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Articles

Copyright Infringement and Harmless Speech

CHRISTINA BOHANNAN*

Copyright law is a glaring and unjustified exception to the rule that the government may not prohibit speech without a showing that it causes real harm. While the First Amendment sometimes protects even harmful speech, it virtually never allows the prohibition of harmless speech. Yet, while other speech-burdening laws, such as defamation and right-of-publicity laws, require that the defendant's speech is likely to cause harm, copyright law does not make harm a requirement of infringement. Copyright law considers harm to the market for the copyrighted work as a factor in fair use analysis, but harm is not always required and is so poorly defined that the concept has become circular. Moreover, the defendant ordinarily bears the burden of proof to show the absence of harm. As a result, courts often find liability for infringement, and therefore burden speech, where harm is nonexistent or purely speculative.

Potential explanations for copyright's anomalous treatment are unpersuasive. Copying involves speech as well as conduct, and the fact that copyrights are in some sense property does not justify their aberrant treatment. Moreover, copyright's role in encouraging creative expression does not obviate First Amendment concerns. Drawing from cases holding that speech restrictions must be justified by an important or compelling governmental interest, this Article argues that the First Amendment requires real harm to the copyright holder's incentives in order to impose liability. It also explores the types of harm that might arise in copyright infringement cases. It concludes that demonstrable harm of market substitution is cognizable under First Amendment principles. On the other hand, the First Amendment generally would not permit recognition of harm to the reputation of copyrighted works, or, except in cases of unpublished works, harm to an author or copyright holder's privacy, right not to speak, or right not to associate.

* Associate Professor of Law, University of Iowa. The Author would like to thank Randy Bezanson, Steve Burton, Bill Buss, Herb Hovenkamp, David McGowan, Todd Pettys, Peggie Smith, the participants in the 2008 Intellectual Property Scholars' Conference at Stanford Law School, and the participants in the Iowa Legal Studies Workshop for helpful comments on this Article. The Author would also like to thank the Ewing Marion Kauffman Foundation for financial support and John M. Newman for excellent research assistance.

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INTRODUCTION

Once largely ignored, the conflict between copyright law and the First Amendment is now widely recognized¹ and even considered

1. Compare Melville B. Nimmer, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?*, 17 UCLA L. REV. 1180, 1181 (1970) (arguing that the conflict is "a largely ignored paradox, requiring exploration"), with Rebecca Tushnet, *Copy This Essay: How Fair Use*

“intractable.”² As copyright law prohibits more and more uses of copyrighted expression, it necessarily encroaches upon the ability of others to express themselves through the use of copyrighted material. Many have advocated broader and more active First Amendment protection for uses of copyrighted works, and with good reason. The First Amendment is the constitutional bulwark against government restrictions on speech, and its protection is robust. It “protect[s] speech not because it is harmless, but despite the harm it may cause.”³ Indeed, it even shields speech that encourages violent criminal acts, violates a rape victim’s privacy, or is harmful to personal reputation.⁴ Although the First Amendment sometimes protects even harmful speech, it does not allow the prohibition of *harmless* speech. The one glaring exception is in copyright law.

The constitutional purpose of copyright law is to encourage the creation and dissemination of expressive works by granting copyright holders some control over their works. Yet courts frequently impose liability without proof that the defendant’s use of copyrighted material caused any harm that could realistically affect those incentives. Mere copying, not harm, is the touchstone for copyright infringement. While courts generally consider harm to the copyright holder as a factor in analysis of the fair use defense, it is not a strict requirement, and the burden of proof is on the defendant to show the *absence* of harm. Moreover, harm has been so poorly defined that the concept has become circular. The failure to compensate the copyright holder for virtually any copying may be said to “harm” the copyright holder, simply because the defendant could have paid a license fee for the use. Finally, the damages

Doctrine Harms Free Speech and How Copying Serves It, 114 YALE L.J. 535, 546 (2004) (describing conflict as “intractable” because of speech value inherent in acts of copying). See generally DAVID L. LANGE & H. JEFFERSON POWELL, *NO LAW*, at ix (2009); NEIL WEINSTOCK NETANEL, *COPYRIGHT’S PARADOX* 3–5 (2008) [hereinafter NETANEL, *COPYRIGHT’S PARADOX*]; Yochai Benkler, *Free as the Air to Common Use: First Amendment Constraints on Enclosure of the Public Domain*, 74 N.Y.U. L. REV. 354 (1999); Douglas J. Frederick, Note, *Watching the Watchdog: Modifying Fair Use of Works Produced by the Institutional Press*, 87 IOWA L. REV. 1059, 1063, 1071 (2002); Paul Goldstein, *Copyright and the First Amendment*, 70 COLUM. L. REV. 983 (1970); Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147, 165, 167–68 (1998) [hereinafter Lemley & Volokh, *Injunctions*]; Lawrence Lessig, *Copyright’s First Amendment*, 48 UCLA L. REV. 1057 (2001); Neil Weinstock Netanel, *Locating Copyright Within the First Amendment Skein*, 54 STAN. L. REV. 1 (2001) [hereinafter Netanel, *Locating Copyright*]; Jed Rubenfeld, *The Freedom of Imagination: Copyright’s Constitutionality*, 112 YALE L.J. 1, 5–7 (2002); Eugene Volokh, *Freedom of Speech and Intellectual Property: Some Thoughts After Eldred*, 44 LIQUORMART, and Bartnicki, 40 HOUS. L. REV. 697 (2003) [hereinafter Volokh, *Some Thoughts*].

2. Tushnet, *supra* note 1.

3. Frederick Schauer, *Uncoupling Free Speech*, 92 COLUM. L. REV. 1321, 1321–23 (1992) (arguing that the tradeoff between “harm-toleration and speech-protection is by no means inevitable” because the beneficiaries of robust speech protection could compensate those who bear the burdens of that protection).

4. See *infra* Parts I, V.

provisions of the Copyright Act allow courts to award the plaintiff defendant's profits or statutory damages—without a showing that the defendant's copying has caused the plaintiff any real harm—and to assess damages that are grossly disproportionate to provable harm.

Despite the obvious conflict between copyright law and the First Amendment, the Supreme Court has rejected the plea for First Amendment protection for most uses of copyrighted works. In *Eldred v. Ashcroft*, the Supreme Court held that First Amendment scrutiny does not ordinarily apply to copyright infringement cases in the same way that it applies to other cases involving government burdens on speech.⁵ Rather, the Court relied on copyright law's own statutory doctrines, including the idea/expression dichotomy and the fair use doctrine, to protect speech concerns in most copyright infringement cases.⁶

There are essentially three possible reasons for this unusual approach to speech issues in copyright law. First, "copying" is not the same as "speaking." As the Supreme Court said in *Eldred*, "The First Amendment securely protects the freedom to make—or decline to make—one's own speech; it bears less heavily when speakers assert the right to make other people's speeches."⁷ If copying is merely conduct and not speech, then the First Amendment does not apply to copying. Second, even if copying is speech, it might not be *protected* speech if it is inimical to the speech-enhancing purposes of both copyright law and the First Amendment. Because the Constitution's Framers intended copyright law to be "the engine of free expression," copying that violates copyright law also violates First Amendment principles.⁸ Thus, "copyright's built-in free speech safeguards" might be sufficient to protect speech concerns in copyright infringement cases.⁹ Third, one could argue that copyrights are property, and the First Amendment does not require property holders to let others use their property for speech purposes.¹⁰

Unfortunately, the Court's simplistic distinction between speaking and "making other people's speeches" cannot support the analytical weight it is being forced to bear. The use of copyrighted material has substantial speech value to both the user and the public, whether or not it is copied. Moreover, although the Court is probably correct that copyright law encourages free expression to some extent, the scope of copyright protection (in the absence of a harm requirement) is much broader than is necessary or desirable for encouraging the production

5. See 537 U.S. 186, 218–21 (2003).

6. See *id.* at 219–21.

7. *Id.* at 221.

8. *Id.* at 219 (citing *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 558 (1985)).

9. *Id.* at 221.

10. See *infra* Part III.C.

and dissemination of creative works. In addition, the nature of the property right inherent in copyrights is fundamentally different from other kinds of property in ways that matter a great deal for purposes of the First Amendment. Indeed, it is because copyright law is charged with encouraging free expression that the property rights it conveys should be limited where necessary to achieve that purpose.¹¹

A wealth of excellent scholarship has examined the interaction between copyright law and the First Amendment. The scholarship attempts to describe the conflict between the two bodies of law, develop new theories of the First Amendment or of copyright law to help resolve the conflict, determine how copyright law should be classified in First Amendment taxonomy, and delineate which uses of copyrighted material constitute protected speech.¹² Some of the most vigorous debates have focused on whether copyright law is a content-based or content-neutral speech regulation and whether nontransformative (verbatim) copying should be considered speech.¹³ Yet none of this scholarship has explored in depth the role that harm should play in reconciling copyright and the First Amendment.

This Article argues that, given the speech value inherent in all kinds of copying, copyright law must be subject to the same harm requirement as other forms of speech regulation. Indeed, absent a harm requirement, copyright law is probably unconstitutional as applied in many cases. Under the First Amendment, neither content-based nor content-neutral speech regulations are permissible except where necessary to prevent or remedy harm to a sufficient government interest. As applied in copyright law, the harm requirement would allow a finding of infringement only where the copyright holder can show that the defendant's use is likely to cause real harm to the copyright holder's ex ante incentives to create or distribute copyrighted works. As such, the harm requirement would allow copyright's restrictions on speech only when necessary to keep the "engine of free expression" running. It would help courts identify and eliminate cases involving false conflicts between the First Amendment and copyright, that is, cases in which there is a speech interest in allowing the defendant's use and no speech interest in prohibiting it. Under this approach, all copying—transformative, verbatim, commercial, or personal—ordinarily would be protected, except where necessary to prevent harm to copyright's constitutional and statutory purpose.

Although direct First Amendment scrutiny is arguably the best way to protect speech concerns in copyright cases, the *Eldred* Court expressed a clear preference for dealing with First Amendment concerns

11. See *infra* Part III.

12. See *infra* notes 105–22.

13. See *infra* Part II.C., notes 170–83 and accompanying text.

through internal statutory doctrines such as fair use.¹⁴ Under this approach, fair use and other statutory provisions can be substantially modified to implement a meaningful harm requirement in infringement cases.

The Article also attempts to define copyright harm according to First Amendment principles. It identifies several possible types of harm that might arise in copyright infringement and examines whether the First Amendment permits recognition of those harms. First, it argues that when a copyright holder proves market harm in the form of lost sales or licensing fees, and such harm seems likely to affect the incentives to create or disseminate copyrighted works, a finding of infringement is consistent with First Amendment principles, unless the speech value of the defendant's use clearly outweighs the harm. Second, it asserts that, in light of the First Amendment concern with fostering a diverse marketplace of ideas, courts may not recognize harm to the image or reputation of a copyrighted work. Third, except with regard to the use of unpublished works, copyright law probably may not recognize harm to the copyright holder's right not to speak or associate. The First Amendment encourages the defendant's use of copyrighted material even—or perhaps especially—when those uses are ones with which the copyright holder would not like to be associated. Fourth, a copyright holder's assertion of harm to her privacy for unwanted publicity or exposure of copyrighted works—again with the possible exception of unpublished works—ordinarily will not be sufficient to allow suppression of most uses of copyrighted material.¹⁵ Finally, when there is no harm of any kind, the First Amendment precludes a finding of infringement.

I. THE FIRST AMENDMENT AND THE ROLE OF HARM

The First Amendment provides robust protection of speech in order to promote democratic self-governance,¹⁶ to enhance the marketplace of

14. See 357 U.S. 186, 221 (2003).

15. See *infra* Part V.D.

16. Leading proponents of the democratic-process view argue that the First Amendment protects speech primarily as a means to facilitate decisionmaking in self-governance. See, e.g., OWEN M. FISS, *LIBERALISM DIVIDED: FREEDOM OF SPEECH AND THE MANY USES OF STATE POWER* (1996) (stating that central concern of First Amendment is to protect democracy by ensuring minimal control over public debate, and broad protection of speech is even more important given dominant presence of established media in political debate); ALEXANDER MEIKLEJOHN, *FREE SPEECH AND ITS RELATION TO SELF-GOVERNMENT* 93–94 (1948) (asserting that a broad protection for aggressive and critical speech is necessary for democratic self-governance); CASS R. SUNSTEIN, *DEMOCRACY AND THE PROBLEM OF FREE SPEECH* (1993) (arguing that the First Amendment is necessary to protect deliberative discussion of government, in which all views, even extremist views, are tolerated). The Supreme Court has acknowledged that a “central” purpose of the First Amendment is to promote democratic self-governance by allowing people to speak out against government, see *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 273, 275 (1964), and at this point “[t]here is little disagreement that political speech is at the core of that protected by the First Amendment.” ERWIN CHEMERINSKY, *CONSTITUTIONAL LAW* 1209 (3d

ideas,¹⁷ and to protect rights of autonomy and self-expression.¹⁸ In a conventional First Amendment analysis outside of the copyright context, a court first determines whether the challenged law regulates speech or merely conduct.¹⁹ If it regulates speech, then the court must decide whether that speech falls into the category of unprotected speech.²⁰ Even if it does, however, the government may not make certain kinds of distinctions regarding that speech without demonstrating a sufficient governmental interest.²¹ Content-based restrictions must be justified by a compelling government interest and must be the least speech-restrictive means of achieving that interest.²² Not surprisingly, content-based

ed. 2009).

17. The marketplace-of-ideas metaphor owes its origin to Justice Holmes, who famously said that “the best test of truth is the power of the thought to get itself accepted in the competition of the market.” *Abrams v. United States*, 250 U.S. 616, 630 (1919) (Holmes, J., dissenting). The marketplace-of-ideas theory “posits that the primary function of free speech is as a catalyst to the discovery of truth.” Martin H. Redish, *The Value of Free Speech*, 130 U. PA. L. REV. 591, 593 (1982). As either a theory or metaphor, the marketplace-of-ideas concept has become pervasive in First Amendment law and scholarship. *See, e.g.*, *Red Lion Broad. Co. v. FCC*, 395 U.S. 367, 390 (1969) (“It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market, whether it be by the Government itself or a private licensee.”); C. Edwin Baker, *The First Amendment and Commercial Speech*, 84 IND. L.J. 981, 982 (2009) (“It should . . . be noted as of the early 1970s, . . . virtually all First Amendment scholarship and the dominant doctrinal formulations accepted some version of a marketplace of ideas theory [which the Supreme Court has also adopted].”); Randall P. Bezanson & William G. Buss, *The Many Faces of Government Speech*, 86 IOWA L. REV. 1377, 1386–87 (2001) (discussing government’s role in correcting distortions in the marketplace of ideas); William G. Buss, *Lighting a Flame Under the First Amendment*, 76 IOWA L. REV. 871, 875 (1991) (reviewing STEVEN H. SHIFFRIN, *THE FIRST AMENDMENT, DEMOCRACY, AND ROMANCE* (1990) (“[M]etaphors such as the marketplace of ideas . . . ‘have power beyond any first amendment legalities.’”); Caroline Mala Corbin, *The First Amendment Right Against Compelled Listening*, 89 B.U. L. REV. 939, 942 (2009) (“The values underlying free speech . . . include creating a marketplace of ideas . . .”); Laura A. Heymann, *The Public’s Domain in Trademark Law: A First Amendment Theory of the Consumer*, 43 GA. L. REV. 651, 664–65 (2009) (discussing relationship between First Amendment theories based on autonomy and the marketplace of ideas).

18. Autonomy-based accounts of the First Amendment emphasize that speech protection is necessary to individual freedom and fulfillment. *See, e.g.*, *Procunier v. Martinez*, 416 U.S. 396, 427 (1974) (Marshall, J., concurring) (“The First Amendment serves not only the needs of the polity but also those of the human spirit—a spirit that demands self-expression.”); C. EDWIN BAKER, *HUMAN LIBERTY AND FREEDOM OF SPEECH* (1989) (discussing how government rules structuring the media environment threaten legitimate individual autonomy interests protected by the First Amendment); Thomas I. Emerson, *Toward a General Theory of the First Amendment*, 72 YALE L.J. 877, 879 (1963) (“The right to freedom of expression is justified first of all as the right of an individual purely in his capacity as an individual. It derives from the widely accepted premise of Western thought that the proper end of man is the realization of his character and potentialities as a human being.”). On a somewhat related note, Professor Rubinfeld has argued that the First Amendment protects the “freedom of imagination.” *See* Rubinfeld, *supra* note 1, at 4.

19. *See, e.g.*, *Texas v. Johnson*, 491 U.S. 397 (1989) (holding that flag burning constitutes speech).

20. *See, e.g.*, *United States v. Williams*, 128 S. Ct. 1830, 1839 (2008) (discussing cases holding that child pornography falls into category of unprotected speech).

21. *See id.* at 1844–45.

22. *See, e.g., id.* at 1840; *Lorillard Tobacco Co. v. Reilly*, 533 U.S. 525, 577 (2001) (Thomas, J.,

restrictions virtually always fail when subjected to such strict scrutiny. Content-neutral restrictions are subject to a lesser but still demanding standard of intermediate scrutiny.²³ This level of scrutiny requires that the speech restrictions be justified by an important governmental interest and narrowly tailored to serve that interest.²⁴

The harm caused by the speech plays a central role in making these determinations. Generally speaking, the unprotected-speech category is reserved for speech that is obviously harmful, including speech that defames another's reputation,²⁵ violates rights of privacy or publicity,²⁶ or incites unlawful action or retaliation.²⁷ The governmental interest in restricting speech is to prevent or remedy harms allegedly caused by the speech. The greater the harm, the stronger the government's interest is in prohibiting or regulating the speech that causes it. Thus, the line between harm-toleration and speech-protection accounts for numerous cases defining when speech is or is not protected by the First Amendment.²⁸ As the following discussion of First Amendment cases shows, the cases in which courts must make these distinctions cut across many different kinds of speech regulations and involve many different kinds of harms, from public harms to private tortious and property harms. What these cases have in common, however, is that they allow the government to burden speech only if the speech is likely to cause real harm.²⁹

One such category of cases involves the "clear and present danger" test for speech that incites unlawful activity. In *Schenck v. United States*, the Supreme Court held that the First Amendment does not protect speech if it "create[s] a clear and present danger that [it] will bring about the substantive evils that Congress has a right to prevent."³⁰ Subsequently, in *Brandenburg v. Ohio*, the Court reaffirmed

concurring in part and concurring in the judgment).

23. See, e.g., *Bartnicki v. Vopper*, 532 U.S. 514, 518, 521, 526 (2001).

24. See *id.* at 529.

25. See *Gertz v. Robert Welch, Inc.*, 418 U.S. 323, 347-48 (1974) (discussing the defamation of a private individual); *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 268-69 (1964) (discussing the defamation of a public figure).

26. See *Chaplinsky v. New Hampshire*, 315 U.S. 568, 571-72 (1942) (holding that fighting words—words of a personally insulting nature, uttered face-to-face, that cause an aggressive response—are unprotected).

27. See *Brandenburg v. Ohio*, 395 U.S. 444, 447-49 (1969).

28. See Frederick Schauer, *Uncoupling Free Speech*, 92 COLUM. L. REV. 1321, 1321 (1992) ("The capacity of speech to cause injury in diverse ways contends with the goal of strong free speech . . . and it is a commonplace that robust free speech systems protect speech not because it is harmless, but despite the harm it may cause.").

29. It should be noted, however, that First Amendment scholars have debated the extent to which harm to a governmental interest or private party is necessary or sufficient to justify restrictions on various kinds of speech. See, e.g., Kent Greenawalt, *Free Speech Justifications*, 89 COLUM. L. REV. 119, 121-23 (1989) (arguing that freedom of speech cannot be merely a "minimal principle of liberty" that is protected except where necessary to prevent harm caused by speech).

30. 249 U.S. 47, 52 (1919) (Holmes, J.) (explaining that just as the First Amendment would not

that the constitutional guarantees of free speech and free press do not permit a State to forbid or proscribe advocacy of the use of force or of law violation except where such advocacy is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.³¹

The *Brandenburg* test thus requires an intent and likelihood to cause imminent illegal and harmful action.³² It remains the most influential decision on point today, with subsequent Supreme Court cases applying the same test.³³

A couple of years after *Brandenburg*, the Court decided *New York Times Co. v. United States* (the Pentagon Papers case).³⁴ There, the Court refused to grant a prior restraint against the *New York Times*'s publication of classified government documents regarding United States involvement in Vietnam.³⁵ The fact that the *New York Times* was printing material belonging to others, or "making other people's speeches," did not seem particularly important to the Court.³⁶ What mattered was that the government was requesting a prior restraint on speech where there was no convincing evidence that any real harm would occur. Although the nature of the harm alleged by the government (harm to national security) was weighty, the fact of harm was speculative.³⁷ Thus, despite the government's protestations that national security depended on keeping the sensitive material secret, the interest in free speech defeated the request for an injunction.

Similarly, "fighting words" are generally unprotected due to that speech's propensity to cause immediate injury. In *Chaplinsky v. New Hampshire*, the Court held that First Amendment protection does not

protect a person who falsely shouted "fire" in a theater, it did not protect persons who, during wartime, circulated a leaflet asserting that the draft was unconstitutional and advocating its repeal).

31. 395 U.S. 444, 447 n.2 (1969) (citing *Dennis v. United States*, 341 U.S. 494 (1951)). *Dennis* itself would not seem to require a likelihood of harm if the magnitude of harm is great, such as in the case of incitement to overthrow the government. See 341 U.S. at 500–05.

32. 395 U.S. at 447.

33. See, e.g., *NAACP v. Claiborne Hardware Co.*, 458 U.S. 886, 902, 926–29 (1982) (holding that NAACP official's statement, "If we catch any of you going in any of them racist stores, we're gonna break your damn neck," was entitled to First Amendment protection because, under the circumstances, such rhetoric was not proved likely to produce imminent lawless action); *Hess v. Indiana*, 414 U.S. 105, 107–08 (1973) (overturning conviction of individual who said, "We'll take the fucking street later," because it did not advocate imminent illegal action).

34. 403 U.S. 713 (1971) (per curiam).

35. *Id.* at 714.

36. See Tushnet, *supra* note 1, at 563–64 ("[The *New York Times*] was not the author of the Pentagon Papers, but that mattered not a whit when the government (which *was* the author) sought to prohibit publication.").

37. See *N.Y. Times Co.*, 403 U.S. at 725–26 (Brennan, J., concurring) ("The entire thrust of the Government's claim throughout these cases has been that publication of the material sought to be enjoined 'could,' or 'might,' or 'may' prejudice the national interest in various ways. But the First Amendment tolerates absolutely no prior judicial restraints of the press predicated upon surmise or conjecture that untoward consequences may result.").

protect “insulting or ‘fighting’ words—those which by their very utterance inflict injury or tend to incite an immediate breach of the peace.”³⁸ The Court explained that such speech is unprotected because it is so likely to lead to immediate harm and is of little speech value.³⁹ The Court has subsequently narrowed the category of unprotected “fighting words,” however, allowing even more provocative speech to be protected.⁴⁰

Likewise, in private actions involving allegedly tortious speech, courts will find the speech tortious and therefore unprotected only where it is likely to cause significant harm. In defamation cases, the plaintiff sues for reputational harm resulting from the defendant’s defamatory communication. Generally speaking, a communication is deemed to be defamatory only “if it tends so to harm the reputation of another as to lower him in the estimation of the community or to deter third persons from associating or dealing with him.”⁴¹ As such, defamation claims contain a built-in requirement that the allegedly defamatory statement is likely to cause reputational harm.⁴² Although the common-law rule sometimes has allowed juries to presume injury or damages from a defamatory publication, that rule seems “headed for extinction,”⁴³ as some states have repudiated the presumption even where the Constitution does not so require.⁴⁴

In addition to the common-law requirement that defamation is actionable only upon a showing of a likelihood of harm, the Supreme Court has imposed additional constitutional requirements in order to protect speech in defamation cases of public officials. In *New York Times Co. v. Sullivan*, the Court held that the guarantees of the First Amendment require

a federal rule that prohibits a public official from recovering damages for a defamatory falsehood relating to his official conduct unless he proves that the statement was made with “actual malice”—that is, with knowledge that it was false or with reckless disregard of whether it was false or not.⁴⁵

38. 315 U.S. 568, 571–72 (1942).

39. *See id.* at 572.

40. *See* CHEMERINSKY, *supra* note 16, at 1348–49 (describing cases in which the Court has refused to uphold fighting words convictions where words were “inherently inflammatory” but not “likely to provoke violent response”).

41. RESTATEMENT (SECOND) OF TORTS § 559 (1977).

42. *See* DAN B. DOBBS, *THE LAW OF TORTS* 1190 (2000) (“Harm to reputation itself, though often not quantifiable, is the chief item for which recovery is permitted.”).

43. *See id.* at 1130, 1189.

44. *Gobin v. Globe Publ’g Co.*, 649 P.2d 1239, 1243 (Kan. 1982) (“[I]n this state, damage to one’s reputation is the essence and gravamen of an action for defamation. Unless injury to reputation is shown, plaintiff has not established a valid claim for defamation, by either libel or slander, under our law.”).

45. 376 U.S. 254, 279–80 (1964).

