id.* at 4.

²⁰⁶ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Harry A. Blackmun at 1 (June 16, 1983) in *Betamax* file, Marshall Papers.

²⁰⁷ Draft Opinion of Associate Justice John Paul Stevens at 18 (June 23, 1983) in *Betamax* file, Marshall Papers.

²⁰⁸ *Id.* at 22-23.

of infringement.”²⁰⁹ Nothing in the Justices’ papers explains the reason for this omission. It could be that Justice Stevens decided that the reference to inducement would be problematic in light of the dissent’s mention that the District Court found that Sony had “advertised the Betamax as suitable for off-the-air recording of ‘favorite shows, ‘novels for television,’ and ‘classic movies.’”²¹⁰ Justice Blackmun in his dissent further stated that he agreed “with the Court of Appeals that if off-the-air recording is an infringement of copyright, Sony has induced...the infringing conduct of Betamax owners.”²¹¹ Even if much of the off-the-air recording induced by Sony’s advertising was, in the majority’s view, noninfringing fair use (*e.g.*, time-shifting), some of the off-the-air recording induced by Sony’s advertising may still have been infringing (*e.g.*, library-building). By explicitly acknowledging the possibility of contributory copyright liability for inducing infringement, Justice Stevens would have been opening the opinion up for criticism that under the record in the District Court, Sony might still be contributorily liable for *inducing* the infringing off-the-air recordings by its *advertising*, notwithstanding the staple article of commerce excusing its *sale* of a device used for making infringing recordings. Justice Stevens may have thought that he could sidestep this problem by deleting the clause referring to direct inducement.²¹² Given how hard it was to assemble a majority in this case, it is not surprising that Justice Stevens sought to avoid the inducement can of worms. Although this omission may have solved a logical deficiency in the majority opinion, the failure to directly address inducement left lower courts confused about the limits of the staple article of commerce doctrine, a confusion the Court resolved only twenty years later in *MGM v. Grokster*.

In the June 23 draft, as in the ultimate majority opinion, after setting forth the standard for contributory copyright liability of device manufacturers and sellers, Justice Stevens asked whether the Betamax is capable of commercially significant non-infringing uses. His discussion of authorized copying was shorter in the June 23 draft than in the final opinion; the final opinion’s extensive references to the record were added in subsequent drafts. Justice Stevens next analysed time shifting as a fair use. This discussion contained several significant differences from the final opinion. First, Stevens referred to the private copying issue:

A simple reading of [Section 106] might suggest that the plain language of subparagraph (1) does not even apply to such conduct -- the paragraph speaks of “copies,” not a single copy. The legislative history demonstrates, however, that the act of making a single copy is not wholly outside the scope of the Act’s analysis....²¹³

Second, Justice Stevens clearly allocated to the plaintiff the burden of proving that a use is unfair.²¹⁴ Absent is the final opinion’s entire comparison of commercial and noncommercial uses,

²⁰⁹ See 464 U.S. at 442.

²¹⁰ 464 U.S. at 489 (J. Blackmun, dissenting).

²¹¹ *Id.* at 490.

²¹² The majority opinion still cited active inducement in section 271(b) of the Patent Act. See 464 U.S. at 435 and 440 n.20.

²¹³ Draft Opinion of Associate Justice John Paul Stevens at 26 (June 23, 1983) (citations omitted), in *Betamax* file, Marshall Papers.

²¹⁴ *Id.* at 29.

and the presumptions that attach to commercial use. Third, Stevens listed four factors leading to the conclusion that the studios have not met their burden of proof:

(A) their complete failure to show that home time shifting would harm the potential market for, or the value of, any identifiable copyrighted materials, (B) the legislative history tending to show that Congress understood such activity to be fair use, (C) the historical relationship between the judiciary and the Congress in developing the copyright law in response to new technological developments, and (D) the profoundly disturbing policy implications of a finding that home time shifting is not fair use.²¹⁵

Justice Stevens' discussion of the list's first factor--the fourth fair use factor in Section 107--was an abbreviated version of his discussion of this issue in the majority opinion, but without any suggestion that the analysis is limited to cases involving non-commercial uses.²¹⁶ The June 23 draft ended at this point, indicating that the discussion of the other three factors would be completed at a future date.

Four days later, on June 27, Justice Stevens circulated his next draft. The June 27 draft included additional facts from the record concerning authorized time shifting²¹⁷ and a lengthy history of copyright's responses "to significant changes in technology."²¹⁸ Justice Stevens made his most significant changes in the fair use section. First, he eliminated one of the factors leading to the conclusion that time shifting constituted fair use: "the historical relationship between the judiciary and the Congress in developing the copyright law in response to new technological developments."²¹⁹

Second, the discussion of the market effect of the use included for the first time the presumption that a commercial use will inflict future harm. Indeed, the paragraph of the June 27 draft which refers to the presumed harm of a commercial use is virtually identical to the corresponding paragraph in the final opinion.²²⁰ Unfortunately, the Justices' papers contain no indication of the origin of this presumption.

Third, in the June 27 draft Justice Stevens completed the discussion of the other factors compelling a conclusion of fair use. He conceded that the legislative history of the 1976 Act does not expressly focus on the question of time-shifting, but proceeds to devote nearly six pages to "two clues that strongly support the conclusion that Congress assumed that such private use was entirely legitimate."²²¹ Justice Stevens then examined policy reasons supporting a fair use finding, notably "[s]pecial constitutional values . . . implicated whenever the Government seeks to regulate

²¹⁵ *Id.*

²¹⁶ *See* 464 U.S. at 450-51.

²¹⁷ Draft Opinion of Associate Justice John Paul Stevens at 6 and 25 (June 27, 1983), in *Betamax* file, Marshall Papers.

²¹⁸ *Id.* at 14-18.

²¹⁹ *Compare* June 23 draft at 29 *with* June 27 draft at 31.

²²⁰ *Compare* June 27 draft at 32 *with* 464 U.S. at 451.

²²¹ June 27 draft at 33.

or prohibit conduct that take [sic] place entirely within the privacy of the home.”²²² This policy discussion derives from Justice Stevens' earlier draft favoring a private copying exemption. The next day, June 28, Justice Stevens circulated yet another draft of his opinion. Substantively the same as the June 27 draft, the new draft included lengthy references to the record in the sections treating authorized time shifting and market impact.²²³ The June 28 draft omitted several passages in the June 27 draft, including the suggestion that Section 106 could be read to exempt private copying.²²⁴ Thus, in the June 28 draft Justice Stevens' private copying argument disappeared for good.

9. Justice Blackmun's Line in the Sand

Also on June 28, while Justice Stevens was circulating his latest draft, Justice Blackmun responded to Justice O'Connor, refusing to make the changes recommended in her June 21 letter. Justice Blackmun declared that “[f]ive votes are not that important to me when I feel that proper legal principles are involved. It therefore looks as though you and I are in substantial disagreement. The case will have to go its own way by a different route from the one I have proposed.”²²⁵

Rejected by Justice Blackmun, Justice O'Connor turned to the Stevens opinion, which had already been endorsed by Justice Brennan.²²⁶ Justice O'Connor wrote to Chief Justice Burger that after “many late nights, and much redrafting. . . [t]he result has been a decided shift to a ‘middle’ position on the merits and a movement toward a more restrictive stance on contributory infringement.”²²⁷ Since Justice Blackmun refused to make any further changes to his approach, Justice O'Connor stated that she was closer to Justice Stevens' opinion than to any other “on the table.”²²⁸ Finally, she wrote that she would agree to reargument if it were the consensus at the next day's Conference.

Justice Stevens also wrote to Chief Justice Burger on June 28, 1983, saying that his draft memorandum reflected “a consensus of views that are shared” by Justices Burger, Brennan, White, Powell, O'Connor, and himself. Justice Stevens suggested that if there were five votes to support

²²² *Id.* at 39.

²²³ Draft Opinion of Associate Justice John Paul Stevens at 23-26 and 31-34 (June 28, 1983), in *Betamax* file, Marshall Papers.

²²⁴ Compare June 28 draft at 27 with June 27 draft at 28-29.

²²⁵ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 1 (June 28, 1983), in *Betamax* file, Marshall Papers.

²²⁶ Memorandum from Associate Justice William J. Brennan, Jr. to the Conference at 1 (June 27, 1983), in *Betamax* file, Marshall Papers.

²²⁷ Letter from Associate Justice Sandra Day O'Connor to Chief Justice Warren Burger at 1 (June 28, 1983), in *Betamax* file, Marshall Papers.

²²⁸ *Id.*

it, the memorandum “is in a form that could be converted into an opinion”²²⁹ He stated his “hope that it would not be necessary to reargue the case.”²³⁰

Justice Marshall wrote to Justice Blackmun on June 28, saying simply “I am still with you.”²³¹ Justice White stated that while he preferred Justice Stevens’ opinion to any others, the case ought to be held over to be reargued the next term: “I would feel more comfortable if we could give the case more attention than time will now allow.”²³² Justice Rehnquist wrote a memorandum to the conference endorsing White’s suggestion. The next day, the Conference decided without further written communication to hold the case over for reargument in the fall.

10. Reargument in the 1983 Term

Reargument occurred on October 3, 1983. The next day, Justice Marshall circulated a letter addressing “the economic impact of time-shifting on copyright holders.”²³³ Justice Marshall argued that the criterion of impact on potential markets stated in § 107 of the 1976 Copyright Act has two implications. First,

an infringer cannot prevail merely by demonstrating that the copyright holder suffered no net harm from the infringer's actions.... Rather, the infringer must demonstrate that he has not impaired the copyright holder's ability to demand compensation from (or to deny access to) any group of people who would otherwise be willing to pay to see or hear the copyrighted work.²³⁴

Second, “the fact that a given market for a copyrighted work would not be available to the copyright holder were it not for the infringer's activities does not permit the infringer to exploit that market without compensating the copyright holder.”²³⁵

Justice Marshall argued that though VTR manufacturers may have created a new market for movie studios’ copyrighted works (people unable to watch the programs when broadcast), the studios have nevertheless “been deprived of the ability to exploit this sizeable market.”²³⁶ He also suggested that most of these viewers “would also be willing to pay some kind of royalty to the

²²⁹ Letter from Associate Justice John Paul Stevens to Chief Justice Warren Burger at 1 (June 28, 1983), in *Betamax* file, Marshall Papers. The inclusion of Justice Powell is surprising; Justice Powell started out with Justice Blackmun, and ultimately joined Justice Blackmun’s dissent.

²³⁰ *Id.* at 1.

²³¹ Letter from Associate Justice Thurgood Marshall to Associate Justice Harry A. Blackmun at 1 (June 28, 1983), in *Betamax* file, Marshall Papers.

²³² Letter from Associate Justice Byron White to Chief Justice Warren Burger (June 28, 1983), in *Betamax* file, Marshall Papers.

²³³ Letter from Associate Justice Thurgood Marshall to the Conference at 1 (Oct. 4, 1983), in *Betamax* file, Marshall Papers. This letter was based in part on a bench memorandum dated October 3, which sharply criticized the Stevens draft opinion.

²³⁴ *Id.* at 2.

²³⁵ *Id.*

²³⁶ *Id.* at 4.

copyright holders.”²³⁷ To Sony's argument that time-shifters compensate the Studios in exactly the same manner as “live” viewers by watching the advertisements, Justice Marshall responded that there was no evidence that rating services measured or would measure time-shifters to estimate the audience size for which the Studios were compensated. He also pointed out that sizeable numbers of time-shifters edit out the advertisements.

Thus, Justice Marshall concluded, “time-shifting cannot be deemed a fair use,” because “time-shifting does have a substantial adverse effect upon ‘the potential market for’ [the Studios'] copyrighted works.”²³⁸ While recognizing that his argument was not dispositive of the case, “the decision below can be reversed only if a sufficient amount of home VTR taping is ‘unchallenged’ by the owners of the copyrights on the programs being copied to enable Sony to satisfy whatever test for contributory infringement the Court settles upon.”²³⁹

Justice Marshall’s memorandum was warmly acknowledged by Justice Blackmun in an October 6, 1983 letter. Justice Blackmun indicated that he would endeavor to incorporate Justice Marshall’s points into what had become, after the second Conference vote, his dissent.²⁴⁰

Justice Brennan’s files contain what appear to be his notes for the Conference held after reargument. He stated:

As I stated last term, I believe that on the record and findings in this case, the Betamax has a substantial noninfringing use—namely, authorized recording, recording noncopyrighted material, and timeshifting. As far as timeshifting is concerned, there is no evidence in the record of economic harm to the copyright holder. Therefore, Sony is not guilty of contributory infringement.²⁴¹

11. Justice Stevens’ Final Revisions: The Presumptive Unfairness of Commercial Use

On November 23, 1983, Justice Stevens circulated a revised draft opinion which changed extensively the language of the June 28 draft without disturbing its holding or reasoning. The November 23 draft is almost identical to the final majority opinion. In section II, Justice Stevens replaced his earlier discussion of changes in copyright law resulting from changes in technology with an analysis of the underlying policy of the copyright law. In the fair use section, he completely omitted the lengthy discussion of “clues” in the legislative history and policy rationales supporting a fair use finding. The discussion of market effect is almost the same as that in the June 28 draft, with a significant addition: the paragraph that briefly discusses the first three fair use factors.²⁴² The passage concerning the first factor, the purpose and character of the use, picks up the theme

²³⁷ *Id.*

²³⁸ *Id.* at 6.

²³⁹ *Id.* at 6-7.

²⁴⁰ Justice Blackmun ultimately incorporated these points at 464 U.S. 484-86.

²⁴¹ Memorandum from Associate Justice William Brennan to File (Oct. 1983), in *Betamax* file, Brennan Papers.

²⁴² Draft Opinion of Associate Justice John Paul Stevens at 29-30 (Nov. 2, 1983), in *Betamax* file, Marshall Papers. See 464 U.S. at 448-50.

of the presumption of harm in cases involving commercial uses, and flatly states that “[i]f the Betamax were used to make copies for a commercial or profit-making purpose, such use would presumptively be unfair.”²⁴³ As with the presumption of harm, the neither the Marshall nor O’Connor papers contain any indication of what prompted Justice Stevens to include this presumption of unfairness.

The November 23 draft also included a lengthy footnote on “productive” uses, responding to Justice Blackmun’s focus on that issue.²⁴⁴ Justice Stevens circulated two additional drafts on November 30, 1983 and January 9, 1984. The November 30 draft incorporated a new concluding paragraph to the contributory infringement section,²⁴⁵ while the January 9 draft added a footnote in the fair use section responding to Justice Blackmun's dissent.²⁴⁶

The remaining documents in Justice Marshall’s *Betamax* files consist of “join” letters, two drafts of Justice Blackmun's dissent with minor alterations, and Justice Blackmun's correspondence regarding minor changes to footnotes.²⁴⁷ On January 17, 1984, Justice Stevens delivered the opinion of the Court with Justices Marshall, Rehnquist and Powell joining Blackmun’s dissent.

11. Final Observations on Betamax

The Justices’ papers reveal the significant contributions made by Justices Brennan, White and O’Connor to the Stevens opinion. Although Justice Stevens was initially prepared to reverse the Ninth Circuit on the grounds that private copying did not infringe any of the exclusive rights granted by copyright, Justices Brennan and White convinced him to base the reversal on fair use and contributory infringement. The standard for contributory infringement--that liability would not attach if the equipment was capable of substantial noninfringing uses--derives from Justices Brennan and O’Connor. The fair use analysis--such as it is--also derives from Justices Brennan and O’Connor.

The papers, however, do not explain the origin of the presumption that commercial uses are unfair and that they harm the market for the copyrighted work. One possible explanation for the absence of any correspondence among the Justices concerning the presumptions is that the Justices simply may not have considered this issue very carefully. This, in turn, may explain the Court’s willingness to back away from the presumptions in *Campbell v. Acuff Rose*, 114 S.Ct. 1164 (1990), to correct the Sixth Circuit's elevation of the presumptions into a *per se* rule against commercial uses.

²⁴³ *Id.* at 30; 464 U.S. at 449.

²⁴⁴ *Id.* at 35; 464 U.S. at 455 n.40.

²⁴⁵ Draft Opinion of Associate Justice John Paul Stevens at 22 (Nov. 30, 1983), in *Betamax* file, Marshall Papers; 464 U.S. at 442.

²⁴⁶ Draft Opinion of Associate Justice John Paul Stevens at 31 n. 33 (Jan. 9, 1984), in *Betamax* file, Marshall Papers; 464 U.S. at 450 n.33.

²⁴⁷ Justice Blackmun made these changes after the issuance of the decision.

The Justices' papers reveal the evolution of Justice Blackmun's dissent from his draft majority opinion. The dissent includes a discussion, taken from Justice Marshall's Memorandum of October 4, on the effect of VTR recording on the potential market for the studio's works.²⁴⁸ The dissent also reflects Justice O'Connor's suggestions, including: diluting the "most conspicuous purpose" standard for contributory infringement; removing from the defendant the burden of proving the absence of harm; and eliminating the outright reversal of the District Court's findings on harm. Justice Blackmun's dissent also contains a new Section VI criticizing the majority's fair use analysis. Interestingly, the Court's decision in *Campbell v. Acuff-Rose* somewhat rehabilitated Blackmun's dissent by stressing that transformative or productive uses should receive preferential fair use treatment.

The Justices' papers underscore that the Court's decision in *Betamax* was anything but inevitable. Either Justices Blackmun or O'Connor could have voted against the petition for certiorari, or a majority could have joined Justice Blackmun in finding the home taping of television broadcasts not to be a fair use. Then, on remand, the District Court may have eliminated the VTR from the U.S. market. This may have precluded the development of the video rental industry, the source both of significant revenues to the studios and of empowerment to consumers who can now choose their own television programming. If the District Court had pursued this remedy, Congress may have responded with a compulsory license scheme similar to the 1992 digital audio recording legislation. Alternatively, the District Court might have imposed its own compulsory licensing regime on VTRs.

Likewise, Stevens' private copying rationale could have prevailed. Congress may have amended the Copyright Act to expressly prohibit private copying, or it may have enacted compulsory licensing regimes for technologies which facilitate copying. Then again, Congress may have done nothing, implicitly agreeing with the Court that the 1976 Copyright Act did not prohibit private copying.

In the end, however, none of these things happened. The Court rejected both the Blackmun and Stevens extremes, and found a middle ground from which our current fair use jurisprudence has blossomed.