There, the *New York Times* had run a political advertisement that implicitly criticized Alabama law-enforcement officials.⁴⁶ A police commissioner established in court that the advertisement contained misstatements about him that would have constituted libel per se under Alabama law.⁴⁷ Although the law allowed the newspaper to assert truth as a defense, the Court held that “[a] rule compelling the critic of official conduct to guarantee the truth of all his factual assertions” would chill protected speech.⁴⁸

The Court has taken different speech-protective measures in defamation cases brought by private individuals. In *Gertz v. Robert Welch, Inc.*, the Court refused to apply the *Sullivan* “actual malice” requirement in such cases, concluding that private individuals need and deserve greater protection against defamation than public officials.⁴⁹ The *Gertz* Court opted for a rule that “allows the States to impose liability on the publisher or broadcaster of defamatory falsehood on a less demanding showing than that required by [*Sullivan*].”⁵⁰

Significantly, the *Gertz* Court held that states may allow private individuals to recover for defamation without showing knowledge of falsity or reckless disregard for the truth, but that the recovery must be limited to damages for *actual injury*.⁵¹ The Court elaborated as follows on the constitutional need for proof of actual harm:

The common law of defamation is an oddity of tort law, for it allows recovery of purportedly compensatory damages without evidence of actual loss. Under the traditional rules pertaining to actions for libel, the existence of injury is presumed from the fact of publication. Juries may award substantial sums as compensation for supposed damage to reputation without any proof that such harm actually occurred. The largely uncontrolled discretion of juries to award damages where there is no loss unnecessarily compounds the potential of any system of liability for defamatory falsehood to inhibit the vigorous exercise of First Amendment freedoms. Additionally, the doctrine of presumed damages invites juries to punish unpopular opinion rather than to compensate individuals for injury sustained by the publication of a false fact. *More to the point, the States have no substantial interest in securing for plaintiffs . . . gratuitous awards of money damages far in excess of any actual injury.*⁵²

46. *Id.* at 258.

47. *Id.* at 262–63. Having held that the advertisement was libelous per se under Alabama state law, the trial court instructed the jury that it should presume malice, as well as general damages. *Id.* The Supreme Court of Alabama affirmed, noting that “malice could be inferred from the Times’ ‘irresponsibility’ in printing the advertisement,” among other things. *Id.* at 263.

48. *Id.* at 279.

49. 418 U.S. 323, 344–46 (1974).

50. *Id.* at 348.

51. *Id.* at 348–49.

52. *Id.* at 349 (emphasis added).

Thus, *Gertz* held that where a plaintiff does not show that a defamatory statement was made with actual malice or reckless disregard for the truth, she may recover damages only upon and to the extent of proof of actual injury.⁵³ Moreover, while the Court said that it did not need to define "actual injury" given trial courts' substantial experience in dealing with tortious harm, it did say that "juries must be limited by appropriate instructions, and all awards must be supported by competent evidence concerning the injury."⁵⁴

In addition, in *Zacchini v. Scripps-Howard Broadcasting Co.*, the Supreme Court held that the First Amendment did not protect a television station from a right-of-publicity claim when it broadcast an individual's entire "human cannonball" performance without authorization.⁵⁵ The Court's decision emphasized that "the broadcast of a film of petitioner's entire act pose[d] a substantial threat to the economic value of that performance."⁵⁶ Thus, the Court explained that although its precedent protected the news media's First Amendment right to report on events, no First Amendment case had held that there was a right "to broadcast or publish an entire act for which the performer ordinarily gets paid."⁵⁷

Accordingly, the Court concluded that the news agency did not need to broadcast the performer's entire act in order to engage in protected news reporting.⁵⁸ On the other hand, the harm to the performer could substantially interfere with the state's purpose in granting the right of publicity. Interestingly, the Court compared this purpose with the constitutional purpose of allowing Congress to grant copyrights. It explained:

[The State's] decision to protect petitioner's right of publicity here rests on more than a desire to compensate the performer for the time and effort invested in his act; the protection provides an economic incentive for him to make the investment required to produce a performance of interest to the public. The same consideration underlies the patent and copyright laws long enforced by this Court "The economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts.'"⁵⁹

53. *Id.* at 348-50.

54. *Id.* at 350.

55. 433 U.S. 562, 565-66, 575 (1977).

56. *Id.* at 575.

57. *Id.* at 574. Noting that the television station had appropriated "the very activity by which the entertainer acquired his reputation in the first place," the Court explained that cases like this one present the strongest argument for a right of publicity. *See id.* at 576.

58. *Id.* at 576-78.

59. *Id.* at 576 (quoting *Mazer v. Stein*, 347 U.S. 201, 219 (1954)).

Clearly, harm to the performer—of a nature and extent likely to impair the government’s purpose in granting the right of publicity—played a crucial role in the Court’s decision that the First Amendment did not trump the right-of-publicity claim. The Court believed, perhaps wrongly, that there was a particularly strong potential for harm on the facts of the *Zacchini* case. “[T]he broadcast of petitioner’s entire performance, unlike the unauthorized use of another’s name for purposes of trade or the incidental use of a name or picture by the press, goes to the heart of petitioner’s ability to earn a living as an entertainer.”⁶⁰

Significantly, however, the Court held that the plaintiff would have to show that he had in fact been harmed as a result of the broadcast in order to recover damages.⁶¹ Indeed, the Court suggested that the plaintiff would have to show *net harm* in light of the possibility that “respondent’s news broadcast increased the value of petitioner’s performance by stimulating the public’s interest in seeing the act live.”⁶²

By contrast, where the harm to the performer is minimal and does not threaten to impede the purpose of the right of publicity, the defendant’s First Amendment right to speak looms larger. For instance, in *C.B.C. Distribution & Marketing v. Major League Baseball Advanced Media, L.P.* (the fantasy baseball case), the Eighth Circuit held that the professional baseball players’ right of publicity did not outweigh the defendant’s First Amendment speech rights in creating and selling a fantasy baseball game that incorporated the players’ real names and statistical performance records.⁶³ As an initial matter, the court found “no merit” in the argument that production of the game did not constitute speech.⁶⁴ Although the defendant’s fantasy baseball game appropriated the “names, nicknames, likenesses, signatures, pictures, playing records, and/or biographical data” from the players, the court held that the use of this information in “an interactive form in connection with its fantasy baseball products” was “no less expressive” than the “pictures, graphic design, concept art, sounds, music, stories, and

60. *Id.*

61. *Id.* at 575 n.12 (petitioner would not be able to recover if he could prove that he suffered no actual damages).

62. *Id.* (“It is possible, of course, that respondent’s news broadcast increased the value of petitioner’s performance by stimulating the public’s interest in seeing the act live. In these circumstances, petitioner would not be able to provide damages and thus would not recover. But petitioner has alleged that the broadcast injured him to the extent of \$25,000, and we think the State should be allowed to authorize compensation of this injury if proved.” (citation omitted)). The Court’s requirement of net harm is relevant to copyright infringement cases in which the defendant’s use of a copyrighted work could increase as well as decrease sales. *See infra* Part II.A.

63. 505 F.3d 818, 820 (8th Cir. 2007).

64. *Id.* at 823.

narrative present in video games” that the court had previously found entitled to First Amendment protection.⁶⁵

Moreover, the Eighth Circuit held that, unlike the facts of *Zacchini*, the facts of the fantasy baseball case “barely, if at all, implicate the interests that states typically intend to vindicate by providing rights of publicity to individuals,” including economic interests in protecting a performer’s right to make a living, providing incentives to encourage performances of interest to the public, and preventing consumers from being confused by misleading advertising.⁶⁶ While the news agency in *Zacchini* had taken the performer’s entire act and broadcast it to the public, the creators of the fantasy baseball game merely used the names and statistics of the baseball players in a remote market. Thus, although the players argued that the defendant’s use harmed them individually by depriving them of profits they otherwise might have obtained, the court explained that the use did not harm the government’s purpose behind the law because it threatened neither the players’ ability to make a living by playing baseball nor any other interest underlying the right of publicity:

[M]ajor league baseball players are [already] rewarded, and handsomely, too, for their participation in games and can earn additional large sums from endorsements and sponsorship arrangements. Nor is there any danger here that consumers will be misled, because the fantasy baseball games depend on the inclusion of all players and thus cannot create a false impression that some particular player with “star power” is endorsing CBC’s products.⁶⁷

In all of these cases, the harm—or lack thereof—played a crucial role in drawing the line between protected and unprotected speech. While the First Amendment sometimes protects speech despite the harm it causes, it does not allow liability to be imposed in cases of *harmless* speech. To be sure, the case law does not always require proof of actual harm in particular cases and will sometimes presume harm. But there must be a showing that the type of speech at issue is likely to cause harm significant enough to impede the government’s interest underlying the law. As such, the harm requirement serves a sort of gate-keeping function, which helps to avoid placing unnecessary burdens on speech.⁶⁸

65. *Id.* (quoting *Interactive Digital Software Ass’n v. St. Louis County*, 329 F.3d 954, 957 (8th Cir. 2003)). In *Interactive Digital Software Ass’n*, the Eighth Circuit overturned a district court’s holding that video games were not a protected form of speech under the First Amendment. *See* 329 F.3d at 956.

66. *C.B.C. Distribution & Mktg.*, 505 F.3d at 824 (adding that although some courts recognize nonmonetary interests in granting rights of publicity, there is little merit in these interests when they are “compared with the interest in freedom of expression”).

67. *Id.* at 823.

68. The common law of torts also protects the First Amendment by limiting tort claims that would hinder free speech. For example, in intentional infliction of emotional distress claims, courts protect speech by imposing liability only where the plaintiff can prove that the defendant’s speech

II. COPYRIGHT HARM AND THE FIRST AMENDMENT

Like the foregoing speech-regulating laws, copyright law burdens self-expression by restricting what people can say and write.⁶⁹ Yet, while courts are generally vigilant in using the First Amendment to protect free speech in other types of cases, they almost never apply the First Amendment in copyright law cases. In *Eldred*, the Court refused to apply First Amendment scrutiny in a facial challenge to the Copyright Term Extension Act, relying instead on copyright's "traditional contours," such as fair use, to protect freedom of speech.⁷⁰ Likewise, courts have almost uniformly rejected as-applied First Amendment scrutiny in individual copyright infringement cases.⁷¹ As a result, although the governmental interest behind copyright law is to encourage the creation and dissemination of creative works, courts frequently find against the defendant's use (thereby prohibiting the defendant's speech) without real proof that the use has harmed the copyright holder in a way that would be likely to reduce a copyright holder's incentives.

This section makes the theoretical and doctrinal case for requiring harm as an element of copyright infringement in order to satisfy First

caused "severe emotional distress." See RESTATEMENT (SECOND) OF TORTS § 46 (1965). The Comments to the *Restatement* explain that proof of serious harm is required in order to make room for freedom of speech, even when that speech is not particularly valuable:

The liability clearly does not extend to mere insults, indignities, threats, annoyances, petty oppressions, or other trivialities. . . . There is no occasion for the law to intervene in every case where some one's [sic] feelings are hurt. There must still be freedom to express an unflattering opinion, and some safety valve must be left through which irascible tempers may blow off relatively harmless steam.

Id. § 46 cmt. d.

69. See, e.g., Lemley & Volokh, *Injunctions*, *supra* note 1; Lessig, *supra* note 1; Netanel, *Locating Copyright*, *supra* note 1; Nimmer, *supra* note 1; Tushnet, *supra* note 1; Volokh, *Some Thoughts*, *supra* note 1.

70. See 537 U.S. 186, 221 (2003) (stating that so long as copyright law maintains its "traditional contours," internal statutory doctrines will ordinarily be sufficient to protect speech concerns in copyright law); cf. *Golan v. Gonzales*, 501 F.3d 1179, 1184 (10th Cir. 2007) (applying direct First Amendment scrutiny in facial challenge to new provision of the Copyright Act where provision altered copyright's "traditional contours" by allowing works that had entered the public domain to be copyrighted).

71. See Netanel, *Locating Copyright*, *supra* note 1, at 2–3 ("To be certain, copyright's potential for burdening speech has long been recognized in U.S. case law, legislation, and commentary. Nevertheless, courts have almost never imposed First Amendment limitations on copyright, and most have summarily rejected copyright infringement free speech defenses."). There are very few exceptions in reported decisions. One of these exceptions involved a prior restraint. See *Suntrust Bank v. Houghton Mifflin Co.*, 252 F.3d 1165, 1166 (11th Cir. 2001) (per curiam) (holding that the district court's order granting preliminary injunction against publication of *The Wind Done Gone*, a parody of *Gone with the Wind*, constituted "an unlawful prior restraint"). Another is a district court decision that was affirmed on grounds other than the First Amendment. See *Triangle Publ'ns, Inc. v. Knight-Ridder Newspapers, Inc.*, 445 F. Supp. 875 (S.D. Fla. 1978) ("Comparative advertising, as practiced by defendant in the case *sub judice*, is in harmony with the fundamental objectives of free speech and free enterprise in a free society."), *aff'd on other grounds*, 626 F.2d 1171 (5th Cir. 1980).

Amendment concerns. Section A shows that neither the copyright statute nor the case law currently requires adequate proof of harm to avoid or minimize conflicts with the First Amendment. Section B discusses other scholarly approaches to resolving the conflict between copyright law and the First Amendment and argues that a harm requirement is a necessary complement to those approaches. Section C shows that whether copyright law is deemed a content-based or content-neutral regulation of speech, proof of harm is required to satisfy First Amendment scrutiny.

A. THE SCOPE OF COPYRIGHT COVERAGE, FAIR USE, AND DAMAGES

Largely as the result of special-interest influence, the Copyright Act grants copyright holders very broad control over uses of their copyrighted works.⁷² Unlike most torts and statutory causes of action, the Copyright Act does not require proof of harm as an element of the *prima facie* case. Rather, mere copying constitutes the statutory wrong.⁷³ Moreover, *prima facie* infringement generally requires a low threshold of copying, and courts do not take into account the differences between the two works, such as the new material that the defendant has added. Indeed, copyright holders are given rights not only over copying their own original works, but also over any derivative works that “modify, transform, or adapt” the original work in any way.⁷⁴ Thus, copying constitutes *prima facie* infringement even if the nature, extent, or circumstances surrounding the copying make harm to the copyright holder unlikely.⁷⁵

72. See Christina Bohannon, *Reclaiming Copyright*, 23 CARDOZO ARTS & ENT. L.J. 567, 581–92 (2005) (“[T]he [1976] Copyright Act reflects all of the hallmark characteristics of a special-interest statute [including that] the benefits of broad copyright protection are concentrated in relatively few individuals and industries, [while] the costs of that protection are spread among all potential users of copyrighted works, which includes nearly the entire population.”); Jessica D. Litman, *Copyright, Compromise, and Legislative History*, 72 CORNELL L. REV. 857, 862–79 (1987) (describing in detail the extensive influence of interest groups over the legislative process leading to the 1976 Copyright Act and the broad copyrights that resulted from that influence); Netanel, *Locating Copyright*, *supra* note 1, at 67–69 (noting that Congress’s reliance on interested parties in drafting copyright legislation since the 1909 Act has resulted in “an ever-expanding set of copyright holder rights,” and that “[i]n recent years, . . . the growing economic importance of speech entitlements, to both industry and the national economy, has brought copyright industry rent-seeking to unprecedented heights”); Stewart Sterk, *Rhetoric and Reality in Copyright Law*, 94 MICH. L. REV. 1197, 1244–46 (1996) (“In the period leading to the 1976 Copyright Act, Congress made it clear that industry representatives would have to hammer out a bill acceptable to all interest groups. A new statute could only advantage all interest groups if it expanded the scope of copyright protection—at the expense of the public domain—and that is precisely what the 1976 statute did.”).

73. See 17 U.S.C. § 501(a) (2006) (“Anyone who violates any of the exclusive rights of the copyright owner . . . is an infringer of the copyright . . .”).

74. *Id.* § 106(2).

75. For instance, the Copyright Act prohibits making a personal copy of lawfully owned music, even though the copyist is very unlikely to purchase an additional copy of the music if the prohibition is enforced. See Jessica D. Litman, *Lawful Personal Use*, 85 TEX. L. REV. 1871, 1871–79 (2007) (“[T]he

Once the copyright holder proves *prima facie* infringement, the burden of proof typically shifts to the defendant to show fair use.⁷⁶ Section 107 of the Copyright Act requires consideration of four factors in assessing fair use: (1) the purpose and character of the defendant's use, including whether the use is commercial and whether the use is "transformative" of the plaintiff's work; (2) the nature of the copyrighted work, including whether the work is unpublished and whether it is a factual or creative work; (3) the amount and substantiality of the portion taken; and (4) the harm to the market for the copyrighted work.⁷⁷

Although harm to the market for the copyrighted work is one statutory factor that courts consider in fair use, it is not a strict requirement. By emphasizing other factors in the fair use test, a court may easily reject fair use even when evidence of harm is absent or merely speculative. Moreover, what constitutes legally cognizable harm in copyright law is not well defined. Indeed, there is a potential for circularity in the definition: a copyright holder can always argue that the defendant's use caused her harm (and therefore is not fair) because the defendant could have paid her a license fee for any unauthorized use; yet, if the use is deemed fair, then no payment is required.⁷⁸ As Mark Lemley has argued, "The result is to unmoor fair use from the traditional rationale of market loss and to potentially make any use for which the user could afford to pay into a use for which they must pay."⁷⁹

recording industry has sued more than 20,000 individuals for making personal uses that can be characterized as 'commercial' only by redefining commercial to mean 'unlicensed.'"); *see also* Laura Heymann, *A Tale of (at Least) Two Authors: Focusing Copyright Law on Process over Product*, 34 J. CORP. L. 1009, 1025 (2009) ("Except in the presumably rare event that a single individual would, absent copyright law or technological protection measures, purchase more than one copy of a work, the copying of a work for personal use, unlike the distribution of a work to others, implicates no significant economic rights.").

76. *See* *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 590 (1994) ("Since fair use is an affirmative defense, its proponent would have difficulty carrying the burden of demonstrating fair use without favorable evidence about relevant markets."). This was not always the case. It appears that when Justice Story first articulated the fair use factors in *Folsom v. Marsh* more than a century ago, those factors were used to assess infringement, not an affirmative defense. As such, it seems that the burden of proof was on the plaintiff to show that these factors favored finding infringement. *See infra* notes 250–53; *see also* Christina Bohannon, *Copyright Harm, Foreseeability, and Fair Use*, 85 WASH. U. L. REV. 969, 975–77 (2007).

77. *See* 17 U.S.C. § 107.

78. *See, e.g.,* *Princeton Univ. Press v. Mich. Document Servs.*, 99 F.3d 1381, 1387 (6th Cir. 1996); *Am. Geophysical Union v. Texaco*, 60 F.3d 913, 929 (2d Cir. 1994); *see also* Bohannon, *supra* note 76, at 978; Mark A. Lemley, *Should a Licensing Market Require Licensing?*, 70 LAW & CONTEMP. PROBS. 185, 190 (2007).

79. *See* Lemley, *supra* note 78. This circularity has an effect not only on individual copyright cases, but on the scope of copyright protection generally. *See* Christina Bohannon & Herbert Hovenkamp, *IP and Antitrust: Reformation and Harm*, B.C. L. REV. (forthcoming 2010) (manuscript at 56), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1377382 ("The effects of this circularity are far-reaching. It causes risk-averse users to obtain licenses even when they are unnecessary, and then the existence of those licenses tends to reify the notion that the right to control

Uncertainty in the scope of fair use is likely to cause a chilling effect on speech, as people might fear that even a small amount of harmless copying could expose them to liability.⁸⁰ Thus, authors creating works such as books and documentaries are likely to forgo the use of reduced-size art images, video clips, and short samples of music lyrics that would enhance their works because of the time, money, and hassle involved in getting permission. Moreover, even if the author is willing to gamble on fair use, publishers and other intermediaries often refuse to rely on it and require the author either to obtain clearance or remove the questionable material. For instance, a law school professor wishing to use small black and white reproductions of large color paintings in a book about the First Amendment's treatment of art has been required by his publisher either to obtain permission or remove the images entirely, despite having cited cases to the publisher indicating that his use would be deemed fair.⁸¹

In applying the copyright statute, courts do not limit copyright infringement to copying that is likely to harm the copyright holder's incentives to create and distribute works. For instance, in *Castle Rock Entertainment v. Carol Publishing Group, Inc.*, the defendant produced trivia books based on the *Seinfeld* television show.⁸² The defendant created its own questions and answers regarding the events and characters on the show.⁸³ The court acknowledged evidence showing that the producers of *Seinfeld* had no intention of entering the trivia book market.⁸⁴ Yet, the court held that the defendant's trivia book was infringing because the defendant copied the plaintiff's copyrighted material, and copyright law should "respect" the plaintiff's choice not to enter that market.⁸⁵ Thus, the court essentially assumed that the

such uses exists."); James Gibson, *Risk Aversion and Rights Accretion in Intellectual Property Law*, 116 YALE L.J. 882, 884 (2007) ("[T]he practice of licensing within gray areas eventually makes those areas less gray, as the licensing itself becomes the proof that the entitlement covers the use.").

80. See Robert Kasunic, *Preserving the Traditional Contours of Copyright*, 30 COLUM. J.L. & ARTS 397, 403-04 (2007) ("The uncertainty of the fair use defense, at a minimum, forces users toward a minimalist approach even if First Amendment interests support more expansive use."); Remarks of Joseph Liu in Symposium Panel Discussion, *Copyright and Freedom of Expression*, 30 COLUM. J.L. & ARTS 319, 324 (2007) ("Now this vagueness, this uncertainty, can be expected to have a chilling effect on forms of creative expression that build on other works, because there can be a lot of substantial uncertainty surrounding whether something is really fair use . . .").

81. See, e.g., Randall P. Bezanson, *A Tale of Copyright* (2009) (unpublished manuscript, on file with author) (chronicling experience writing a book on art and the Constitution in which publishers refused to rely on several fair use cases that supported author's use of reduced-size art images in scholarly work).

82. 150 F.3d 132, 135 (2d Cir. 1998).

83. *Id.*

84. *Id.* at 145.

85. *Id.* at 146 (following the lower court's reasoning that the constitutional purpose of the Copyright Act, promoting progress in the arts, would not be served if artists were denied monopoly rights over derivative works "merely because they made the artistic decision not to saturate those markets with variations of their original" (quoting *Castle Rock Entm't v. Carol Publ'g Group, Inc.*,

copyright holder was entitled to control any and all copying of the work, even if the defendant's copying did not make the copyright holder any worse off than it would have been otherwise.

Along the same lines, in *Ty, Inc. v. West Highland Publishing*, the court enjoined the defendant's use of copyrighted photographs based on nothing more than speculation that the defendant's use might cause some harm in the distant future.⁸⁶ There, the defendant West Highland had created a collector's guidebook, among other items such as a newsletter and an encyclopedia, that included editorials and information on the Beanie Babies collectible stuffed animals.⁸⁷ Along with this information, the book also contained photographs of the Beanie Babies, which the court found infringed Ty's copyrights.⁸⁸ The court granted a preliminary injunction against the manufacturing and selling of the book, rejecting West Highland's argument that the book was a transformative fair use and finding that the book harmed Ty's market for derivative works.⁸⁹

Yet the evidence of market harm was purely speculative. There was no proof that the book would supplant sales of the Beanie Babies stuffed animals themselves; nor was it likely that the book would compete with an ordinary book of Beanie Babies photographs. Moreover, Ty would not have been in a position to exploit the market for a book of impartial assessments of the collectibles. Thus, there was no harm to markets that the plaintiff might reasonably have exploited. Rather, the court merely speculated that Ty *might* suffer some harm in the *distant future*. The court observed, "By recurring shortages, Ty seeks to maintain the enormous demand and popularity of Beanie Babies for as long as possible, and consequently seeks to avoid overexposure or market saturation."⁹⁰ Therefore, the court concluded that the defendant's "derivative works could have a negative long-term effect on the market for Ty's works by destroying the marketing image Ty has carefully created for its products."⁹¹ But such speculative evidence of harm should not be sufficient to justify a finding of infringement, much less a preliminary injunction suppressing the defendant's speech.

955 F. Supp. 260, 272 (S.D.N.Y. 1997))).

86. No 98-C-4091, 1998 WL 698922, at *15-16 (N.D. Ill. Oct. 5, 1998).

87. *Id.* at *13.

88. *Id.* at *9.

89. *Id.* at *15-16 (holding that each of the four fair-use factors weighed against finding fair use in this case, since (1) the defendant's use was commercial in nature, (2) Ty's Beanie Babies were creative works, (3) the defendant copied more than was necessary to achieve its purpose, and (4) the defendant's products harmed Ty's potential derivative market).

90. *Id.* at *16.

91. *Id.* The Court discounted the defendant's argument that its products positively impacted the market for Ty's Beanie Babies, calling the assertion "unsupported" and "short-sighted," *id.*, and noting that Ty could recover a license fee even if the defendant's products increased demand for Beanie Babies, *id.* at *16 n.13.

Similarly, in *Princeton University Press v. Michigan Document Services*, the Sixth Circuit held that a copyshop's preparation of coursepack copies for college classes was infringing.⁹² There, the speech value of the copying was obvious, because the copying directly contributed to a more educated citizenry. As Judge Ryan observed in dissent, "Society benefits when professors provide diverse materials that are not central to the course but that may enrich or broaden the base of knowledge of the students."⁹³ What is more, there was no apparent harm to the copyright holders to justify the speech restriction. The publishers did not market compilations of their own, and the record contained declarations from several professors indicating that they would not have assigned the full works regardless of whether the copying was allowed.⁹⁴ Thus, as Judge Merritt pointed out in dissent, it was mere speculation on the part of the copyright holders that the copying harmed them in any way:

[P]laintiffs here have failed to demonstrate that the photocopying done by defendant has caused even marginal economic harm to their publishing business. . . . The facts demonstrate that it is only wishful thinking on the part of the publishers that the professors who assigned the works in question would have directed their students to purchase the entire work if the excerpted portions were unavailable for copying. . . .

The use complained of by plaintiffs here has been widespread for many years and the publishers have not been able to demonstrate any significant harm to the market for the original works during that time.⁹⁵

The court did not make any findings on whether granting the copyright holders control over the market for coursepack copying was necessary to encourage them to create and disseminate their copyrighted works. Rather, it simply made the obvious point that the copyright holders would value the revenue stream that would flow from these uses.⁹⁶ And even assuming that the market for coursepacks generally provides important incentives to copyright holders, the court did not require proof showing that these particular professors would have paid the required license fee rather than forgo using the works altogether. As such, the court restricted speech without determining that the speech was likely to cause any meaningful harm.

Finally, the damages provisions of the Copyright Act allow courts to award damages based on (1) actual harm to the copyright holder and any

92. 99 F.3d 1381, 1387 (6th Cir. 1996) (en banc).

93. See *id.* at 1404 (Ryan, J., dissenting).

94. *Id.* at 1409.

95. See *id.* at 1396 (Merritt, J., dissenting); see also *id.* at 1409 (Ryan, J., dissenting) (asserting that harm to the publishers should be proved, not presumed).

96. See *id.* at 1383 (majority opinion); *id.* at 1397 (Merritt, J., dissenting).

additional profits of the defendant, or (2) a statutory damages amount.⁹⁷ Courts have interpreted these provisions as allowing damages based purely on defendant's profits or on a statutory amount without any showing of actual harm.⁹⁸ As a result, damages awards may deter speech absent any proof that the defendant's use would diminish an ordinary copyright holder's incentives to create or distribute copyrighted works. For instance, in *Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.*, the Ninth Circuit found that the plaintiff had suffered no demonstrable harm from the defendant MGM hotel's use of a small amount of plaintiff's music in performances of a variety show at the hotel.⁹⁹ The lower court "found that plaintiffs 'failed to establish *any* damages attributable to the infringement,'"¹⁰⁰ and the appellate court concluded that "the district court was not clearly erroneous in finding that plaintiffs' theory of damages was uncertain and speculative."¹⁰¹ The Ninth Circuit explained, "It is not implausible to conclude, as the court below apparently did, that a production presenting six minutes of music from *Kismet*, without telling any of the story of the play, would not significantly impair the prospects for presenting a full production of that play."¹⁰²

Given these findings, it is highly unlikely that the defendant's use of the plaintiff's copyrighted music would have harmed the plaintiff's incentives to create or disseminate the play or music. Nevertheless, the court held that the defendant would have to pay tens and possibly hundreds of thousands of dollars in damages based on profits it earned from the use. Indeed, the court held that the lower court's assessment of \$22,000 in damages seemed "grossly inadequate" in light of the hotel's direct profits from the show and indirect profits from hotel and gaming activities which could be attributed in part to the show.¹⁰³ By imposing substantial damages on these facts, the court discouraged a socially valuable use of copyrighted material (and artistic speech) while acknowledging that the use was unlikely to harm the copyright holder's incentives to produce the original work.

97. See 17 U.S.C. § 504 (2006).

98. See, e.g., *Davis v. Gap, Inc.*, 246 F.3d 152, 159 (2d Cir. 2001) (stating that plaintiff's actual damages and defendant's profits are treated as separate categories, and "[t]he award of the infringer's profits examines the facts only from the infringer's point of view"); *Engel v. Wild Oats, Inc.*, 644 F. Supp. 1089, 1091–92 (S.D.N.Y. 1986) (stating that the availability of statutory damages is not limited by either actual damages or defendant's profits).

99. 772 F.2d 505 (9th Cir. 1985). Although the case was governed by the 1909 Act, the damages provisions of the 1976 Act are the same on all relevant issues.

100. *Id.* at 513.

101. *Id.* at 514.

102. *Id.* at 513.

103. See *id.* at 518 (noting that the lower court's award of \$22,000 in damages was less than one percent of the defendant's net profit from the play, approximately \$2,500,000).

In addition, in applying the fair use and damages provisions, courts do not take into account any increased sales or profits that the defendant's use generates for the copyrighted work. Yet, in many cases, the defendant's use helps the plaintiff's sales much more than it hurts him, often by stimulating interest in the plaintiff's work.¹⁰⁴ Where courts fail to take evidence of increased profits into account, their assessment of harm is necessarily one-sided and incomplete.

Because these findings of infringement and damages restricted the defendants' ability to speak freely, the courts in the above cases should have applied First Amendment scrutiny. If they had, they would have assessed whether the government's interest in enforcing copyrights was sufficient to justify the restriction on the defendant's speech. As we shall see, where there is so little evidence of harm to a copyright holder's incentives to create or distribute copyrighted works, there is simply not a sufficient governmental interest to justify suppressing speech.

B. THE ROLE OF HARM IN FIRST AMENDMENT SCRUTINY OF COPYRIGHT INFRINGEMENT CLAIMS

This Article is not the first to argue that copyright infringement suits should be subject to First Amendment scrutiny. While earlier writers argued that First Amendment scrutiny is not necessary in most copyright cases,¹⁰⁵ in the past decade several scholars have made a strong case for it.¹⁰⁶ Ten years ago, Professors Mark Lemley and Eugene Volokh argued that, because copyright law is a content-based speech regulation, many preliminary injunctions granted in copyright cases constitute unlawful prior restraints.¹⁰⁷ More recently, Professors Yochai Benkler and Neil Netanel argued (separately) that First Amendment rules regulating the media should apply in copyright law, because like laws regulating the media, copyright law regulates the production and use of information.¹⁰⁸

104. One noteworthy example was the British copyright infringement case against Dan Brown, author of *The Da Vinci Code*, for his use of material from the nonfiction book *Holy Blood, Holy Grail*. Following news reports of the litigation, sales in the United Kingdom increased by 745%, and Amazon.com reported a 3500% increase. See Bohannon, *supra* note 76, at 1029 n.243 (citing Richard Roth, *Mining Da Vinci*, CBS NEWS, Mar. 13, 2006, http://www.cbsnews.com/stories/2006/03/10listening_post/main1390534.shtml, and other news stories); see also *Ty, Inc. v. Publ'ns Int'l Ltd.*, 292 F.3d 512, 518–19 (7th Cir. 2002) (discussing difference between “substitutional” and “complementary” copying); Bohannon, *supra* note 72, at 596–97 (discussing anecdotal evidence from Amazon.com indicating that derivative works often enhance sales of the works on which they are based).

105. See Goldstein, *supra* note 1 (arguing that copyright law is mostly consistent with First Amendment principles except in the case of enterprise monopolies); Nimmer, *supra* note 1 (arguing that copyright's own statutory framework, especially the idea/expression dichotomy, provides most of the necessary protection for speech in copyright law).

106. But see David McGowan, *Why the First Amendment Cannot Dictate Copyright Policy*, 65 U. PITT. L. REV. 281 (2004) (arguing against First Amendment scrutiny of copyright law).

107. See Lemley & Volokh, *Injunctions*, *supra* note 1, at 147.

108. See Netanel, *Locating Copyright*, *supra* note 1, at 55–59; Benkler, *supra* note 1, at 357.

Both Benkler and Netanel relied in part on the Supreme Court's decision in *Turner Broadcasting System, Inc. v. FCC (Turner I)*, which applied rigorous intermediate scrutiny to federal statutory provisions that required cable television systems to carry local broadcast television stations.¹⁰⁹ Benkler argued that, as applied to copyright law,

This approach would begin with the assumption that government will not, in the first instance, prevent anyone from reading or using this part or that [part] of the information environment. . . . Departures from this baseline must be limited to those instances where government has the kind of good reasons that would justify any other regulation of information production and exchange: necessity, reason, and a scope that is no broader than necessary.¹¹⁰

Similarly, Netanel argued that just as cable's monopolistic control over local television warranted rigorous intermediate scrutiny in *Turner I*, the concentration of speech entitlements to content owners in copyright law also requires heightened scrutiny.¹¹¹

Other scholarship has attempted to mediate between the First Amendment and copyright by delineating which forms of copying constitute speech. For instance, in his book *Copyright's Paradox*, Netanel argues that although copying, like most other voluntary conduct, can be viewed generally as self-expression, it should not be viewed as speech unless it "is meant and understood to be communicative."¹¹² Therefore, he argues that transformative copying is communicative speech, whereas "the lion's share" of "consumptive" copying is not.¹¹³ Similarly, Professor Jed Rubenfeld has argued that the First Amendment protects the "freedom of imagination," which includes "the freedom to explore the

109. 512 U.S. 622, 662 (1994).

110. Benkler, *supra* note 1, at 357.

111. See Netanel, *Locating Copyright*, *supra* note 1, at 69 ("[W]here, as with copyright law, speech entitlements are so brazenly and consistently dispensed to industry bidders and the consequent speech burdens are imposed on the public at large, the First Amendment should require rigorous judicial scrutiny."). In *Eldred*, the petitioners ran with this point, arguing that intermediate scrutiny should apply to copyright laws just as it does to laws regulating the media. The Court refused to apply *Turner* scrutiny, however, distinguishing between ordinary copyright law and the "must-carry" media regulations that the Court held unconstitutional in *Turner I*. The Court said that the *Turner I* case

bears little on copyright. The statute at issue in *Turner* required cable operators to carry and transmit broadcast stations through their proprietary cable systems. Those "must-carry" provisions, we explained, implicated "the heart of the First Amendment," namely, "the principle that each person should decide for himself or herself the ideas and beliefs deserving of expression, consideration, and adherence.

537 U.S. 186, 220 (2003) (quoting *Turner I*, 512 U.S. at 641).

112. NETANEL, *COPYRIGHT'S PARADOX*, *supra* note 1, at 44–45 (arguing that to define speech as including all self-expressive conduct would "conflate the right of free speech with an amorphous right to liberty of voluntary action").

113. See *id.* at 46–47 (elaborating that file-sharing and similar forms of personal copying should be characterized as self-expressive conduct rather than as communicative speech).

world not present, creatively and communicatively.”¹¹⁴ Accordingly, he argues that copyright law is unconstitutional to the extent it prohibits the use of imagination to produce a derivative work or perform a copyrighted work live.¹¹⁵ By contrast, he says, “When copyright law bars simple piracy, it does not punish infringers for exercising their imagination. It punishes them for failing to exercise their imagination—for failing to add any new imaginative content to the copied material.”¹¹⁶

Yet, other writers have made powerful arguments that even pure copying serves important speech goals. Volokh has noted that republishing copyrighted works creates speech value both to readers who could not otherwise have obtained the material and to the “infringer” as a form of self-expression.¹¹⁷ Likewise, Professor Rebecca Tushnet has observed that “ordinary copying serves multiple speech values, from simple access to self-expression to political persuasion.”¹¹⁸ She has provided numerous examples of pure copying with significant speech value and has argued that the emphasis on transformativeness has “limited our thinking” about speech concerns in copyright law.¹¹⁹ Indeed, Tushnet has lamented that the speech value of copying makes the conflict between copyright and the First Amendment nearly impossible to resolve.¹²⁰ Although Professor David McGowan disagrees in regards to the speech value of pure copying,¹²¹ he agrees that the conflict between copyright and the First Amendment is difficult to resolve. He asserts that, to the extent uses of copyrighted works do involve speech, speech theory “does not supply a premise” that courts can use to strike “any particular balance between authors and consumers, or between upstream and downstream authors.”¹²²

This Article does not argue for a particular theory of the First Amendment that will reconcile copyright protection and free speech. All

114. See Rubinfeld, *supra* note 1, at 38. Rubinfeld starts with the well-established premise that “works of art are ‘unquestionably shielded’ by the First Amendment.” *Id.* at 31 (quoting *Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston, Inc.*, 515 U.S. 557, 569 (1995)). He argues that traditional First Amendment theories based on democratic governance or individual autonomy do not adequately explain art’s protected status and proposes a theory of the First Amendment based on protection of the freedom of imagination. *See id.* at 37–48.

115. *Id.* at 58 (“Current copyright law is unconstitutional in that it permits courts to issue injunctions or grant damages in cases of derivative works and live performances. With respect to derivative works and performances, copyrights act as prior restraints. They create a private power over public speech that is unacceptable and tantamount to censorship. They penalize the exercise of the imagination.”).

116. *Id.* at 48.

117. See Volokh, *Some Thoughts*, *supra* note 1, at 725–27.

118. Tushnet, *supra* note 1, at 546.

119. *See id.* at 537.

120. *See id.* at 546.

121. See McGowan, *supra* note 106, at 286 (“[F]ree riding is not a First Amendment value.”).

122. *See id.* at 284–85.

First Amendment theories, from democratic governance and the marketplace of ideas to individual autonomy and freedom of imagination, have logical force and explanatory power. But the lack of a unified theory of speech protection does not stop courts from deciding hard First Amendment cases. Outside of copyright, courts regularly balance speech rights against other interests without the benefit of a speech theory that can tell them exactly what the outcome should be. As previously discussed, the harm caused by the speech plays a key role in deciding such cases. Courts do not restrict speech unless there is a real threat of harm to a government interest on the other side of the scale.

While excellent scholarship has explored the relationship between the First Amendment and copyright law, none has explored in depth the role that copyright harm should play in protecting speech. This Article argues that, in light of the speech value of transformative copying and a good deal of “pure” copying, copyright law must be subject to the same harm requirement as other speech-regulating laws. Without a harm requirement, copyright law unnecessarily suppresses copying that would enhance democratic governance by increasing access to creative and informative works. Copyright law also needs a harm requirement to avoid unjustified intrusions on individual First Amendment autonomy interests. As John Stuart Mill argued in *On Liberty*, “the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others.”¹²³ Under the harm approach, we should ask *not* whether the First Amendment requires a deviation from copyright law, but rather whether copyright law requires a deviation from the First Amendment. All uses of copyrighted material—whether transformative or verbatim, commercial or personal—presumably should be protected except where necessary to prevent harm to copyright’s constitutional and statutory purpose.

Indeed, as we will see in the following section, the absence of a harm requirement renders the Copyright Act unconstitutional as applied in a number of cases. Copyright law is either a content-based restriction subject to strict scrutiny or a content-neutral speech restriction subject to intermediate scrutiny.¹²⁴ Significantly, although strict scrutiny is a more

123. JOHN STUART MILL, *ON LIBERTY* 9 (Elizabeth Rapaport ed., Hackett Publ’g Co. 1978) (1859). Professor Wendy Gordon has recently said that “the Millian concern has special resonance in the free speech arena.” See Wendy J. Gordon, *Harmless Use: Gleaning from Fields of Copyrighted Works*, 77 *FORDHAM L. REV.* 2411, 2428 n.65 (2009).

124. Because copyright law is not a “time, place, or manner” restriction and does not merely place incidental burdens on speech, it is not subject to the deferential review applicable to those kinds of speech restrictions. Cf. *United States v. O’Brien*, 391 U.S. 367, 377 (1968) (conduct regulations imposing only incidental burdens on speech are subject to less demanding intermediate scrutiny that is more deferential to the government’s speech restriction); see also Netanel, *Locating Copyright*, *supra* note 1, at 45 (copyright law “imposes far more than an incidental burden on speech,” which precludes

demanding standard, both strict and intermediate scrutiny require (at a minimum) that the government's interest in enacting and enforcing a speech restriction is sufficient to justify the speech regulation and that the speech restriction is not substantially broader than necessary to achieve that interest. Assessment of the governmental interest requires courts to consider the harm that the government is attempting to prevent or remedy. Thus, courts do not simply accept the government's interest at face value. Rather, they scrutinize the government's interest carefully to see, among other things, whether that interest is implicated in the particular case. They must determine whether the harm that the government is trying to prevent is actually likely to occur on the facts of the case.

In copyright law, the government's interest would be sufficient—under either strict or intermediate scrutiny—only if the copyright holder has suffered or is likely to suffer harm that will reduce her incentive to create or disseminate the copyrighted work. The harm requirement would also ensure that the speech restriction is no broader than necessary to serve the interest in providing copyright incentives.

C. COPYRIGHT LAW AS CONTENT-BASED OR CONTENT-NEUTRAL SPEECH REGULATION

Several writers have debated whether copyright law should be viewed as a content-based or content-neutral speech restriction. Lemley and Volokh have argued that copyright law is a content-based regulation because liability turns on examination of the content of the copied material.¹²⁵ In addition, Volokh separately has argued that copyright law is content-based because it prohibits only speech that is “substantially similar” to copyrighted expression, and because the fair use defense privileges copying for certain purposes such as news reporting, parody, and educational purposes.¹²⁶ As such, he maintains that there is no meaningful way to distinguish between fair use's “purpose and character” factor and the Supreme Court's analysis in *Regan v. Time, Inc.*, “which held that a ban on photographic reproductions of currency was content-based because it contained an exception ‘for philatelic, numismatic, educational, historical, or newsworthy purposes.’”¹²⁷

On the other hand, Netanel has argued that while a content-based characterization “is not entirely implausible,” copyright is best viewed as

application of less rigorous form of intermediate scrutiny).

125. See Lemley & Volokh, *Injunctions*, *supra* note 1, at 186.

126. See Volokh, *Some Thoughts*, *supra* note 1, at 703–07; *id.* at 698–99 (“[Intellectual property laws] are practically significant and doctrinally complex speech restrictions, which deserve more attention than the Supreme Court has so far given them.”).

127. *Id.* at 706–07 (quoting 468 U.S. 641, 647 (1984)).

a content-neutral regulation.¹²⁸ He argues that the fact that “copyright law is content-sensitive does not mean that it is ‘content-based’ within the meaning of the First Amendment.”¹²⁹ Specifically, he claims that copyright law does not reflect an improper government motive to discriminate against some forms of speech, which is the driving concern behind applying strict scrutiny to content-based regulations.¹³⁰ That is, the target of copyright law “is not the viewpoint, subject-matter, or even communicative impact of the infringer’s speech, but rather the infringement’s deleterious impact on the copyright incentive.”¹³¹

Accordingly, whether copyright law is content-based or content-neutral might depend on whether the content-based designation applies to speech regulations that *distinguish* on the basis of content or only to those that *discriminate* on the basis of content. If content-based distinctions are sufficient, then copyright law is a content-based law, because infringement turns on examination of the content of the defendant’s speech.¹³² In assessing *prima facie* infringement, a court must determine whether the defendant has copied an improper amount of copyrightable expression from the copyright holder.¹³³ That determination depends in part on whether the defendant borrowed copyrightable expression or only uncopyrightable ideas.¹³⁴ It is abundantly clear that applying the idea/expression dichotomy in a copyright infringement case requires a serious examination of the content of both the plaintiff’s and defendant’s works. Moreover, in the many cases in which defendants have asserted fair use as a defense (as in parody cases), infringement has depended largely on the content of the defendant’s message. If the defendant’s message is to criticize, comment upon, or add new meaning to the plaintiff’s work—in other words, if it

128. Netanel, *Locating Copyright*, *supra* note 1, at 48 (arguing that the courts’ almost categorical refusal to apply First Amendment scrutiny to copyright law is wrong and that copyright law should be subject to intermediate scrutiny).

129. *Id.*

130. *Id.* (“[T]he category of content-based regulation is defined and delimited by the proposition that government may not generally use its regulatory power to disfavor speech because of the speech’s likely communicative impact. . . . [T]he government may not restrict nongovernmental speech in order to suppress or favor a particular viewpoint or subject matter.” (footnote omitted)).

131. *Id.* at 49.

132. Thus, the Copyright Act is unlike wiretapping statutes that are viewed as content-neutral because they “[do] not distinguish based on the content of the intercepted conversations” but rather based on “the fact that they were illegally intercepted.” *See Bartnicki v. Vopper*, 532 U.S. 514, 526 (2001).

133. *See, e.g., Bridgeport Music, Inc. v. UMG Recordings, Inc.*, 585 F.3d 267, 274 (6th Cir. 2009) (discussing and applying substantial similarity test).

134. *See Funky Films, Inc. v. Time Warner Entm’t Co.*, 462 F.3d 1072, 1077 (9th Cir. 2006) (explaining that general ideas, plot lines, and *scenes a faire* are not protectable elements of a copyrighted work and that the court must “filter out and disregard the non-protectable elements in making [its] substantial similarity determination” (quoting *Cavalier v. Random House, Inc.*, 297 F.3d 815, 822 (9th Cir. 2002))).

“transforms” the plaintiff’s work—then it is much less likely to be deemed infringing.¹³⁵

Even if content-based restrictions apply only to laws used to discriminate against some kinds of speech or viewpoints, copyright law is capable of being applied in such a discriminatory manner.¹³⁶ As discussed further *infra* Part VI, copyright holders sometimes bring infringement actions against the use of a copyrighted work that “tarnishes” the image of the original work. For example, a photographer sued subversive sculptor Jeff Koons for making a sculpture that attempted to ridicule the banality of a photograph of a litter of cute puppies.¹³⁷ In addition, MCA Music Company sued a songwriter who made a sexually humorous version of the 1940s patriotic song *Boogie Woogie Bugle Boy of Company B*.¹³⁸ The courts found infringement in both of these cases.

For present purposes, however, whether copyright law is best characterized as content-based or content-neutral speech regulation is relatively unimportant. Much ink has been spilled on that subject already, with many good arguments proffered on both sides. Indeed, it seems possible that copyright law could operate as a content-based restriction in one case and as a content-neutral one in another, depending on the nature of the two works involved in the particular cases. Rather, the key point here is that either a content-based or content-neutral designation would require a showing of harm to justify the application of copyright law in individual cases.

First, if copyright law is a content-based speech restriction, it is subject to strict scrutiny. Strict scrutiny requires that the law must serve a compelling governmental interest and must be the least speech-restrictive means of achieving that interest. Significantly, in assessing whether the government’s interest is sufficient to justify a content-based speech regulation, it ordinarily does not matter whether the speaker could have avoided the regulation by expressing herself differently. In First Amendment cases outside the copyright context, courts have recognized the important difference between, as Mark Twain put it, “the almost-right word and the right word.”¹³⁹ In *Cohen v. California*, the

135. See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994) (transformative use entitled to greater fair use protection); *NXIVM Corp. v. Ross Inst.*, 364 F.3d 471, 477–78 (2d Cir. 2004) (same); *Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792, 801, 806 (9th Cir. 2003) (same).

136. See Rubinfeld, *supra* note 1, at 6–7 (arguing that copyright law engages not only in content-based discrimination but also viewpoint discrimination when it “enjoin[s] speech that borrows from a copyrighted work unless [the speech] is ‘critical’ of that work”).

137. See *Rogers v. Koons*, 960 F.2d 301, 308–09 (2d Cir. 1992) (defendant’s sculpture did not constitute fair use).

138. See *MCA, Inc. v. Wilson*, 677 F.2d 180, 185 (2d Cir. 1981) (defendant’s song did not constitute fair use).

139. See *Parks v. LaFace Records*, 329 F.3d 437, 450 (6th Cir. 2003) (quoting J. BARTLETT, *FAMILIAR QUOTATIONS* 527 (16th ed. 1992)); see also *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989) (in

Supreme Court concluded that individuals have a speech interest not only in conveying their ideas, but in using their preferred words to express those ideas.¹⁴⁰ There, the Court overturned Cohen's conviction for breach of the peace, which he sustained for publicly wearing a jacket that said "Fuck the Draft."¹⁴¹ The Court explained that "words are often chosen as much for their emotive as their cognitive force," and that it could not "sanction the view that the Constitution, while solicitous of the cognitive content of individual speech, has little or no regard for that emotive function which, practically speaking, may often be the more important element of the overall message sought to be communicated."¹⁴² What is more, because changing even a single word alters the meaning of a statement, the Court said that it could not "indulge the facile assumption that one can forbid particular words without also running a substantial risk of suppressing ideas in the process."¹⁴³

The same is true in copyright law. People choose to speak through others' words for a variety of reasons, and that choice affects the message that is conveyed.¹⁴⁴ The fact that a copyright holder might take offense at another's use of her expression is no more dispositive of its lawfulness than is the offense that some would feel at seeing expletive words on another's clothing in public. In either case, the question is whether the government's interest in prohibiting the speech is relevant and sufficient in the particular situation.

In cases of content-based speech restrictions, the proponent of the restriction bears a heavy burden to show a compelling governmental interest to support the restriction. As the following cases show, the proponent must demonstrate that the harm the government seeks to prevent is real, significant, and likely to occur as a result of the particular speech involved in the case.

In *Texas v. Johnson*, the Supreme Court considered the constitutionality of a Texas statute that prohibited desecration of the United States flag with knowledge that the desecration would "seriously

trademark infringement case involving a defendant's use of a trademark holder's song or movie title, court refused to limit the defendant's First Amendment right to use that title to situations in which there were no alternative avenues of expression besides the use of protected material).

140. 403 U.S. 15, 25–26 (1971).

141. *Id.* at 17.

142. *Id.* at 26.