VI. HARPER & ROW v. NATION ENTERPRISES, 471 U.S. 539 (1985)

A. Background

Harper & Row Publishers, the holders of the copyright in President Gerald Ford's memoirs, negotiated a prepublication licensing agreement with Time Magazine, in which Time paid \$25,000 in exchange for the right to excerpt 7,500 words from the memoirs. Shortly before Time was to release its article, an unauthorized source provided The Nation Magazine with the unpublished manuscript. The Nation published an article containing paraphrases of passages in the memoirs as well as 300 to 400 words of verbatim quotes which discussed President Richard M. Nixon's resignation and President Ford's subsequent pardon of President Nixon. As a result, Time cancelled the licensing agreement. Harper & Row sued The Nation for copyright infringement. The district

²⁴⁸ See 464 U.S. at 484-85.

court held that the memoirs were protected by the Copyright Act and that The Nation's use constituted infringement.²⁴⁹ The Second Circuit reversed, finding that the paraphrases were not infringements and that the verbatim copying of 300 to 400 words was fair use under section 107 of the Copyright Act.²⁵⁰

The Supreme Court reversed, holding that The Nation's copying was not excused under the fair use doctrine.²⁵¹ Justice O'Connor wrote the majority opinion with Chief Justice Burger and Justices Blackmun, Powell, Rehnquist and Stevens joining. Justices Brennan, White and Marshall dissented. The Court held that although the right of first publication enumerated in 17 U.S.C. § 106 is subject to fair use under 17 U.S.C. § 107, the nature of the interest at stake and the author's right to control first publication outweighed a claim of fair use under the circumstances.²⁵² Additionally, the Court refused to extend the fair use doctrine through the creation of a public figure exception.²⁵³ Finally, the Court found that the factors enumerated in section 107 to determine fair use weighed against such a finding.²⁵⁴

B. Behind the Scenes

Justice O'Connor's file contains a May 14, 1984, memorandum from a clerk concerning the cert. petition. The clerk recommends against the grant of cert. Petitioners

have not presented any square conflict. Both the majority and the dissent in the CA2 point out the requisite analysis in this case is fact-specific and is the sort that must be done on a case-by-case basis. Although I am not convinced that the result here is correct, I do not see a clear-cut issue of law that the Court should address if it were to grant cert in this case.²⁵⁵

Notwithstanding the clerk's advice, Justice O'Connor supported the grant of cert., along with the five other Justices who ultimately joined her opinion.²⁵⁶

On the front page of the bench memorandum prepared before the November 6, 1984, oral argument, Justice O'Connor wrote:

Fair use? This is a pre[publication] case [.] 1st public[ation] right while not express is part of bundle of rites—(a § 106 rite—rite of 1st public[ation] of author's expressed version of news [.]
Much quot[i]ng and close paraphrasing
Knowl[edge] that the [manuscript] was unauth[oriz]ed for distrib[ution]

²⁴⁹ *Harper & Row, Publishers, Inc. v. Nation Enters.*, 501 F. Supp. 848 (S.D.N.Y. 1980).

²⁵⁰ *Harper & Row, Publishers, Inc. v. Nation Enters.*, 723 F.2d 195 (2d Cir. 1983).

²⁵¹ 471 U.S. at 549.

²⁵² *Id.* at 552-54.

²⁵³ *Id.* at 560.

²⁵⁴ *Id.* at 561-69.

²⁵⁵ Memorandum at 10 (May 14, 1984), in *Harper & Row* file, O'Connor Papers.

²⁵⁶ *Id.*

Effect on potential [market] & value²⁵⁷

In the bench memorandum's fair use discussion, the clerk asserted: "at the risk of appearing to oversimplify the case, I believe the intentional copying of verbatim quotations from a purloined unpublished work for the sole purpose of scooping the person who purchased rights of first publication was just plain not 'fair' use."²⁵⁸ Further, the memo stated that "once one accepts that the right of first publication is something of value to the author, the extent of the damage to the author that results from usurpation of that right is a valid factor to be considered under the § 107 analysis of fair use."²⁵⁹ The memo concludes, "absent extraordinary circumstances, which were not shown here, the equities prevent copying the author's as yet unpublished literary expression of the facts."²⁶⁰

Justice Brennan's "Conference Memo" observed that the Court must "consider the prepublication nature of the use in this case but I do not think the timing is dispositive."²⁶¹ He explained:

News reporting may often implicate prepublication use as in the New York Times' recent article about the forthcoming Cardinal Spellman biography. In light of this fact, the minimal amount and proportion of the quoted material, and the important public affairs nature of the quoted material, I think the fact of prepublication use should not preclude a finding of fair use.²⁶²

The focus on the unpublished nature of the manuscript featured prominently in the November 9, 1984 Conference after oral argument, according to Justice O'Connor's notes. Chief Justice Burger said that "these birds got this [manuscript] by larceny. They even copied directly or flagrantly plagiarized. [The District Court] had it right. This is the easiest reverse I have seen this Term. If this is fair use so is bank robbery."²⁶³ Justice Blackmun stated the "prepublic[ation] was a factor to be considered."²⁶⁴ Justice Powell said that he did not think this was a fair use because *The Nation* "used stolen [goods] contemptibly."²⁶⁵ Justice Rehnquist said that he agreed "emphatically" with Justices Burger, Blackmun, and Powell on fair use: "Prepublic[ation] is an [important] factor here."²⁶⁶ Justice O'Connor noted that she stated that "This is a first public[ation]

²⁵⁷ Bench Memorandum for Associate Justice Sandra Day O'Connor at 1 (Nov. 1984), in *Harper & Row* file, O'Connor Papers.

²⁵⁸ *Id.* at 18.

²⁵⁹ *Id.* at 21.

²⁶⁰ *Id.* at 24.

²⁶¹ Associate Justice William Brennan, Conference Memo at 3 (Nov. 1984), in *Harper & Row* file, Brennan Papers.

²⁶² *Id.*

²⁶³ Associate Justice Sandra Day O'Connor, Notes from Conference at 1 (Nov. 9, 1984), in *Harper & Row* file, O'Connor Papers.

²⁶⁴ *Id.* at 2.

²⁶⁵ *Id.*

²⁶⁶ *Id.* at 3.

case which is an [important] element of what is a fair use of [copyrighted] material.”²⁶⁷ She further stated “other factors here which are significant are resp[ondent’s] knowl[edge] that the [manuscript] was unauth[orized] for distrib[ution], and that public[ation] would have [a] negative effect on potential market value.”²⁶⁸ In contrast, the Justices supporting affirmance stated that the republication nature of the manuscript was not a major factor for them.

The discussion of fair use at Conference underscores that although judicial fair use opinions typically proceed through all four factors in an orderly way, there can be one salient fact on which the case really turns in the mind of the decision-maker. Here, that fact was that The Nation printed excerpts of a purloined copy of Ford memoir before its publication.

Justice O’Connor’s Conference notes also reveal how Justice Stevens struggled with this case. Justice O’Connor listed him as tentatively affirming. He called it a “close case.”²⁶⁹ He stated that the “fact th[at] [it] was pre public[ation] is a signif[icant] factor in [the] anal[ysis]. There is damage here to [the] abil[ity]of [the] author to publish & [market the] work. However, [the] infringing words were mostly as to Nixon’s hospital time which was not as signif[icant]. Damage was covered mostly by [the] other parts [concerning the pardon]. Don’t know if [it] is a harmless error anal[ysis].”²⁷⁰ However, in a May 6, 1985 letter to Justice Brennan, copied to the other Justices, Justice Stevens wrote that “after wrestling with this difficult case, I have decided to change my vote and to join” Justice O’Connor’s opinion.²⁷¹

Justice Blackmun’s papers confirm that the initial vote at Conference was a close five to four in favor of reversal.²⁷² Initially, Justice Stevens voted to affirm along with Justices Brennan, White and Marshall. Justice Stevens did not switch his vote to reversal until May 6, 1985, only two weeks before the opinion was announced.²⁷³

Justice O’Connor sent Justice Blackmun a pre-circulation draft of an opinion with a cover note indicating that she had tailored her first draft in an effort to accommodate his views.²⁷⁴ The note also reveals the degree to which Justice O’Connor looked to Justice Blackmun for guidance on copyright matters because “you have written as much as anyone on the Court on the subject of fair use,”²⁷⁵ presumably referring to Justice Blackmun’s dissent in *Betamax*.²⁷⁶

²⁶⁷ *Id.*

²⁶⁸ *Id.*

²⁶⁹ *Id.*

²⁷⁰ *Id.*

²⁷¹ Letter from Associate Justice John Paul Stevens to Associate Justice William Brennan (May 6, 1985), in *Harper & Row* file, O’Connor Papers.

²⁷² Associate Justice Harry A. Blackmun, Notes from Conference (Nov. 9, 1984), in *Harper & Row* file, Blackmun Papers.

²⁷³ Letter from Associate Justice John Paul Stevens to Associate Justice William J. Brennan (May 6, 1985) in *Harper & Row* file, Blackmun Papers.

²⁷⁴ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Harry A. Blackmun (Dec. 17, 1984), in *Harper & Row* file, Blackmun Papers.

²⁷⁵ *Id.*

²⁷⁶ 464 U.S. 417(1984) (Blackmun, J., dissenting).

Following review of Justice O'Connor's first draft of the majority opinion, Justice Blackmun wrote her a letter offering his join and making the following suggestions:

(1) Deleting the paragraph beginning at the bottom of page twenty-one which, according to Justice Blackmun, seemed to “endorse the right to use the copyright laws to ‘refrain from speaking’ in a situation where a public figure has not published a work and is using his copyright to prevent others from publishing particular facts.”²⁷⁷ Justice Blackmun suggested deleting this paragraph or disclaiming “any intent to allow the abuse of a copyright to suppress facts.”²⁷⁸ Justice O'Connor adopted these changes by disclaiming any allowance of the use of copyright to stifle speech.²⁷⁹

(2) Removing the word “nevertheless” and the quote from Judge Meskill that followed on page twenty three that “[c]ourts should be chary of deciding what is and what is not news.”²⁸⁰ Considering that sentence to be at odds with the Senate and House reports, Justice Blackmun suggested adding the following instead: “that, although the courts will not decide what is or is not news, the fact that an article arguably is ‘news’ and therefore is presumed to be a productive use is simply one factor in the fair use analysis.”²⁸¹ The draft opinion was altered to reflect this change, making the opinion more in tune with the discussions of fair use in the committee reports on the Copyright Act.

(3) Deleting the quote on page eighteen from Nimmer on Copyright, which stated that “even if anyone may copy the facts set forth in a copyrighted news article, history book, or similar factual work, subject to the defense of fair use, there may not be a word for word or very closely paraphrased copying.”²⁸² Justice Blackmun thought that this standard for copyrightability was one that the Court should not yet adopt.²⁸³ Rather, Justice Blackmun preferred the analysis of the standard that Justice O'Connor described later in her opinion that recognized that some brief quotes may in fact be necessary.²⁸⁴ Justice O'Connor

²⁷⁷ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 1-2 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers. Justice O'Connor's papers contain the original memo from Justice Blackmun, with (presumably) Justice O'Connor's notation of “OK” next to almost all of Justice Blackmun's points.

²⁷⁸ *Id.* at 2.

²⁷⁹ *See* 471 U.S. at 559.

²⁸⁰ Associate Justice Sandra Day O'Connor, Pre-circulation draft opinion at 23 (1984), in *Harper & Row* file, Blackmun Papers.

²⁸¹ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 1 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

²⁸² Associate Justice Sandra Day O'Connor, Pre-circulation draft opinion at 18 (1984), in *Harper & Row* file, Blackmun Papers.

²⁸³ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 1 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

²⁸⁴ Associate Justice Sandra Day O'Connor, Pre-circulation draft opinion at 26-27 (1984), in *Harper & Row* file, Blackmun Papers.

removed Nimmer's quote from the opinion, thereby deleting this harsh standard that, subject to fair use, did not permit any close paraphrasing.

(4) Deleting the last paragraph on page twenty-five of the pre-circulation draft, which discussed testimony at trial where the defendant described the reasons he needed to take excerpts from the manuscript.²⁸⁵ Justice O'Connor had put this information in the section titled "Purpose of the Use." Justice Blackmun, however, suggested that the need for lengthy quotations or excerpts was really a matter of substantiality of use and belonged in that section of the opinion.²⁸⁶ Justice O'Connor agreed and removed this paragraph.²⁸⁷

(5) Removing a quote from Nimmer on page twenty which stated that, "There can be no First Amendment justification for the copying of expression along with idea simply because the copier lacks either the will or the time or energy to create his own independently evolved expression."²⁸⁸ Justice Blackmun wrote that this quote was completely unnecessary because the evidence indicated that the defendant "deliberately copied expression because he thought the expression itself was newsworthy, and there is no indication that he was merely lazy."²⁸⁹ Justice O'Connor adopted this change as well.

(6) Deleting the sentence on page thirteen about the distinction between published and unpublished works being retained in the Copyright Act.²⁹⁰ In the pre-circulation draft, Justice O'Connor listed several distinctions that the Copyright Act made between unpublished and published works, such as not considering domicile in terms of protecting unpublished works, depositing published works with the Register of Copyrights and that no compulsory licenses are required for unpublished works.²⁹¹ Without explaining why, Justice Blackmun wrote that he felt "the opinion would be strengthened if that sentence were omitted."²⁹² Justice O'Connor accepted this change and removed the discussion on the differences in how the law treats published and unpublished works.²⁹³

Additionally, in this letter, Justice Blackmun wrote that he prefers to refer to opinions as Court opinions and not to specific authors unless not joined by anyone. "Thus, I would prefer not to be named whenever the dissenting opinion in the Sony case is mentioned."²⁹⁴ Justice O'Connor

²⁸⁵ *Id.* at 25.

²⁸⁶ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 1 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

²⁸⁷ *See* 471 U.S. at 563.

²⁸⁸ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 2 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

²⁸⁹ *Id.*

²⁹⁰ *Id.*

²⁹¹ *Id.*

²⁹² Associate Justice Sandra Day O'Connor, Pre-circulation draft opinion at 13, in *Harper & Row* file, Blackmun Papers.

²⁹³ *See* U.S. 471 U.S. at 552.

²⁹⁴ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O'Connor at 2 (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

thanked him for his suggestions--“You have a fine eye and a sharp scalpel”--and agreed to incorporate his suggestions.²⁹⁵ Justice Blackmun joined eight days later.²⁹⁶

Justice White, meanwhile, stated that “your draft should command the five who voted to reverse” at Conference.²⁹⁷ However, “I was of the opposite view, and as presently advised, I adhere to that vote.”²⁹⁸ He added that her draft was “a solid articulation” of her side of the case.²⁹⁹

In a letter to Justice O’Connor, Justice Rehnquist expressed concern with a sentence at the end of section II of her draft opinion, which stated

Under the circumstances of this case, we find that The Nation’s use of the copyrighted manuscript, even stripped to the verbatim quotes conceded by The Nation to be copyrightable expression, was neither a fair use of the copyrightable material nor necessary to advance the public interest in the dissemination of information.³⁰⁰

Justice Rehnquist acknowledged that “maybe I am being overly cautious, but I think the way you have the sentence written now could give rise to a doctrine of ‘public interest and dissemination of information’ wholly apart from the statutory doctrine of fair use.”³⁰¹ He asked her whether she could re-work the sentence. Justice O’Connor’s papers do not contain a memo in response, but she changed the sentence at issue to read:

For the reasons set forth below, we find that this use of the copyrighted manuscript, even stripped to the verbatim quotes conceded by The Nation to be copyrightable expression, was not a fair use within the meaning of the Copyright Act.³⁰²

Justice Powell also had an interesting exchange of letters with Justice O’Connor concerning the scope of copyright protection in a biography. In addition to copying three hundred words of President Ford’s prose, The Nation had paraphrased several of the biography’s passages. In holding that these paraphrases did not constitute infringement, the Second Circuit rejected the district court’s finding that the coupling of President Ford’s revelations concerning his state of mind with facts created a copyrightable totality that could not be reproduced. Instead, the Second Circuit held that only the verbatim quotations contained protectable expression, and it assessed the permissibility of The Nation’s copying of this expression under the fair use doctrine.

²⁹⁵ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Harry A. Blackmun (Dec. 20, 1984), in *Harper & Row* file, Blackmun Papers.

²⁹⁶ Letter from Associate Justice Harry A. Blackmun to Associate Justice Sandra Day O’Connor (Dec. 28, 1984), in *Harper & Row* file, Blackmun Papers.

²⁹⁷ Letter from Associate Justice Byron White to Associate Justice Sandra Day O’Connor (Dec. 20, 1984) in *Harper & Row* file, White Papers.

²⁹⁸ *Id.*

²⁹⁹ *Id.*

³⁰⁰ Letter from Associate Justice William Rehnquist to Associate Justice Sandra Day O’Connor (Jan. 4, 1985), in *Harper & Row* file, O’Connor Papers.

³⁰¹ *Id.*

³⁰² 471 U.S. at 549.

In a letter to Justice O'Connor, Justice Powell acknowledged that at Conference he agreed that "we could assume CA2 was correct on the copyright issues and just decide the fair use question."³⁰³ But on further reflection, he now wanted to reverse the Second Circuit's holding that only the three to four hundred words were copyrightable.³⁰⁴ Justice Powell noted a danger in the Second Circuit's holding - that if only selected quotes of a biographer's personal reflections were copyrightable, then "the writing of biography would be seriously chilled."³⁰⁵ Justice Powell elaborated:

Churchill's great autobiographies are filled with the great facts of history. My understanding is that they are no less protected by copyrights throughout the western world, and by copyrights that are not limited to Churchill's reflections. This is not to say, of course, that the facts themselves-out of the context of the autobiography-are subject to copyright. Of course, they are not.³⁰⁶

Justice Powell concluded:

[T]he copyright issues are presented by this case, and I think we should decide them. The case properly affords the Court an opportunity to establish as a matter of copyright law that an effort like *The Nation's* in this case simply to "steal" two years of work by a biographer is a gross violation of copyright laws and contrary to the public interest.³⁰⁷

Justice O'Connor agreed that the Second Circuit had erred on the issue of copyrightability; she shared Chief Justice Burger's "view that more than merely the words . . . were copyrightable."³⁰⁸ However, she feared she would lose her slim majority if she addressed copyrightability. Moreover, "[t]he fair use issue is dispositive even if we assume *arguendo* that only the minimum number of words admittedly copied directly constituted the infringement."³⁰⁹

³⁰³ Letter from Associate Justice Lewis F. Powell to Associate Justice Sandra Day O'Connor (Dec. 27, 1984), in *Harper & Row* file, Blackmun Papers.

³⁰⁴ *Id.*

³⁰⁵ *Id.*

³⁰⁶ *Id.*

³⁰⁷ *Id.* Justice Brennan, in his Conference Memo, explained that the Second Circuit correctly found that paraphrasing not to be infringing.

Even close paraphrase will not violate the copyright laws in many instances because accurate reporting of a historical narrative will often require a reporter to track closely both the original descriptions and the original sequence of presentation. Only when the extent of paraphrasing approaches expropriation of the whole of the original work will the copyright protections be implicated.

Associate Justice William Brennan, Conference Memo at 1 (Nov. 1984), in *Harper & Row* file, Brennan Papers.

³⁰⁸ Letter from Associate Justice Sandra Day O'Connor to Associate Justice Lewis F. Powell at 1 (Jan. 2, 1985), in *Harper & Row* file, Blackmun Papers.