143. *Id.*

144. See Kasunic, *supra* note 80, at 404 ("While it is true that the First Amendment does not guarantee a person the right to make *another's* speech, there are times when the purpose of the speech requires, or perhaps simply benefits from, the inclusion of another's expression in order to more appropriately make a point or where the purpose is referential to the expression of another."); Rubinfeld, *supra* note 1, at 15 (rejecting the argument that the idea/expression dichotomy in copyright law alleviates First Amendment concerns because, under cases like *Cohen*, the First Amendment protects not only the communication of ideas but also the particular expression of those ideas).

offend one or more persons.”¹⁴⁵ In support of the statute, the State argued its interest in preventing breaches of the peace.¹⁴⁶ Although preventing breaches of the peace can be a valid governmental interest in some cases, the Court held that such a breach had not occurred and was not likely to occur on the facts of the case.¹⁴⁷ As the Court explained, “The State’s position, therefore, amounts to a claim that an audience that takes serious offense at particular expression is necessarily likely to disturb the peace and that the expression may be prohibited on this basis. Our precedents do not countenance such a presumption.”¹⁴⁸ Rather, in order to prohibit speech, a state must show a clear nexus—under the particular circumstances at issue in the case—between the prohibited speech and the harm that the government is trying to prevent. The Court elaborated as follows:

[W]e have not permitted the government to assume that every expression of a provocative idea will incite a riot, but have instead required careful consideration of the actual circumstances surrounding such expression, asking whether the expression “is directed to inciting or producing imminent lawless action and is likely to incite or produce such action.” To accept Texas’ arguments that it need only demonstrate “the potential for a breach of the peace,” and that every flag burning necessarily possesses that potential, would be to eviscerate our holding in *Brandenburg*.¹⁴⁹

Similarly, in the *Cohen* case, the Court found that the government’s interest in maintaining the peace was insufficient to justify the prohibition on public profanity. While acknowledging that some people might find the four-letter word on Cohen’s jacket offensive, the Court was unwilling to presume that it would cause a breach of the peace and cited the lack of evidence showing that “substantial numbers of citizens are standing ready to strike out physically at whoever may assault their sensibilities with execrations like that uttered by Cohen.”¹⁵⁰ Moreover, in the *Gertz* decision described above, the Court held that, in a defamation case brought by a private individual, the First Amendment requires proof of actual injury because “the States have no substantial interest in securing for plaintiffs . . . gratuitous awards of money damages far in excess of any actual injury.”¹⁵¹

145. 491 U.S. 397, 400 (1989).

146. *Id.* at 407–08.

147. *Id.* (“The only evidence offered by the State at trial to show the reaction to [the defendant]’s actions was the testimony of several persons who had been seriously offended by the flag burning.”).

148. *Id.* at 408 (footnote omitted).

149. *Id.* at 409 (citation omitted) (quoting *Brandenburg v. Ohio*, 395 U.S. 444, 447 (1969); Brief for Petitioner at 37, *Johnson*, 491 U.S. 397 (No. 88-155)).

150. See *Cohen v. California*, 403 U.S. 15, 23 (1970).

151. 418 U.S. 323, 349 (1974).

The Court took the same view in *Zacchini*, a right-of-publicity case that the Court explicitly compared to copyright.¹⁵² There, the Court held that a state has a valid interest in regulating the defendant's broadcast where "[t]he broadcast of the petitioner's entire performance, unlike the unauthorized use of another's name for purposes of trade or the incidental use of a name or picture by the press, goes to the heart of petitioner's ability to earn a living as an entertainer."¹⁵³ Thus, the Court indicated that speech regulation is appropriate where there is a strong likelihood of harm to the State's interest in providing a right of publicity, but not where harm to that interest is less certain or minimal. In addition, the Court observed that the State could compensate the injured person only for the actual net harm caused by the defendant's speech.¹⁵⁴

Second, if copyright law is instead a content-neutral restriction on speech, courts must apply intermediate scrutiny to infringement cases. Although there is some variation among cases regarding how courts articulate the requirements of intermediate scrutiny,¹⁵⁵ content-neutral speech restrictions must generally serve an important governmental interest in protecting against harm caused by the prohibited speech and must burden substantially no more speech than is necessary to achieve that interest.

For example, in *Bartnicki v. Vopper*, the Supreme Court considered a state wiretapping statute prohibiting the intentional disclosure of a communication with knowledge or reason to know that the communication was obtained through unauthorized interception.¹⁵⁶ After determining that the statute was a content-neutral restriction on speech, the Court held that the First Amendment prevented its enforcement against a radio host who broadcasted the communication over the air after it was given to him by a third party.¹⁵⁷ The Court explained that although the government's interest in "removing an incentive for parties to intercept private conversations" would be relevant in a case against the person who intercepted the conversation, the wiretapping statute was not enforceable against a party who innocently received and published the information.¹⁵⁸ According to the Court, it would be an "unusual" case if enforcement of the statute against a nonintercepting publisher of the

152. See 433 U.S. 562, 573 (1977) ("[T]he State's interest [in permitting a right of publicity] is closely analogous to the goals of patent and copyright law, focusing on the right of the individual to reap the reward of his endeavors and having little to do with protecting feelings or reputation.").

153. *Id.* at 576.

154. See *id.* at 575 n.12.

155. See, e.g., Netanel, *Locating Copyright*, *supra* note 1, at 35–36 ("[A] variety of tests, including some explicitly denominated as intermediate scrutiny and some not, have been applied to content-neutral speech restrictions.").

156. 532 U.S. 514, 517–21 (2001).

157. See *id.* at 526, 535.

158. See *id.* at 529–32.

conversation would have any effect on the incentives of the person who intercepted the conversation.¹⁵⁹ The Court emphasized that the First Amendment requires more than “mere speculation” that enforcement of the law would serve the government’s interest in the particular case, even where enforcement of the law would be justified in other cases.¹⁶⁰ Indeed, the Court noted that “even the burden of justifying restrictions on commercial speech requires more than ‘mere speculation or conjecture.’”¹⁶¹

Likewise, in *Turner Broadcasting System, Inc. v. FCC (Turner II)*, the Court considered the constitutionality of federal legislation requiring cable television systems to allocate some of their channels to local broadcast stations.¹⁶² The Court determined that these “must-carry” provisions were content-neutral speech restrictions and therefore subject to intermediate scrutiny.¹⁶³ In light of substantial evidence showing that cable television providers had monopolies over local television programming, the Court held that the government met the requirements of intermediate scrutiny by establishing that it had an important interest in maintaining or increasing consumer access to diverse programming and that the legislation did not burden substantially more speech than was necessary to further that interest.¹⁶⁴

Other scholars have argued persuasively that copyright laws are analogous to these communications laws and should be subject to the same level of scrutiny.¹⁶⁵ But *Turner II* is also important for how it dealt with the harm that the government was trying to prevent. The extensive record allowed the Court to “consider whether the must-carry provisions were designed to address a real harm, and whether those provisions will alleviate it in a material way.”¹⁶⁶ Thus, the Court did not merely accept on faith the government’s proffered interest in preserving the number and diversity of programs to which cable subscribers had access, but rather recited numerous findings in the record that showed vertical

159. See *id.* at 531–32. The Court also noted that, although certain rare occasions may justify a law suppressing one party’s speech in the interest of deterring another’s criminal conduct, this was not such a case. *Id.* at 530 (citing *New York v. Ferber*, 458 U.S. 747 (1982) (involving distribution of child pornography)).

160. See *id.* at 532.

161. See *id.* at 532 n.18 (quoting *Greater New Orleans Broad. Ass’n v. United States*, 527 U.S. 173, 188 (1999)).

162. 520 U.S. 180, 185 (1997).

163. *Id.* (discussing decision in *Turner I*).

164. See *id.* at 196–200.

165. See, e.g., Benkler, *supra* note 1, at 446 (arguing that *Turner*’s scrutiny should apply in copyright law because the *Turner* Court’s concerns with concentration in markets for information production and exchange are present in copyright law); Netanel, *Locating Copyright*, *supra* note 1, at 54–59 (arguing that *Turner* scrutiny should apply to “both speech entitlement allocation in general and copyright in particular”).

166. *Turner II*, 520 U.S. at 195.

integration among cable operators and cable programming networks as well as monopolistic control by cable providers over local subscribers.¹⁶⁷ Accordingly, it found a real threat to local broadcasting and communications policy generally.¹⁶⁸

Thus, whether copyright law is deemed a content-based or content-neutral speech regulation, the corresponding First Amendment scrutiny requires the copyright holder to show that the defendant's use of copyrighted material in a particular case is likely to cause harm sufficient to reduce the copyright holder's *ex ante* incentives to innovate. The copyright holder must show a clear nexus between the copying and a reduction in those incentives. It is not enough for the copyright holder to speculate that the copying could cause some lost sales in the future, that similar copying could cause harm under different facts or circumstances, or that the defendant's failure to pay a small license fee, if it became a widespread practice, could eventually start to diminish copyright holders' incentives.

Unfortunately, in contrast to the careful scrutiny of governmental interests ordinarily given to both content-based and content-neutral speech regulations, courts frequently find copyright infringement absent proof that the defendant's use has caused or will cause harm to the copyright holder's incentives to create or distribute a copyrighted work. Indeed, by refusing to apply any First Amendment scrutiny in most copyright cases, courts avoid inquiring into governmental interests at all. Courts simply see copyright law as different from other forms of speech regulation. The next Part will explore the reasons why copyright is viewed as unique with regard to the First Amendment and will show that none of these reasons justify copyright's exceptional treatment.

III. COPYRIGHT EXCEPTIONALISM: WHY COURTS DO NOT APPLY FIRST AMENDMENT SCRUTINY TO COPYRIGHT LAW

There are at least three possible arguments for why ordinary First Amendment scrutiny does not apply to infringement cases under the Copyright Act. The first is that copying is conduct, not speech, and is therefore not subject to the First Amendment. The second is that copying is not *protected* speech because copying is harmful to the speech

167. See *id.* at 197–213. The Court noted, for example, that “[o]nly one percent of communities [were] served by more than one cable system,” *id.* at 197, that sixty-four percent of new cable programmers were vertically owned, *id.* at 198, and that local stations were failing at an “unprecedented” rate, *id.* at 212.

168. *Id.* at 213. Interestingly, the four-Justice dissent would have required even more detailed evidence showing that “the breadth of the must-carry provisions comports with a goal of preventing anticompetitive harms.” See *id.* at 232 (O’Connor, J., dissenting). Although *Turner II* involved a facial challenge rather than an as-applied challenge, the level of scrutiny regarding the harm sought to be prevented is at least instructive in as-applied challenges to copyright infringement claims.

interest in encouraging the creation and dissemination of copyrighted works. The third is that copyrights are property, and the First Amendment does not require property owners to allow their property to be used for speech purposes. None of these arguments, however, provides a valid reason for refusing to apply First Amendment scrutiny in copyright infringement cases.

A. COPYING CONSTITUTES SPEECH

One possible reason that courts do not apply First Amendment scrutiny to copyright law is that copying is not the same thing as speaking. That is, although a message constitutes speech when the original speaker expresses it, it does not constitute speech when the copyist copies it. This might be what the *Eldred* Court meant when it said, “The First Amendment securely protects the freedom to make—or decline to make—one’s own speech; it bears less heavily when speakers assert the right to make other people’s speeches.”¹⁶⁹ Under this view, the Copyright Act regulates primarily conduct, which does not trigger First Amendment scrutiny.

Some scholars have made arguments in this vein. McGowan has argued that “free riding is not a First Amendment value” and that the *Eldred* Court “was right to imply that authors who do their own work advance some free speech values that copiers do not.”¹⁷⁰ And forty years ago, Professor Melville Nimmer claimed that the copying of other people’s expression is generally unnecessary to free speech and that the First Amendment should be invoked as a check on copyrights only in very limited circumstances.¹⁷¹

In the years since Nimmer wrote, however, copyrights have expanded dramatically.¹⁷² The 1976 Act added a very broad derivative-

169. 537 U.S. 186, 221 (2003).

170. McGowan, *supra* note 106, at 286; *see also supra* text accompanying notes 105–11.

171. *See* Nimmer, *supra* note 1, at 1191–92.

It is exposure to ideas, and not to their particular expression, that is vital if self-governing people are to make informed decisions To reproduce the “expression” of [the] ideas may add flavor, but relatively little substance to the data that must inform the electorate in the decision-making process. Such minimal substance, lost through the copyright prohibition on reproduction of expression, is far out-balanced by the public benefit that accrues through copyright encouragement of creativity.

Id. Thus, Nimmer said that the idea/expression dichotomy strikes a definitional balance with the First Amendment by allowing the public to use the ideas contained in copyrighted works but not the expression embodying those ideas. *See id.* at 1189 (“The market place of ideas would be utterly bereft, and the democratic dialogue largely stifled if the only ideas which might be discussed were those original with the speakers.”). The Supreme Court later agreed that the idea/expression dichotomy serves First Amendment values by keeping ideas in the public domain. *See Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 556 (1985).

172. *See* Netanel, *Locating Copyright*, *supra* note 1, at 4 (“Nimmer’s conclusions might have been plausible in 1970. But . . . [a]s copyright law has evolved over recent decades, copyright owner

works right which, together with the right of reproduction, prohibits just about any copying of copyrighted expression.¹⁷³ In addition, the term has been extended to the life of the author plus seventy years, easily making a 100-years-plus term.¹⁷⁴ Perhaps as a response to this expansion, some scholars have proposed a different definitional balance that would privilege some copying of copyrighted expression. One such approach suggests that transformative copying—in which someone borrows another's expression but then adds new material or a new context—is speech, while pure copying is not.¹⁷⁵ This approach is consistent, at least to a large degree, with the current view that copyright's fair use doctrine protects transformative copying more than pure copying.¹⁷⁶

Despite thoughtful attempts to distinguish among different kinds of copying, First Amendment values cannot legitimately be raised in support of fair use protection for transformative copying and against it for merely consumptive copying.¹⁷⁷ Both the First Amendment and the

prerogatives have steadily become more bloated. This expansion . . . has . . . imposed an increasingly onerous burden on speech.”).

173. See *infra* notes 244–48 and accompanying text.

174. See 17 U.S.C. § 302(a) (2006). In addition, renewal of the copyright is no longer required for protection, even though under the old required-renewal system, approximately eighty-five percent of works were not renewed. See William F. Patry & Richard A. Posner, *Fair Use and Statutory Reform in the Wake of Eldred*, 92 CAL. L. REV. 1639, 1640–41 (2004) (“Not only did renewal provide notice of subsisting copyright, but experience with the requirement of renewal had established that works that have no commercial value are unlikely to be renewed, thus increasing the size of the public domain.”).

175. See, e.g., NETANEL, COPYRIGHT’S PARADOX, *supra* note 1, at 45–46 (arguing that transformative copying is communicative and therefore speech, whereas “the lion’s share” of “consumptive” copying is not); Remarks of Paul Bender in Symposium Panel Discussion, *Copyright and Freedom of Expression*, 30 COLUM. J.L. & ARTS 319, 330 (2007) (arguing that plagiarism is not “First Amendment activity” and that the First Amendment applies only to those cases “that do involve expression of the infringer”); Rubinfeld, *supra* note 1, at 48–52 (arguing that the First Amendment protects the freedom of imagination and is therefore implicated only where the user of a copyrighted work adds new expression to the work).

176. See generally Pierre N. Leval, *Toward a Fair Use Standard*, 103 HARV. L. REV. 1105, 1111 (1990) (the justification for findings of fair use “turns primarily on whether, and to what extent, the challenged use is *transformative*”).

177. As an initial matter, it is at least worth noting that there is no textual support for this argument in the First Amendment itself. As Professor Melville Nimmer wrote in describing the “largely ignored paradox” between copyright law and the First Amendment, the First Amendment does not distinguish between different kinds of speech.

The first amendment tells us that “Congress shall make no law . . . abridging the freedom of speech, or of the press.” Does not the Copyright Act fly directly in the face of that command? . . . The language of the first amendment does not limit its protection to speech which is original with the speaker, but rather states that Congress shall make “no law” abridging freedom of speech . . .

Nimmer, *supra* note 1, at 1181 (first alteration in original) (“Mr. Justice Black has said that this reference to ‘no law’ means no law, ‘without any ‘ifs’ or ‘buts’ or ‘whereases.’” (quoting *Justice Black and First Amendment “Absolutes”: A Public Interview*, 37 N.Y.U. L. REV. 549, 553, 559 (1962))). Of course, the Supreme Court has never adopted this absolutist view of the First Amendment. Thus, despite the lack of support in the constitutional language, First Amendment case law is full of distinctions among different kinds of speech. I argue, however, that the distinction between

Patent and Copyright Clause of the Constitution¹⁷⁸ favor not only the creation of new expression, but also the dissemination of that expression.¹⁷⁹ The reason for encouraging dissemination of copyrighted works must lie in the hope that they will be consumed, that is, processed or considered. It is only through consumption of these works that copyright law can enhance the marketplace of ideas and democratic governance, and a good deal of harmless copying is done in furtherance of this consumption. As Rebecca Tushnet has argued, copyrighted works saturate our culture and surroundings, influencing social and political views and providing a vernacular for expressing those views.¹⁸⁰ Thus, she has said that “when moments of political choice do come, our responses are shaped by the culture around us. As a result, freedom to participate in shaping culture is an overriding concern of the democratic self-governance view [of the First Amendment].”¹⁸¹ Similarly, Volokh has emphasized that copied speech has just as much value *to listeners* as original speech.¹⁸² Indeed, in many cases of copyright infringement, the copied “work is materially more valuable to readers than the original that they can’t get, that costs too much, or that they don’t know about.”¹⁸³

Princeton University Press, the copyshop case described above, provides a good example of how pure (nontransformative) copying can further the First Amendment’s goal of enhancing democratic self-governance.¹⁸⁴ In that case, it was clear that neither the professor nor the copyshop transformed the copyrighted works in any way. Yet, the First Amendment value of such copying is obvious. Exposing college students to literary, historical, and other kinds of works directly contributes to a more educated citizenry, which in turn improves democratic self-governance. The fair use provision of the Copyright Act recognizes the value of copying for educational purposes, stating that “the fair use of a copyrighted work, . . . for purposes such as . . . teaching (including multiple copies for classroom use), . . . is not an infringement of

transformative and nontransformative uses of copyrighted material in speech is particularly problematic, and that a harm requirement is a better way to resolve the conflict between copyright and the First Amendment.

178. U.S. CONST. art I, § 8, cl. 8.

179. See L. Ray Patterson, *Free Speech, Copyright, and Fair Use*, 40 VAND. L. REV. 1, 6–7 (1987) (arguing that “copyright’s purpose is best served by encouraging the distribution of works” through a regulatory copyright regime, not by encouraging the creation of works through a proprietary copyright regime).

180. See Tushnet, *supra* note 1, at 539–40.

181. *Id.* at 540.

182. See Volokh, *Some Thoughts*, *supra* note 1, at 726.

183. *Id.*; see also Tushnet, *supra* note 1, at 565–66 (invoking the value of audience access to argue that copying “promotes democracy by literally putting information in citizens’ hands”).

184. See 99 F.3d 1381 (6th Cir. 1996) (en banc).

copyright.”¹⁸⁵ In applying the four fair use factors, however, the court limited the availability of fair use for educational purposes.

The speech value of copying is also apparent under an autonomy-based account of the First Amendment. Copying of copyrighted works is a means of self-expression, as the copier surveys available works, chooses those with which she identifies or disagrees, and copies the portions that best capture her thoughts or feelings. Indeed, the Supreme Court has explicitly held that choices in selecting which of *others’ speech* to include in one’s own message constitutes protected speech. In *Hurley v. Irish-American Gay, Lesbian & Bisexual Group of Boston*, the Court held that the choices of parade organizers in selecting who could participate in a parade constituted protected speech.¹⁸⁶ Accordingly, the Court concluded that state antidiscrimination laws requiring the organizers to allow a gay and lesbian group to participate violated the organizers’ First Amendment right not to speak.¹⁸⁷ Likewise, the Copyright Act recognizes the expressive value of choices involved in the “select[ion], coordinat[ion], or arrange[ment]” of preexisting materials by granting copyright protection to compilations of such materials.¹⁸⁸

Under First Amendment case law, the issue of whether copying—or any other conduct—constitutes speech turns on “whether [the] particular conduct possesses sufficient communicative elements to bring the First Amendment into play.”¹⁸⁹ The Supreme Court explained in *Texas v. Johnson* that conduct constitutes speech, giving rise to First Amendment protection, when the conduct is accompanied by an “intent to convey a particularized message” and “the likelihood [is] great that the message would be understood by those who viewed it.”¹⁹⁰

These elements are clearly met in many, if not most, cases of copyright infringement. The intent and likelihood of conveying a message are perhaps most obvious in transformative copying. For instance, when the rap group 2 Live Crew writes a new, parodic version of Roy Orbison’s song *Pretty Woman*, the message is a rejection of the

185. 17 U.S.C. § 107 (2006).

186. 515 U.S. 557, 572–73 (1995) (“Since every participating unit affects the message conveyed by the private organizers, the state courts’ application of the statute produced an order essentially requiring petitioners to alter the expressive content of their parade.”); see also *Miami Herald Publ’g Co. v. Tornillo*, 418 U.S. 241, 258 (1974) (holding that newspaper’s editing of speech of others for inclusion in paper constituted protected speech under the First Amendment).

187. *Hurley*, 515 U.S. at 559.

188. See 17 U.S.C. § 101 (defining a copyrightable “compilation”). Further, even if the “speech” component of copying is not obvious, such copying clearly implicates the freedom of association because it provides the means for the copier to associate with another’s ideas and expression. The freedom of association is a fundamental right under the First Amendment, as it is “integral to the speech and assembly protected by the First Amendment.” CHEMERINSKY, *supra* note 16, at 1155.

189. *Texas v. Johnson*, 491 U.S. 397, 404 (1989) (citing *Spence v. Washington*, 418 U.S. 405, 410–11 (1974)).

190. *Id.* (quoting *Spence*, 418 U.S. at 410–11).

banality and sentimentality (or maybe the whiteness?) of the original.¹⁹¹ Yet, such a message is often evident in cases of pure copying as well. Surely the evangelist who reads the Bible aloud in a public place intends to and does convey a message, even though he did not write the Bible himself and did not add to it in any way. The same would be true if he were to copy portions of the Bible in a written document and distribute copies of the document at large. In that case, the Bible is in the public domain, so the speech would be protected. With regard to copyrighted material, although one might argue that some uses of copyrighted material should not constitute *protected* speech, there is no reason to treat copying of copyrighted material differently in determining whether it constitutes speech at all.¹⁹² Either way, the copyist is not the speaker who originally generated the message. Thus, if a person reads aloud or copies from Barack Obama's *The Audacity of Hope* in order to show his support for the new President, he is engaging in speech, even though he did not write that book himself.¹⁹³

Copyright case law is full of examples of copying that is communicative under the First Amendment but viewed as nontransformative under the Copyright Act. In *Princeton University Press*, the copyshop case described above, it is clear that in selecting and copying materials for students to read, the professors intended to and did convey the message that the assigned materials were worth reading and thinking about.¹⁹⁴ In addition, in *Koons*, the court held that the artist's small, subtle changes to the plaintiff's puppies photograph were not transformative, yet the context and the artist's subversive style clearly conveyed a critical message to viewers.¹⁹⁵

Finally, the transformativeness inquiry is too vague and malleable to provide a meaningful standard for protecting free speech. How much material must the copier add before he or she will be deemed to be speaking? If the copier does not add new meaning or message but uses a copyrighted work for a different purpose or in a way that increases access, is that enough? Should courts consider transformativeness from the copier's or viewer's perspective?¹⁹⁶ Under a definitional approach to

191. See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 583 (1994) (referring to the allegedly infringing song as a "joinder of reference and ridicule," the hallmark of parody).

192. See *generally* Tushnet, *supra* note 1, at 564 ("Imagine that the government . . . banned speakers from copying directly from the public domain. This would be an enormous, intolerable burden on speech, no less so because someone else said the words first, a long time ago.").

193. This use would be a *prima facie* violation of the public performance right under 17 U.S.C. § 106(4), but probably would be exempt from infringement under § 110(4), which creates an exception for the nonprofit "performance of a nondramatic literary or musical work."

194. See 99 F.3d 1381 (6th Cir. 1996) (en banc).

195. See 960 F.2d 301 (2d Cir. 1992).

196. See Laura A. Heymann, *Everything Is Transformative: Fair Use and Reader Response*, 31 COLUM. J.L. & ARTS 445, 466 (2008) ("If we are to retain transformativeness as a relevant answer, then,

speech protection that protects only transformative uses of copyrighted material, these troublesome questions would become constitutional issues. Other attempts to provide a definitional rule are similarly problematic. For instance, Nimmer suggested very limited First Amendment protection for certain categories of copying necessary to the public interest, such as the copying of news photographs.¹⁹⁷ Yet even he conceded the difficulty in distinguishing between news and entertainment.¹⁹⁸ Moreover, in other First Amendment cases, courts tend to reject such categorical treatment of speech.¹⁹⁹ As one court has said, “[s]peech that entertains, like speech that informs, is protected by the First Amendment because ‘[t]he line between the informing and the entertaining is too elusive for the protection of that basic right.’”²⁰⁰

B. COPYRIGHT’S SPEECH-ENHANCING PURPOSE DOES NOT RENDER COPYING UNPROTECTED SPEECH

A second possible reason for courts’ refusal to apply First Amendment scrutiny to copyright law is that copying is not protected speech because it is harmful to the speech interest underlying the Copyright Act. As the *Eldred* Court noted, the constitutional Framers “intended copyright itself to be the engine of free expression,” which is why they granted Congress the power to enact copyright legislation.²⁰¹ As such, the Court concluded that copyright’s own “traditional contours”—including statutory doctrines such as the idea/expression dichotomy and the fair use doctrine—ordinarily would be sufficient to protect speech interests in copyright infringement claims.²⁰²

Thus, while copyright law has much in common with other speech-regulating laws, it is somewhat unique in that the governmental interest

let us at least ask the right question—not ‘Who is speaking?’ but ‘Who is listening?’”).

197. See Nimmer, *supra* note 1, at 1199 (arguing that the copyright interest outweighs the free speech interest in all “other graphic works, such as paintings, sculpture, etc.”).

198. See *id.* (“There is a definitional problem as to when a photograph is a news photograph. This, too, is a concept capable of great elasticity.”).

199. See, e.g., *Winters v. New York*, 333 U.S. 507, 510 (1948).

200. *Cardtoons, L.C. v. Major League Baseball Players Ass’n*, 95 F.3d 959, 969 (10th Cir. 1996) (quoting *Winters*, 333 U.S. at 510).

201. 537 U.S. 186, 219 (2003) (quoting *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 558 (1985)). Of course, the fact that Article I empowers Congress to enact copyright law does not, in and of itself, immunize the law from First Amendment scrutiny. See Rubinfeld, *supra* note 1, at 12–13 (“Just because a law passed by Congress falls within the terms of an Article I power, the law is not thereby exempt from the Bill of Rights. . . . Rights trump powers, not vice versa.”); William W. Van Alstyne, *Reconciling What the First Amendment Forbids with What the Copyright Clause Permits: A Summary Explanation and Review*, 66 LAW & CONTEMP. PROBS. 225, 236–37 (2003) (arguing that the Article I power to enact copyright law does not insulate that law from First Amendment scrutiny but merely “answers the ‘federalism question’” by “put[ting] to rest any question respecting the controlling authority of its act vis-à-vis that of some inconsistent, or incongruent state or local law”).

202. See *Eldred*, 537 U.S. at 219–21 (citing *Harper & Row*, 471 U.S. at 556, 558, 560).

in enforcing copyright law is itself related to furthering speech. That interest includes encouraging the production and dissemination of speech by granting exclusive rights over copyrighted expression. Paradoxically, then, copyright law burdens speech in order to encourage it.

Of course, there is truth in the idea that copyright law can help to advance the goals of free speech. Copyright law is arguably consistent with the First Amendment to the extent that copyright law encourages free expression by granting exclusive rights over expressive works. But as we have seen, copying—even a good deal of copying that violates a copyright holder’s rights—also has speech value. Insofar as copyright law prohibits copying that does *not* diminish a copyright holder’s incentives to create or distribute expressive works, it prohibits or chills some speech without providing offsetting gains to speech elsewhere.²⁰³ Such cases present false conflicts between copyright law and the First Amendment, where there is a speech interest in allowing the copying but no copyright (or speech) interest in prohibiting it.

The key here is that copyright’s speech-enhancing purpose does not obviate or preclude First Amendment scrutiny; it merely identifies the governmental interest to be assessed in applying that scrutiny to the Copyright Act. Thus, it is not true that First Amendment scrutiny of copyright law is impossible because “First Amendment values are on both sides.”²⁰⁴ Rather, First Amendment scrutiny mediates between the speech interests “on both sides” by requiring courts to determine in each case whether the defendant’s particular use is likely to cause harm to the incentives to create or distribute copyrighted works.

C. COPYRIGHT’S STATUS AS PROPERTY DOES NOT PRECLUDE FIRST AMENDMENT SCRUTINY

The third potential reason for refusing to apply First Amendment scrutiny to copyright law relates to the property-like nature of copyrights. Copyrights are property, the argument goes, and the First Amendment does not require property holders to let others use their property for speech purposes. For instance, in *Lloyd Corp. v. Tanner*, the

203. See generally Steven J. Horowitz, *A Free Speech Theory of Copyright*, 2009 STAN. TECH. L. REV. 2, ¶ 49, <http://stlr.stanford.edu/pdf/horowitz-free-speech-theory.pdf> (“If the Copyright Clause embodies First Amendment values in its limits such that an independent free speech analysis is typically unnecessary, then the clause’s limits ought to be interpreted as . . . free speech limits . . . [having] the force of the First Amendment.”). Professor Rubinfeld argues that copyright infringement cases are not exempt from First Amendment scrutiny even if infringement has a “silencing effect” that reduces total speech. See Rubinfeld, *supra* note 1, at 22–24. Of course, he is correct that copyright infringement cases should not be categorically immune from First Amendment scrutiny on this basis. On the other hand, in individual cases, if there is a valid governmental interest in preventing harmful copying that “silences” copyrighted expression, then the copying may be suppressed.

204. See McGowan, *supra* note 106, at 295–96.

Supreme Court held that the First Amendment does not require an owner of real property (in that case, a shopping center) to grant access to persons exercising their constitutional rights of free speech when adequate alternative avenues of communication exist.²⁰⁵ Real property is unusual in that claims for trespass to real property do not require a showing of harm, even when the alleged trespasser wishes to use the property for speech purposes. Given real property's unique status in American history and culture, the law presumes harm from trespass onto real property.²⁰⁶ As such, the First Amendment does not compel property holders to make it available for speech.

As Lemley and Volokh have argued, however, Congress cannot get around First Amendment speech restrictions simply by designating as "property" the thing or interest that is harmed by speech.²⁰⁷ For instance, defamation claims are still subject to the First Amendment, even though a person's right in his reputation might be deemed a property right.

Moreover, the nature of the property right in copyrights is fundamentally different than the nature of tangible property rights in ways that matter a great deal for First Amendment purposes. Copyrights are granted in order to encourage the creation and dissemination of ideas and expression, while real property rights—such as the shopping mall property rights at issue in *Lloyd*—are granted for other reasons unrelated to the First Amendment.²⁰⁸ Also, the boundaries of real property are delineated without regard to speech concerns. By contrast, the *Eldred* Court held that the boundaries of copyright, especially the idea/expression dichotomy and the fair use doctrine, strike a balance between ownership of copyrights and freedom of speech.²⁰⁹ Indeed, the Court's recognition of the need to protect speech by confining copyrights within their "traditional contours" shows that a property label does not automatically triumph over speech.²¹⁰

In addition, unlike real or personal tangible property, copyrights are nonrivalrous property rights, meaning that many people can enjoy them

205. 407 U.S. 551, 570 (1972).

206. See, e.g., *Intel Corp. v. Hamidi*, 71 P.3d 296, 309 (Cal. 2003) (stating, in dicta, that inviolability of real property makes trespass to real property actionable without showing of harm); *Gross v. Capital Elec. Line Builders, Inc.*, 861 P.2d 1326, 1329–31 (Kan. 1993) (reversing lower court's holding that plaintiff must show damages under the "modern rule" of real property trespass).

207. See Lemley & Volokh, *Injunctions*, *supra* note 1, at 183.

208. See Netanel, *Locating Copyright*, *supra* note 1, at 39 ("[R]eal property rights are general regulations that impose only isolated and incidental burdens on speech. Where property rights are not in land, but in information, expression, or communicative capacity, they are more properly characterized as speech regulations."); Rubinfeld, *supra* note 1, at 24–25 (stating that copyright law is different from ordinary property laws because "copyright creates *property rights in speech*, rather than merely in things," and those rights create liability for speaking).

209. See 537 U.S. 186, 218–20 (2003).

210. See Louis Michael Seidman, *The Dale Problem: Property and Speech Under the Regulatory State*, 75 U. CHI. L. REV. 1541, 1580 (2008) (quoting *Eldred*, 537 U.S. at 221).

at the same time.²¹¹ Thus, an unauthorized use of a copyrighted work does not necessarily oust the owner (or her licensees) from using the work. Whereas a real property trespass presumptively harms the owner through dispossession—because two people cannot occupy a specific spot on land at the same time—copyright infringement ordinarily does not cause harm by dispossessing the copyright holder of her property.²¹²

Yet, Professor William Landes and Judge Richard Posner have identified another potential form of harm arising from unauthorized uses of copyrighted works. They note that overuse of copyrighted works might exhaust their value by causing market saturation and ultimately loss of consumer demand.²¹³ This concern over “congestion externalities” is based on the tragedy of the commons: just as a pasture can be overgrazed unless it is enclosed and propertized, copyrighted works can be over-utilized unless the copyright holder’s property right enables him to exclude others from use.²¹⁴

Although this argument has some intuitive appeal, it ultimately falls far short of supporting a presumption of harm in copyright law, especially as against a First Amendment challenge. First, Landes and Posner themselves do not argue that congestion externalities warrant property-like protection for creative works. While they emphasize “the contribution that the enclosure movement made to agricultural productivity,” they are doubtful that “rampant propertization of information and other intellectual goods would have similarly beneficent effects.”²¹⁵ They elaborate that “[i]t is easy to imagine agriculture without common pastures but difficult to imagine a system under which, for example, every possible combination of words, symbols, colors and other mark of identification were owned.”²¹⁶ They also acknowledge numerous examples of public domain works that have maintained their value despite widespread and uncontrolled use, including the works of Shakespeare and characters such as Pinocchio and Cinderella.²¹⁷ Thus,

211. See Lemley & Volokh, *Injunctions*, *supra* note 1, at 184–85 (stating that intellectual property’s nonrivalrous nature makes it different from other forms of property for purposes of First Amendment).

212. See Bohannon, *supra* note 76, at 970–71 (arguing that harm may not be presumed from use of nonrivalrous copyrighted works).

213. See WILLIAM M. LANDES & RICHARD A. POSNER, *THE ECONOMIC STRUCTURE OF INTELLECTUAL PROPERTY LAW* 222–28 (2003); *id.* at 226 (“The result of [widespread unauthorized variants of a copyrighted work] could be premature saturation of the market, consumer confusion, . . . and impaired demand for the original work because of the poor quality of some of the unauthorized derivative works.”).

214. See *id.* at 12–14.

215. *Id.* at 13.

216. *Id.*

217. *Id.* at 226–27.

they conclude that they “must not press the congestion argument . . . too far.”²¹⁸

Second, it is unlikely that congestion externalities, without any showing of actual market substitution, would present sufficient harm to satisfy First Amendment scrutiny. Except for the occasional case involving a protest at a shopping mall or the like, uses of real property ordinarily do not implicate the First Amendment, whereas many, if not most, uses of copyrighted material do. As we have seen, the First Amendment typically requires real and immediate harm, not merely speculative or potential future harm. It is not sufficient for the copyright holder to show that she was deprived of some profits that she otherwise might have enjoyed. Rather, the harm must be of such a nature and to such an extent that it would be expected to reduce the copyright holder’s *ex ante* incentives to create or distribute her copyrighted works. It would be inappropriate to presume that a particular unauthorized use is likely to “crowd out” other uses and substantially reduce the long-term value of authorized works, especially given that some unauthorized uses of copyrighted works actually *increase* demand for a copyrighted work or its authorized derivatives.

Furthermore, it should be fairly obvious that copyrights are much more akin to personal property than to real property.²¹⁹ Unlike claims for trespass to real property, claims for trespass to personal property (or chattels) require a showing of harm. As the California Supreme Court has noted, the *Restatement (Second) of Torts* emphasizes “that some actual injury must have occurred in order for a trespass to chattels to be actionable.”²²⁰ The *Restatement* explains:

The interest of a possessor of a chattel in its inviolability, unlike the similar interest of a possessor of land, is not given legal protection by an action for nominal damages for harmless intermeddlings with the chattel. . . . Therefore, one who intentionally intermeddles with another’s chattel is subject to liability only if his intermeddling is harmful to the possessor’s materially valuable interest in the physical condition, quality, or value of the chattel²²¹

218. *See id.* at 226.

219. *See Bohannon, supra* note 76, at 983–84 (observing that copyrights, unlike real property, are nonrivalrous goods, and that the Copyright Act treats copyrights as intangible personal property by providing in § 201(d) that “copyright ownership ‘may . . . pass as personal property by the applicable laws of intestate succession’” (alteration in original) (quoting 17 U.S.C. § 201(d) (2000))).

220. *Intel Corp. v. Hamidi*, 71 P.3d 296, 302 (Cal. 2003); *see* RESTATEMENT (SECOND) OF TORTS § 218 (1965); *see also* DOBBS, *supra* note 42, at 124 (“To establish liability for trespass to chattels, the possessor must show legally recognizable harm.”).

221. RESTATEMENT (SECOND) OF TORTS § 218 cmt. e. There is, however, a disconnect between the property right and remedy in the *Restatement*’s trespass rule. Although the owner of a chattel may not sue for trespass absent a showing of harm, the *Restatement* does allow the use of self-help measures to prevent harmless intermeddlings. *See id.* (“Sufficient legal protection of the possessor’s interest in the mere inviolability of his chattel is afforded by his privilege to use reasonable force to protect his

Courts have overwhelmingly followed this rule, refusing to extend the real property analogy beyond its obvious bounds.²²² For instance, in *Intel Corp. v. Hamidi*, the California Supreme Court held that the defendant's unauthorized e-mail communications to Intel employees were not governed by the law relating to real property trespass.²²³ Rather, the court applied personal property trespass rules, requiring a showing of real harm.²²⁴ Indeed, the court said that Intel would have to show that the property was actually damaged, not just that Intel suffered consequential damage due to the communication.²²⁵ Numerous other cases likewise have held that claims for trespass to personal property require real proof of harm to the property itself.²²⁶

possession against even harmless interference.”). Numerous scholars have discussed the relationship between property ownership and self-help. *See, e.g.,* Shyamkrishna Balganesh, *Demystifying the Right To Exclude: Of Property, Inviolability, and Automatic Injunctions*, 31 HARV. J.L. & PUB. POL’Y 593, 613–14 (2008); Richard A. Epstein, *Intel v. Hamidi: The Role of Self-help in Cyberspace?*, 1 J.L. ECON. & POL’Y 147 (2005); David McGowan, *The Trespass Trouble and the Metaphor Muddle*, 1 J.L. ECON. & POL’Y 109 (2005); Henry E. Smith, *Self-Help and the Nature of Property*, 1 J.L. ECON. & POL’Y 69 (2005). The extent to which self-help measures would be available and effective to prevent copyright infringement is unclear. To be sure, the Digital Millennium Copyright Act provides legal reinforcement for technological self-help measures. *See* 17 U.S.C. § 1201 (2006) (prohibiting the circumvention of technological measures, such as encryption, that protect access to copyrightable material, and further prohibiting the trafficking of such technology). On the other hand, injunctive relief to prevent harmless uses of copyrighted material would be particularly problematic under the First Amendment. *See generally* Lemley & Volokh, *Injunctions*, *supra* note 1 (arguing that copyright law is speech restriction under the First Amendment and that injunctions of speech are usually unconstitutional).

222. *See, e.g., Hamidi*, 71 P.3d at 308–10; *Thrifty-Tel, Inc. v. Bezenek*, 54 Cal. Rptr. 2d 468, 472–73, 475 (Ct. App. 1996) (holding, *inter alia*, that a long-distance phone company was required to prove actual damages in its suit against the parents of a child who hacked and made unauthorized use of the company's computer system).

223. 71 P.3d at 309–11 (rejecting Richard Epstein's position that Intel's server is “its castle”).

224. *See id.* at 308–11 (indicating that in order to prevail on a trespass to chattels claim, Intel would have to show actual harm to property, such as impairment to functioning of e-mail or computer system).

225. *See id.* at 308 (noting that employee time spent reading and discussing defendant's e-mails did not constitute harm to Intel's property interest).

226. *See, e.g., SecureInfo Corp. v. Telos Corp.*, 387 F. Supp. 2d 593, 621 (E.D. Va. 2005) (no trespass to chattel when defendant surreptitiously obtained a copy of plaintiff's commercial software and the database contained in it in order to compare it with its own database because, although plaintiff alleged harm to its business as a result, unlawful trespass required a showing of harm to the software itself); *In re Jetblue Airways Corp. Privacy Litig.*, 379 F. Supp. 2d 299, 318–19 (E.D.N.Y. 2005) (holding that JetBlue's collection of passenger data was not a trespass to chattels because there was no proof of harm); *Thrifty-Tel*, 54 Cal. Rptr. 2d at 475 (rejecting the plaintiff's attempt to satisfy its burden of proving actual damages “merely by producing a formula or figure that in the abstract purport[ed] to represent the average damages suffered as a consequence of similar torts”); *Terrell v. Rowsey*, 647 N.E.2d 662 (Ind. Ct. App. 1995) (finding no trespass to chattel when supervisor who suspected employee of drinking opened employee's car and found empty beer bottle, because defendant “did not dispossess [plaintiff] of his automobile and it sustained no impairment as to its condition, quality or value”); *Dryden v. Cincinnati Bell Tel. Co.*, 734 N.E.2d 409, 416 (Ohio Ct. App. 1999) (finding that coworkers who opened plaintiff's fanny pack because of suspicion that he was carrying a gun did not commit a trespass because there was no injury to either the pack or the

Thus, to the extent that copyright infringement may be viewed as a kind of trespass to property, it is most like trespass to personal property, for which harm ordinarily must be proved. As such, the copyrights-as-property characterization does not defeat or obviate the requirement to show harm in copyright infringement cases but actually supports it.

Finally, the *Lloyd* case merely stands for the proposition that the First Amendment does not, *in and of itself*, require a property owner to allow others to use his property for speech purposes. As will be discussed in more detail in Part VI.C, *infra*, the Court also has held that the First Amendment does not prohibit another law from requiring a property owner to allow such use so long as the property is not within the exclusive personal control of the property owner (i.e., so long as the property is accessible to the public), and the law neither violates the Takings nor the Due Process Clauses. As such, although copyrights are in some sense “property,” there is nothing troublesome about limiting these property rights in order to make way for harmless speech.

IV. HOW A HARM-BASED APPROACH CAN PROTECT FREE SPEECH IN COPYRIGHT INFRINGEMENT CASES

As the foregoing Parts show, whether copyright law is content-based or content-neutral, it is a speech restriction. The best way for courts to address speech issues in copyright law would be to apply First Amendment scrutiny to infringement cases in the same way that they apply it to other kinds of cases. Applying direct First Amendment scrutiny would not require relying on the vagaries of fair use or other statutory litigation to protect important First Amendment values.²²⁷

Under the First Amendment, copyright law must be supported by a legitimate governmental interest. Generally speaking, copyright law can proffer such an interest: consistent with the Patent and Copyright Clause of the Constitution, the Supreme Court has noted many times that the governmental interest behind copyright law is to encourage the creation

plaintiff); *see also* *Hotmail Corp. v. Van\$ Money Pie, Inc.*, 47 U.S.P.Q.2d (BNA) 1020, 1025 (N.D. Cal. 1998) (finding plaintiff likely to prevail on trespass to chattels claim upon showing that defendant’s unsolicited e-mails filled up plaintiff’s computer storage space); *CompuServe, Inc. v. Cyber Promotions, Inc.*, 962 F. Supp. 1015, 1022–23 (S.D. Ohio 1997) (holding that sending unsolicited commercial bulk e-mail stated claim for trespass to chattels where it was shown that processing power and disk space were adversely affected); *Sch. of Visual Arts v. Kuprewicz*, 771 N.Y.S.2d 804, 808 (Sup. Ct. 2003) (holding that disgruntled former employee’s posting of numerous unsolicited job applications and pornographic e-mails to employer’s computers gave rise to a claim of trespass to chattels where the plaintiff alleged that its hard drive space was depleted, processing power drained, and other computer resources adversely affected).

227. *See* Horowitz, *supra* note 203, ¶¶ 72–86 (highlighting several problems with the Court’s view that First Amendment scrutiny should apply only where Congress alters copyright law’s traditional contours).

and dissemination of expressive works.²²⁸ But while this general interest is probably sufficient to save most provisions of the Copyright Act from *facial* constitutional challenges, it is not always sufficient to justify particular findings of infringement against *as-applied* challenges.²²⁹ As we have seen, the First Amendment does not allow courts to assume that a general governmental interest in suppressing speech is at work in every case. Rather, courts must scrutinize every application of a speech restriction to see whether the defendant's speech is likely to harm the government's interest in that particular case. Thus, in copyright infringement cases, courts should determine whether the defendant's use of copyrighted material is likely to cause harm sufficient to reduce a copyright holder's incentives to create or disseminate copyrighted works. Courts should assess the harm caused to the copyright holder's incentives on a case-by-case basis and then balance any such harm against the speech value of the defendant's use. As such, a harm requirement would ensure that findings of infringement and damages are limited to situations in which, as Professor Yochai Benkler put it, "government has the kind of good reasons that would justify any other regulation of information production and exchange."²³⁰

The *Seinfeld* trivia book case provides a useful illustration of how courts should assess harm in First Amendment scrutiny of copyright infringement cases.²³¹ There, the defendant produced a *Seinfeld* trivia book, which occupies a market that is quite remote from the market for the television show. Moreover, the plaintiff producers testified that they had no intention of entering the market for trivia books.²³² Thus, the defendant's trivia book did not harm the plaintiff's economic incentives to create or distribute the copyrighted work or obvious derivative works. Unless the defendant's trivia book caused some other type of harm (as will be discussed *infra* Part VI), there was no copyright interest in

228. See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 n.10 (1994) ("[T]he goals of the copyright law [are] 'to stimulate the creation and publication of edifying matter . . .'" (quoting *Leval*, *supra* note 176, at 1134)); *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 558 (1985) ("[C]opyright supplies the economic incentive to create and disseminate ideas."); *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) ("Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts.").

229. See *Bender*, *supra* note 175, at 332 ("[T]he issue of whether copyright and the First Amendment conflict is not one that ought to be resolved wholesale. It's one that ought to be resolved retail. The First Amendment has in it . . . the idea that things can be constitutional on their face and in general, but unconstitutional as applied.").

230. Benkler, *supra* note 1, at 357. Thus, copyright infringement cases in which no harm is evident would be "easy cases" of technical violations of exclusive rights that nevertheless fall within a functional definition of the public domain. See *id.* at 361-62.

231. See *Castle Rock Entm't, Inc. v. Carol Publ'g Group, Inc.*, 150 F.3d 132 (2d Cir. 1998).

232. *Id.* at 144-45.

prohibiting the defendants' use of the copyrighted material. As a result, the speech value in allowing the use should have prevailed.

Of course, there might be some cases in which copying cannot be characterized as speech or expression, or the copying otherwise has little speech value. These cases are likely to be few in number, because, as we have seen, even pure copying can have speech value to the copyist or listeners. In addition, seemingly inconsequential speech (or, as in *Seinfeld*, speech about nothing) often has value because it informs political and social views. Nevertheless, if a court decides that the challenged copying was not intended or understood to communicate a message, then it may decide that the copying was not speech at all and therefore that First Amendment scrutiny is unwarranted. Alternatively, courts may wish to focus on the harm associated with the defendant's alleged infringement. Where the speech value of the defendant's copying is dubious, harm to the copyright holder might be clear. Except in some cases of personal copying, pure non-expressive copying can cause harm by supplanting the market for the original. Indeed, in at least some cases, the harm will be so apparent that it can be presumed. In such cases, it is unlikely that the harm will be outweighed by the speech value of the copying.

On the other hand, if courts continue to rely on copyright's own "traditional contours," they will take a less direct approach to protecting speech interests.²³³ Even here, however, harm will play a central role. Traditionally, copyright infringement claims originated as tort claims requiring proof of harm. Under the early English copyright statutes on which the American copyright statutes are based, authors sued for copyright infringement by bringing an action for "trespass on the case."²³⁴ Unlike actions for trespass, which typically have allowed recovery without a showing of harm, actions for trespass on the case have always required a showing of actual harm in the form of physical injury or monetary loss.²³⁵

In addition, early statutory rights themselves were much more limited than they are today.²³⁶ In the late 1700s and early 1800s, the statutory copyright monopoly protected only a book as it was published

233. See Kasunic, *supra* note 80, at 412–13 (describing the use of copyright's traditional contours as an alternative to "[a]pplying heightened scrutiny to the statute itself").

234. See J.H. BAKER, AN INTRODUCTION TO ENGLISH LEGAL HISTORY 453–54 (4th ed. 2002) (discussing the English Copyright Act of 1709).