³⁰⁹ *Id.*

She also noted that if the Court addressed the copyright issue, then a remand would be necessary because neither lower court made the necessary findings—particularly with respect to the protectability of the conversations recounted by President Ford.³¹⁰ She wrote that while most courts agree that the reconstruction of a conversation is copyrightable and verbatim quotes from a transcript are not, the trial court did not determine which statements were exact quotes, and therefore, remand would be required. She concluded that it was “best to save the copyrightability issue for another day.”³¹¹

Justice Powell agreed “that there is considerable merit to leaving the copyright issues to another day, especially since the fair use issue is dispositive of the case.”³¹² Nonetheless, he suggested that she “state up front that the copyright in the book as a whole was validly obtained, and no question is raised as to its validity.”³¹³ Further, “[t]he opinion might also be somewhat improved if it stated early on that the 300/400 words quoted from Ford are copyrightable and why this is so.”³¹⁴ She made these alterations, which she described in a subsequent letter to Justice Blackmun: “The main change is to acknowledge in Part II the different views on copyrightability and to explain that we do not resolve them in this case.”³¹⁵

This correspondence reveals that at least three Justices—Burger, O’Connor and Powell—seemed willing to extend relatively thick copyright protection to a fact work such as a biography. This protection encompassed far more than the literal text of the work. Justice O’Connor seems to have changed her position with respect to fact works six years later in her opinion in *Feist Publ’ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991).

Finally, on May 15, 1985, only five days before announcing the decision, Chief Justice Burger wrote to Justice O’Connor a letter indicating that he had decided to file his concurrence in the “Deathless Prose” file, noting that “there is a lot of spare space in that file.”³¹⁶ This letter, circulated to the Conference, left Justice Blackmun wondering, “does he join?”³¹⁷ The Chief Justice ultimately did join Justice O’Connor’s opinion and did not file a separate concurrence.

VII. DOWLING v. UNITED STATES, 473 U.S. 207 (1985)

A. Background

³¹⁰ *Id.*

³¹¹ *Id.* at 2.

³¹² Letter from Associate Justice Lewis F. Powell to Associate Justice Sandra Day O’Connor (Feb. 9, 1985), in *Harper & Row* file, Blackmun Papers.

³¹³ *Id.*

³¹⁴ *Id.*

³¹⁵ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Harry A. Blackmun (March 4, 1985), in *Harper & Row* file, Blackmun Papers.

³¹⁶ Letter from Chief Justice William Burger to Associate Justice Sandra Day O’Connor (May 15, 1985), in *Harper & Row* file, Blackmun Papers.

³¹⁷ *Id.*

The National Stolen Property Act imposes criminal penalties on the interstate or foreign transportation of any goods valued over \$5,000 that are known to have been stolen or taken by fraud.³¹⁸ In *Dowling v. United States*, Paul Edmond Dowling was convicted in district court of violating the National Stolen Property Act by shipping and selling in interstate commerce bootlegged phonorecords of Elvis Presley recordings without any authorization.³¹⁹ The Ninth Circuit affirmed,³²⁰ and the U.S. Supreme Court reversed, holding that the National Stolen Property Act does not reach interstate transport of bootlegged records because infringement was not stealing.³²¹ Justices Blackmun, Brennan, Marshall, Rehnquist, Stevens, and O'Connor voted to reverse the lower court, while Chief Justice Burger and Justice White joined Justice Powell's dissenting opinion.

B. Behind the Scenes

A memorandum that appears to be from the cert. pool recommended against the grant of cert. The memorandum acknowledged that there was a conflict among the circuits, but that “the Court has consistently denied cert in other cases raising that conflict, apparently on the premise that [*United States v. Smith*, 686 F.2d 234 (5th Cir. 1982)] was wrong and that CA5 will reconsider *Smith* if given the chance.”³²² The clerk added,

the concept that copies of copyrighted audio or video recordings represent “stolen goods” is not an intuitively obvious one. The *Smith* conflict is clear, and the *Smith* position is not an unreasonable one by any means. But this court's prior refusals to review the conflict, and the fact that this case came out the “right” way, suggest that cert should be denied.³²³

Justices Brennan, White, Marshall, and Stevens voted to grant cert., while Chief Justice Burger and Justices Blackmun and Rehnquist, and O'Connor opposed cert.³²⁴

In a bench memorandum to Justice O'Connor, her clerk was convinced by the Solicitor General's arguments in favor of affirmance. The clerk, however, noted one caveat. The clerk suggested pressing the Solicitor General on “how one can distinguish illicit copying of the sounds from a stolen tape, illicit copying of sounds from a purchased tape, and unauthorized copying of the melody in violation of copyright. Is the distinguishing feature ‘duplication’ as opposed to adaptation?”³²⁵ The clerk observed that “a Court that was quite secure in imposing criminal sanction of a person who knowingly duplicates copyrighted material for commercial sale might be

³¹⁸ 18 U.S.C. 2314.

³¹⁹ *Dowling*, 473 U.S. at 208-09.

³²⁰ 739 F.2d 1445 (9th Cir. 1984).

³²¹ 473 U.S. at 216-18.

³²² Preliminary Memorandum re *Dowling v. United States* at 4 (Dec. 19, 1984), in *Dowling* file, O'Connor Papers.

³²³ *Id.* at 8.

³²⁴ File Cover Sheet, in *Dowling* file, O'Connor Papers.

³²⁵ Bench Memorandum for Associate Justice Sandra Day O'Connor at 9 (Apr. 1985), in *Dowling* file, O'Connor Papers.

less happy with a rule that extended to plagerism [sic] in the course of composing a new work, even though both are copyright infringement.”³²⁶

In a Memorandum to the Conference, Justice Brennan expressed his reasons for supporting reversal of the Ninth Circuit. The National Stolen Property Act

requires that a ‘good’ be ‘stolen’ and that it be physically transported across state lines. The problem in this case is that there is no good that meets both requirements. For example, there is no doubt that records were transported across state lines but because the physical materials that made up the records were lawfully obtained, the records were not stolen. On the other hand, the intangible rights conferred under the copyright laws were arguably stolen but they were not physically transported across state lines. The laws of physics and logic do not permit for the physical transportation of theoretical objects such as legal rights.³²⁷

Justice Brennan explained that to circumvent this problem, “the Government suggests that we merely treat the records as if they incorporated the intangible rights. According to this approach, when the records passed across the border so too did the intangible rights.”³²⁸ However, “if the government means to suggest that the intangible rights created by Congress in actual fact become part of the material object then the government is engaging in a sort of mysticism that has no place in the law. The argument is akin to the contention that the soul exists in and yet independent of the body.”³²⁹ Justice Brennan then pointed out the absurd results of adopting this approach. A subscriber to the Nation magazine in *Harper & Row*, “knowing the article to be in violation of the copyright laws, would himself violate the National Stolen Property Act if he took the article across a state line.”³³⁰

At the April 19, 1985 Conference, the vote was 5-4 to affirm, but several of the votes “were distinctly tentative.”³³¹ According to Justice O’Connor’s notes from the Conference, Chief Justice Burger support affirmance. He said there was no doubt what Dowling did; he was a “crook,”³³² but he says he can’t be prosecuted for stealing ideas. The Chief Justice said that most courts have

³²⁶ *Id.* A question mark presumably hand-written by Justice O’Connor appears in the margin next to this passage.

³²⁷ Associate Justice William Brennan, Memorandum to the Conference at 1 (Apr. 1985), in *Dowling* file, Brennan Papers.

³²⁸ *Id.*

³²⁹ *Id.*

³³⁰ *Id.* at 2.

³³¹ Associate Justice Blackmun, Memorandum to Conference, (June 4, 1985), in *Dowling* file, Blackmun Papers; Letter from Chief Justice William Burger to Associate Justice Harry A. Blackmun (June 6, 1985), in *Dowling* file, Blackmun Papers (indicating that Justice Blackmun was not the only one who was tentative in the Conference vote). The Chief Justice and Justices Blackmun, O’Connor, Powell and White support affirmance, while Justices Brennan, Marshall, Rehnquist, and Stevens favored reversal.

³³² Associate Justice Sandra Day O’Connor, Notes from Conference at 1 (Apr. 19, 1985), in *Dowling* file, O’Connor Papers.

said that bootleg records are stolen property under the National Stolen Property Act, and that he agreed with the Ninth Circuit for a change. Justice White was a tentative affirmance, though might not dissent if the Conference went the other way. Justice Blackmun supported affirmance, noting that bootleg records qualify as goods. He believed that the Court should “keep it narrow” and confine it to copyright violations and rerecording.³³³ Justice Rehnquist said register a tentative vote for reversal. He said there were “conceptual difficulties” as the records were not stolen. It made no difference that the master tape was stolen. He had a hard time getting to goods in this case. Maybe “goods, wares, or merchandise” are limited to tangible property. Justice Stevens stated that the statute is not aimed at intangible ideas. Section 2314 is a predicate offense under RICO, so it should be construed strictly.

Justice O’Connor supported affirmance in a narrow opinion. Echoing the bench memo from her clerk, she agreed with the Solicitor General that in the National Stolen Property Act was violated. The records were good. The harder question is which records were stolen. The outtakes and masters were stolen and they were then copied and incorporated into records, and she thought that met the statutory requirement. However, she had reservations about the broader aspects of the Government’s argument. “Where is merely plagiarism or piracy[,] I am not sure.”³³⁴

Justice Blackmun was assigned to write the majority opinion to affirm. At the same time, Justice Rehnquist noted that his “vote to reverse in this case is very tentative, and I could be persuaded by the majority opinion” to affirm.³³⁵ Soon thereafter, Justice Blackmun switched his vote, and he began to draft what became the majority opinion reversing the Ninth Circuit.³³⁶ Justice O’Connor subsequently also switched her vote to reversal (contrary to the recommendation in her clerk’s bench memorandum). The Justices’ papers do not indicate why and Justices Blackmun and O’Connor changed their vote to reversal. Once reversal became the majority, Justice Powell agreed to write the dissent, though he noted, “I may not agree with it.”³³⁷ He explained that “at Conference I did think this case was an ‘easy affirm,’ but on further consideration I can see a good deal of merit to [Justice Blackmun’s] current views.”³³⁸

In a revealing memorandum to Justice O’Connor, one of her clerks found Justice Blackmun’s first draft to be “generally persuasive,” but was bothered by the reasoning in what became section IIA of the majority opinion, 473 U.S. at 217.³³⁹ She referred to Justice Blackmun’s discussion of the “public purpose of copyright” as “a gratuitous theoretical embellishment of an

³³³ *Id.* at 2.

³³⁴ *Id.* at 3.

³³⁵ Letter from Justice William H. Rehnquist to Justice William Brennan (Apr. 30, 1985), in *Dowling* file, Brennan Papers.

³³⁶ Associate Justice Blackmun, Memorandum to Conference, (June 4, 1985), in *Dowling* file, Blackmun Papers (indicating that Justice Blackmun was switching his vote and in fact preferred to read the criminal statute narrowly).

³³⁷ Letter from Associate Justice Lewis Powell to Chief Justice William Burger (June 7, 1985), in *Dowling* file, Blackmun Papers.

³³⁸ *Id.*

³³⁹ Memorandum from Barbara to Associate Justice Sandra Day O’Connor at 1 (June 13, 1985), in *Dowling* file, O’Connor Papers.

otherwise valid argument.”³⁴⁰ The clerk recommended revisions to the passage that removed this “theoretical embellishment.” It appears that Justice O’Connor suggested these changes to Justice Blackmun, and that he incorporated them in his opinion.

The clerk mentioned that she had spoken with

Anne Marie, who worked on this case for Justice Powell. She, like myself, was originally convinced that the SG’s argument was commonsensical, if not airtight. She is recommending to Justice Powell that he join this opinion, and thinks it is likely he will since he was particularly influenced by the theft of the original tapes and his enthusiasm for dissenting is low.³⁴¹

Nonetheless, Justice Powell did not follow his clerk’s recommendation to join the majority, and instead he drafted the dissenting opinion.

Finally, Justice O’Connor’s clerk noted that “Justice Blackmun’s clerks have indicated he is anxious to accommodate suggestions that would make it possible for others to join since he changed his vote so late and would love to have a strong court to vindicate his change of heart.”³⁴²

Although correspondence between the Justices did not alter the drafting of the majority opinion, Justice Blackmun did make some changes from the second to the third draft after reading Justice Powell’s dissent.³⁴³ Justice Blackmun added footnote eight to the opinion, disagreeing with the dissent’s use of *United States v. Turley*, 352 U.S. 407 (1957), and *Morisette v. United States*, 342 U.S. 246 (1952), because neither case involved copyright or other intellectual property law.³⁴⁴ He also altered footnote fourteen by adding that the 1909 Copyright Act did not extend criminal liability to the unauthorized copying of musical compositions that are subject to compulsory licensing.³⁴⁵ The extension of criminal liability, he added, did not occur until the Act of 1971.³⁴⁶ Finally, Justice Blackmun added a paragraph to footnote eighteen disagreeing with the dissent that “Congress implicitly approved the interpretation of 2314 urged by the government” by providing in the Piracy and Counterfeiting Amendments Act of 1982 that new penalties are in addition to other provisions of Title 17.³⁴⁷ Rather, Justice Blackmun wrote that the legislative history of the Piracy and Counterfeiting Amendments Act does not reveal Congressional approval

³⁴⁰ *Id.*

³⁴¹ *Id.* at 3.

³⁴² *Id.* at 3-4.

³⁴³ Compare Associate Justice Harry A. Blackmun, Draft of Majority Opinion (June 18, 1985), with Associate Justice Harry A. Blackmun, Draft of Majority Opinion, (June 25, 1985), in *Dowling* file, Blackmun Papers.

³⁴⁴ See Associate Justice Harry A. Blackmun, Draft of Majority Opinion at 11 n.8 (June 25, 1985), in *Dowling* file, Blackmun Papers.

³⁴⁵ *Id.* at n.14.

³⁴⁶ *Id.*

³⁴⁷ *Id.* at n.18.

of the use of section 2314 for prosecutions like the one presented in this case.³⁴⁸ These additions were added to the majority opinion ultimately issued.

VIII. COMMUNITY FOR CREATIVE NON-VIOLENCE v. REID, 490 U.S. 730 (1989)

A. Background

The Community for Creative Non-Violence (“CCNV”) entered into an agreement with James Earl Reid whereby Reid would make a sculpture dramatizing the plight of the homeless for display at the Washington Christmas Pageant. While Reid worked on the statue, CCNV members visited and made suggestions, many of which were incorporated. After its display, both parties filed copyright registration certificates, and litigation ensued between CCNV and Reid concerning who owned the copyright in the sculpture. The district court found for CCNV, holding that the statue was a work for hire under section 101 of the Copyright Act³⁴⁹ and therefore owned by CCNV under 17 U.S.C. § 201(b), which vests ownership of works for hire in the employer or person for whom the work is prepared, unless there is an agreement to the contrary.³⁵⁰ The D.C. Circuit reversed, holding that Reid was an independent contractor and that the sculpture was not a “work made for hire” under section 101 because it was not prepared by an employee within the scope of his employment.³⁵¹ The D.C. Circuit also found that the statue did not fall into any of the nine categories of “specially ordered or commissioned” works enumerated in section 101(2).³⁵² The D.C. Circuit remanded to determine if the parties were co-owners.³⁵³ A unanimous Supreme Court affirmed the D.C. Circuit's judgment. The Court held that to determine whether a work was made for hire under section 101, it must apply common law agency principles.³⁵⁴ Applying common law, the Court found that Reid was an independent contractor and that the sculpture was not a work made for hire. The Court remanded to the district court to determine if CCNV was a joint author under section 201(a).³⁵⁵

B. Behind the Scenes

All the Justices, except Justices Marshall and Stevens, voted to grant cert.³⁵⁶ All Justices voted to affirm the D.C. Circuit at Conference.³⁵⁷ Justice Brennan’s notes for the Conference stated that read together with its legislative history, 17 U.S.C. §201(b)(2) makes clear “that specially

³⁴⁸ *Id.*

³⁴⁹ 17 U.S.C. § 101.

³⁵⁰ *Cnty. For Creative Non-Violence v. Reid*, 652 F. Supp. 1453 (D.D.C. 1987).

³⁵¹ *Cnty. For Creative Non-Violence v. Reid*, 846 F.2d 1485 (D.C. Cir. 1988).

³⁵² *Id.* at 1494

³⁵³ *Id.* at 1499.

³⁵⁴ 490 U.S. at 751.

³⁵⁵ *Id.* at 752-53.

³⁵⁶ Associate Justice Sandra Day O’Connor, File Cover Sheet (Nov. 1988), in *CCNV* file, O’Connor Papers.

³⁵⁷ Oral argument occurred on March 29, 1989, and the Conference occurred on March 31, 1989. Associate Justice Harry A. Blackmun, Notes from Conference (March 31, 1989), in *CCNV* file, Blackmun Papers.

ordered or commissioned works are only works for hire if they fall within the categories listed in the statute.”³⁵⁸ Because the sculpture at issue here was specially ordered or commissioned and there was no claim that it fell within the categories listed in Section 201(b)(2), it was not a work for hire. Justice Brennan continued, “viewing the case in this light, it is unnecessary to decide what the word ‘employee’ in subsection (1) means. Nor would I reach out and address that question, which is an important one, in the absence of a concrete dispute presenting the issue.”³⁵⁹ According to Justice O’Connor’s notes from the Conference, this is the position Justice Brennan took at Conference.³⁶⁰ However, Justice Brennan added a handwritten note on his memorandum, stating “No claim now—only issue is (1)—what is employee.”³⁶¹ At Conference, Chief Justice Rehnquist addressed the question of how to define employee, as did Justice O’Connor. Justice Brennan’s handwritten note presumably reflects this focus on the definition of employee in subsection (1).³⁶²

Justice Marshall prepared a draft opinion for the Court, to which Justice Scalia proposed a variety of changes. Justice Scalia disagreed with the language in the original draft that the Court relies “on national practice, as reflected in the Restatement of Agency.”³⁶³ Justice Scalia disagreed the implication that a federal rule of agency was patterned after the general common law rather than individual state laws.³⁶⁴ Justice Scalia was concerned that the Court was saying that the Act adopts the Restatement. He wrote, “[i]t seems to me that what we are saying is not that the Act adopts the Restatement, but that it establishes a federal rule of agency patterned after the general common law rather than referring to individual state laws.”³⁶⁵ Justice O’Connor agreed with Justice Scalia’s thoughts on this matter and wrote that that the opinion “should reflect Congress’ reliance on a federal rule of agency patterned on the common law, rather than the Restatement of Agency.”³⁶⁶ Justice Marshall adopted these suggestions.³⁶⁷

Justice Scalia also proposed some changes to Justice Marshall’s opinion with respect to the “right to control” test proposed by CCNV as a means to determine whether the work is a “work

³⁵⁸ Associate Justice William Brennan, Memorandum for Conference (March 31, 1989), in *CCNV* file, Brennan Papers.

³⁵⁹ *Id.*

³⁶⁰ Associate Justice Sandra Day O’Connor, Notes from Conference at 1 (Mar. 31, 1989), in *CCNV* file, O’Connor Papers.

³⁶¹ Associate Justice William Brennan, Memorandum for Conference (March 31, 1989), in *CCNV* file, Brennan Papers.

³⁶² Associate Justice Sandra Day O’Connor, Notes from Conference at 1, 3 (Mar. 31, 1989), in *CCNV* file, O’Connor Papers.

³⁶³ Letter from Associate Justice Antonin Scalia to Associate Justice Thurgood Marshall at 2 (May 18, 1989), in *CCNV* file, Blackmun Papers (referring to the first draft majority opinion, Justice Thurgood Marshall, date unknown).

³⁶⁴ *Id.*

³⁶⁵ *Id.*

³⁶⁶ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Thurgood Marshall (May 19, 1989), in *CCNV* file, Blackmun Papers.

³⁶⁷ 490 U.S. at 739.

prepared by an employee within the scope of his or her employment.”³⁶⁸ Justice Scalia disagreed with the degree of control possessed by the person who commissions the work. He wrote that “[w]hile it seems to me true that a person who commissions a work has the power, before the commission is agreed to, to specify the characteristics of the product desired, he does not necessarily have that power once the commissioning contract has been entered-and the latter is what counts for purposes of the point under discussion.”³⁶⁹ Justice Marshall had originally written that the “right to control” test had the effect of denying meaning to section 101(2). Justice Scalia suggested instead that the opinion “say that the test would . . . eliminate the apparently clean dichotomy between subsections (1) and (2)--by which I mean that instead of § 101(1) covering employees and § 101(2) covering contractors, § 101(2) would cover some contractors as well as employees.”³⁷⁰ These suggestions were incorporated into the majority opinion.³⁷¹

Justice Scalia also disagreed with Justice Marshall's description of the “right to control” test, namely that it “clearly thwarts Congress' goal of ensuring predictability through advance planning.”³⁷² Rather, Justice Scalia agreed that, where the contract is silent, control is difficult to discern. However, parties are still able “to specify in the contract that right to control does or does not exist.”³⁷³ This, Justice Scalia contended, was sufficient predictability as desired by Congress. This recommendation, however, Justice Marshall did not accept--under this approach, the “parties would have to predict in advance whether the hiring party will sufficiently control a given work to make it the author.”³⁷⁴ If the parties predict incorrectly, they may end up with a copyright interest they did not want.

Finally, Justice White asked that the word “certainty” be removed from footnote 10 because it is “confounded by the note’s ensuing discussion of how uncertain the salaried-employee test really is.”³⁷⁵ Justice Marshall made this change.

IX. STEWART v. ABEND, 495 U.S. 207 (1990)

A. Background

This case concerns interpretation of the rights of creators of derivative works during the renewal period under the Copyright Act of 1909. The Second Circuit in *Rohauer v. Killiam Shows, Inc.*, 551 F.2d 484 (2d Cir. 1977), in an opinion written by Judge Friendly, held that the owner of the copyright in a derivative work could continue to use the derivative work according

³⁶⁸ Letter from Associate Justice Antonin Scalia to Associate Justice Thurgood Marshall (May 18, 1989), in *CCNV* file, Blackmun Papers.

³⁶⁹ *Id.*

³⁷⁰ *Id.*

³⁷¹ *Id.* at 741.

³⁷² Letter from Associate Justice Antonin Scalia to Associate Justice Thurgood Marshall at 1 (May 18, 1989), in *CCNV* file, Blackmun Papers.

³⁷³ *Id.*

³⁷⁴ 490 U.S. at 750.

³⁷⁵ Letter from Associate Justice Byron White to Associate Justice Thurgood Marshall (May 18, 1989), in *CCNV* file, White Papers.

to the original grant from the author of the preexisting work even if the grant of rights in the preexisting work lapsed. In reliance on this decision, the owners of the copyright in the film *Rear Window*, including actor Jimmy Stewart and director Alfred Hitchcock, continued to distribute the film after the first 28-year term in the underlying short story had terminated and the executor of the author of the short story licensed the rights to someone else: literary agent Sheldon Abend. Abend sued for copyright infringement, but the district court ruled in favor of Stewart on the basis of *Rohauer* and fair use. The Ninth Circuit reversed both of the district court's holdings. The Supreme Court affirmed in a decision written by Justice O'Connor and joined by Justices Brennan, Marshall, Blackmun, and Kennedy. The decision centered on interpreting the 1909 Act with respect to the rights of creators of derivative works, and discussed fair use only briefly. The Court rejected *Rohauer* and found that under *Miller Music v. Charles Daniels*, 362 U.S. 373 (1960), until the first 28-year copyright term expired, the author of a work only possessed an expectancy interest in the right to renew the copyright. Thus, the successor in interest to the author of the underlying story was not encumbered by the author's promise to transfer the film rights in the second copyright term. Justice White filed an opinion concurring in the judgement. Justice Stevens wrote a dissenting opinion joined by Justices Rehnquist and Scalia focusing on the 1909 Act, and not reaching fair use.

B. Behind the Scenes

Justice Blackmun's papers contain what the cert. pool memorandum recommending against the grant of cert. In addition to reviewing the arguments made by the parties, it mentioned the amicus briefs filed by film producers and distributors supporting the cert. petition. The clerk, Ivan Fong, noted that "the fair use issue is unworthy; it is an application of settled law to the facts of this case."³⁷⁶ With respect to the interpretation of the 1909 Act, the clerk found that the conflict between the Ninth Circuit's decision below and *Rohauer* was "not very deep, and the question presented, while significant, is not important enough to require this Court's present attention." The clerk explained that "the strong consensus among commentators is that *Rohauer* was wrongly decided," and that the trend in Second Circuit was "toward narrowing *Rohauer*." Thus, "unless and until CA2 (or any other Circuit) comes into square conflict with CA9's ruling, I would permit the lower courts to sort through this issue in the first instance." With respect to the importance of the issue presented, the clerk noted that the statutory provisions apply only to works in their first copyright term as of January 1, 1978, and "there will be fewer and fewer of these works every year."

A clerk with the initials "MM," perhaps Justice Blackmun's clerk Martha Matthews, typed the following note at the end of the cert. pool memorandum: "I know very little about copyright law, but the memo writer's analysis seems thorough and convincing, especially as to

³⁷⁶ Preliminary Memorandum at 5 (Aug. 24, 1989), in *Abend* file, Blackmun Papers. The memorandum listed the author as "Fong," but the first name "Ivan" was typed in later, as well as "(SOC, Mikva, Stanford)," indicating that Ivan Fong was clerking for Justice O'Connor, had previously clerked for Judge Mikva on the D.C. Circuit, and had attended Stanford Law School. This notation presumably was made by Blackmun clerk Marsha Matthews.

the reasons why the Court probably does not need to resolve this issue.”³⁷⁷ After the Petitioners filed a reply brief, the clerk added a further typed notation on the front of the cert. pool memo, summarizing the reply brief and commenting that “although this case presents an unsettled question of copyright law, I am still persuaded by the memo-writer’s reasons for denying cert.”³⁷⁸

Justice Stevens’ papers contain another memorandum concerning the grant of cert., presumably from one of his clerks. After walking through the parties’ arguments, the memorandum states that “although a close call, I recommend we GRANT cert.”³⁷⁹ Even though this issue arises only among older works created under the 1909 Act, it “is likely to affect the distribution of hundreds—and possibly thousands—of films that are based on independently created stories.”³⁸⁰ Significantly, “many of these films are classics, such as ‘Rear Window’, which is the derivative work at issue in this case.”³⁸¹ The memorandum also listed the amicus briefs of motion picture studios that supported the grant of cert.

According to Justice Stevens’ case file cover sheet for *Stewart*, at the September 25, 1989 Conference Justices White, Stevens, O’Connor, and Scalia voted in favor of cert. outright; Chief Justice Rehnquist and Justices Brennan and Blackmun voted J-3 (i.e., they supported cert. if three other Justices supported cert.); and Justices Marshall and Kennedy opposed the grant of cert.³⁸²

One of Justice Blackmun’s clerk’s, Anne Dupre, prepared a detailed bench memorandum on the case prior to oral argument. In addition to discussing the parties’ arguments, the memorandum summarized the positions articulated by amici. After discussing the merits of all the arguments, the clerk concludes that “neither the statutory nor the policy arguments invalidates the decision reached by CA9.”³⁸³ The memorandum then turned to petitioners’ argument that their continued use of the underlying story was a fair use. The clerk asserted that “there is no merit to this contention. If the use made of the underlying story is fair use, the fair use doctrine will eviscerate copyright protection.”³⁸⁴ The clerk observed that the film did “not fall into any of the categories suggesting in §107 and fails to meet the four criteria set forth.”³⁸⁵ With respect to the first factor, the purpose and character of the use, “there is absolutely nothing in the record in this case that indicates the intent in distributing the film was educational and not

³⁷⁷ Martha Matthews, Notation on Preliminary Memorandum (Sept. 3, 1989), in *Abend* file, Blackmun Papers.

³⁷⁸ Martha Matthews, Notation on Preliminary Memorandum (Sept. 19, 1989), in *Abend* file, Blackmun Papers.

³⁷⁹ Memorandum at 4 (Sept. 25, 1989), in *Abend* file, Stevens Papers.

³⁸⁰ *Id.*

³⁸¹ *Id.* at 5.

³⁸² Justice John Paul Stevens, Case File Cover Sheet, in *Abend* file, Stevens Papers.

³⁸³ Bench Memorandum for Associate Justice Harry Blackmun at 32 (Jan. 5, 1990), in *Abend* file, Blackmun Papers.

³⁸⁴ *Id.*

³⁸⁵ *Id.* at 33.

commercial.”³⁸⁶ As to the second factor, the nature of the copyrighted work, “fair use is more likely to be found in factual works than artistic works.”³⁸⁷ The third factor, the amount of the work used, weighs against petitioners because “all of the story was used” and the purpose for copying the underlying work in this case is not mere ‘time shifting,’ but rather commercial gain.”³⁸⁸ The fourth factor, the effect of the use on the potential market, also favored respondent. Petitioners conceded at oral argument before the Ninth Circuit “that re-release of the film impinged on the ability to market new versions of the story. This conclusion seems logical.”³⁸⁹ Accordingly, the clerk agreed with the Ninth Circuit “that the fair use doctrine has no application to this case.”

On the day of oral argument, Justice Stevens received a memorandum from a clerk named Lewis addressing “an additional argument, not raised by the parties” supporting the Second Circuit’s *Rohauer* rule, and therefore reversal.³⁹⁰ After walking through a complex argument relating to Congressional intent evidenced in the statutory language, the memorandum concluded that “although a reasonable argument can be made in support of the *Rohauer* rule...the stronger argument still seems to be that the failure of the assignment of the renewal right terminate the power of the proprietor of the derivative work to make use of the older material.”³⁹¹ The memorandum added that “although petitioner’s argument makes infinitely better policy, respondent’s argument seems better supported by both lower courts and the commentators.”³⁹² In the end, Justice Stevens did not follow the clerk’s recommendation and followed the *Rohauer* rule in his dissent.

Justice Brennan’s memorandum before the January 12, 1990 Conference stated that he agreed with the Ninth Circuit below;

the derivative copyright does not entitle Stewart to continue distributing the Movie, thereby continuing to utilize the Story underlying the Movie, unless Stewart has a contractual license from Woolrich [the Story’s author] or his successor to do... Stewart’s contractual license to continue using the underlying Story was contingent on Woolrich renewing the Story copyright himself. Once Woolrich died, his statutory successor to the renewal interest free and clear of all purported prior assignments, and therefore Stewart has to renegotiate with Woolrich’s successor, meaning Abend, for the rights to continue distributing the movie.³⁹³

³⁸⁶ *Id.*

³⁸⁷ *Id.*

³⁸⁸ *Id.* at 33-34.

³⁸⁹ *Id.* at 34.

³⁹⁰ Memorandum to Associate Justice John Paul Steven at 1 (Jan. 9, 1990), in *Abend* file, Stevens Papers.

³⁹¹ *Id.* at 2.

³⁹² *Id.* at 3.

³⁹³ Associate Justice William Brennan, Memorandum for Conference (Jan. 1990), in *Abend* file, Brennan Papers.

Justice Brennan acknowledged that “this solution is certainly not the only common sense one; there is much to be said on policy grounds for the contrary rule crafted by the Second Circuit....”³⁹⁴ However, Justice Brennan believed that “the Ninth Circuit’s approach is more faithful to Congress’s intent....”³⁹⁵ He tersely added that he “would also reject Stewart’s ‘fair use’ defense in this case.”³⁹⁶

At Conference, Justices Brennan, White, Marshall, Blackmun, O’Connor, Scalia, and Kennedy voted to affirm.³⁹⁷ Justice Stevens supported reversal, while Chief Justice Rehnquist was undecided.³⁹⁸ This means that Justice Scalia ultimately switched his vote from affirmance to reversal, while the Chief Justice moved from undecided to reversal.

Justice O’Connor’s notes from Conference suggest that the discussion focused primarily on the derivative copyright issue rather than fair use. Chief Justice Rehnquist noted this case involved a “strange situation.”³⁹⁹ If the author had lived, then his assignment of the rights in the second copyright term would be enforceable. Justice Brennan said that “CA9 finally got one right,” and recited the arguments recorded in his memorandum.⁴⁰⁰ In support of reversal, Justice Stevens wrote that movies shouldn’t be taken out of the public domain, and this frustrates the whole purpose of the law.⁴⁰¹ Justice O’Connor, in support of affirmance, stated that “for once, J. Friendly erred.”⁴⁰² Congress “did not alter the old 1909 c[opyright] scheme insofar as pre existing c[opyrights] were concerned.”⁴⁰³ She “would leave it to Congress to change if it wishes.” The assignment of renewal rights by an author merely assigned an expectancy which was not realized; the author died before the renewal right vested. She added that the use here was “not a fair use.”⁴⁰⁴ Justice Kennedy observed the Congress had adopted a paternalistic attitude towards authors.

Justice O’Connor was assigned the task of drafting an opinion for the majority. After Justice O’Connor circulated a first draft, one of Justice Blackmun’s clerks wrote him a note stating that “Justice O’Connor’s draft opinion comports with the views you expressed at

³⁹⁴ *Id.*

³⁹⁵ *Id.*

³⁹⁶ *Id.*

³⁹⁷ Associate Justice John Paul Stevens, Case File Cover Sheet, in *Abend* file, Stevens Papers.

³⁹⁸ A question mark is by the Chief Justice’s name. *Id.* However, in Justice O’Connor’s notes from the Conference, she indicated that the Chief Justice voted tentatively for reversal. Associate Justice Sandra Day O’Connor, Notes from Conference at 1 (Jan. 12, 1990), in *Abend* file, O’Connor Papers.

³⁹⁹ Associate Justice Sandra Day O’Connor, Notes from Conference on *Stewart v. Abend* at 1 (Jan. 12, 1990), in *Abend* file, O’Connor Papers.

⁴⁰⁰ *Id.*

⁴⁰¹ *Id.* at 2.

⁴⁰² *Id.* at 3.

⁴⁰³ *Id.*

⁴⁰⁴ *Id.*

Conference. I recommend you join it.”⁴⁰⁵ He did so. Justice White expressed his preference “when discussing *Rohauer* to leave Judge Friendly’s name out of it and treat the decision as a decision by the Second Circuit, a unanimous decision, with Waterman and Mulligan (not lightweights) joining.”⁴⁰⁶ Although Justice White ultimately did not join Justice O’Connor’s opinion, and just concurred in the judgement, Justice O’Connor’s opinion did not mention Judge Friendly. In contrast, the dissent mentions Judge Friendly numerous times, presumably in an attempt to bolster the weight of *Rohauer*.

After the circulation of additional drafts of the majority and dissenting opinions, Justice O’Connor wrote Justice Scalia a letter in an effort to convince him to join her opinion rather than Justice Stevens’ dissent. She explained that Justice Stevens’ theory was “troublesome” as “it writes out of the statute the possibility that any owner of an underlying work may enforce a licensing agreement or assignment which limits the duration of geographical extent of the grant of rights.”⁴⁰⁷ She then provided a long example concerning “Carol,” who sells “Bill” the right to use for ten years a story she has written, with a new introduction Bill intends to write. She claimed that under Justice Stevens’ theory articulated in his draft dissent, Bill would have the right to continue to use Carol’s story after the ten years elapsed because his version of the story with the new introduction was a new and independent work. She said this is “directly contrary to the power of the owner of the underlying work to limit the duration of the grant of rights.”⁴⁰⁸ This result “was not contemplated by Congress and runs contrary to the clear language” of the 1909 Act.⁴⁰⁹ She closed her letter by expressing “hope that you will consider again the views expressed in my draft opinion.”⁴¹⁰

Two days later, Justice Scalia sent a letter to Justice Stevens joining his dissent. On the copy transmitted to Justice O’Connor’s chambers, Justice Scalia added this hand-written note: “Sorry that I see it this way. I’m glad you got you Court.”⁴¹¹

After joining Justice O’Connor’s opinion, Justice Kennedy requested a few edits. Most notably, he said that he “stumbled a bit” over the first sentence, which “though very precise, might intimidate some of the wide audience who will read this important case.”⁴¹² He proposed a new opening, which Justice O’Connor adopted.

⁴⁰⁵ Letter from Anne Dupre to Associate Justice Harry M. Blackmun (Feb. 21, 1990), in *Abend* file, Blackmun Papers.

⁴⁰⁶ Letter from Associate Justice Byron R. White to Associate Justice Sandra Day O’Connor (Feb. 27, 1990), in *Abend* file, O’Connor Papers.

⁴⁰⁷ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Antonin Scalia at 1 (Apr. 18, 1990), in *Abend* file, O’Connor Papers.

⁴⁰⁸ *Id.* at 2.

⁴⁰⁹ *Id.*

⁴¹⁰ *Id.*

⁴¹¹ Letter from Associate Justice Antonin Scalia to Associate Justice John Paul Stevens (Apr. 20, 1990), in *Abend* file, O’Connor Papers.

⁴¹² Letter from Associate Justice Anthony M. Kennedy to Associate Justice Sandra Day O’Connor (Apr. 20, 1990), in *Abend* file, O’Connor Papers.