235. See DOBBS, *supra* note 42, at 25–26; RICHARD A. EPSTEIN, TORTS 76 (1999).

236. John Tehranian, *Et Tu, Fair Use? The Triumph of Natural-Law Copyright*, 38 U.C. DAVIS L. REV. 465, 466 (2005) ("[T]he Copyright Clause of the Constitution, the 1790 Copyright Act, and the early jurisprudence of the Republic envisioned copyright as a property right limited in both scope and duration, with the particular goal of encouraging the dissemination of knowledge."); see also Bohannon, *supra* note 76, at 975 (describing evolution of early copyright law).

and not other works that might be based on the published book.²³⁷ Accordingly, courts held that translations, abridgements, and other transformative uses were noninfringing.²³⁸ At that time, the rule seemed to be that “if the accused book was a work of authorship, it could not at the same time infringe.”²³⁹

In 1841, Justice Story decided *Folsom v. Marsh*, which essentially created the fair use doctrine.²⁴⁰ Although some scholars have argued that *Folsom* actually expanded the scope of copyright protection by holding that some abridgements and other transformative uses may infringe copyrights under some circumstances,²⁴¹ the decision also emphasized that harm to the copyright holder is the cornerstone of infringement.²⁴² Specifically, it provided that liability turns on “the degree in which the use may prejudice the sale, or diminish the profits, or supersede the objects, of the original work.”²⁴³

The 1976 Copyright Act altered copyright’s traditional contours, bringing changes that prevent or discourage harmless uses of copyrighted material in speech.²⁴⁴ First, it added a broad derivative-works right, which gives copyright holders exclusive rights not only over the original work but also over any work in which the original work might be “recast,

237. Tehranian, *supra* note 236, at 466 (“[W]hile early copyright laws prohibited slavish copying of a protected work, no interdiction precluded transformative uses of a protected work because such uses were considered accretive to progress in the arts.”).

238. *See id.* at 474–80 (discussing illustrative cases).

239. BENJAMIN KAPLAN, AN UNHURRIED VIEW OF COPYRIGHT 10 (1966).

240. 9 F. Cas. 342 (C.C.D. Mass. 1841) (No. 4,901).

241. *See, e.g.,* L. Ray Patterson, *Folsom v. Marsh and Its Legacy*, 5 J. INTELL. PROP. L. 431, 432 (1998). Patterson explains as follows:

Prior to *Folsom*, copyright could best be understood as a subset of public domain law in the form of a limited statutory monopoly; *Folsom* laid the groundwork for transforming copyright into a subset of property law as a natural law right. . . . The former concept provides greater, the latter less, leeway for use by others, and this issue has assumed a new importance in light of communications technology by reason of which copyright holders may be able to control all access to copyrighted material

Id. (footnotes omitted); *see also* Tehranian, *supra* note 236, at 481 (“Far from creating fair use and carving a hole into the copyright monopoly, Justice Story’s decision in *Folsom* transformed copyright law and expanded its monopoly.”).

242. *See* 9 F. Cas. at 348–49 (stating several times that liability turns on the extent to which the original author will be injured by the copying); *see also* Patterson, *supra* note 241, at 439–40 (stating that *Folsom*’s “test is harm to the original work”); *id.* at 447 (“[T]he *Folsom* test was centered on the market impact of the competitive use. The modern view, promoted by copyright owners, is that the fair use doctrine limits the right of individuals to use a copyrighted work for their personal purposes regardless of market impact.”).

243. *See Folsom*, 9 F. Cas. at 349.

244. *See* Lemley, *supra* note 78 (arguing that recent developments in copyright law “unmoor fair use from the traditional rationale of market loss”); Bohannon, *supra* note 72, at 581 (tracing evolution of copyright law and arguing that due to special-interest influence, the size of the Copyright Act and the amount of protection it affords has grown exceedingly in the last thirty years).

transformed, or adapted.”²⁴⁵ As Judge Alex Kozinski has observed, the derivative-works right is “hopelessly overbroad” because all new works must build on existing works to some degree.²⁴⁶ Such broad rights enable copyright holders to demand licensing fees for just about any copying of their works.²⁴⁷ In doing so, they also prohibit a good deal of harmless speech. While copyright holders can foresee some copying and derivative uses of their copyrighted works, they are not likely to rely on the ability to control all peripheral uses of their copyrighted works in deciding whether to create or distribute those works.²⁴⁸ When copying does not harm a reasonable copyright holder’s incentives to create or distribute copyrighted works, finding infringement cannot be justified by the governmental interest in encouraging the creation and distribution of copyrighted works.

Second, the 1976 Act altered copyright’s traditional contours (perhaps unintentionally) by reducing the scope of fair use. The Act purported to codify the common-law fair use doctrine without change.²⁴⁹ Yet, the version of fair use that we have today is quite different from Justice Story’s. Today, although harm is one of the four factors considered in fair use, it is not always treated as the touchstone. Moreover, courts currently treat fair use as an affirmative defense, putting the burden of proof on the defendant to prove the *absence* of harm.²⁵⁰ Yet, because *Folsom* did not create a fair use *defense* as such, but rather redefined the test of infringement,²⁵¹ *Folsom* arguably would have required the copyright holder to bear the burden of proof on the issue of harm as part of the burden to prove infringement.²⁵² The language of the

245. See 17 U.S.C. § 101 (2006) (defining “derivative work”); *id.* § 106(2) (granting derivative-works right).

246. See *Micro Star v. FormGen Inc.*, 154 F.3d 1107, 1110–11 (9th Cir. 1998) (adding judicial limitations on the derivative-works right in light of excessively broad statutory definition).

247. See, e.g., Lemley, *supra* note 78, at 190–91 (observing that demands for license fees have “skyrocketed”).

248. Bohannon, *supra* note 76, at 988–89 (arguing that just as the reasonable person in tort law will act with regard to ordinary foreseeable circumstances, reasonable copyright holders will rely only on foreseeable markets for their copyrighted works in deciding whether to create or disseminate copyrighted works). See generally Shyamkrishna Balganesh, *Foreseeability and Copyright Incentives*, 122 HARV. L. REV. 1569 (2009) (using bounded rationality to argue that foreseeable copying should be part of the test for infringement).

249. See H.R. REP. NO. 94-1476, at 66 (1976), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5680 (“Section 107 is intended to restate the present judicial doctrine of fair use, not to change, narrow, or enlarge it in any way.”).

250. See *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 590 (1994) (describing fair use as an affirmative defense).

251. See Patterson, *supra* note 241, at 431–32 (arguing that one myth of *Folsom* is that “*Folsom* created fair use, when in fact it merely redefined infringement”); Tehranian, *supra* note 223, at 481.

252. *But see* Tehranian, *supra* note 236, at 483 (“Previously . . . the burden of persuasion lay with the copyright holder to demonstrate that the work was infringing and *not transformative*. Under *Folsom* and its progeny, once the copyright holder made a *prima facie* showing that the alleged infringer borrowed the protected work, the burden then shifted to the alleged infringer to demonstrate

fair use provision in the 1976 Act seems to support this allocation of the burden of proof. It does not designate fair use as a defense but rather states that “notwithstanding [the exclusive rights listed in] sections 106 and 106A, the fair use of a copyrighted work . . . *is not an infringement of copyright.*”²⁵³ Unfortunately, the structure of the Act creates some ambiguity on the issue, as fair use is located in a separate provision following the provision enumerating copyright holders’ exclusive rights. Thus, courts now hold that defendants bear the burden of proof on fair use and harm.

Both the derivative-works right and the fair use doctrine must be reshaped in order to reinstate the traditional focus on harm. As will be discussed further in Parts VI and VII, *infra*, the plaintiff should ordinarily bear the burden to show that the allegedly infringing use is of a type likely to cause harm to her incentives to create or distribute, except where the defendant has engaged in close copying of the work in the plaintiff’s most foreseeable markets, in which case such harm may be presumed. In addition, the derivative-works right must be limited to those types of uses that copyright holders would be likely to rely on in deciding whether to create or distribute copyrighted works. Indeed, the right should arguably be limited to the list of illustrations in the statutory definition of “derivative works,” as those illustrations would encompass most of the uses a reasonable copyright holder would expect to exploit. Even under a broader reading of the derivative-works right, however, the mere assertion that a defendant’s violation of the right of reproduction or the right to prepare derivative works requires payment of a license fee will not necessarily demonstrate the requisite harm. The question is whether the harm is likely to be significant enough to reduce a copyright holder’s incentives to create or distribute the work.

Moreover, courts should recognize that statutory doctrines, even when properly applied, cannot always provide the level of protection that the First Amendment requires. Nimmer argued that “a grave danger to copyright may lie in the failure to distinguish between the statutory privilege known as fair use and an emerging constitutional limitation on copyright contained in the first amendment.”²⁵⁴ For instance, he noted that “[t]he first amendment privilege, when appropriate, may be invoked despite the fact that the marketability of the copied work is thereby impaired.”²⁵⁵ Accordingly, it is important to clarify that, even if copyright law implements the proposed harm requirement, direct First Amendment scrutiny will still be necessary in some circumstances. First Amendment scrutiny should be applied where the speech value of the

that his use was excusable.”).

253. See 17 U.S.C. § 107 (2006) (emphasis added).

254. Nimmer, *supra* note 1, at 1200.

255. *Id.* at 1201.

copying clearly outweighs the harm or where copyright law burdens speech in structural ways that cannot be addressed in individual infringement cases.

In ordinary cases of copyright infringement, however, a harm requirement can provide a way for courts to vindicate both copyright and First Amendment values. Here, Nimmer's concern seems less valid. For instance, based on the differences between the statutory privilege of fair use and the constitutional protection of the First Amendment, Nimmer disapproved of cases such as *Time, Inc. v. Bernard Geis Associates*.²⁵⁶ In that case, the district court held that it was fair use for the defendant to use in its book still frames from the copyrighted Zapruder film of the Kennedy assassination.²⁵⁷ The court found fair use because "the effect of the use of certain frames in the Book on [plaintiff's proposed projects was] speculative."²⁵⁸ Indeed, the court concluded that "[i]t seems more reasonable to speculate that the Book would, if anything, enhance the value of the copyrighted work."²⁵⁹ Nimmer argued that the court's analysis improperly conflated First Amendment and fair use issues.²⁶⁰ He said that the court ignored the defendant's impairment of the marketability of the copyrighted work²⁶¹ because of First Amendment concerns regarding the "public interest in having the fullest information available on the murder of President Kennedy."²⁶²

Yet, in this Author's view, the court used copyright's "built-in First Amendment accommodations"²⁶³ effectively. In light of First Amendment concerns, the court used fair use analysis to determine whether the defendant's use caused any real harm to the copyright owner's incentives to create or distribute the copyrighted work. Absent harm, there would be no copyright interest in suppressing the speech, and therefore no basis for finding infringement. The judge found that any such harm was speculative because the plaintiff had no immediate plans to use the work in a manner similar to defendant's and because the defendant's use could actually enhance sales of the original work.²⁶⁴ By requiring real proof of harm in the same way that courts generally

256. *Id.* at 1200.

257. *Time, Inc. v. Bernard Geis Assocs.*, 293 F. Supp. 130, 146 (S.D.N.Y. 1968).

258. *Id.*

259. *Id.*

260. Nimmer, *supra* note 1, at 1201.

261. *See id.* ("Judge Wyatt, in the *Bernard Geis* (Zapruder film) case, purported to rely upon fair use rather than upon the first amendment. He therefore found it necessary to take the position that the defendant's activities in publishing a book, containing copied frames of the Zapruder film, did not work any injury to the plaintiff's market for the same film.").

262. *Id.* at 1200 (quoting *Bernard Geis*, 293 F. Supp. at 146).

263. *Eldred v. Ashcroft*, 537 U.S. 186, 190 (2003).

264. *Bernard Geis*, 293 F. Supp. at 146.

require harm in First Amendment cases, the court was able to effectuate both copyright and First Amendment values.

Thus far, this Article has argued that a harm requirement, properly applied, would serve copyright's constitutional purpose of encouraging creativity by allowing people to use and build upon copyrighted works where doing so does not affect the copyright holder's incentives to create or distribute a copyrighted work. The next Part of the Article identifies the different types of harm that may arise in copyright infringement cases and considers which of those harms are cognizable under the First Amendment.

V. DEFINING COPYRIGHT HARM ACCORDING TO FIRST AMENDMENT VALUES

In order to use a harm requirement to protect speech in copyright cases, it is necessary to consider the kinds of harms that might arise in copyright infringement cases. Most obviously, because the Supreme Court has consistently held that the purpose of copyright law is to provide an economic incentive to create and disseminate copyrighted works, copying that supplants the copyright holder's expected markets will likely cause market harm to the copyright holder. Yet nonmarket harms might arise in copyright infringement cases as well. Authors' natural and moral rights in their works of authorship might play at least an implicit role in how courts view the harm caused by copying. As part of these rights, or in addition to them, it is possible that types of harm recognized in other areas of law, such as harm to reputation or violations of privacy, might be recognized in copyright law. In addition, copyright holders might attempt to assert harm to their own First Amendment rights, particularly their rights not to speak or associate, when someone else uses their copyrighted works without their permission.

In the following sections, I will address in depth how the First Amendment should inform the definition of harm in copyright infringement cases. I conclude that while copyright harm clearly includes the harm of market substitution, it must not include harm due to criticism or disparagement. This definition of harm precludes a finding of infringement based on what I will call "copyright dilution,"²⁶⁵ in which a defendant's use might cause some harm to the image or reputation of a copyrighted work but causes no harm from market substitution. Furthermore, courts should not recognize harm to the plaintiff's right not to speak or right to privacy, except in cases involving the copying of unpublished works.

265. See Bohannon, *supra* note 76, at 1022–27 (identifying and defining the concept of "copyright dilution" as an inappropriate theory of copyright infringement based on a type of harm reminiscent of the harm associated with trademark dilution).

A. MARKET HARM AND COPYRIGHT AS THE “ENGINE OF FREE EXPRESSION”

The least controversial form of harm that courts might recognize from copyright infringement is the economic harm of market substitution. The following cases suggest how courts can use a market harm requirement to protect speech under either direct First Amendment scrutiny or copyright’s own statutory doctrines.

In *Sony Corp. of America v. Universal City Studios, Inc.*, the owners of copyrights in television programs sued Sony, arguing that Sony’s Betamax home video recorder machines contributed to copyright infringement by home viewers who used the machines to copy the programs.²⁶⁶ In considering whether Sony was liable for contributory copyright infringement, the Court first had to determine whether the viewers’ main use of the machine (“time-shifting” television programs to watch them at a different time) was fair use.²⁶⁷ Summarizing the district court’s findings on this issue, the Supreme Court described how the lower court had used fair use to protect the First Amendment value in broad dissemination:

The District Court concluded that noncommercial home use recording of material broadcast over the public airwaves was a fair use of copyrighted works and did not constitute copyright infringement. . . . Moreover, the court found that the purpose of this use served the public interest in increasing access to television programming, an interest that “is consistent with the First Amendment policy of providing the fullest possible access to information through the public airwaves.” Even when an entire copyrighted work was recorded, the District Court regarded the copying as fair use “because there is no accompanying reduction in the market for ‘plaintiff’s original work.’”²⁶⁸

In deciding that the home viewers’ verbatim copying of television programs was fair use, the Court rejected the view that fair use should be limited to transformative or socially productive uses. The Court said that “the notion of social ‘productivity’ cannot be a complete answer to this analysis” because there is value in many different kinds of copying.²⁶⁹ It explained:

A teacher who copies to prepare lecture notes is clearly productive. But so is a teacher who copies for the sake of broadening his personal understanding of his specialty. Or a legislator who copies for the sake of broadening her understanding of what her constituents are

266. 464 U.S. 417, 420 (1984).

267. See *id.* at 443 (noting that contributory copyright infringement turns upon whether the product is “capable of substantial noninfringing uses,” and holding that private time-shifting satisfies this standard because it constitutes fair use).

268. *Id.* at 425–26 (citation omitted) (footnote omitted) (quoting *Sony Corp. of Am. v. Universal City Studios*, 480 F. Supp. 429, 454 (C.D. Cal. 1979)).

269. *Id.* at 455 n.40.

watching; or a constituent who copies a news program to help make a decision on how to vote.²⁷⁰

Having acknowledged the personal and social value in copying, the Court applied a harm-based approach to fair use that mediates between the owners and users of copyrighted materials by limiting copyright protection to that which is necessary to serve the purpose of copyright.²⁷¹ The Court stated:

The purpose of copyright is to create incentives for creative effort. . . . [A] use that has no demonstrable effect upon the potential market for, or the value of, the copyrighted work need not be prohibited in order to protect the author's incentive to create. . . .

. . . What is necessary is a showing by a preponderance of the evidence that *some meaningful likelihood of future harm exists*.²⁷²

Using harm as the touchstone of fair use analysis, the Court reviewed the district court's decision to determine whether there was any evidence that the home viewers' taping of television programs was likely to harm copyright holders or their incentives to create copyrighted works. The Court concluded that "the District Court restated its overall conclusion several times, in several different ways. 'Harm from time-shifting is speculative and, at best, minimal.'"²⁷³

As such, the *Sony* case was essentially a false conflict between copyright law and the First Amendment. There was, as the district court had said, First Amendment value in allowing the "fullest possible access" to information.²⁷⁴ But because there was no harm to the copyright holders' incentives to create or distribute the work, there was no copyright interest in enforcing the copyright.

The dissent disagreed with the majority's emphasis on proof of harm, asserting that copyright holders should be "entitled to share in the benefits of [the] new market" for time-shifted viewing of their programs.²⁷⁵ This view essentially takes the position that copyright holders are entitled to share in all benefits deriving from uses of their works, regardless of whether the use would impair the copyright holders'

270. *Id.*

271. See Bohannon, *supra* note 76, at 991-96; *id.* at 996 ("Under [the *Sony* Court's] approach, courts will find fair use where a defendant's use of copyrighted material . . . causes no meaningful harm to the copyright owner of a kind that is likely to affect incentives to create copyrighted works."). But see Wendy J. Gordon, *Fair Use as Market Failure: A Structural and Economic Analysis of the Betamax Case and Its Predecessors*, 82 COLUM. L. REV. 1600 (1982) (arguing that *Sony* proposes a market failure approach to fair use); Glynn S. Lunney, Jr., *Fair Use and Market Failure: Sony Revisited*, 82 B.U. L. REV. 975 (2002) (suggesting that *Sony* instead represents a balancing approach).

272. *Sony*, 464 U.S. at 450-51 (emphasis added in part).

273. *Id.* at 454 (quoting 480 F. Supp. at 467).

274. *Id.* at 425.

275. See *id.* at 498 (Blackmun, J., dissenting) ("[Plaintiffs] . . . can show harm . . . simply by showing that the value of their copyrights would *increase* if they were compensated for the copies that are used in the new market.").

incentives to create and distribute copyrighted works. Yet, as Professors Brett Frischmann and Mark Lemley have argued, “[s]pillovers—uncompensated benefits that one person’s activity provides to another—are everywhere,”²⁷⁶ and “there is good economic evidence that greater innovation spillovers are associated with more, not less, innovation.”²⁷⁷ Moreover, as this Article has argued, requiring compensation for harmless uses of copyrighted works unnecessarily threatens free speech. By contrast, the *Sony* majority’s approach serves First Amendment values. The majority indicated that harm may be presumed only where the facts make harm very likely; otherwise, the plaintiff has to prove harm.²⁷⁸ This approach harmonizes copyright law and the First Amendment by presuming harm only where it is foreseeable enough to affect incentives to create or distribute the work.

Harper & Row, Publishers v. Nation Enterprises represents the other side of the same coin.²⁷⁹ There, the defendant surreptitiously obtained and published in its news magazine excerpts of President Ford’s memoirs just before portions of the memoirs were to be published in *Time Magazine*.²⁸⁰ *Time* cancelled its contract with Harper & Row and refused to make its final payment of \$12,500.²⁸¹ The defendant argued that its use was fair because it used the copyrighted material for news reporting and because there was First Amendment value in allowing access to material of public importance.²⁸² The Supreme Court rejected the defendant’s argument, however, holding that such clear evidence of harm precluded a finding of fair use.²⁸³ Having found this harm, the Court did not go on to apply First Amendment scrutiny. Despite the defendant’s argument that “First Amendment values” necessitated broader fair use protection for information “relate[d] to matters of high public concern,”²⁸⁴ the Court reasoned that First Amendment values militated against a finding of fair use.²⁸⁵

Although the defendant’s status as a news magazine made this a difficult case, the Supreme Court arguably reached the correct decision. The evidence of market substitution was clear. Although the amount of lost profits might not have been sufficient to affect President Ford’s

276. Brett M. Frischmann & Mark A. Lemley, *Spillovers*, 107 COLUM. L. REV. 257, 258 (2007) (providing examples).

277. *See id.* at 284.

278. *Sony*, 464 U.S. at 451.

279. 471 U.S. 539 (1985).

280. *Id.* at 542.

281. *Id.* at 543–44.

282. *Id.* at 555–56.

283. *See id.* at 540–41.

284. *Id.* at 555–56 (quoting *Consumers Union of U.S., Inc. v. Gen. Signal Corp.*, 724 F.2d 1044, 1050 (2d Cir. 1983)).

285. *Id.* at 556.

incentives to write the memoir, the market for prepublication excerpts is a foreseeable market that the publisher likely would take into account in deciding how to distribute portions of the work in various forms. Indeed, the publisher was on the verge of publishing the work in a similar news magazine. Equally important, the defendant's use was not likely to enhance free speech any more than the plaintiff's use would have; indeed, the reason the harm was so clear was that the defendant's use simply supplanted the plaintiff's own intended use.²⁸⁶

The foregoing cases show how the presence or absence of market harm can help to resolve the conflict between copyright law and the First Amendment. The proposed approach applies to claims involving market substitution as well as to claims involving a demand for license fees. The remaining sections address whether the First Amendment permits recognition of nonmarket harms in copyright infringement cases.

B. NONMARKET HARM: REPUTATIONAL HARM AND THE MARKETPLACE OF IDEAS

The concept of harm in copyright law is not necessarily limited to market harm. It is also necessary to consider whether protection against nonmarket harms, such as disparagement of a copyrighted work's image, would serve First Amendment values.

The paradigmatic copyright infringement case is probably one in which the defendant has merely copied from a copyrighted work without adding to or changing it. In other cases, however, the defendant has not only copied from a copyrighted work but has also changed some aspect of the work, such as its meaning, context, or purpose. These uses are generally referred to as "transformative." Although there is no precise definition of what constitutes a transformative use, this type of use is generally favored in fair use analysis either because it provides social value, or because the transformation renders it a poor substitute for the original work and therefore the use causes no meaningful likelihood of market harm.²⁸⁷

286. See Bohannon, *supra* note 76, at 998. In other cases, however, once harm to the copyright holder is shown, First Amendment values might require courts to balance that harm against the speech value of the defendant's use. If the speech value of the defendant's use outweighs the harm to the copyright holder, courts should either find the use noninfringing or award damages but deny injunctive relief. The latter approach allows the defendant's speech while compensating the copyright holder for her actual harm. See generally *eBay Inc. v. MercExchange, L.L.C.*, 547 U.S. 388, 391-92 (2006) (holding that in copyright infringement cases, courts may grant injunctive relief, in their discretion, based on "equitable considerations" that include the effect of the injunction on the public interest). Yet, the proposed approach emphasizes that courts should balance only when there is real harm in the first place. Otherwise, a "balancing" approach might seem to imply that the defendant's use must always have some social value to justify the infringement. If social value is always required, harmless personal uses of copyrighted material lose out, resulting in serious and unnecessary burdens on speech.

287. See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994); *NXIVM Corp. v. Ross*

Yet, transformative uses might cause other forms of harm, such as harm to the image of the copyrighted work or to the copyright holder. Sometimes the defendant's transformation is favorable to the image of the copyrighted work, as when the defendant produces a popular movie based on a copyrighted short story. Other times, however, the transformation is less benign. The transformation might criticize the work, cast it in a negative light, or create an unwholesome association between the plaintiff's copyrighted work and the defendant's less appealing one. In these cases, the copyright holder might feel that she or her work has suffered some kind of reputation- or image-related harm, even if the defendant's use did not cause any meaningful likelihood of market harm. As I have argued elsewhere, this kind of harm might be called "copyright dilution" because of its resemblance to the harm associated with trademark dilution.²⁸⁸

The Second Circuit's decision in *MCA, Inc. v. Wilson* provides an example of judicial recognition of harm to the image of a copyrighted work.²⁸⁹ In that case, the defendant created a song entitled *Cunnilingus Champion of Company C*, which copied the tune of *Boogie Woogie Bugle Boy of Company B*, but substituted new lyrics related to the "humorous practice of cunnilingus."²⁹⁰ The court was not amused. Rejecting the defendant's testimony that the purpose of the new song was to "combin[e] the innocent music of the '40's with words often considered to be taboo to make a very funny point," the court concluded that the new song was neither parody nor satire and was not otherwise transformative.²⁹¹ Ultimately, the court held that the song was not fair use, despite major differences between the two songs that made market substitution unlikely.²⁹²

The Second Circuit's opinion revealed the court's offense at the defendant's blatantly sexual lyrics. Moreover, it seemed concerned that those lyrics would tarnish the image of the copyright holder's wholesome and patriotic song, which, the court said, "achieved its greatest popularity during the tragic and unhappy years of World War II, in which 292,131

Inst., 364 F.3d 471, 477–78 (2d Cir. 2004); *Mattel, Inc. v. Walking Mountain Prods.*, 353 F.3d 792, 806 (9th Cir. 2003).

288. See Bohannon, *supra* note 76, at 1022–27 (comparing copyright dilution and trademark dilution, and arguing against copyright dilution in favor of a harm-based approach to fair use); see also Federal Trademark Dilution Act (FTDA) of 1995, 15 U.S.C. § 1125(c)(1) (2000), *superseded by* Trademark Dilution Revision Act of 2006, Pub. L. No. 109-312, 120 Stat. 1730, 1730–32 (codified as amended at 15 U.S.C. § 1125(c) (2006)).

289. 677 F.2d 180 (2d Cir. 1981).

290. *Id.* at 184.

291. See *id.* at 185 (expressing concern that allowing such uses "would be an open-ended invitation to musical plagiarism").