X. FEIST PUBLICATIONS v. RURAL TELEPHONE SERVICE, 499 U.S. 340 (1991)

A. Background

Rural Telephone Service Company, Inc. provided telephone service to several communities in Kansas. State law required Rural to publish a white pages telephone directory, which it bundled with yellow pages. It obtained the data for its directory from subscribers, who had to provide their names and addresses to receive telephone service. Feist, a publishing company that specialized in directories that cover wider regions, sought a license to use Rural's white pages. When Rural refused, Feist extracted the listings without Rural's consent. Many of the listings in Feist's white pages were identical to those in the Rural white pages. The district court granted summary judgment in favor of Rural, finding that courts have long held that telephone directories were copyrightable.⁴¹³ The Tenth Circuit affirmed.⁴¹⁴ The unanimous Court reversed. Writing for the Court, Justice O'Connor found that although Rural's directory as a whole is subject to a valid copyright, the white page listings were not protectable because Rural did not select or arrange the facts in the white pages in a sufficiently original way to satisfy the minimum requirements for copyright protection.⁴¹⁵ The Court rejected the "sweat of the brow" doctrine and held that creativity was a constitutional prerequisite for protection.⁴¹⁶ Justice Blackmun concurred in the result but did not join Justice O'Connor's opinion.

B. Behind the Scenes

While the petition for writ of certiorari was pending in *Feist*, Justice Stevens wrote a memorandum to the Conference in which he proposed to hold *Feist* pending resolution of another case in which a petition for certiorari had been filed, *Haines and Co. v. Illinois Bell Telephone*, which presented similar issues.⁴¹⁷ In his memorandum, Justice Stevens noted that the opinion of the Seventh Circuit in *Haines* was published whereas the Tenth Circuit in *Feist* was not. Furthermore, the Tenth Circuit opinion "does not explicitly resolve this issue but affirms the district court's resolution."⁴¹⁸ The Court, however, decided to do the opposite; it granted the petition for certiorari in *Feist* and held the petition in *Haines* in abeyance.

According to her case file cover sheet, Justice O'Connor voted against the grant of Feist's cert. petition, along with Chief Justice Rehnquist and Justice Blackmun.⁴¹⁹ However, at

⁴¹³ *Rural Telephone Service v. Feist Publications*, 663 F. Supp. 214 (D. Kan. 1987).

⁴¹⁴ *Feist Publications v. Rural Telephone Service*, 916 F.2d 718 (10th Cir. 1990).

⁴¹⁵ 499 U.S. at 362.

⁴¹⁶ *Id.* at 359-60.

⁴¹⁷ Memorandum from Associate Justice John Paul Stevens to Conference (Sept. 11, 1990), in *Feist* file, Blackmun Papers.

⁴¹⁸ *Id.*

⁴¹⁹ Although Justice O'Connor's opinion in *Feist v. Rural Telephone* is probably her most significant copyright legacy, her file concerning the case is surprisingly thin. See Jonathan Band, Justice O'Connor's Copyright Legacy, DISRUPTIVE COMPETITION PROJECT (Dec. 7, 2023), <https://www.project-disco.org/intellectual-property/justice-oconnors-copyright-legacy/>. It

Conference, Justice O'Connor firmly supported reversal of the Tenth Circuit, as did the Justices who supported cert. (White, Marshall, Stevens, and Scalia).⁴²⁰ Justice O'Connor's Conference notes indicate that the Chief Justice and Justice Blackmun tentatively supported affirmance. The Chief Justice asked whether the 1976 Copyright Act changed the scope of protection for compilations. Under the 1909 Act, a directory could be copyrightable. He added that the standard of originality was retained in the new Act. Justice Blackmun observed that "if Feist prevails, [there] is little left of protec[tion] of compil[at]ions."⁴²¹

Justice White, tentatively supporting reversal, stated that the "defin[ition] of compilation [is] just not satisfied here."⁴²² Justice Marshall said that not every selection, coordination, or arrangement—the statutory standard—is copyrightable. Justice Stevens stressed that Rural, as the local telephone provider, was required by state law to produce the directory, so the directory would be produced with or without the copyright incentive. Justice Scalia noted that the phrase "original work of authorship" was "tautological," presumably because a work of authorship by definition was original.⁴²³ He further observed that originality was not novelty, and facts could not be protected. Justice Kennedy said that copyrightability required some component beyond what is always inherent in a compilation. Justice Souter asserted that he was "as firm as jello" although he favored reversal.⁴²⁴ If there was no interest in the new Act to change the scope of protection for compilations, he would follow it and presumably support affirmance. But the definition of compilation in the new Act does not seem to support copyright protection here.

Justice O'Connor's notes of her own remarks were the most detailed. She said that

Only an author's orig[inal] expression is c[opyrightable], not facts contained in it. This case is governed by [the] 1976 C[opyright] Act. §101 defines "compilation." It must meet [the] req[ui]rements of 101—be selected, coord[inated] or arranged in such a way as to constitute an orig[inal] work of authorship. A white pages list[in]g of all telephone subscribers by alphabet does not meet this test. Maybe it is selected but not in a way as to const[itute] an orig[inal] work of authorship. Even if [the] directory were c[opyrightable], the use made by Feist of facts would be auth[orize]d.⁴²⁵

These remarks at Conference foreshadowed much of her opinion for the Court—with one major exception. At Conference, neither she, nor any of the other Justices, made any reference to

contains no memos from her clerks, nor correspondence with other Justices apart from an exchange with Justice Scalia previously revealed in Justice Blackmun's papers, discussed below.

⁴²⁰ Oral argument occurred on January 9, 1991, and the Conference occurred on January 11, 1991. Associate Justice Harry A. Blackmun, Notes from Argument (Jan. 9, 1991), in *Feist* file, Blackmun Papers; Associate Justice Harry A. Blackmun, Notes from Conference (Jan. 11, 1991), in Blackmun Papers.

⁴²¹ Associate Justice Sandra Day O'Connor, Notes from Conference (Jan. 11, 1991), in *Feist* file, O'Connor Papers.

⁴²² *Id.*

⁴²³ *Id.*

⁴²⁴ *Id.*

⁴²⁵ *Id.*

originality being a Constitutional requirement. While the discussion at Conference was grounded in the Copyright Act, her opinion ultimately was grounded in the Constitution. What caused that shift remains a mystery.

Justice O'Connor circulated a draft majority opinion in February, 1991. One of Justice Thurgood Marshall's clerks wrote him a letter on February 11, 1991 urging him to join the opinion as its "result and reasoning are in accord with what I understand to be your overall views on this case...."⁴²⁶ The clerk added that Justice Marshall should join "right away" to "encourage her to stick with us on *Rust*—I understand that she is ready to join [Justice Blackmun's] dissent as to the avoidance canon, though, as you would expect, she's being pressured from the other side." The clerk is referring to *Rust v. Sullivan*, 500 U.S. 173 (1991), a case pending that term concerning the constitutionality of Department of Health and Human Services regulations limiting the ability of federal funding recipients to engage in abortion-related activities. The Second Circuit found the regulations to be constitutional, and the Court on May 31, 1991, affirmed in an opinion written by Chief Justice Rehnquist and joined by Justices White, Kennedy, Scalia, and Souter. Justice Blackmun wrote a dissenting opinion, which Justices Marshall, Stevens, and O'Connor joined in part. Accordingly, Justice Marshall's clerk urged him to join Justice O'Connor's opinion in *Feist* to encourage her to stay with dissent in *Rust*. Justice Marshall joined Justice O'Connor's *Feist* opinion and Justice O'Connor joined the dissent in *Rust*, although there is no evidence (beyond this memorandum) that any "log-rolling" in fact occurred.

Justice Scalia had "one conceptual problem" with Justice O'Connor's draft opinion.⁴²⁷ Justice Scalia noted that the opinion on page twenty "points out that there are two successive questions in a case of this sort: (1) whether a valid copyright exists, and (2) whether the constituent elements that have been copied are original."⁴²⁸ The Court conceded the first point, and as such, Justice Scalia, when arriving at this point in the opinion, "thought that what would be addressed in the remainder was whether the copied elements possessed originality."⁴²⁹ Justice Scalia, however, found that, on page twenty-two, the discussion actually continued to hold that Rural's white pages were incapable of being copyrighted. He questioned whether in fact the test for originality should be whether those portions that were copied were independently copyrightable. Justice Scalia wrote that his confusion could be alleviated by either citing to additional cases in clarification or to continue with the analysis begun on page twenty and conclude "that although (as we said) the white pages were copyrighted as part of a larger work, there was no violation of that copyright because nothing original was copied."⁴³⁰ He wrote that if Justice O'Connor preferred to leave the opinion as is, he would write a short concurrence.

⁴²⁶ Memorandum to Associate Justice Thurgood Marshall (Feb. 11, 1991), in *Feist* file, Marshall Papers.

⁴²⁷ Letter from Associate Justice Antonin Scalia to Associate Justice Sandra Day O'Connor (Mar. 22, 1991), in *Feist* file, Blackmun Papers.

⁴²⁸ *Id.*

⁴²⁹ *Id.*

⁴³⁰ *Id.*

In her response to his letter, Justice O'Connor wrote that she could easily alleviate Justice Scalia's concerns.⁴³¹ She agreed that the opinion must clarify that the question to address was whether Rural could prove that Feist copied anything original. To rectify the problem, Justice O'Connor proposed changing the language on page twenty-two to read as follows:

We conclude that the names, towns, and telephone numbers copied by Feist were not original to Rural and therefore were not protected by the copyright in Rural's combined white and yellow pages directory. As a constitutional matter, copyright protects only those constituent elements of a work that possess more than a *de minimis* quantum of creativity. Rural's white pages, limited to basic subscriber information and arranged alphabetically, fall short of the mark. As a statutory matter, 17 U.S.C. 101 does not afford protection from copying to a collection of facts that are selected, coordinated, or arranged in a way that utterly lacks originality. Given that some works must fail, we cannot imagine a more likely candidate. Indeed, were we to hold that Rural's white pages pass muster, it is hard to believe that any collection of facts could fail. Because Rural's white pages lack the requisite originality, Feist's use of the listings cannot constitute infringement.⁴³²

Justice Scalia must have found these changes acceptable because he promptly joined the opinion.⁴³³ Interestingly, Justice O'Connor's comment regarding the Constitutional requirement of "more than a *de minimis* quantum of creativity" was in the previous draft, and therefore, the elevation of creativity to a constitutional requirement did not arise from Justice Scalia's concerns.

XI. FOGERTY v. FANTASY, INC., 510 U.S. 517 (1994)

A. Background

John Fogerty, lead singer of the band, Creedence Clearwater Revival, had written a song called Run Through the Jungle, whose copyright was sold to Fantasy. Later, after the band disbanded, Fogerty independently wrote and registered a copyright in a song entitled The Old Man Down the Road. Fantasy sued, claiming that the second song was the same as the first with new words. The case went to trial, and the jury returned a verdict in favor of Fogerty. Fogerty moved for attorney's fees under 17 U.S.C. 505, which provides that "the court may . . . award a reasonable attorney's fee to the prevailing party as part of the costs." The district court denied this motion.⁴³⁴ The Ninth Circuit affirmed and upheld its dual standard whereby plaintiffs who prevail are awarded attorney's fees but defendants who prevail are not.⁴³⁵ I, an opinion written by Chief Justice Rehnquist and joined by seven Justice, the Court reversed and remanded, holding that prevailing plaintiffs and defendants must be treated alike under section 505 because the language

⁴³¹ Letter from Associate Justice Sandra Day O'Connor to Associate Justice Antonin Scalia (Mar. 22, 1991), in *Feist* file, Blackmun Papers.

⁴³² *Id.*

⁴³³ Letter from Associate Justice Antonin Scalia to Associate Justice Sandra Day O'Connor (Mar. 22, 1991), in *Feist* file, Blackmun Papers.

⁴³⁴ *Fantasy v. Fogerty*, 664 F. Supp. 1345 (N.D. Cal. 1987).

⁴³⁵ *Fantasy v. Fogerty*, 984 F.2d 1524 (9th Cir. 1993).

of section 505 does not indicate that a dual standard should be applied.⁴³⁶ Justice Thomas filed a concurring opinion, finding that the Court's analysis was not in line with its statutory analysis in *Christiansburg Garment Co. v. EEOC*, 434 U.S. 412 (1978). However, because Justice Thomas agreed with the Court's ultimate conclusion, he concurred in the judgment.⁴³⁷

B. Behind the Scenes

At Conference, all the Justices favored reversal and remand.⁴³⁸ In response to the circulation of Chief Justice Rehnquist's first draft, Justice O'Connor wrote a letter to the Chief Justice, urging that the majority opinion should remove any presumption against attorney's fees and noting that the statute does not set forth such a presumption.⁴³⁹ Additionally, Justice Scalia disagreed with the last statement of the original draft, which indicated that the Court reversed because the Ninth Circuit applied the standard too strongly.⁴⁴⁰ Rather, Justice Scalia noted that the Ninth Circuit actually applied the wrong standard. In a memorandum to the Conference, Chief Justice Rehnquist attached a second draft of the opinion, indicating that the opinion should now meet majority expectations.⁴⁴¹

XII. CAMPBELL V. ACUFF-ROSE MUSIC, 510 U.S. 569 (1994)

A. Background

The rap group 2 Live Crew recorded a version of the Roy Orbison song Oh, Pretty Woman. The holder of the copyright in the song sued for infringement. The district court concluded that the 2 Live Crew version was a parody and held that it made fair use of the original.⁴⁴² The Sixth Circuit reversed and remanded, concluding that, under the 1976 Copyright Act, the commercial nature of the parody made it presumptively unfair, that 2 Live Crew took too much of the original and that harm to the market had been established.⁴⁴³ The U.S. Supreme Court, in a unanimous opinion, reversed and remanded.⁴⁴⁴ It held that no evidentiary presumption was available under 17 U.S.C. § 107(1) (purpose of use) or §107(4) (market harm) when determining whether a use was fair.⁴⁴⁵ The Court also found that parody can be fair use; that the parodic character of the song at issue "may reasonably be perceived"; that although parody requires qualitative borrowing, 2 Live

⁴³⁶ 510 U.S. at 523.

⁴³⁷ 510 U.S. at 535 (Thomas, J., concurring).

⁴³⁸ Oral argument and Conference occurred on December 8, 1993. Associate Justice Harry A. Blackmun, Notes from Conference (Dec. 8, 1993), in *Fogerty* file, Blackmun Papers.

⁴³⁹ Letter from Associate Justice Sandra Day O'Connor to Chief Justice William H. Rehnquist (Jan. 24, 1994), in *Fogerty* file, Blackmun Papers.

⁴⁴⁰ Letter from Associate Justice Antonin Scalia to Chief Justice William H. Rehnquist (Jan. 24, 1994), in Blackmun Papers.

⁴⁴¹ Chief Justice William H. Rehnquist, Memorandum to Conference (Jan. 25, 1994), in *Fogerty* file, Blackmun Papers.

⁴⁴² *Acuff-Rose Music v. Campbell*, 754 F. Supp. 1150 (M.D. Tenn. 1991).

⁴⁴³ *Acuff-Rose Music v. Campbell*, 972 F.2d 1429 (6th Cir. 1992).

⁴⁴⁴ *Campbell*, 510 U.S. 569 (1994).

⁴⁴⁵ *Id.* at 584.

Crew took no more of the lyrics than necessary and that the commercial nature of the parody was only one factor to be considered in the fair use calculus. The Court remanded the case to the lower court to determine whether 2 Live Crew copied more of the music than necessary for the parodic purpose.⁴⁴⁶

Justice Kennedy added a concurrence, suggesting that it is a prerequisite for a parody to target an original and that in doing so, the parody must target the original extensively. Justice Kennedy found that by defining parody this way, the four-factor test in section 107 is mostly satisfied. In terms of the fourth factor, market harm, the parody may not “usurp demand by its substitutive effect.”⁴⁴⁷ The fourth factor ensures that the parody is an original work. Justice Kennedy emphasized the importance of limiting the definition of parody and warns against post-hoc findings of parody.

B. Behind the Scenes

Justice Stevens’ papers contains what appears to be the cert. pool memorandum recommending the grant of cert. The memorandum states that this petition presents the Court “with an opportunity to address the circumstances under which a parody may be ‘fair use,’” an issue that “has caused confusion in the CAs in which it regularly arises—CA2 (New York), CA9 (Los Angeles, and CA6 (Nashville).”⁴⁴⁸ The memorandum states “that there is something to the argument that CA6’s reasoning in this case—the strength of the commercial use ‘presumption,’ along with the rejection if the conjure up test—would make it almost impossible to show that a parody is fair use.”⁴⁴⁹ On the other hand, “CA6’s analysis in this case was probably influenced significantly by its threshold judgment that the 2 Live Crew song does not qualify as parody at all, and is hence unprotected as fair use under any analysis.”⁴⁵⁰ Accordingly, “it may well be that CA6 will modify its understanding of the fair use factors in another case, presenting parody of a more traditional form.”⁴⁵¹ The memorandum noted that Capitol Steps and Mark Russell had filed amicus briefs in support of the cert. petition.

At the March 19, 1993 Conference, Justices White, Blackmun, Stevens, O’Connor, and Scalia voted in favor of the grant of cert.; Chief Justice Rehnquist and Justice Souter voted J-3; and Justices Kennedy and Thomas opposed cert.⁴⁵² However, Justice O’Connor asked the Court to relist the case so that she could look into the need for reformulating the four questions presented. On March 23, 1993, she circulated a Memorandum to the Conference recommending reformulation. She proceeded to recite problems with each of the questions. She then noted that “Petitioners do not ask, but Amicus Capitol Steps [] raise the question whether the Sixth Circuit

⁴⁴⁶ *Id.* at 594.

⁴⁴⁷ *Id.* at 599 (Kennedy, J., concurring).

⁴⁴⁸ Memorandum on Cert. Petition, *Campbell v. Acuff-Rose* at 1 (Mar. 1993), in *Campbell* file, Stevens Papers.

⁴⁴⁹ *Id.* at 6.

⁴⁵⁰ *Id.*

⁴⁵¹ *Id.*

⁴⁵² Associate Justice John Paul Stevens, Case File Cover Sheet for *Campbell v. Acuff-Rose* (Nov. 1993), in *Campbell* file, Stevens Papers.

misapplied the third statutory factor.... Amicus makes a fair case that, in the context of parody, more copying of the original is necessary and permissible than in other contexts.”⁴⁵³ She believed that to capture all the issues raised by the case, they would have to consider six separate questions. “Given the ungainly nature of asking all those questions, I would prefer to throw in the towel on separate questions presented; instead, we should simply ask the parties to brief whether the use at issue here was fair.”⁴⁵⁴ This would provide “a known and clear framework for counsel—sequential consideration of the four statutory factors,” and thereby “avoid anything with the potential to confuse or mislead.”⁴⁵⁵ A single question asking “whether petitioners’ commercial parody was a ‘fair use’ within the meaning of 17 U.S.C. 107” would “offer is the flexibility of reaching any aspect of the decision we believe mistaken without binding us to the resolution of any particular issue.”⁴⁵⁶ Justice Scalia wrote a note to Justice O’Connor stating that “I think it would be a good idea to reformulate the question as you have suggested,”⁴⁵⁷ and on March 29, 1993, the Court granted cert. on Justice’s O’Connor’s reformulated question.

At the November 12, 1993, Conference after the November 9, 1993, oral argument, all the Justices favored reversal of the Sixth Circuit, with Justices Blackmun, Stevens and O’Connor voting for outright reversal; Chief Justice Rehnquist and Justice Scalia voting to vacate the Sixth Circuit’s decision; and Justices Kennedy, Thomas, Souter and Ginsburg voting to vacate and remand.⁴⁵⁸

Justice Souter’s opinion went through five drafts prior to the announcement of the decision on March 7, 1994. Justice Souter circulated his first draft on Jan. 5, 1994 and received comments two days later from Justice Ruth Bader Ginsburg.⁴⁵⁹ In her letter, Justice Ginsburg focused on the application of the third factor of section 107--the amount of the original work copied. Justice Ginsburg requested “lighter pressure” so as not to give the impression of deciding in Petitioner’s favor as a matter of law.⁴⁶⁰ Justice Ginsburg was concerned that 2 Live Crew “went beyond what was necessary to assure identification” and questioned whether the version sold because of its copying or its “transformative lyrics.”⁴⁶¹ To clarify, she suggested adding that “copying does not become excessive in relation to parodic purpose merely because the portion taken was the

⁴⁵³ Associate Justice Sandra Day O’Connor, Memorandum to the Conference at 2 (Mar. 23, 1993), in *Campbell* file, Stevens Papers.

⁴⁵⁴ *Id.* at 3.

⁴⁵⁵ *Id.*

⁴⁵⁶ *Id.* at 3-4.

⁴⁵⁷ Letter from Associate Justice Antonin Scalia to Associate Justice Sandra Day O’Connor (Mar. 25, 1993) in *Campbell* file, Stevens Papers.

⁴⁵⁸ Associate Justice Harry A. Blackmun, Notes from Argument (Nov. 9 1993), in *Campbell* file, Blackmun Papers; Associate Justice Harry A. Blackmun, Notes from Conference (Nov. 12, 1993), in *Campbell* file, Blackmun Papers; Associate Justice John Paul Stevens, Case File Cover Sheet (Nov. 1993), in *Campbell* file, Stevens Papers.

⁴⁵⁹ Letter from Associate Justice Ruth Bader Ginsburg to Associate Justice David H. Souter (Jan. 7, 1994), in *Campbell* file, Blackmun Papers.

⁴⁶⁰ *Id.*

⁴⁶¹ *Id.*

original's heart."⁴⁶² Justice Souter accepted these changes and inserted this exact language into his second draft that same day.⁴⁶³ This change allowed a parody to copy the "heart" of the musical work without necessarily constituting infringement.

In addition to adding Justice Ginsburg's language into the opinion, Justice Souter also made further substantive and stylistic changes. Most notably, Justice Souter moved the language he worked out with Justice Ginsburg to the end of Section II.C. of the opinion and added "[a]s to the music, whether repetition of the bass riff is excessive copying is not subject to resolution as a matter of law on this record, and we remand to permit evaluation of the amount taken, in light of the song's parodic purpose and character, its transformative elements, and the considerations of potential market substitution effect sketched more fully below."⁴⁶⁴ By making this addition, Justice Souter required a balancing of the impact of the amount of copying and the parodic purpose in determining whether copying was extensive.

Following the circulation of the second draft, Justice Ginsburg joined the opinion.⁴⁶⁵ While Chief Justice William Rehnquist joined that same day,⁴⁶⁶ Justice John Paul Stevens wrote to Justice Souter expressing concern that the revisions to Section II.C. "have pushed us farther apart."⁴⁶⁷ Justice Stevens wrote that he thought it "unnecessary to remand to determine 'whether repetition of the bass riff is excessive copying.'"⁴⁶⁸ He argued that the district court performed the proper analysis in determining how much copying is reasonably necessary. Justice Stevens was prepared to reverse outright "without an inquiry into the effect on the market for the original or on the market for derivative uses."⁴⁶⁹ Rather, Justice Stevens argued that because it is difficult to distinguish between the market impact of the parody's critical nature and the market impact of substitution effect, "doubt should be resolved in favor of the parodist," and the standard should be appropriating no more than "reasonably necessary."⁴⁷⁰

Two days later, Justice Souter responded that he did not "think we can say, as a matter of law on this sparse summary judgment record, that the extent of 2 Live Crew's repetition of the bass riff was not excessive in relation to its parodic purpose."⁴⁷¹ Rather, whether 2 Live Crew took too much should be open for remand. Furthermore, Justice Souter feared making a presumption in

⁴⁶² *Id.*

⁴⁶³ Letter from Associate Justice David H. Souter to Associate Justice Ruth Bader Ginsburg (Jan. 7, 1994), in *Campbell* file, Blackmun Papers.

⁴⁶⁴ Draft Opinion of Associate Justice David H. Souter (Jan. 7, 1994), in Blackmun Papers at 20.

⁴⁶⁵ Letter from Associate Justice Ruth Bader Ginsburg to Associate Justice David H. Souter (Jan. 10, 1994), in *Campbell* file, Blackmun Papers.

⁴⁶⁶ Letter from Chief Justice William H. Rehnquist to Associate Justice David H. Souter (Jan. 10, 1994), in *Campbell* file, Blackmun Papers.

⁴⁶⁷ Letter from Associate John Paul Stevens to Associate Justice David H. Souter (Jan. 10, 1994), in *Campbell* file, Blackmun Papers.

⁴⁶⁸ *Id.*

⁴⁶⁹ *Id.*

⁴⁷⁰ *Id.* at 1-2.

⁴⁷¹ Letter from Associate Justice David H. Souter to Associate John Paul Stevens at 1 (Jan. 12, 1994), in *Campbell* file, Blackmun Papers.

favor of the parodist when the market effects are difficult to distinguish. He argued that “one measure that a parody has taken too much (and has not added enough of its own) is that it acts as a market substitute for the original.”⁴⁷² A presumption would prevent any inquiry into market harm and “could prevent courts from seeing the interrelationship among the statutory factors.”⁴⁷³

When Justice Stevens responded on January 20 to the latest letter, he said he would like to join the opinion.⁴⁷⁴ To that end, he proposed changing the language in the second draft; rather than writing “we fail to see how the copying can be excessive,” Justice Stevens suggested writing “we express no opinion.”⁴⁷⁵ Justice Stevens also suggested adding a sentence clarifying the definition of a derivative market and its potential impact on the harm analysis.⁴⁷⁶ Justice Souter adopted both of these suggestions in the third draft,⁴⁷⁷ effectively removing any insinuation that copying for parody cannot be excessive.

On January 21, Justice Anthony Kennedy wrote to Justice Souter expressing three main concerns. First, Justice Kennedy argued that once a work is defined as a parody, fair use is established, and therefore “if the 2 Live Crew's version of *Pretty Woman* is a legitimate parody, it should not matter whether that parody interferes with the market for straight rap versions of the Roy Orbison original.”⁴⁷⁸ Justice Kennedy would prefer a more explicit test. Second, Justice Kennedy wanted to set out a “tight definition of what it means to comment on the original.”⁴⁷⁹ He saw no reason to have a presumption in favor of the parodist, finding that “[u]nder-protection may disserve the goals of copyright just as much as over-protection, by reducing the financial incentive to create.”⁴⁸⁰ Finally, Justice Kennedy agreed that the case should be remanded, but for a different reason than that cited by Justice Souter. For Justice Kennedy, the issue for remand was whether the song was a parody. In this letter, Justice Kennedy wrote of the possibility that he would write a concurrence, but would wait for a response.

Justice Souter responded to Justice Kennedy on February 2 and gave his reasons for opposing “a doctrinal shift to creating a presumptively protected category for parody.”⁴⁸¹ First, some works, though parody in part, are not parody in their entirety—a “work may parody some earlier composition weakly or powerfully, and (whatever degree of effectiveness it can claim) it

⁴⁷² *Id.*

⁴⁷³ *Id.*

⁴⁷⁴ Letter from Associate Justice John Paul Stevens to Associate Justice David H. Souter at 1 (Jan. 20, 1994), in *Campbell* file, Blackmun Papers.

⁴⁷⁵ *Id.*

⁴⁷⁶ *Id.* at 1-2

⁴⁷⁷ See Letter from Associate Justice David H. Souter to Associate Justice John Paul Stevens (Feb. 2, 1994), in *Campbell* file, Blackmun Papers; Draft Opinion of Associate Justice David H. Souter at 20, 23-24 (Feb. 2, 1994), in *Campbell* file, Blackmun Papers.

⁴⁷⁸ Letter from Associate Justice Anthony M. Kennedy to Associate Justice David H. Souter at 1 (Jan. 21, 1994), in *Campbell* file, Blackmun Papers.

⁴⁷⁹ *Id.* at 2.

⁴⁸⁰ *Id.*

⁴⁸¹ Letter from Associate Justice David H. Souter to Associate Justice Anthony M. Kennedy at 1 (Feb. 2, 1994), in *Campbell* file, Blackmun Papers.

may run the gamut from pure parody to a combination of parody, satire and straight-out criticism without a touch of irony.”⁴⁸² A categorical rule would fail to recognize these differences. Secondly, “in *Harper v. Row*, the Court rejected just such a conceptual shift when it held against creating a presumptively (or absolutely) fair use category for news reporting of borrowed material.”⁴⁸³ Finally, Justice Souter wrote that, in his opinion, to be consistent with *Harper* and the statute, the Court cannot “abbreviate the fair use enquiry.”⁴⁸⁴

Still, on February 28, Justice Souter circulated his fourth draft attached to a memorandum to the Conference indicating insertions he made so that Justice Kennedy could join.⁴⁸⁵ First, he added a definition of parody adopted from *Metro-Goldwyn-Mayer Inc. v. Showcase Atlanta Cooperative Productions, Inc.*, 479 F. Supp. 351, 357 (ND Ga. 1979).⁴⁸⁶ Second, Justice Souter wrote that all uses should not “be resolved in favor of the self-proclaimed parodist, since the character of fair use as an affirmative defense places the burden of establishing it on the parodist. Under-protection may disserve the goals of copyright just as much as over-protection, by reducing the financial incentives to create.”⁴⁸⁷

In response to these changes, however, Justices O’Connor, Ginsburg and Blackmun all wrote separate letters expressing their displeasure.⁴⁸⁸ Justice Kennedy wrote a letter to Justice Souter stating that these changes did accommodate his views, but he recognized that “that there were seven justices, including yourself, for the earlier.”⁴⁸⁹ Justice Kennedy said he “would understand if your first preference is to accommodate their views and rely on your earlier draft.”⁴⁹⁰ He added that if that is what Justice Souter decided to do, he would try to draft a separate concurring statement. Justice Souter promptly dropped these insertions in the fifth, and final, draft.⁴⁹¹ As a result, Justice Kennedy wrote his own concurrence, using the rejected

⁴⁸² *Id.*

⁴⁸³ *Id.* at 2.

⁴⁸⁴ *Id.*

⁴⁸⁵ Memorandum from Associate Justice David H. Souter to the Conference (Feb. 28, 1994), in *Campbell* file, Blackmun Papers.

⁴⁸⁶ See Draft Opinion of Associate Justice David H. Souter at 10 (Feb. 28, 1994), in *Campbell* file, Blackmun Papers.

⁴⁸⁷ *Id.* at 13.

⁴⁸⁸ Letter from Associate Justice Sandra Day O’Connor to Associate Justice David H. Souter (Mar. 1, 1994), in *Campbell* file, Blackmun Papers (expressing that she is “uncomfortable” with the added text on page 10); Letter from Associate Ruth Bader Ginsburg to Associate Justice David H. Souter (Mar. 1, 1994), in *Campbell* file, Blackmun Papers (agreeing with Justice O’Connor); Letter from Associate Justice Harry A. Blackmun to Associate Justice David H. Souter (Mar. 4, 1994), in *Campbell* file, Blackmun Papers (wanting the quote dropped).

⁴⁸⁹ Letter from Associate Justice Anthony M. Kennedy to Associate Justice David Souter (Mar. 1, 1994), in *Campbell* file, Stevens Papers.

⁴⁹⁰ *Id.*

⁴⁹¹ Draft Opinion of Associate Justice David H. Souter at 13 (Mar. 4, 1994), in *Campbell* file, Blackmun Papers.

language.⁴⁹² With the final changes in his fifth draft, Justice Souter wrote to Justice O'Connor that "[i]t looks as though the baby will be delivered on Monday morning."⁴⁹³

XIII. LOTUS v. BORLAND, 516 U.S. 233 (1996)

A. Background

The First Circuit ruled in 1994 that Borland did not infringe Lotus' copyright when it copied the Lotus 1-2-3 command structure in its competing spreadsheet program because the command structure was unprotectable method of operation under 17 U.S.C. § 102(b).⁴⁹⁴ The Supreme Court granted certiorari in 1995 and heard oral arguments on January 8, 1996. The following week, on January 16, 1996, the Court issued a short *per curiam* decision, stating that the First Circuit's judgment was affirmed by an equally divided court, and that Justice Stevens took no part in the consideration or decision of the case.

B. Behind the Scenes

Justice Stevens' files confirm the reason Justice Stevens recused himself.⁴⁹⁵ As stated in a memo from an unidentified clerk, "[i]n light of your policy of disqualifying yourself from cases in which IBM is a party, my recommendation is that you DISQUALIFY."⁴⁹⁶ IBM had purchased Lotus in early 1995, and Justice Stevens appeared to have owned IBM stock.

The cover sheet for the case file indicates that Justice Stevens was "out;" Justices Rehnquist, O'Connor, Scalia, Ginsburg, and Breyer had voted in favor of the petition for a writ of certiorari; and Justices Kennedy, Souter, and Thomas voted against cert.⁴⁹⁷ Ginsburg had voted "J-3," that is, she would join in favor of cert. if three other Justices supported cert. (cert. is granted if four Justices vote in favor). Unfortunately, the cover sheet does not indicate how each Justice voted on the merits at Conference—that is, how a 5-3 vote in support of cert. became a 4-4 tie. Nothing else in the file does either. One can speculate that Justice Breyer may have supported cert. because of his interest in the subject matter, but then voted against reversal. Perhaps the papers of the other Justices, when they are made public, will disclose the voting on the merits.

The clerk's memo, which discussed the case for Justice Stevens' information notwithstanding the recommendation that he disqualify himself, contained interesting commentary. The issue raised by the case is described as "difficult and interesting."⁴⁹⁸ The clerk

⁴⁹² 510 U.S. at 599 (Kennedy, J., concurring).

⁴⁹³ Letter from Associate Justice David H. Souter to Associate Justice Sandra Day O'Connor (Mar. 4, 1994), in *Campbell* file, Blackmun Papers.

⁴⁹⁴ 49 F.3d 807 (1st Cir. 1995).

⁴⁹⁵ For the remaining cases discussed in this article, only Justice Stevens' papers are available.

⁴⁹⁶ Memorandum to Associate Justice John Paul Stevens at 1 (Sept. 26, 1995), in *Borland* file, Stevens Papers.

⁴⁹⁷ Associate Justice John Paul Stevens Case File Cover Sheet, in *Borland* file, Stevens Papers.

⁴⁹⁸ Memorandum to Associate Justice John Paul Stevens at 1 (Sept. 26, 1995), in *Borland* file, Stevens Papers.

advised that “you might find the [petition] interesting reading, even if you disqualify yourself.”⁴⁹⁹ After discussing the facts and the holdings below, the clerk remarked that the petition “touches on one aspect of the extremely difficult problem of applying copyright law to computer programs. Unsurprisingly, the issue has attracted top lawyers ([petitioner’s] lawyers include Charles Fried and Arthur Miller) and several amicus briefs.”⁵⁰⁰

The issue raised by *Lotus v. Borland* was indeed “difficult and interest;” it wasn’t resolved for 27 years until *Google LLC v. Oracle Am., Inc.*, 141 S. Ct. 1163 (2021).

XIV. QUALITY KING v. L’ANZA, 523 U.S. 135 (1998)

A. Background

This case posed the question of whether the importation right in 17 U.S.C. § 602(a) is subject to the first sale doctrine codified in 17 U.S.C. § 109(a). L’anza affixed a copyrighted label to its haircare products manufactured in the United States. It sold the products overseas at a lower price than in the United States. Quality King purchased the products in Malta and then imported them back to the United States. L’anza sued Quality King for infringing its right under section 602(a) to prohibit the importation of copies of its work without authorization. The district court ruled against Quality King and the U.S. Court of Appeals for the Ninth Circuit affirmed.⁵⁰¹

On March 9, 1998, Justice Stevens delivered the unanimous opinion of the Court reversing the Ninth Circuit. The Court held that as a matter of statutory interpretation, the importation right in section 602(a) is a subset of the distribution right in section 106(3) and therefore is subject to the first sale doctrine in section 109(a). Under the first sale doctrine, the owner of a copy of a work “lawfully made under this title” does not infringe the distribution right by selling or lending that copy. In effect, the distribution right in that copy is exhausted by the first authorized sale of that copy. Because the products at issue here were “lawfully made under this title,” as required by section 109(a), Quality King did not infringe the importation right when it imported L’anza’s products.

Justice Ginsburg wrote a short concurring opinion stressing that this case involved a product manufactured in the United States. She joined the Court’s opinion “recognizing that we do not resolve today cases in which the allegedly infringing imports were manufactured abroad.”⁵⁰² She then cited William Patry’s statement in his treatise that “the words ‘lawfully made under this title’ in the ‘first sale’ provision, 17 U.S.C. § 109(a), must mean ‘lawfully made in the United States.’”⁵⁰³

B. Behind the Scenes

⁴⁹⁹ *Id.*

⁵⁰⁰ *Id.* at 3.

⁵⁰¹ 98 F.3d 1109 (9th Cir. 1996).

⁵⁰² *Quality King*, 523 U.S. at 154 (Ginsburg, J., concurring).

⁵⁰³ William Patry, COPYRIGHT LAW AND PRACTICE 166-170 (1997 Supp.).

The cover sheet for Justice Stevens' case file indicates that all nine Justices voted in favor of granting cert.⁵⁰⁴ Six of the Justices voted at the December 10, 1997 conference to reverse. Chief Justice Rehnquist and Justice Ginsburg had question marks by their names, while Justice Kennedy seemed to have supported affirmance. According to Justice Stevens' difficult-to-read notes, Justices O'Connor and Ginsburg mentioned fair use at conference, while Justice Kennedy indicated he was "troubled by fair use."