292. See *id.* at 185–87.

Americans lost their lives.”²⁹³ Thus, the court concluded, “We are not prepared to hold that a commercial composer can plagiarize a competitor’s copyrighted song, substitute dirty lyrics of his own, perform it for commercial gain, and then escape liability by calling the end result a parody or satire on the mores of society.”²⁹⁴

The Copyright Act’s explicit protection for reputation-related harm is very limited. Unlike the Lanham (Trademark) Act, whose broad cause of action against trademark dilution enjoins tarnishing the image of famous trademarks,²⁹⁵ the Copyright Act protects against this type of harm only in its moral rights provisions in the Visual Artists Rights Act (VARA).²⁹⁶ VARA moral rights provide authors with a right of attribution (the right to be recognized as the author of a work), as well as a right to “prevent any intentional distortion, mutilation, or other modification of [a] work which would be prejudicial to his or her honor or reputation.”²⁹⁷

Arguably, the moral right against distortion of artistic works impedes artistic discourse by preventing artistic modifications that the artist finds objectionable.²⁹⁸ Thus, that right itself may conflict with the right to speak under the First Amendment.²⁹⁹ Yet, unlike the right to copy and the other exclusive rights granted by the Act, VARA’s moral rights are very limited in scope. They apply only to “work[s] of visual art,” which include paintings, drawings, prints, sculptures, and photographs, “existing in a single copy . . . [or] in a limited edition of 200 copies or fewer.”³⁰⁰ Thus, moral rights apply only to fine art and not to more common types of works like books or music,³⁰¹ which are more often the subject of parodies and satires. Moreover, these rights apply only to original works or limited edition copies and not to copies generally. As such, the right against “distortion, mutilation, or other modification” would seem to protect only against modifications of a particular physical copy, not against modifications of the underlying

293. *Id.* at 184 & n.1.

294. *Id.* at 185.

295. See Ch. 540, 60 Stat. 427 (1946) (codified as amended in scattered sections of 15 U.S.C.).

296. 17 U.S.C. §§ 101, 106A (2006).

297. *Id.* § 101.

298. See Amy M. Adler, *Against Moral Rights*, 97 CAL. L. REV. 263, 265 (2009) (arguing that the moral right of artistic integrity is at odds with artistic practice and threatens to disrupt artistic discourse).

299. See Remarks of Rebecca Tushnet in Symposium Panel Discussion, *Copyright and Freedom of Expression*, 30 COLUM. J.L. & ARTS 319, 336 (2007) (“[The] moral right against distortion . . . poses the prospect of very direct conflicts with the First Amendment.”).

300. 17 U.S.C. § 101 (defining “work of visual art”).

301. See *id.* (“A work of visual art does not include . . . any poster, map, globe, chart, technical drawing, diagram, model, applied art, motion picture or other audiovisual work, book, magazine, newspaper, periodical, data base, electronic information service, electronic publication, or similar publication . . .”).

intangible work. Given the apparent conflict between moral rights and speech, as well as all of the carefully articulated limitations on moral rights in § 106A, it seems highly unlikely that Congress would have intended for courts to protect against reputation- or image-related harm through other doctrinal means, such as fair use analysis.

A good deal of case law in both the First Amendment and copyright areas also shows that it would be inappropriate to recognize harm to reputation or image in copyright infringement cases. To the extent that copyright infringement actions burden speech in order to protect against harm to image or reputation, they allow an end-run around important requirements intended to reduce burdens on speech in defamation law. First, it is fairly obvious that defamation provides a cause of action for reputational harm to *people*, not reputational harm to books, movies, or Barbie dolls. Second, liability for defamation requires publication of statements that are false. Indeed, at least with regard to defamation of public figures—and many of the copyright holders in infringement suits are public figures—falsity is a constitutional requirement. As the Supreme Court has explained, “Since *New York Times Co. v. Sullivan*, we have consistently ruled that a public figure may hold a speaker liable for [a defamatory statement] . . . only if the statement was made ‘with knowledge that it was false or with reckless disregard of whether it was false or not.’”³⁰²

Copyright infringement cases—including cases in which the defendant’s use puts the copyrighted work in a negative light—rarely involve false statements of fact about the work, or its author, publisher, or other copyright holder. Rather, these cases typically involve the use of a copyrighted work in order to convey an idea or opinion, such as to ridicule or comment upon some aspect of the copyrighted work or an associated message. This difference is crucial from a First Amendment perspective. As the Supreme Court said in *Gertz*: “Under the First Amendment there is no such thing as a false idea. However pernicious an opinion may seem, we depend for its correction not on the conscience of judges and juries but on the competition of other ideas.”³⁰³

Accordingly, First Amendment case law treats parodies and other forms of critical opinion very differently than false assertions of fact. For example, in *Hustler Magazine, Inc. v. Falwell*, Jerry Falwell, a nationally known religious figure and political commentator, sued *Hustler Magazine* and its editor, Larry Flynt, for libel and intentional infliction of emotional distress.³⁰⁴ The claim arose out of the defendants’ publication of a parody advertisement that portrayed Falwell having sex with his

302. *Hustler Magazine v. Falwell*, 485 U.S. 46, 52 (1988) (citation omitted) (quoting *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 279–80 (1964)).

303. 418 U.S. 323, 339–40 (1974).

304. See 485 U.S. at 47–48.

mother in an outhouse.³⁰⁵ With regard to the libel claim, the Court accepted the jury's verdict for Flynt and the magazine, which was based on the jury's finding that the "parody could not 'reasonably be understood as describing actual facts about [Falwell] or actual events in which [Falwell] participated.'"³⁰⁶ Likewise, with regard to the intentional infliction of emotional distress claim, the Court held that "public figures and public officials may not recover for the tort of intentional infliction of emotional distress by reason of publications such as the one here at issue without showing in addition that the publication contains a false statement of fact."³⁰⁷ As the Court explained, "[T]he fact that society may find speech offensive is not a sufficient reason for suppressing it. Indeed, if it is the speaker's opinion that gives offense, that consequence is a reason for according it constitutional protection."³⁰⁸

The Supreme Court has specifically addressed the issue of reputation-related harm only once in copyright law. In *Campbell v. Acuff-Rose Music, Inc.*, the rap group 2 Live Crew made a rap version of Roy Orbison's song *Oh, Pretty Woman*.³⁰⁹ 2 Live Crew's song incorporated the melody, opening line, and guitar riff from the original song, but replaced the original sentimental lyrics with sexually suggestive lyrics that reflected "the ugliness of street life."³¹⁰ The Court held that 2 Live Crew's song "reasonably could be perceived" as a parody of the original song³¹¹ and therefore was entitled to the same fair use protection as other forms of transformative commentary or criticism.³¹²

Moreover, the Court concluded that the fourth factor of fair use analysis, harm to "the market for or value of the copyrighted work,"³¹³ does not include the loss of sales or license fees for parodies of the

305. *Id.* at 48.

306. *Id.* at 57 (quoting App. to Petition for Certiorari at C1, *Hustler Magazine*, 485 U.S. 46 (No. 86-1278)).

307. *Id.* at 56.

308. *Id.* at 55 (alteration in original) (quoting *FCC v. Pacifica Found.*, 438 U.S. 726, 745-46 (1978)). The Court did note that this principle is subject to some limitations, among others a previous holding that "vulgar, offensive, and shocking [speech] is not entitled to absolute constitutional protection under all circumstances." *Id.* at 56 (quoting *Pacifica Found.*, 438 U.S. at 747 (internal quotation marks omitted)).

309. See 510 U.S. 569, 572 (1994).

310. *Id.* at 583. Although, like Orbison's original, the 2 Live Crew version began with a chorus about a "pretty woman," it went on to reference a "big hairy woman," a "bald headed woman," and a "two timin' woman." *Id.* at 595-96. At the appellate level, Judge Nelson in his dissent stated that the 2 Live Crew song "was clearly intended to ridicule the white-bread original." *Acuff-Rose Music, Inc. v. Campbell*, 972 F.2d 1429, 1442 (6th Cir. 1992) (Nelson, J., dissenting).

311. See *Campbell*, 510 U.S. at 583.

312. See *id.* at 579 ("Suffice it to say now that parody has an obvious claim to transformative value . . . [I]t can provide social benefit, by shedding light on an earlier work, and, in the process, creating a new one.").

313. *Id.* at 570.

copyrighted work.³¹⁴ The Court gave two related reasons for this conclusion. First, the market harm factor of fair use takes into account only the harm of “displacement” and not the harm of “disparagement.”³¹⁵ That is, market harm considers only the harm that results when the defendant’s work “usurps” demand for the plaintiff’s work, not the harm that results when the defendant’s “[b]iting criticism . . . suppresses [that] demand.”³¹⁶ Second, a defendant’s parody does not usurp the copyright holder’s market for parody because copyright holders do not control the markets for parodies and other criticism of their works. The Court explained:

The market for potential derivative uses includes only those that creators of original works would in general develop or license others to develop. Yet the unlikelihood that creators of imaginative works will license critical reviews or lampoons of their own productions removes such uses from the very notion of a potential licensing market. “People ask . . . for criticism, but they only want praise.”³¹⁷

The Court’s conclusion—that harm resulting from criticism of copyrighted works is not cognizable harm under the Copyright Act—may be viewed as an attempt to use and define a harm requirement so as to protect free speech concerns in copyright infringement cases. The Court essentially held that the type of harm that results from criticism of a copyrighted work may not be considered in infringement, even if the criticism damages the original artist’s reputation. Although the Court did not explicitly rely on the First Amendment in its analysis, it seemed intent on enhancing the marketplace of ideas by protecting the freedom to express unflattering opinions of the work of others.

Yet if the Court was truly concerned with protecting speech in copyright infringement cases, its opinion did not go nearly far enough. It falls short in at least two important ways. The first is that the Court’s reasoning is vulnerable to manipulation by copyright holders. The Court stated that copyright holders do not control the markets for parody and other forms of criticism because those are not markets that copyright holders “would in general develop or license others to develop.”³¹⁸ This would seem to be primarily an empirical observation that might be subject to change as copyright holders adapt their marketing strategies. As Lemley has suggested, it would not take a savvy copyright holder long

314. *Id.* at 592.

315. *See id.*

316. *See id.* at 591–92 (first alteration in original) (quoting *Fisher v. Dees*, 794 F.2d 432, 438 (9th Cir. 1986)) (“[W]hen a lethal parody, like a scathing theater review, kills demand for the original, it does not produce a harm cognizable under the Copyright Act.”).

317. *See id.* at 592 (alteration in original) (quoting *W. SOMERSET MAUGHAM, OF HUMAN BONDAGE* 241 (Penguin ed. 1992)).

318. *Id.*

to decide that if a parody is going to be made without her consent, she might as well license it so that she can at least share in the profits.³¹⁹

If copyright holders can gain control over parody and other forms of criticism merely by entering the market for such uses, the result could undermine the First Amendment goal of encouraging competition in the marketplace of ideas. Rather, the First Amendment should inform the definition of harm in fair use analysis by putting affirmative limits on the markets that copyright holders can control. Once certain markets are excluded in light of overarching constitutional values, reasonable copyright holders will no longer expect to control those markets. Thus, even if a copyright holder has attempted to license her copyrighted work for purposes of parody or criticism, another's unauthorized use of the work for such purposes should not be deemed to harm the copyright holder's legally protected markets. If no other harm is evident, or if the value of the use outweighs any other harm, the use should be deemed noninfringing.

The second way that the *Campbell* Court's decision fails to provide sufficient First Amendment protection for uses of copyrighted works arises from its treatment of satirical uses. While the Court held that fair use protects parody as transformative criticism or commentary, it suggested that satire is not as deserving of fair use protection.³²⁰ Distinguishing the two art forms, the Court defined parody as criticism of a particular work, and satire as criticism of a broader genre of works or of society at large that "has no critical bearing on the substance or style of the original composition."³²¹ Because satire does not directly criticize the copyrighted work itself, the Court presumably thought (albeit with little evidentiary support) that copyright holders would be more willing to license their works for satirical purposes than for parodic purposes.

The Court's distinction between parody and satire is very problematic from a First Amendment perspective. First, by granting greater fair use protection for parody than for satire, the Court reverses traditional First Amendment priorities. First Amendment protection is at its zenith with respect to speech that contributes to democratic

319. See Lemley, *supra* note 78, at 190–91 ("Once courts announce that a copyright owner can stop uses of their work merely by offering to charge for those uses, it is reasonable to expect that copyright owners will strive to develop just such a licensing market. And indeed they have done so. Not only has the market for photocopy permissions skyrocketed, but copyright owners are charging for rights to home viewing of television programs, rap-music samples, and even the right to parody their works." (footnote omitted)).

320. *Campbell*, 510 U.S. at 580.

321. *Id.* The Court also explained that parody, unlike satire, "needs to mimic an original to make its point, and so has some claim to use the creation of its victim's (or collective victims') imagination," *id.* at 580–81, but admitted that this "fact . . . does not, of course, tell either parodist or judge much about where to draw the line," *id.* at 581.

governance.³²² As such, First Amendment case law has always given primacy to speech relating to matters of public importance.³²³ By contrast, the Court's hierarchy of parody over satire privileges commentary on trivial or whimsical matters over commentary on broader political and social issues. For instance, in *Dr. Seuss Enterprises v. Penguin Books USA, Inc.*, the defendant wrote a book entitled *The Cat Not in the Hat!* that criticized the O.J. Simpson murder case and the justice system's handling of that case.³²⁴ In writing the book, the defendant copied Dr. Seuss's image of the Cat in the Hat and mimicked his lyrical style of story-telling.³²⁵ Applying *Campbell's* parody/satire distinction, the Ninth Circuit held that the defendant's work was not fair use because it was a satire of the Simpson case rather than a parody of the Dr. Seuss books.³²⁶ Yet, given the First Amendment's emphasis on protecting speech regarding matters of public importance, it would seem that commentary on the legal system's handling of the most controversial murder case in years should receive greater protection than commentary on a book of children's rhymes.

Moreover, *Campbell's* distinction between parody and satire is likely to have a chilling effect on speech because in many cases it is nearly impossible to tell the difference between the two. Indeed, the *Campbell* Court itself acknowledged the blurriness of the lines, conceding that "parody often shades into satire when society is lampooned through its creative artifacts."³²⁷ As such, even those who wish to make parodies will be deterred by the specter of litigation and the uncertainty in how a court would characterize their use.

Allowing copyright holders to suppress opinions and artistic expression in order to maintain their image would fly in the face of the First Amendment's purpose to foster a robust and diverse marketplace of ideas. Copyright law can be reconciled with the First Amendment by defining harm in keeping with this purpose. Thus, outside the context of the narrow moral rights under VARA, courts should not recognize harm to image or reputation in copyright infringement cases.

322. See *supra* note 16 and accompanying text.

323. See, e.g., *Bartnicki v. Vopper*, 532 U.S. 514, 533–34 (2001) (explaining that the challenged statute "implicates the core purposes of the First Amendment because it imposes sanctions on the publication of truthful information of public concern"); cf. *Harper & Row, Publishers v. Nation Enters.*, 417 U.S. 539, 556 (1985) (reasoning that, although the plaintiff's copyrighted material was of great public importance, the First Amendment did not militate toward finding fair use where the defendant's use merely supplanted the plaintiff's intended use).

324. 109 F.3d 1394, 1396–97 (9th Cir. 1997).

325. See *id.*

326. See *id.* at 1401.

327. 510 U.S. 569, 581 (1994); see also Bohannon, *supra* note 76, at 1009 (arguing, for example, that "any parody of *Gone With the Wind* would seem to satirize the antebellum South, because images of *Gone With the Wind* practically define that era in the minds of many readers").

C. NONMARKET HARM: THE RIGHT NOT TO SPEAK OR ASSOCIATE AND THE RIGHT AGAINST COMPELLED USES OF PROPERTY

A copyright holder might also assert that unauthorized copying of his copyrighted work harms his First Amendment right not to speak or associate with another's message.³²⁸ As the Supreme Court held in *Wooley v. Maynard*, "the right of freedom of thought protected by the First Amendment against state action includes both the right to speak freely and the right to refrain from speaking at all."³²⁹

As the *Wooley* Court indicated, however, the right not to speak applies only against state action. When there is no state action, there might be involuntary speech, but there is no *government-compelled* speech. Although a full discussion of the state action doctrine is beyond the scope of this Article, it is important to note how different views of state action affect recognition of a copyright holder's right not to speak.³³⁰ The Supreme Court has held that state action occurs only when the state affirmatively acts, and not when the state merely acquiesces in private action.³³¹ Under this narrow view, it seems that the First Amendment would not require copyright law to intervene to protect a copyright holder from another private party's unauthorized use of her copyrighted material. This would be true even if that use intrudes upon the copyright owner's property or extracts a subsidy to support the other's speech (unless the First Amendment requires the existence of a copyright law in the first place, a truly novel proposition). Yet, the Court's decisions on state action have not always been consistent.³³² Thus, a few notable cases

328. For convenience, "the right not to speak" will be used hereafter to refer generally to both the right not to speak and the right not to associate with another's message.

329. 430 U.S. 705, 714-15 (1977) (holding that state law punishing drivers for covering up state motto "Live Free or Die" on automobile license plate violated appellee's right not to speak). See generally Corbin, *supra* note 17 (arguing that the same principles underlying the right against compelled speech support recognition of a First Amendment right against compelled listening); Robert C. Post, *Informed Consent to Abortion: A First Amendment Analysis of Compelled Physician Speech*, 2007 U. ILL. L. REV. 939, 946-47 (discussing compelled physician speech under *Wooley*).

330. I am indebted to David McGowan for pointing out how critiques of state action doctrine affect this argument.

331. For example, Justice Rehnquist, writing for the majority, embraced this narrow view of state action in *Flagg Bros. v. Brooks*:

It would intolerably broaden...the notion of state action under the Fourteenth Amendment to hold that the mere existence of a body of property law in a State, whether decisional or statutory, itself amounted to "state action" even though no state process or state officials were ever involved in enforcing that body of law.

436 U.S. 149, 160 n.10 (1978). Professor Paul Brest has argued that Justice Rehnquist's "tenacious adherence to both the state action doctrine and an extreme form of constitutional positivism" has produced a public/private distinction that is "at best meaningless and at worst a vehicle for manipulating outcomes to suit the Justices' distributive tastes." See Paul Brest, *State Action and Liberal Theory: A Casenote on Flagg Brothers v. Brooks*, 130 U. PA. L. REV. 1296, 1301-02 (1982).

332. See CHEMERINSKY, *supra* note 16, at 510 ("[I]t must be recognized that there are inconsistencies and tensions among the decisions in this area, especially the cases concerning the

have held that state judicial enforcement of private agreements or common law rights constitutes state action.³³³ It is even possible to argue that there is state action when the state merely permits private action by making the decision not to intervene.³³⁴ Under this broader view of state action, if the state permits a private party to use copyrighted material without permission, then there could be state action necessitating further consideration of whether that use violates the copyright holder's right not to speak.

Although it seems unlikely that state action would encompass the government's mere refusal to prevent private unauthorized uses of copyrighted material, we will proceed on the assumption that the state action doctrine does not preclude the copyright holder's assertion of the right not to speak. As others have noted, the distinction between state action and inaction is somewhat elusive and therefore provides a questionable basis for denying constitutional protections.³³⁵ Furthermore, state action is a prerequisite only in First Amendment adjudication. If courts continue to use copyright's statutory doctrines instead of direct First Amendment scrutiny to protect speech in copyright cases, the state action doctrine will not apply. In such cases, courts might recognize competing speech claims between the parties, whether or not those claims would satisfy all constitutional requirements. Thus, the plaintiff

exceptions.”).

333. See, e.g., *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 265 (1964) (state court enforcement of libel action between private parties constituted state action); *Shelley v. Kraemer*, 334 U.S. 1, 18 (1948) (state court enforcement of racially restrictive covenant prohibiting the sale of private property to blacks constituted state action). See generally Robert L. Hale, *Coercion and Distribution in a Supposedly Non-Coercive State*, 38 POL. SCI. Q. 470, 471 (1923) (arguing that there is state coercion in protecting private property rights because the state is not only passively “abstaining from interference with the owner when he deals with the thing owned,” but also actively “forcing the non-owner to desist from handling it”).

334. Cf. *Pruneyard Shopping Ctr. v. Robins*, 447 U.S. 74, 82–85 (1980) (implying that decision of California Supreme Court granting private citizens the right to picket in privately-owned shopping centers constituted state action); see also Cass Sunstein, *Lochner's Legacy*, 87 COLUM. L. REV. 873, 887 (1987) (discussing difficulty of distinguishing between state “action” and “inaction,” and arguing that “[t]he cases confirm that the state action inquiry is not a search for whether the state has ‘acted,’ but instead an examination of whether it has deviated from functions that are perceived as normal and desirable”). Scholars have made this assertion on both positivist and realist grounds. See, e.g., Brest, *supra* note 331, at 1301 (“The doctrine of state action is an attempt to maintain a public/private distinction by attributing some conduct to the state and some to private actors. . . . [S]ince [under positivism] any private action acquiesced in by the state can be seen to derive its power from the state, which is free to withdraw its authorization at will, positivism potentially implicates the state in every ‘private’ action not prohibited by law.”); David McGowan, *Some Realism About the Free-Speech Critique of Copyright*, 74 FORDHAM L. REV. 435, 440–41 (2005) (“Part of realism denied any natural distinction between public and private action. Any activity involving law is affected by state action, especially the assertion of rights under such ‘private’ laws as contract and property. . . . A strong version of this view is that the state has presumptive power to control whatever behavior it wants to control, and therefore can fairly be charged with acting to regulate a given situation, whether or not it decides to intervene overtly.”).

335. See *supra* note 334.

would raise the right not to speak as a counterargument to the defendant's right to speak. For instance, in *Harper & Row*, the Supreme Court weighed the copyright holder's right not to speak in its fair use analysis.³³⁶ In that case, the defendant, a private news magazine, surreptitiously obtained and published the copyright holder's unpublished manuscript.³³⁷ Although no state action was evident, the Court characterized the copyright holder's right not to speak as a First Amendment "value" weighing against a finding of fair use.³³⁸

A copyright holder might argue that a defendant's unauthorized copying of her copyrighted material violates her right not to speak under either of two lines of cases. In the first line of cases, the Supreme Court has held that there is no First Amendment right to use another's property for speech. In the other line of cases, the Court has held that the First Amendment prevents the state from forcing a person to subsidize a cause or message with which she disagrees.

First, a copyright holder might argue that the unauthorized use of her copyrighted work forces her to allow her property to be used for another's speech purposes. In *Lloyd Corp. v. Tanner*, the Supreme Court held that the First Amendment does not require a private shopping-center owner to grant access to persons exercising their constitutional rights of free speech when adequate alternative avenues of communication exist.³³⁹ Moreover, in *Pacific Gas & Electric Co. v. Public Utilities Commission of California*, the Court held unconstitutional a utility commission regulation requiring a private utility company to include a public interest group's message along with its billing statements.³⁴⁰ The Court reasoned that such "compelled access" violates the First Amendment because it "forces speakers to alter their speech to conform with an agenda they do not set."³⁴¹ Similarly, the *Hurley v. Irish-American Gay, Lesbian & Bisexual Group of Boston* decision, although not involving the use of property in the traditional sense, invalidated a state public-accommodations law insofar as it required parade organizers to allow a gay and lesbian rights group to march in their parade, on the ground that the law required the organizers "to alter the expressive content of their parade."³⁴²

336. 471 U.S. 539 (1985).

337. *Id.* at 542.

338. *See id.* at 559-60 (noting that the First Amendment freedom of expression "includes both the right to speak freely and the right to refrain from speaking at all" and pointing out that copyright law, particularly the right of first publication, serves "this countervailing First Amendment value" (quoting *Wooley v. Maynard*, 430 U.S. 705, 714 (1977))).

339. 407 U.S. 551, 570 (1972).

340. 475 U.S. 1, 20 (1986).

341. *Id.* at 9.

342. 515 U.S. 557, 572-73 (1995) ("Since every participating unit affects the message conveyed by the private organizers, the state courts' application of the statute produced an order essentially

Significantly, however, the Court has also held that the First Amendment does not prevent the government from passing a law requiring a property owner to allow such use so long as (1) the property is not within the exclusive personal control of the property owner (i.e., is accessible to the public); and (2) the law does not violate the Takings or Due Process Clauses. Thus, in *Pruneyard Shopping Center v. Robins*, the Court held that a California court ruling did not violate the First Amendment in allowing protestors the right to use shopping centers for speech purposes.³⁴³ The Court reasoned that the protestors' views would "not likely be identified with those of the owner" because the shopping centers were not within the exclusive personal control of the property owner but were open to the public, and because the owners could inform the public (by signs or otherwise) that they did not necessarily support the protestors' message.³⁴⁴

Moreover, the *Pruneyard* Court held that the state law requiring the property owner to allow access did not constitute a taking or a deprivation of property without due process. The Court explained that "it is well established that 'not every destruction or injury to property by governmental action has been held to be a "taking" in the constitutional sense.'"³⁴⁵ Rather, the takings analysis requires "inquiry into such factors as the character of the governmental action, its economic impact, and its interference with reasonable investment-backed expectations."³⁴⁶ The Court concluded that the law requiring the property owners to allow access for speech purposes clearly did not violate the Takings Clause because the owners "failed to demonstrate that the 'right to exclude others' is so essential to the use or economic value of their property that the state-authorized limitation of it amounted to a 'taking.'"³⁴⁷

Following the Supreme Court's reasoning in these cases, a copyright holder's First Amendment right against compelled use of her property should be protected, if at all, only where the copyrighted work was unpublished at the time of the unauthorized use. Prior to publication, the work presumably remains under the exclusive personal control of the copyright holder. During that time, the First Amendment protects her

requiring petitioners to alter the expressive content of their parade.").