Justice Stevens was assigned the task of writing the majority opinion. He circulated the first draft on February 10, 1998. On February 12, Justice Ginsburg sent him a letter stating that "although I voted the other way at Conference, I am rethinking my position based upon the main line of your opinion" concerning the relationship of sections 602(a), the first sale doctrine, and the distribution right.⁵⁰⁵ However, Justice Ginsburg suggested several revisions to the opinion, most notably about the place of manufacture. "This case is about 'roundtrips,' as you recognize..., U.S.-manufactured goods sent abroad, then imported back. I don't think we have before us the case of goods manufactured abroad, then imported. To keep the opinion focused on this case," Justice Ginsburg recommended emphasizing in several places in the opinion that L'anza's products were manufactured in the United States.⁵⁰⁶

On February 16, Justice Stevens responded to Justice Ginsburg's letter. While he accepted several of her proposed modifications, he refused to focus on the site of the manufacture. "I do not think, however, that it is necessary or desirable to emphasize that we are concerned only with products made in the United States. This case does involve U.S.-made products, of course, as the opinion already makes clear, but I see no reason to go out of our way to incorporate an express place-of-manufacture limitation."⁵⁰⁷

On February 20, Justice Ginsburg more explicitly pushed for a place-of-manufacture limitation. "Following up on my suggestion on limiting the opinion to U.S.-made products, I enclose the most relevant pages" from William Patry's copyright treatise.⁵⁰⁸ Throughout, Patry "distinguishes between works 'made outside the United States' and works 'lawfully made in the United States.'"⁵⁰⁹

Later that day, Justice Stevens wrote back,

You are ... correct that Patry would distinguish between goods lawfully made in the United States and goods made outside the United States. I have considered Patry's argument, however, and I am not persuaded by it. Nothing in the statute suggests that the place where

⁵⁰⁴ Associate Justice John Paul Stevens Case File Cover Sheet, in *L'anza* file, Stevens Papers.

⁵⁰⁵ Letter from Associate Justice Ruth B. Ginsburg to Associate Justice John P. Stevens at 1 (Feb. 12, 1998) in *L'anza* file, Stevens Papers.

⁵⁰⁶ *Id.* at 2.

⁵⁰⁷ Letter from Associate Justice John P. Stevens to Associate Justice Ruth B. Ginsburg at 1 (Feb. 16, 1998) in *L'anza* file, Stevens Papers.

⁵⁰⁸ Letter from Associate Justice Ruth B. Ginsburg to Associate Justice John P. Stevens (Feb. 20, 1998) in *L'anza* file, Stevens Papers.

⁵⁰⁹ *Id.*

either the products or the copyrighted labels were manufactured is relevant. Indeed, petitioner, respondent, and the United States agree that the place of manufacture is not dispositive of the question presented in this case. I see no justification in the statute or the case law for distinguishing between a copy made abroad with the authorization of the U.S. copyright holder and a U.S.-made copy sent abroad with the authorization of the U. S. copyright holder. In my view, both would be “lawfully made under this title.” Otherwise, L’anza could make the copyrighted labels in Mexico, affix them to their U.S.-made hair products, sell them abroad, and claim entitlement to protection from unauthorized importation under § 602(a) despite the first-sale doctrine.⁵¹⁰

Justice Stevens added,

This case involves only U.S.-made products, of course, and our holding is necessarily limited by the facts presented here. The absence from the opinion of any discussion of place of manufacture does not foreclose our consideration of that issue in a future case. The problem with emphasizing the place of manufacture now is that such emphasis would imply that place of manufacture is important to our analysis. I do not think that it is important, however, and I do not think our opinion suggests any answer to the question whether place of manufacture is relevant. If it were to do so, I would prefer to suggest an answer contrary to Patry’s.⁵¹¹

By resisting Justice Ginsburg’s attempt to include a place of manufacture limitation, Justice Stevens kept the issue open for future consideration. The Court granted cert. on this question in *Costco Wholesale Corp. v. Omega, S.A.*, 562 U.S. 40 (2010), but split 4-4 with Justice Kagan not participating. The Court again granted cert. on this question in *Kirtsaeng v. John Wiley & Sons, Inc.*, 568 U.S. 519 (2013). By then, Justice Stevens had retired from the Court. But Justice Breyer, in an opinion for a 6-3 majority, echoed the position articulated by Justice Stevens in his correspondence with Justice Ginsburg: that the first sale doctrine applies to copies made abroad with the authorization of the U.S. copyright owner.

The Stevens papers also contain a February 27, 1998, letter from Justice Kennedy. He stated that Justice Stevens’ draft opinion addressed the concerns he had with L’anza’s argument and that “in all respects your opinion is convincing...”⁵¹² Justice Kennedy was willing to join it provided that Justice Stevens resolved two matters. First, the second to the last sentence of the draft opinion stated that “We owe no deference to the State Department’s interpretation of the Act because it has no responsibility for enforcing or administering it.” Justice Stevens wrote this sentence in the context of declaring the irrelevance of executive agreements prohibiting the unauthorized importation of copies of the works of U.S. copyright owners. Justice Kennedy noted that “it is likely correct that, since the State Department does not have the responsibility to enforce the copyright act, it has no expertise in interpreting it.” However, he feared “the statement will be quoted out of context in those numerous instances where State is required to make certain

⁵¹⁰ Letter from Associate Justice John P. Stevens to Associate Justice Ruth B. Ginsburg at 1 (Feb. 20, 1998) in *L’anza* file, Stevens Papers.

⁵¹¹ *Id.* at 1-2.

⁵¹² Letter from Associate Justice Anthony Kennedy to Associate Justice John P. Stevens (Feb. 27, 1998) in *L’anza* file, Stevens Papers.

representations about American law.” For this reason, Justice Kennedy suggested deleting the sentence or rewriting it.

Second, in support of his point that section 602(a) did not create a right separate from the distribution right in section 106(3), and thus a right not limited by the first sale doctrine, Justice Stevens contrasted the wording of section 602(a) with that of 106A, which created moral rights in visual works distinct from the exclusive economic rights in section 106. Justice Stevens included a footnote explaining that section 106A was adopted in response to the U.S. accession to the Berne Convention. Footnote 21 originally contained this sentence: “Thus, Congress made a considered choice in drafting § 106A and did not simply import the provisions of the Berne Convention wholesale into U. S. copyright law.”⁵¹³ Justice Kennedy’s “concern is that the sentence could be read to suggest the U.S. is not in compliance with this aspect of the Berne Convention.”⁵¹⁴ Accordingly, he suggested deleting the sentence. Justice Stevens made the two deletions requested by Justice Kennedy, and Justice Kennedy joined his opinion. (Justice Ginsburg requested another deletion to footnote 21 for a similar reason, which Justice Stevens also made.⁵¹⁵)

XV. NEW YORK TIMES v. TASINI, 533 U.S. 483 (2001)

A. Background

17 U.S.C. § 201(c) provides that the owner of a copyright in a collective work is presumed to have acquired the privilege of reproducing and distributing the individual contributions to the work in “any revision of that collective work.” This had long been interpreted to permit a newspaper publisher to authorize the making of a microfiche version of back-issues of the newspaper without seeking the permission of all the freelance journalists whose articles appeared in the newspaper. The New York Times and other newspapers publishers licensed Lexis-Nexis to create of an electronic database of the back-issues of their newspapers, from which articles could be accessed individually. A group of freelancer writers sued the publishers, claiming that the database was not a “revision” of the collective work within the meaning of section 201(c). Then-district court Judge Sonia Sotomayor found for the publishers. The Second Circuit reversed,⁵¹⁶ and the publishers petitioned for cert. On June 25, 2001, the Supreme Court affirmed the Second Circuit by a 7-2 margin with the majority opinion written by Justice Ginsburg. Justice Stevens wrote a dissent, which Justice Breyer joined.

B. Behind the Scenes

The cover sheet for the case file indicates that Justices Stevens, Breyer, and Kennedy supported the grant of cert., with Justice O’Connor voting “J-3,” meaning she supported the grant

⁵¹³ Draft Opinion of Associate Justice John P. Stevens (Feb. 10, 1998) in *L’anza* file, Stevens Papers.

⁵¹⁴ Letter from Associate Justice Anthony Kennedy to Associate Justice John P. Steven (Feb. 27, 1998) in *L’anza* file, Stevens Papers.

⁵¹⁵ Letter from Associate Justice Ruth B. Ginsburg to Associate Justice John P. Stevens (Feb. 27, 1998) in *L’anza* file, Stevens Papers.

⁵¹⁶ 206 F.3d 161 (2d Cir. 2000).

of cert. if three other Justices voted in favor.⁵¹⁷ Accordingly, cert. was granted. The cover sheet also indicates that at the March 30, 2001, Conference, seven Justices supported affirmance of the Second Circuit’s decision, with Justices Stevens and Breyer favoring reversal.

Justice Stevens’ files reveal few changes in the development of the both the majority and dissenting opinions. After Justice Ginsburg distributed her first draft, Justice O’Connor raised an interesting concern with one sentence. At the beginning of her analysis of the case’s core legal issue in section III of her opinion, Justice Ginsburg stated: “The Copyright Act’s ultimate concern is the way works are presented to, and comprehensible by, the human reader, viewer, or listener.”⁵¹⁸ In a letter dated June 6, 2001, Justice O’Connor wrote that she understood “the point of this sentence to be that, while the parties make arguments concerning how the Articles exist in the Databases in a technological or metaphysical sense, the proper focus of the inquiry is on the works as presented to and perceived by the Database users.”⁵¹⁹ Justice O’Connor agreed with this focus, but had two concerns about the sentence as written. First,

the “ultimate concern” of the Copyright Act is actually the protection of original expression so as “[t]o promote the Progress of Science and useful Arts,” U.S. Const., Art. I, § 8, cl. 8. While perceptibility is one concern of the Copyright Act in a functional sense, it seems to me that the “ultimate concern” claim is too sweeping and not quite accurate.⁵²⁰

Second,

the sentence is somewhat misleading in that the Copyright Act is not at all concerned with the way in which works are presented to and perceived by human beings. Indeed, the purpose of the 1976 Act’s elaboration of § 102’s fixation requirement is to ensure that the manner of presentation has no effect on copyrightability. [...] Section 102’s fixation requirement ensures that works enjoying copyright protection are capable of perception from a tangible medium, but it does not matter how they are perceived for purposes of copyrightability. A sentence that links the Copyright Act’s “ultimate concern” to the “way” in which works are presented might be used to attack medium neutrality or for some other misleading purpose. The risk of misuse seems particularly great because the sentence is eminently quotable and appears at an important juncture in the opinion.⁵²¹

On this basis, Justice O’Connor proposed replacing the troubling sentence with a more neutral one: “In determining whether the Articles have been reproduced and distributed as part of a revision of the collective works, the proper focus of our inquiry is that which is presented to and perceived by the users of the Databases.”⁵²² Justice Ginsburg responded later that day, telling

⁵¹⁷ Associate Justice John Paul Stevens Case File Cover Sheet, in *Tasini* file, Stevens Papers.

⁵¹⁸ Draft Opinion of Associate Justice Ruth B. Ginsburg (June 5, 2001) in *Tasini* file, Stevens Papers.

⁵¹⁹ Letter from Associate Justice Sandra Day O’Connor to Associate Justice Ruth B. Ginsburg (June 6, 2001) in *Tasini* file, Stevens Papers.

⁵²⁰ *Id.*

⁵²¹ *Id.*

⁵²² *Id.*

Justice O'Connor, "[y]ou are absolutely right."⁵²³ Justice Ginsburg went on to propose slight modifications to Justice O'Connor, which she included in the final opinion: "In determining whether the Articles have been reproduced and distributed 'as part of' a 'revision' of the collective works in issue, we focus on the Articles as presented to, and perceptible by, the user of the Databases."⁵²⁴

Justice O'Connor was correct that Justice Ginsburg's original formulation would have been susceptible to misuse for the reasons she stated. Additionally, the exchange between Justice O'Connor and Justice Ginsburg reflects the care the Justices exercised to ensure that their opinions were not misconstrued.

The case file also contained correspondence relating to Justice Stevens' dissent. On April 25, 2001, Justice Stevens sent a letter to Justice Breyer confirming an agreement they had reached in an earlier telephone conversation that Justice Stevens would draft a dissent in *Tasini* while Justice Breyer would draft a dissent in *Tyler v. Cain*, 533 U.S. 656 (2001), a case then pending relating to the Antiterrorism and Effective Death Penalty Act of 1996.⁵²⁵ They each ultimately joined the other's dissenting opinion.

Further, on June 15, 2001, Justice Breyer sent Justice Stevens a lengthy letter containing "a rough version of a few ideas" Justice Breyer had for the dissent. Justice Breyer acknowledged that "I think you already say most of what is in there," but invited Justice Stevens to "use any additional material that you find useful." Justice Breyer added that "I do think we should say something about the need for Congress to address this issue."

Justice Breyer's letter stated that "Macaulay wrote that copyright is "a tax on readers for the purpose of giving a bounty to writers." That tax restricts the dissemination of writings, but only insofar as necessary to encourage their production, the bounty's basic objective." Justice Stevens used this precise language in section IV of his dissent.⁵²⁶ Justice Breyer subsequently employed the Macaulay quotation in his dissents in *Eldred v. Ashcroft*, discussed below, *Golan v. Holder*, 565 U.S. 302, 345 (2012) (Breyer, J., dissenting), and his opinion for the majority in *Google v. Oracle*.⁵²⁷

Likewise, Justice Breyer noted that the Court's decision would lead to incomplete electronic databases, which might necessitate congressional intervention.

If the problem is genuine and important (as amici now tell us that it is), congressional action may well be necessary to preserve present databases in their entirety. Compare 17 U.S.C.

⁵²³ Letter from Associate Justice Ruth B. Ginsburg to Associate Justice Sandra Day O'Connor (June 6, 2001) in *Tasini* file, Stevens Papers.

⁵²⁴ *Tasini*, 533 U.S. at 499.

⁵²⁵ Letter from Associate Justice John P. Stevens to Associate Justice Stephen G. Breyer (Apr. 25, 2001) in *Tasini* file, Stevens Papers.

⁵²⁶ *Id.* at 519 (Stevens, J., dissenting).

⁵²⁷ *Google*, 141 S. Ct. at 1195.

§ 108(d) (1). At the least, Congress can determine the nature and scope of the problem and fashion any necessary licensing remedy far more easily than can courts.

Justice Stevens included similar language in footnote 18 of his dissent:

If the problem is as important as amici contend, congressional action may ultimately be necessary to preserve present databases in their entirety. At the least, Congress can determine the nature and scope of the problem and fashion on appropriate licensing remedy far more easily than can courts. Compare 17 U.S.C. §108(d)(1).⁵²⁸

XVI. ELDRED v. ASHCROFT, 537 U.S. 186 (2003)

A. Background

The D.C. Circuit in 2001 upheld the constitutionality of the Sonny Bono Copyright Term Extension Act (“CTEA”) against a challenge brought by Eric Eldred, a publisher of public domain works.⁵²⁹ In 2002, the Supreme Court granted Eldred’s cert. petition. In 2003, in an opinion authored by Justice Ruth Bader Ginsburg, the Supreme Court affirmed the D.C. Circuit’s decision by a 7-2 vote. Justices Stevens and Breyer wrote separate dissents.

B. Behind the Scenes

The Stevens case files suggest that initially not enough Justices supported cert., but that Justice Breyer persuaded the Court to take the case. First, Justice Breyer wrote a draft dissenting opinion from a denial of the cert. petition, which he circulated to his colleagues on January 16, 2002. The draft states that the Petitioners’ argument concerning the unconstitutionality of the CTEA “is an important one, implicating the nature of copyright itself.”⁵³⁰ The draft foreshadows many themes that Justice Breyer later included in his dissenting opinion on the merits. The draft explained that the CTEA “stretches copyright’s term beyond the ‘limited Times’ that the Constitution foresees,”⁵³¹ and that the First Amendment “required reading the [Copyright] Clause as imposing a significant temporal restriction.”⁵³² On this basis, Justice Breyer wrote that he dissented “from the Court’s decision to deny the petition.”⁵³³

Second, the cover sheet for the case file indicates that initially, only Justice Breyer and Stevens supported cert., with Sandra Day O’Connor voting J-3.⁵³⁴ Justice Breyer requested that the case be relisted for consideration three times, on January 4, 11, and 18, 2002. On January 16, 2002, Justice O’Connor sent Justice Breyer a letter stating that “I agree with you that we should

⁵²⁸ *Tasini*, 533 U.S. at 520 n.18 (Stevens, J., dissenting).

⁵²⁹ 255 F.3d 849 (D.C. Cir. 2001).

⁵³⁰ Draft Opinion of Associate Justice Stephen G. Breyer Dissenting from Denial of Certiorari at 1 (Jan. 16, 2002) in *Eldred* file, Stevens Papers.

⁵³¹ *Id.*

⁵³² *Id.* at 4.

⁵³³ *Id.* at 5.

⁵³⁴ Associate Justice John Paul Stevens Case File Cover Sheet, in *Eldred* file, Stevens Papers.

grant certiorari in this case and change my vote from a ‘join-3’ to a grant.”⁵³⁵ Presumably she switched her from join-3 to grant after reading Justice Breyer’s draft dissent. But that still wasn’t enough. Ultimately, by the February 19, 2002, conference, Justices Scalia and Souter changed their vote from deny to grant, and the Court granted cert.⁵³⁶ Although Justices O’Connor, Scalia, and Souter were sufficiently persuaded by Justice Breyer to support cert., they still joined Justice Ginsburg’s opinion affirming the D.C. Circuit.

Justice Stevens’ papers indicate that Section III of Justice Ginsburg’s opinion, which described fair use and the idea expression dichotomy as “built-in First Amendment accommodations,” remained virtually unchanged throughout the eleven drafts she circulated to her colleagues. Thus, the section’s analysis was all Justice Ginsburg’s. The only substantive change to the section was supplied by Justice Thomas. In a December 12, 2002, letter to Justice Ginsburg, Justice Thomas stated that while he agreed with her analysis of the First Amendment question, “we should make clear that the D.C. Circuit’s conclusion that copyright laws are ‘categorically immune’ from First Amendment scrutiny is incorrect.”⁵³⁷ He then proposed language to implement this point. In a letter to Justice Thomas the following day, Justice Ginsburg said that “you rightly point out that the D.C. Circuit overstated when it declared copyrights ‘categorically immune’ from First Amendment protection.”⁵³⁸ She added that she would incorporate his suggested language “almost verbatim,” which she did.

XVII. DASTAR v. TWENTIETH CENTURY FOX FILMS, 539 U.S. 23 (2003)

A. Background

Dastar distributed without attribution copies of a television series owned by Twentieth Century Fox that had entered into the public domain. The Ninth Circuit found that this constituted reverse passing off in violation of the Lanham Act.⁵³⁹ On June 2, 2003, the Supreme Court reversed by an 8-0 vote with an opinion written by Justice Scalia; Justice Breyer took no part in the consideration or decision of the case.

B. Behind the Scenes

⁵³⁵ Letter from Associate Justice Sandra D. O’Connor to Justice Stephen G. Breyer (Jan. 16, 2002) in *Eldred* file, Stevens Papers.

⁵³⁶ According to the case file cover sheet, at the October 11, 2002 Conference, Justices Stevens and Breyer voted to reverse, Justice Souter had a question mark by his name, and the remaining Justices supported affirmance.

⁵³⁷ Letter from Associate Justice Clarence Thomas to Associate Justice Ruth B. Ginsburg at 1 (Dec. 12, 2002) in *Eldred* file, Stevens Papers.

⁵³⁸ Letter from Associate Justice Ruth B. Ginsburg to Associate Justice Clarence Thomas at 1 (Dec. 13, 2002) in *Eldred* file, Stevens Papers.

⁵³⁹ 34 Fed.Appx. 312 (9th Cir. 2002).

The Stevens case file confirms that Justice Breyer did not participate in the case because his brother sat on the Ninth Circuit panel below.⁵⁴⁰ (Charles Breyer is a U.S. district court judge for the Northern District of California. He participated in the Ninth Circuit panel in this case by designation.) In a memorandum from one of Justice Stevens' clerk's concerning whether to grant cert., the clerk expressed concern with addressing the issue presented without Justice Breyer's participation. "Not only would that make it an 8-member Ct, it would also take away Justice Breyer in a case that he would likely have a keen interest as well as a distinctive view."⁵⁴¹ Although Justice Breyer may have had a "distinctive view" on IP matters, it was one shared by Justice Stevens, and the clerk may have anticipated the Justice Stevens would be reluctant to grant cert. without his most copyright reliable ally.

Notwithstanding his clerk's advice, Justices Stevens voted in favor of cert., along with Justices O'Connor, Kennedy and Ginsburg (Justice Ginsburg voted J-3).⁵⁴² Justice Stevens' case file cover sheet indicates that seven of Justices voted at the April 4, 2003, Conference to reverse the Ninth Circuit, with Justice Ginsburg remaining undecided. The file contains no substantive correspondence among the Justices concerning Justice Scalia's opinion, nor what convinced Justice Ginsburg to support reversal. Evidently, the Justices saw this as an easy case.

XVIII. METRO-GOLDWYN-MAYER STUDIOS INC. v. GROKSTER LTD., 545 U.S. 913
(2005)

A. Background

In 2004, the Ninth Circuit found that the peer-to-peer file sharing company Grokster was not contributorily liable for the infringing activity of its users because its software was capable of substantial noninfringing uses, the safe harbor from contributory infringement set forth in *Betamax*.⁵⁴³ Metro-Goldwyn-Mayer Studios ("MGM") and other copyright owners petitioned for cert., which the Supreme Court granted. On June 27, 2005, the Supreme Court vacated and remanded in a unanimous decision. The opinion for Court, written by Justice Souter, adopted an inducement rule, holding that "one who distributes a device with the object of promoting its use to infringe copyright, as shown by clear expression or other affirmative steps taken to foster infringement, is liable for the resulting acts of infringement by third parties."⁵⁴⁴

B. Behind the Scenes

Justice Stevens' file for *Grokster* is relatively thin. The case file cover sheet indicates that all nine Justices supported the grant of cert.⁵⁴⁵ At the April 1, 2005 Conference, six Justices voted

⁵⁴⁰ See Memorandum to Associate Justice John P. Stevens at 4 (Jan. 2003) in *Dastar* file, Stevens Papers.

⁵⁴¹ *Id.* at 4.

⁵⁴² Associate Justice John Paul Stevens Case File Cover Sheet *Fox*, in *Dastar* file, Stevens Papers.

⁵⁴³ 380 F.3d 1154 (9th Cir. 2004).

⁵⁴⁴ 545 U.S. at 919.

⁵⁴⁵ Associate Justice John Paul Stevens Case File Cover Sheet, in *Grokster* file, Stevens Papers.

to reverse, and three Justices voted to vacate and remand.⁵⁴⁶ The file contains a fascinating exchange on June 6, 2005, between Justices Scalia and Souter concerning the “inducement” theory Justice Souter articulated in his draft opinion. This exchange is worth reproducing in full to capture how the Justices wrestled both with the analytical coherence and the real-world implications of the decision.

Justice Scalia began the exchange by writing that he could not “go along with the theory of liability”⁵⁴⁷ Justice Souter set forth. Justice Scalia first questioned Justice’s Souter’s terminology.

Though you put it forward as an aspect of the inducement theory, I think it is not that. The inducement theory requires (as the name suggests) inducement--which is an objective act that can be proven or disproven. Absence of proof of inducement is (as you say) the reason what you call the “classic” theory will not fly here. You then go on to say that the only function of the objective inducement in the classic theory is to show unlawful intent--so if you can prove unlawful intent in some other fashion you are still using, in effect, an inducement theory. I don't think that follows.⁵⁴⁸

Justice Scalia then asserted that

terminology aside, the problem with the new “wrongful intent” approach is that, since it does not demand the presence of any particular fact, it is dangerously unpredictable. I cannot imagine greater disincentive to technological innovation than the notion that, if a jury finds you had bad intent, you are financially liable. What does wrongful intent consist of? If I launch a new technology that I know for certain will be used 10% of the time for infringement, do I not “intend” that that infringement occur? Or what if I launch a new technology that I know for certain will initially be used 90% of the time for infringement--infringement on which I make a profit that is essential to the start-up of my business--though I expect that percentage to decline rapidly, leaving me ultimately with a profitable, noninfringing, business? Do I not intend that infringement?

In short, I think you may be correct to say that “the function of the message in the theory of inducement is to prove unlawful intent” but it is to prove it through objective action of a specific sort that the innovator can avoid. The same cannot be said of a wrongful-intent theory, which is an open invitation to harassing litigation against innovators.⁵⁴⁹

To eliminate the uncertainty inherent in Justice Souter’s approach, Justice Scalia proposed an alternative rule:

⁵⁴⁶ *Id.* Justices Stevens, O’Connor, and Thomas voted to vacate and remand, the rest supported reversal.

⁵⁴⁷ Letter from Associate Justice A. Scalia to Associate Justice David H. Souter (June 6, 2005) in *Grokster* file, Stevens Papers.

⁵⁴⁸ *Id.*

⁵⁴⁹ *Id.*

I would tie the decision of this case to specific facts whose existence the innovator can know of and can avoid. I would say that the innovator is liable as a contributory infringer when he launches a new technology (1) whose initial use is overwhelmingly infringing, (2) which infringement is the overwhelming source of the innovator's profit, and (3) with no realistic prospect that, over time, the infringing use will significantly decline as a source of the innovator's profit, and (4) the innovator made no reasonable effort to filter out any infringing uses. If a majority of the Court agrees with your new “inducement-without inducement” theory, I will have to write separately.⁵⁵⁰

Justice Souter responded to Justice Scalia’s memorandum by stating that

I think we are in closer agreement than your recent memo to me would indicate. I agree fully that the theory of inducement set out in my draft must require objective action of a specific sort that the innovator can avoid. In this case, the objective action includes promoting the Morpheus and Grokster software to fill the void for free music left open by Napster to a particular group of computer users known to use file-sharing software for infringement. I further agree with you that knowledge of infringing uses, even to the point of certainty, cannot form the basis for liability or a finding of intentional inducement. I have revised the draft to make this point clearer; originally I'd thought that specific intent based on evidence apart from design and mere distribution would suffice, but you (and Steve [Breyer]) don't think so. I have also accentuated the positive in highlighting the evidence of actual communication, which is enough to survive summary judgment, even if one places greater emphasis on the fact of a communicated message than I think necessary.⁵⁵¹

While Justice Souter refined the opinion to address some of Justice Scalia’s concerns, he rejected Justice Scalia’s alternate rule.

You also suggest that we should craft a rule that makes an innovator liable for overwhelmingly infringing uses unless the infringing uses will likely decline over time or the innovator makes reasonable effort to stop them. I am sympathetic and said so in the conference discussion. After living with this case for a couple of months, however, I believe a test described in those terms would scare the innovators and discourage new work. Copyright holders would not be willing to take the chance that infringing use would decline over time; they would sue the minute they saw third-party infringement on the horizon. I am also afraid the need to show a likely course of declining infringement in the future would guarantee extended litigation of the cases that would be brought early in the course of distributing a new product. I am convinced that the inducement theory provides a much more obvious basis for liability in this case, and also avoids placing courts in the position of making technology policy, such as by deciding what filtering efforts are

⁵⁵⁰ *Id.*

⁵⁵¹ Letter from Associate Justice David H. Souter to Associate Justice Scalia (June 6, 2005), in *Grokster* file, Stevens Papers.

reasonable or which uses of a technology promise to decline significantly in the future. Courts will get the message to resolve these cases on inducement where they can.⁵⁵²

Although Justice Souter rejected Justice Scalia's alternate rule, he did take

the further step of making explicit one ground on which the Ninth Circuit misread and misapplied *Sony*. I know that still leaves your "overwhelming infringement" open, but I hope you will be able to join me as far as I go, even if you write separately.⁵⁵³

On June 13, 2005, Justice Scalia replied to Justice Souter's memorandum:

Your memo persuades me that the existence of overwhelmingly infringing uses plus no prospect of decline is too uncertain a test for innovators. And the changes you have made to the opinion satisfy my other concerns. I would be pleased to join.⁵⁵⁴

What is most ironic about this exchange is that Justice Scalia, whose judicial philosophy stressed the primacy of the statutory text, here proposed a complex four-part test for inducement that had absolutely no basis in the text of the Copyright Act—or the Patent Act, from which Justice Souter derived the intentional inducement theory. The lack of statutory basis might explain Justice Scalia's quick retreat from his proposal.

The Court issued its decision two weeks later, on June 27, 2005, with all Justices joining Justice Souter's opinion. Justice Ginsburg wrote a concurring opinion, which Chief Justice Rehnquist and Justice Kennedy joined. Justice Breyer wrote a separate concurring opinion, which Justices Stevens and O'Connor joined. Justice Stevens' files did not contain any discussion of the two concurring opinions.

XIX. WHAT INFLUENCES DECISIONS

The Justices' papers show the Justices grappling seriously with the complex issues before them. Their focus, properly, was on the merits of the parties' arguments. At the same time, the papers show other influences.

First, in their memoranda concerning cert. petitions and in their bench memoranda, the clerks made the Justices aware of the briefs filed by *amici curiae*.⁵⁵⁵ For example, the bench memorandum for Justice White in *Williams & Wilkins* contains a lengthy discussion of the arguments made in *amicus* briefs filed by the American Library Association and the Association

⁵⁵² *Id.*

⁵⁵³ *Id.*

⁵⁵⁴ Letter from Associate Justice Scalia to Associate Justice David H. Souter (June 13, 2005), in *Grokster* file, Stevens Papers.

⁵⁵⁵ See, e.g., Memorandum at 4 (Sept. 25, 1989), in *Abend* file, Stevens Papers; Bench Memorandum for Associate Justice Harry Blackmun (Jan. 5, 1990), in *Abend* file, Blackmun Papers; and Memorandum at 1 (Mar. 1993), in *Campbell* file, Stevens Papers.

of Research Libraries.⁵⁵⁶ Likewise, the memorandum in Justice O'Connor's papers advising against the grant of cert. in *Betamax*, in addition to discussing the merits of the petition, noted that twenty *amicus* briefs have been filed. Briefs by "retailers, VTR manufacturers, and suppliers of VTR accessories"⁵⁵⁷ support the cert. petition, stressing "the importance of the case to the VTR industry."⁵⁵⁸ The memorandum referred to a brief from a group of consumer organizations "contending that the First Amendment interests of television viewers are at stake."⁵⁵⁹ The memorandum observed that "this brief is particularly interesting because it contains a number of political cartoons inspired by the *Betamax* decision."⁵⁶⁰ The memorandum mentioned the *amicus* briefs in opposition, including for CBS, the Motion Picture Association, and associations of writers. The memorandum remarked that some of the *amicus* briefs "add a few helpful points."⁵⁶¹ The Ad Hoc Committee on Copyright Law, for example, "explains that "VTR's are used to record programs for educational issues by teachers and librarians."⁵⁶² The Consumer Electronics Group emphasized that VTR's have seemingly unobjectionable uses besides reproducing copyrighted material, such as time shifting (to permit a viewer to see a program at a different time), composition of home movies, and playing prerecorded programming on sale in various stores."⁵⁶³

Second, the Justices may have been influenced by the identity of the lawyers representing the parties and the *amici*, at least at the cert. petition stage. A memorandum from a clerk to Justice Stevens on the question of the cert.-worthiness of the case in *Grokster* provided this reason to grant cert.:

The lawyering in this case is excellent. On petr's brief alone are Donald Verrilli (Jenner), Kenneth Starr (Kirkland), David Kendall (Williams & Connolly), and others. As I've stated above, there is an impressive lineup of *amici*, many of whom are represented by very high quality counsel, and all of which have concluded that review by this Court is needed to settle an area of law that has been (at least perceptually) unsettled as a result of the decision below. 40 states are urging this Court to grant review. As a result, it seems certain that the argument and the briefing will help this Court reach a well-reasoned decision.⁵⁶⁴

This indicates that name-brand lawyers might be worth what they charge in cases before the Supreme Court.

⁵⁵⁶ James T. Malysiak, Bench Memorandum to Associate Justice Byron White at 19 (Dec. 1974), in *Williams & Wilkins* file, White Papers.

⁵⁵⁷ Memorandum at 10 (May 19, 1982), in *Betamax* file, O'Connor Papers.

⁵⁵⁸ *Id.* at 10-11.

⁵⁵⁹ *Id.* at 11.

⁵⁶⁰ *Id.*

⁵⁶¹ *Id.*

⁵⁶² *Id.*

⁵⁶³ *Id.*

⁵⁶⁴ Memorandum to Associate Justice John P. Stevens at 13 (Dec. 10, 2004), in *Grokster* file, Stevens Papers.

Similarly, a memorandum from a clerk to Justice Stevens on the cert.-worthiness of *Dastar* noted that “Petr has good counsel (Professor Nimmer is on the brief) as do resps.”⁵⁶⁵ Later in the memo, the clerk repeated that “the lawyering is good.”

Third, the Justices appear to have been influenced by a variety of personal factors. Justice Blackmun’s memorandum to the file prior to the oral argument in *Williams & Wilkins* shows the impact of his experience on his legal analysis; he mentioned the photocopying he observed in his chambers and as Mayo Clinic counsel.⁵⁶⁶ In *Betamax*, as Justices Blackmun and Stevens competed to develop a theory that could garner the support of a majority of the Court, Justice Powell expressed to Justice Blackmun a personal obligation to stay with him: “As the case was assigned to you—in part I suppose—on the basis of my Conference vote, I feel some obligation to remain with you absent a genuine conviction to the contrary.”⁵⁶⁷ In *Harper & Row*, several Justices appear to have taken umbrage at The Nation’s conduct. In *Dowling*, Justice O’Connor’s clerk mentioned that Justice Blackmun’s clerks had indicated that he was “anxious to accommodate suggestions that would make it possible for others to join since he changed his vote so late and would love to have a strong court to vindicate his change of heart.”⁵⁶⁸ In *Feist*, one of Justice Marshall’s clerks urged him to join Justice O’Connor’s opinion “right away” to “encourage her to stick with us on Rust,” another case that term concerning the constitutionality of regulations limiting the availability of federal funding for to abortion-related services.⁵⁶⁹ The clerk noted that “she’s being pressured from the other side.”⁵⁷⁰

Finally, although the Justices’ clerks undoubtedly played an indispensable role in the operation of the Court, the Justices routinely ignored their clerks’ recommendations with respect to the granting of cert. and the ultimate disposition of the cases. Thus, the Justices relied on the clerks to carefully review and analyze the arguments of the parties and the amici; and to draft the opinions and the letters suggesting changes to other Justices’ opinions. But to the extent revealed by the Justices’ papers in these cases, the Justices remained the decision-makers.

CONCLUSION

The Justices’ papers reveal that many Supreme Court copyright decisions could easily have turned out very differently. In several cases, the bare minimum of four Justices voted in favor of cert.: *Betamax*, *Dowling*, *Feist*, *Tasini*, and *Dastar*. Justice Breyer requested that *Eldred* be relisted three times for consideration to provide him with the opportunity to persuade his colleagues to

⁵⁶⁵ Memorandum to Associate Justice John P. Stevens at 3 (Jan. 2003), in *Dastar* file, Stevens Papers.

⁵⁶⁶ Associate Justice Harry A. Blackmun, Memorandum to File at 3-4 (Dec. 16, 1974), in *Williams & Wilkins* file, Blackmun Papers.

⁵⁶⁷ Memorandum from Associate Justice Lewis F. Powell, Jr. to Associate Justice Harry A. Blackmun at 1 (June 20, 1983), in *Betamax* file, Marshall Papers.

⁵⁶⁸ Memorandum from Barbara to Associate Justice Sandra Day O’Connor at 3-4 (June 13, 1985), in *Dowling* file, O’Connor Papers.

⁵⁶⁹ Memorandum to Associate Justice Thurgood Marshall (Feb. 11, 1991), in *Feist* file, Marshall Papers.

⁵⁷⁰ *Id.*

grant the cert. petition. Had cert. not been granted in these cases, the Supreme Court may never have considered the issues presented, or a Court with a different composition of Justices would have considered the issues at a later date in cases presenting different facts.

Likewise, cases often were decided by the thinnest of margins. The 5-4 vote to affirm the California court in *Goldstein v. California* was extremely fragile, and both Justices Stewart and Blackmun seemed uncomfortable with their votes to affirm. In *Williams & Wilkins*, the Court deadlocked four to four, thereby affirming the decision below by an equally divided Court, but Justice Powell nearly convinced Justice White to switch sides and vote to reverse. Moreover, had Justice Blackmun not recused himself, he probably would have voted in favor of reversal. In the *Betamax* Conference, a majority of the Justices initially leaned towards affirmance, but Justice O'Connor ultimately switched side and became the fifth vote in favor of reversal. In *Dowling*, Justices Blackmun and O'Connor initially voting at Conference to affirm the Ninth Circuit, only to later switch their votes—and the majority—to reversal. In *Borland*, a 5-3 vote in support of cert. became a 4-4 tie on the merits, and hence an affirmance by an evenly divided Court.

Further, in some cases, the Court could have reached the same result for a different reason. This was most evident in *Betamax*, as the Justices struggled to develop a rationale that five Justice could agree upon. And in *Harper & Row*, several Justices appeared willing to accord thicker protection to paraphrases in fact works such as biographies, but Justice O'Connor persuaded them to agree to a more limited decision so as not to jeopardize the majority she had achieved.

Finally, in every case, the Justices fine-tuned the draft opinion to make sure that it was as clear as possible, that it did not go farther than necessary to decide the case, and that it did not contain language that could be misconstrued by the lower courts. But the Justices could easily have fine tuned the opinion differently, and this could have led to the lower courts interpreting the opinion differently.

In sum, the Justices' papers underscore that the Court is a human institution. In eleven cases, the nine Justices looked at the same facts, precedents, and statute, yet did not all reach the same conclusion concerning the proper resolution. Even in the seven cases where all the Justices concurred in the judgement, they deliberated on the precise reasoning and wording of the opinion.

Notwithstanding the papers reflecting the human quality of divergence, of seeing things differently, the papers also demonstrate the human qualities of civility and curtesy. Although in some cases there were sharp substantive disagreements between the majority and dissenting positions, the direct communications among the Justices were unfailingly polite and respectful: a human institution at its best.