343. 447 U.S. 74, 81 (1980).

344. *Id.* at 87; see also Laurence H. Tribe, *Disentangling Symmetries: Speech, Association, Parenthood*, 28 PEPP. L. REV. 641, 645 n.21 (2001) ("[*Pruneyard*] upheld the power of California to require the owners of large shopping centers, private in title but public in function, not to interfere with the political messages that those lawfully on the premises choose to disseminate.").

345. *Pruneyard*, 447 U.S. at 82 (quoting *Armstrong v. United States*, 364 U.S. 40, 48 (1960)).

346. *Id.* at 83.

347. *Id.* at 84 (recognizing a relationship between the First, Fifth, and Fourteenth Amendments, and suggesting that the First Amendment issue in a case like *Pruneyard* is less compelling where the defendant's use of plaintiff's private property does not constitute a taking or a deprivation of property without due process).

right to develop and refine her own message prior to communicating it to the world as well as the right to decide against communicating it altogether.³⁴⁸ Thus, unauthorized publication of a previously unpublished work forces the copyright holder to “speak” against her will. Existing fair use doctrine provides appropriate (though not necessarily sufficient) protection for the right not to speak by affording much less latitude to copy from unpublished works.³⁴⁹

The copying of published works does not raise the same First Amendment concerns. A copyright holder’s publication of her work is a voluntary communication of the work and a declaration that the message of that work is complete. Moreover, once the work is published, it is no longer under the exclusive personal control of the copyright holder. As such, when another uses the work to convey a new or different message, there is no reason to believe that that message will be imputed to the original copyright holder. The copyright holder can also disclaim any connection with the use of her copyrighted work if she so chooses. In addition, when there is no demonstrable market harm, it would be virtually impossible to show that a use of copyrighted material constitutes a taking or due process violation. Accordingly, unless the defendant has taken affirmative steps to mislead the public as to the copyright holder’s sponsorship or affiliation with the defendant’s use, the use should not be deemed to harm the copyright holder’s right not to speak.

This is as far as the First Amendment goes in protecting a copyright holder’s right not to speak. Although some copyright holders might prefer for their original message to stand alone or superior, and therefore might like the right to prevent their works from being associated with other messages, there is no basis in the First Amendment for granting them such a right. Rather, as we saw in the previous section, the protection of copying in order to convey a new meaning or message, especially a critical message, is necessary to the First Amendment goal of facilitating diverse viewpoints in a robust marketplace of ideas. Indeed, copyright law is in accord with the First Amendment on this point: With regard to published works, fair use traditionally has protected uses of copyrighted material that convey a new or different message (i.e., transformative uses) even—or especially—when the message is one that the copyright owner would find objectionable. In particular, fair use

348. See *Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston, Inc.*, 515 U.S. 557, 572–73 (1995) (holding that parade organizers have First Amendment right to shape the message of their parade by deciding which groups to include or exclude); *Harper & Row, Publishers v. Nation Enters.*, 471 U.S. 539, 560 (1985) (holding that copyright right of first publication supports First Amendment right against compelled speech).

349. See, e.g., *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 586 (1994); *Harper & Row*, 471 U.S. at 539; *NXIVM Corp. v. Ross Inst.*, 364 F.3d 471, 480 (2d Cir. 2004).

favors the use of a copyrighted work for purposes of comment or criticism, as in a book review or parody, even if the use puts the work in a negative light.³⁵⁰ Thus, fair use would seem to grant the greatest protection for uses of copyrighted material with which copyright owners would *least* like to be associated.

In another line of cases involving an individual's right not to speak, the Supreme Court has found a violation of the First Amendment when the state compels a person to pay money to support a cause or message with which she does not agree.³⁵¹ Here, copyright holders might argue that unauthorized or uncompensated uses of their copyrighted works effectively force them to subsidize another's message. Nimmer once invoked a forced subsidy argument to reject a First Amendment right to copy in copyright law, arguing that "[t]he first amendment guarantees the right to speak; it does not offer a governmental subsidy for the speaker, and *particularly a subsidy at the expense of authors whose well-being is also a matter of public interest.*"³⁵²

Yet, a copyright holder provides a subsidy only where she gives up something that she otherwise would have received but for the defendant's use of her copyrighted material. Where there is no demonstrable harm to the copyright holder, there is no subsidy. To be sure, the defendant benefits from using the copyrighted work even if the copyright holder gives up nothing, and one could perhaps argue that such a benefit to the defendant constitutes a subsidy from the copyright holder, regardless of whether it makes the copyright holder worse off. But the subsidy argument proves too much, for it would lead to the untenable conclusion that everyone who contributed unknowingly or unwillingly to the defendant's use—right down to the people who unwittingly inspired him to write—could claim that their right not to speak was violated. The argument is merely another manifestation of the circularity of harm in copyright, in which any benefit to the defendant is deemed harm to the plaintiff.³⁵³

350. See *Campbell*, 510 U.S. at 591–92 (fair use analysis favors transformative uses and does not take into account harm due to "disparagement" but only harm due to "displacement").

351. See *Keller v. State Bar of Cal.*, 496 U.S. 1, 14–16 (1990) (holding that compulsory State Bar dues may be used to pay for Bar-related activities, such as disciplining members of the Bar, but not to advance ideological causes unrelated to regulating the legal profession); *Abood v. Detroit Bd. of Educ.*, 431 U.S. 209, 234 (1977) (holding that union may require payments from both members and nonmembers to subsidize collective bargaining activities from which they benefit, but may not require payments to subsidize ideological causes unconnected to the union's duties as bargaining representative).

352. Nimmer, *supra* note 1, at 1203 (emphasis added).

353. See, e.g., *supra* Part II.A; see also Shubha Ghosh, *Decoding and Recoding Natural Monopoly, Deregulation, and Intellectual Property*, 2008 ILL. L. REV. 1125, 1164 ("A well-known critique of fair use is that the methodology tends to be circular when lost licensing revenues are considered a harm to the intellectual property owner's market that militates against fair use.").

Accordingly, in cases involving the use of published copyrighted works, courts should not recognize harm to the copyright holder's right not to speak in the absence of demonstrable economic harm to the copyright holder. Significantly, this analysis suggests that a court should not penalize a defendant for using a published copyrighted work in a market that the copyright holder either had decided not to exploit or otherwise was unlikely to exploit, even though it might be argued that the copyright holder chose not to speak or associate in that particular way with those particular consumers.

The *Seinfeld* case provides an example of a court that decided this issue incorrectly.³⁵⁴ The court acknowledged evidence showing that the copyright holders had decided not to exploit the market for trivia books based on the *Seinfeld* television show.³⁵⁵ Nevertheless, the court decided that it should "respect" the copyright holders' right not to enter that market and found liability despite the lack of any market harm.³⁵⁶ But because the copyrighted *Seinfeld* television episodes were published, the defendant's use would not have affected the copyright holders' right not to speak. The copyright holders had already distributed the work publicly, so unlike in *Harper & Row*, there was no concern that the defendant's copying would divulge material that the copyright holder had not yet decided to share. Moreover, under *Pruneyard*, there is no reason to think that the message of the trivia books would be attributed to the copyright holders. The copyrighted works were known to be accessible to the public, and the copyright holders easily could have disavowed any connection to the trivia books by, for example, issuing a press release or including a statement on their website or in their authorized works to that effect. Alternatively, the court could have required the defendant to include a statement with its trivia book indicating that the copyright holders had not approved of and were in no way affiliated with the defendant's work, rather than holding the defendant's work infringing. Given the absence of either market or nonmarket harm, it is clear that the court's decision unnecessarily burdened harmless speech.

D. NONMARKET HARM: VIOLATIONS OF PRIVACY

Copyright holders might also attempt to argue a privacy right against unwanted publicity caused by unauthorized uses of their copyrighted works. Based on the following cases addressing the appropriate balance between one person's speech and another's privacy, however, it is clear that copyright infringement generally does not cause

354. See *Castle Rock Entm't v. Carol Publ'g Group, Inc.*, 150 F.3d 132 (2d Cir. 1998).

355. See *id.* at 145.

356. See *id.* at 146.

sufficient harm to privacy interests to justify prohibiting allegedly infringing speech.

In *Time, Inc. v. Hill*, *Life* magazine ran a story suggesting that a new, fictional play was based on the real-life experience of the plaintiff Hill's family, who had been held hostage in their home by escaped convicts.³⁵⁷ In fact, the play was based only in part on the family's experience and differed in many respects. Foremost, while no one was harmed in the family's real experience, the play showed the father and son being beaten and the daughter being subjected to a verbal sexual insult.³⁵⁸

The plaintiff brought an action for unwanted publicity under a New York privacy statute. The statute prohibited "us[ing] for advertising purposes, or for the purposes of trade, the name, portrait or picture of any living person without having first obtained the written consent of such person."³⁵⁹ The New York state appellate division sustained the trial court's finding of liability. It explained: "Although the play was fictionalized, *Life's* article portrayed it as a re-enactment of the Hills' experience. It is an inescapable conclusion that this was done to advertise and attract further attention to the play, and to increase present and future magazine circulation as well."³⁶⁰ The New York Court of Appeals affirmed.³⁶¹

The United States Supreme Court reversed. Although the Court noted that New York judicial decisions had limited causes of action under the statute by providing that "truth is a complete defense," it held that the falsity requirement alone was not sufficient to safeguard First Amendment guarantees.³⁶² Thus, the Court held that the *Sullivan* requirement of actual malice—knowledge or reckless disregard of falsity—should also apply to privacy cases.³⁶³

The Court's decision is highly relevant to assessing the harm that unwanted copying might cause to copyright holders' privacy interests. The Court essentially held that the privacy interest in avoiding unwanted exposure, *including exposure for another's commercial gain*, is insufficient to warrant limiting speech unless the speech is false and is made with knowledge or reckless disregard of its falsity. The Court said that the fact that "books, newspapers, and magazines are published and sold for profit does not prevent them from being a form of expression

357. 385 U.S. 374, 376–78 (1967).

358. *See id.* at 378.

359. *Id.* at 376 n.1 (quoting N.Y. CIV. RIGHTS LAW § 50).

360. *Id.* at 379.

361. *Id.*

362. *See id.* at 382–83, 387–88.

363. *See id.* at 387–88 (concluding that the First Amendment protections of both speech and the press precluded application of the challenged statute, at least absent proof that defendant knowingly or recklessly disregarded its falsity).

whose liberty is safeguarded by the First Amendment.”³⁶⁴ Moreover, although the case involved news reporting on a matter of public interest, the Court’s reasoning would extend to all kinds of expression, including many, if not most, uses of copyrighted works. As the Court explained, “The guarantees for speech and press are not the preserve of political expression or comment upon public affairs One need only pick up any newspaper or magazine to comprehend the vast range of published matter which exposes persons to public view, both private citizens and public officials.”³⁶⁵ Furthermore, the Court observed that the right of privacy is inherently limited by the First Amendment, stating, “Exposure of the self to others in varying degrees is a concomitant of life in a civilized community. The risk of this exposure is an essential incident of life in a society which places a primary value on freedom of speech and of press.”³⁶⁶ Thus, the Court held that people who live in society must accept some amount of unwanted and unauthorized exposure. The right of privacy, as informed and limited by the First Amendment, does not permit people to meter or control exactly the amount of publicity they receive, especially when they become a focus of public interest. This is true even when others impose unwanted publicity for their own commercial gain.

The same rule should apply to copyright cases in which the defendant free-rides on a copyrighted work but the copyright holder cannot show any economic harm. In these cases, the copyright holder might argue a privacy-based interest in metering or controlling the precise amount of exposure that her copyrighted work receives.³⁶⁷ *Time* holds that there is no absolute right against such unwanted publicity, and its reasoning would apply with even greater force in most copyright cases. First, as was previously discussed, copyright infringement cases typically do not involve false assertions of fact but rather the use of a copyrighted work to convey opinions or ideas. Opinions and ideas are entitled to much greater protection under the First Amendment than false factual assertions, especially because they are often matters of public interest. Second, the privacy interest at stake in most copyright cases is less weighty than in a case like *Time*. Except in cases involving unpublished works, the nature of the interest at stake in copyright infringement cases is more of a commercial interest against free-riding than a privacy interest in avoiding public exposure of one’s personal affairs and life experiences. Moreover, the copyright holder has already

364. *Id.* at 397 (quoting *Joseph Burstyn, Inc. v. Wilson*, 343 U.S. 495, 501–02 (1952)).

365. *Id.* at 388.

366. *Id.*

367. See, e.g., *Ty, Inc. v. W. Highland Publ’g, Inc.*, No. 98 L 4091, 1998 WL 698922, at *16 (N.D. Ill. Oct. 5, 1998) (owner of copyrights in Beanie Babies stuffed animals attempted to maintain long-term value of the collectibles by restricting short-term availability and exposure).

made the decision to go public, so that any additional “invasion of privacy” is likely to be marginal.

The Supreme Court’s decision in *Florida Star v. B.J.F.* likewise precludes recognizing a privacy-based right in copyright holders to prevent otherwise harmless uses of their copyrighted works.³⁶⁸ There, the Court held that First Amendment protection extended to truthful but unauthorized publication of a rape victim’s name in a widely-circulated newspaper.³⁶⁹ The plaintiff had filed a police report alleging that she had been robbed and raped by an unknown assailant.³⁷⁰ A reporter lawfully obtained a copy of the police report and copied its information, including the victim’s full name, into a short article in the “Police Reports” section of the paper.³⁷¹ The plaintiff then sued under a Florida privacy statute that made it unlawful for any person to “print, publish, or broadcast . . . in any instrument of mass communication the name, address, or other identifying fact or information of the victim of any sexual offense.”³⁷²

The Court held that the statute violated the First Amendment.³⁷³ It emphasized that “state officials may not constitutionally punish publication of the information, absent a need to further a state interest of the highest order.”³⁷⁴ Applying this principle, the Court examined the three government interests behind the statute: “the privacy of victims of sexual offenses; the physical safety of such victims, who may be targeted for retaliation if their names become known to their assailants; and the goal of encouraging victims of such crimes to report these offenses without fear of exposure.”³⁷⁵ While acknowledging that “these are highly significant interests,” the Court held that the statute was not necessary to further those interests in that particular case.³⁷⁶ One of the Court’s main objections to the statute was that it did not require “case-by-case findings” regarding the harm caused by the invasion of privacy but rather imposed liability broadly, based solely on the fact of publication. Thus, the statute essentially presumed harm from the publication “regardless of whether the identity of the victim is already known throughout the community; whether the victim has voluntarily called public attention to

368. 491 U.S. 524 (1989).

369. *Id.* at 527–29.

370. *Id.* at 527.

371. *Id.*

372. *Id.* at 526 n.1 (quoting FLA. STAT. § 794.03 (1987)).

373. *Id.*

374. *Id.* at 533 (quoting *Smith v. Daily Mail Publ’g, Inc.*, 443 U.S. 97, 103 (1979)).

375. *Id.* at 537.

376. *Id.* While the Court did not preclude the possibility that, “in a proper case,” imposing liability for publishing a rape victim’s name might be “overwhelmingly necessary,” it declined to do so in the case at bar, reasoning that its circumstances did not justify such an “extreme step.” *See id.*

the offense; or whether the identity of the victim has otherwise become a reasonable subject of public concern.”³⁷⁷

If First Amendment concerns are weighty enough to prevent courts and legislatures from presuming harm to privacy from the publication of a rape victim’s name, then surely courts should not presume similar harm from the copying of copyrighted material. There are many more situations in which copying does not harm copyright holders than there are situations in which publishing a rape victim’s name does not harm the rape victim. It also seems fairly obvious that the harm to copyright holders, when it does occur, is much less severe than the harm to rape victims. Just as the First Amendment required a showing that application of the Florida Statute was necessary to remedy harm to the governmental interests in protecting rape victims in *Florida Star*, so too it requires a showing that application of the Copyright Act is necessary to remedy harm to the governmental interest in encouraging the production and dissemination of copyrighted works.³⁷⁸

Moreover, it is significant that the Court suggested it would not find a violation of privacy for unwanted publicity where the identity of the victim was already known or where the victim had already “voluntarily called public attention to the offense.”³⁷⁹ In those cases, the harm associated with the unwanted publicity would not be substantial enough to outweigh First Amendment protection of comment on news events. Likewise, in most copyright cases—again, except those involving unpublished works³⁸⁰—the copyright holders have already chosen to expose their works to public comment. The *Florida Star* case indicates that the additional publicity associated with that particular use probably would not cause harm sufficient to justify prohibiting it.

In summary, in order to satisfy First Amendment concerns, copyright law must require a likelihood of real harm in copyright infringement cases. As the foregoing sections show, copyright harm clearly includes the harm of market substitution, where the defendant’s use of plaintiff’s copyrighted material actually supplants the market for

377. *Id.* at 539.

378. It is perhaps worth noting that both *Florida Star v. B.J.F.*, 491 U.S. 525, and *Smith v. Daily Mail Publishing*, 443 U.S. 97, involved content-based speech restrictions and were therefore subject to strict scrutiny. As I have argued, copyright law is arguably an analogous content-based law. See *supra* notes 124–34 and accompanying text. Moreover, even if copyright law is content-neutral, it requires similar (though perhaps less demanding) consideration of harm to government interests. Indeed, in *Bartnicki v. Vopper*, 532 U.S. 524, 527–28 (2001), which involved a content-neutral speech regulation, the Court referred to the *Smith* and *Florida Star* decisions for guidance in evaluating the constitutionality of the speech regulation.

379. *Florida Star*, 491 U.S. at 539.

380. See generally *Salinger v. Random House, Inc.*, 811 F.2d 90 (2d Cir. 1987) (finding that biographer’s use of unpublished letters belonging to reclusive writer J.D. Salinger did not constitute fair use).

the copyrighted work in a way that is likely to decrease economic incentives to create or distribute the work. By contrast, the First Amendment severely limits judicial recognition of nonmarket harms. Thus, courts may not recognize harm to reputation caused by criticism or disparagement. Furthermore, except in cases involving the copying of unpublished works, courts ordinarily should not recognize harm to the plaintiff's right not to speak or to privacy.

VI. SUMMARY OF REFORMS AND FURTHER CONSIDERATIONS

First, and in summary, the First Amendment requires proof of harm for copyright infringement. Yet it permits courts to recognize only certain kinds of harm in copyright infringement cases. In cases challenging the use of unpublished works, courts may recognize harm to the copyright holder's privacy or right not to speak. Courts should view uses of unpublished works very skeptically, maintaining the current rule that such uses will ordinarily be deemed infringing.

In all other cases, courts should recognize harm only when copyright holders suffer monetary loss of a nature that is likely to decrease ex ante incentives to create or distribute copyrighted works. The harm must be real and not merely speculative, just as it is required to be in other cases involving speech. A court should find liability for copyright infringement only if, as in *Zacchini*, the defendant's use directly impacts the plaintiff's ability to create or distribute her work by supplanting the market for it.³⁸¹ On the other hand, a court should find that the First Amendment trumps infringement where, as in the Eighth Circuit's fantasy baseball case, the defendant has engaged in copying of a kind or amount that is unlikely to decrease the plaintiff's incentives.³⁸² Thus, courts should not find copyright infringement when the only apparent harm is the inability to obtain a license fee for use of a work in a remote market. As we have seen, the First Amendment requires (at the least) that speech regulations be justified by an important government interest, and narrowly tailored to achieve that interest. As such, it allows the government to grant copyright holders "sufficient incentives" but not "perfect control."³⁸³

381. See 433 U.S. 562, 563–64 (1977).

382. See *C.B.C. Distribution & Mktg. v. Major League Baseball Advanced Media, L.P.*, 505 F.3d 818, 820 (8th Cir. 2007). The right-of-publicity cases provide a useful illustration, as they are very similar to copyright infringement cases. As the *Zacchini* Court noted, the governmental interest behind both laws is to compensate people in order to give them incentives to produce works or performances that are of interest to the public. See 433 U.S. at 576. Moreover, rights of publicity and copyrights are potentially more detrimental to speech than other laws like defamation because they prohibit speech even when it is not false or misleading. See Lemley & Volokh, *Injunctions*, *supra* note 1, at 227.

383. See Sara K. Stadler, *Incentive and Expectation in Copyright*, 58 HASTINGS L.J. 433, 434 (2007) (quoting Lawrence Lessig, *Intellectual Property and Code*, 11 ST. JOHN'S J. LEGAL COMMENT. 635, 638 (1996)) (discussing the need to give copyright holders "sufficient incentive" but not "perfect control").

Copyright harm must also take into account (i.e., be offset by) any increased profits that the copyright holder enjoys as a result of the alleged infringement. This approach follows the Court's admonition in *Zacchini* that the "human cannonball" petitioner would have to show net harm because it was possible that "respondent's news broadcast increased the value of petitioner's performance by stimulating the public's interest in seeing the act live."³⁸⁴ If there is no provable net harm once offsetting gains have been taken into account, then there is no government interest in suppressing the speech.

Moreover, to the extent that courts have begun to emphasize transformativeness over harm, they should reverse that trend. The transformativeness of the defendant's use is relevant to whether the use supplants the market for the copyright holder's work and also to whether the value of the defendant's work outweighs harm to the copyright holder. But transformativeness should not be required where the copyright holder cannot show harm. Where there is no harm, there is no sufficient government interest in suppressing the defendant's use, regardless of whether the use is transformative.

Second, the burden of proof on harm must be assigned appropriately. Where the defendant engages in close copying of the plaintiff's work in the plaintiff's most foreseeable markets, harm to the copyright holder's incentives can probably be presumed. In all other infringement cases, however, the plaintiff (as the proponent of the speech restriction) must bear the burden of proof to show harm, just as plaintiffs typically bear the burden of proof to show harm in other types of speech cases.³⁸⁵ This allocation of the burden of proof is consistent with direct First Amendment scrutiny. But even if courts assess harm as part of fair use analysis, this allocation probably would not require statutory amendment. As was previously noted, the Copyright Act does not characterize fair use as an affirmative defense but simply says that fair use "is not an infringement of copyright."

Third, where possible, damages in copyright infringement claims should be commensurate with actual harm in order to avoid unnecessary burdens on speech. First Amendment scrutiny already limits damages in this way. As the Court made clear in *Gertz*, "the States have no substantial interest in securing for plaintiffs . . . gratuitous awards of money damages far in excess of any actual injury."³⁸⁶ In addition, the language of the Copyright Act's damages provision permits this

384. 433 U.S. at 575 n.12.

385. For a somewhat similar approach to copyright infringement based on an antitrust model, see Christopher Sprigman, *Copyright and the Rule of Reason*, 7 J. ON TELECOMM. & HIGH TECH. L. 317, 324-25 (2009), which argues that copyright cases should be divided into "per se" and "rule of reason" infringement categories.

386. 418 U.S. 323, 349 (1974).

approach in most cases. Because § 504(a) allows the copyright holder to recover her “actual damages *and any additional profits* of the infringer,”³⁸⁷ it may be read to mean that the copyright holder is entitled to recover the infringer’s profits only where there are actual damages. This view would require infringers to disgorge only those profits resulting from harmful acts of infringement. The effect would be to discourage only harmful speech. On the other hand, because the statutory damages provision grants an award of damages within a fixed statutory range,³⁸⁸ it might have to be amended to allow statutory damages only where the infringement is harmful. Statutory damages would continue to be important where the fact of harm is clear but the precise amount is difficult to prove.

CONCLUSION

As copyright law restricts more and more uses of copyrighted works, it encroaches upon the ability of others to express themselves through the use of those works. Yet courts generally do not apply First Amendment scrutiny in copyright cases. Copyright law thus exists as an anomaly within First Amendment law, which generally holds that the government may not prohibit speech without a showing that the speech causes harm. While other speech-burdening laws, such as defamation and right-of-publicity laws, require a showing that the plaintiff has suffered or is likely to suffer harm as a result of the speech, copyright law does not make harm a requirement of infringement. Although copyright law considers harm to the market for the copyrighted work as a factor in fair use analysis, harm is not always required and is poorly defined. Moreover, the defendant bears the burden of proof to show the absence of harm in most cases.

The reasons for ignoring speech concerns in copyright law are inapt and unpersuasive. Copying involves speech as well as conduct, and the fact that copyrights can be viewed as property does not justify their exceptional treatment. Moreover, copyright’s role as the “engine of free expression” does not obviate First Amendment concerns. Rather, it provides a way to reconcile copyright law and free speech. By requiring real harm to the copyright holder’s incentives, and defining harm so as to be consistent with First Amendment principles, copyright law can enforce copyrights where necessary to serve its incentive purpose while avoiding unnecessary burdens on harmless speech.

387. See 17 U.S.C. § 504(a) (2006) (emphasis added).

388. See *id.* § 504(b) (copyright holder entitled to statutory damages “in a sum of not less than \$750 or more than \$30,000 as the court considers just,” but the court may increase the maximum award to \$150,000 in cases of willful infringement or decrease the minimum to \$200 in cases of innocent infringement).